

## **ANNEX 1: Statement of the Resources Director**

***I declare that in accordance with the Commission's communication on clarification of the responsibilities of the key actors in the domain of internal audit and internal control in the Commission<sup>1</sup>, I have reported my advice and recommendations to the Director-General on the overall state of internal control in the DG HOME.***

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

**Date**            **23/03/2016**

**Thierry Cretin,**

**Director Shared Resource Directorate Justice and Consumers and Migration and Home Affairs**

**(signed)**

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

## ANNEX 2: Human and Financial resources

HOME

Human Resources by ABB activity <sup>1</sup>				
Code ABB Activity	ABB Activity	Establishment Plan posts	External Personnel	Total
18 02	Internal Security <sup>2</sup>	127	26	153
18 03	Asylum and Migration	122	17	139
18 05	Horizon 2020	16	10	26
18 06	Anti-drugs	9	2	11
18 AWBL-02	Policy strategy and coordination for the Directorate-General for Migration and Home Affairs <sup>3</sup>	106	19	125
<b>Total</b>		<b>380</b>	<b>74</b>	<b>454</b>

Human Resources by ABB activity				
Code ABB Activity	ABB Activity	Establishment Plan posts	External Personnel	Total
18-33 01	Shared management for DG Justice and Consumers, and DG Migration and Home Affairs	66	21	87
<b>Total</b>		<b>66</b>	<b>21</b>	<b>87</b>

<sup>1</sup> Due to the re-organization of 1/01/2015 and missing ABB codes in 2015, the posts of units HOME.A1, B1, B2, B3, C2, C3, E2 and E3 could not be labelled correctly. Hence, the above figures contain incoherencies which will be addressed in 2016.

<sup>2</sup> Includes 2 posts AD in HOME.B.REA.B4

<sup>3</sup> Includes 1 post AD in HOME.A.EACEA.C.1

## Implementation of the global envelope

BUDGET LINES CONCERNED: 18 01 02 11 00 01 TO 18 01 02 11 00 06  
(based on information received from BUDG services following 2017 budget circular)

		Appropriations 2015 (C1)			Appropriations carried over from 2014 (C8)	
Budget Position	Title	Appropriations	Commitment	Payment	Appropriations	Payment
18.010211.00	Direct posting	1.720.980			254.708,77	
18.010211.00.01.10	Mission expenses		1.065.921	867.408		80.414,92
18.010211.00.01.30	Representation expenses		10.000	7.093		1.028,88
18.010211.00.02.20	Meeting costs		382.000	270.872		75.559,24
18.010211.00.02.40	Conference costs		4.750	3.645		941,47
18.010211.00.03	Meetings of committees		258.309	181.394		33.743,97
18.010211.00.06	Further training and management training	65.327	65.327	53.218		31.307,40
<b>Total</b>		<b>1.786.307</b>	<b>1.786.307</b>	<b>1.383.630</b>	<b>254.708,77</b>	<b>222.995,88</b>

**Annex 3 Financial Reports - DG HOME - Financial Year 2015**

**Table 1 : Commitments**

**Table 2 : Payments**

**Table 3 : Commitments to be settled**

**Table 4 : Balance Sheet**

**Table 5 : Statement of Financial Performance**

**Table 6 : Average Payment Times**

**Table 7 : Income**

**Table 8 : Recovery of undue Payments**

**Table 9 : Ageing Balance of Recovery Orders**

**Table 10 : Waivers of Recovery Orders**

**Table 11 : Negotiated Procedures (excluding Building Contracts)**

**Table 12 : Summary of Procedures (excluding Building Contracts)**

**Table 13 : Building Contracts**

**Table 14 : Contracts declared Secret**

## Additional comments

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

#### 1. Financial Reports

##### **Commitments (Table 1)**

As compared to 2014, the total budget increased by € 689 M. Budget implementation rate reached 98.70% of total commitments appropriations (compared to 40.62% last year).

##### **Payments (Table 2)**

The implementation of payment appropriations amounts to 97.94%, comparable with previous years implementation rate. It should be noted that payment appropriations made available in 2015 drastically increased compared to 2014, passing from € 770 M to € 1.228 i.e. a 56% increase. This is partly explained by the new portfolios of the DG - security research (€79.2 M) "European Citizenship programme" (€3.64M), and the Drug Programme from DG JUST (€ 2.83), but mainly by the increase of appropriations during the year for AMIF and ISF funds in order to address the refugee and migration crisis.

##### **Breakdown of Commitments to be settled (Table 3)**

The amount of RAL increased by € 526 M compared to the previous year, reflecting the high increase in appropriations.

##### **Revenue and income (Table 7)**

Recovery orders for an amount of € 38M have been issued in 2015 compared to €3M in 2014. In addition to this, cashed amounts have drastically increased during the year from Member States (€ 8M from Spain, €3,6M from Italy) and traditional agencies (EUROPOL, EASO).

#### 2. Draft Annual Accounts

##### **Methodology and accounting principles**

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

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

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

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

#### ***Balance Sheet (Table 4)***

Non-current assets show the long-term share of pre-financings. In 2015, there is a high increase of non-current assets compared to 2014. This is mainly due to the new transactions inherited from ex-DG GROW (new HOME B4 dealing with research transactions), together with the signature of new Delegation Agreements with some Agencies.

Current assets represent short-term pre-financings and short-term receivables. The level of current assets has decreased (from € 377 M to € 143 M) due to the new legislation in place for the new Funds (3% short term pre-financing for AMIF/ISF in 2015 whilst in previous funds, pre-financing rates were much higher).

It should also be noted that receivables show a sharp increase (from € 0.679 M to € 2.82 M in 2015); exchange receivables are higher due to a higher number of ex-post audits, whilst the higher amount of non-exchange receivables can be explained by the closure of the old (SOLID) funds and subsequent recoveries towards Member States during the year.

#### ***Statement of financial performance (Table 5)***

Recovery of expenses is nearly nine times higher than last year, which is explained by a huge activity throughout the year by the financial units to close 2007-13 programmes in shared management and subsequent financial corrections, mainly (SOLID funds).

Other non-exchange revenue shows however a decrease compared to last year (from € 2.67 M to € 1.20 M), as EFTA contributions are systematically based on a small payment activity in year n-1. Indeed, contributions for SIS II and VIS were calculated as every year on the basis of payments executed the year before. The associated countries contribute with an annual sum for the relevant financial year, calculated in accordance with their gross domestic product as a percentage of the gross domestic product of all the participating States. Considering the financial independence of eu-LISA in May 2013, payments executed by DG HOME for SIS II and VIS were lower and contributions from the associated countries decreased accordingly.

### **3. Management reporting**

#### ***Payment time limits (Table 6)***

Globally, average payment times for 2015 are higher than in 2014. The general statistics at the level of all payments performed in the DG show that 10.37% of payments have been made later than the legal times (8.47% in 2014). This however must be put in perspective with the increase of payments made throughout the year (20% payments more than in 2014) considering the supplementary budget put at disposal of the DG throughout the year to partially cope with the migration crisis (AMIF/ISF), without the same rate of increase of staff to deal with those transactions.

**Recovery context (Table 8)**

The recovery activity of DG HOME during 2015 is worth mentioning, showing an important increase both in numbers (from 288 in 2014 to 326 in 2015) and in amounts recovered (€ 63M compared to €26 M last year). This is due to the closure of programmes in the context of shared management (SOLID funds).

**Ageing Balance (Table 9)**

This report lists outstanding recovery orders by their year of emission. From 12 recovery orders issued in 2014 and not yet cashed at 31 December 2014, 10 have been recovered during the year 2015. 3 recovery orders are a backlog from 2008 and 2009, however limited in amounts (€0.213 M). The open amount at year end is € 2.8M (4 times higher than in 2014) due to new recovery orders (14) issued during the year.

**Negotiated Procedures (Tables 11 and 12)**

Negotiated procedures are used when the price for a good or service has to be established by negotiation. This procedure should be used on an exceptional basis (no one for 2015).

Although the number of open procedures is relatively stable (5 in 2014, 6 in 2015), the amount concerned however shows a sharp increase (€1.5M in 2014 to €72M in 2015), as DG HOME launched 2 important calls for tenders, one related to the Radicalisation Awareness Network (RAN) and one related to the organisation of events for the whole DG.

<b>TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS IN 2015 (in Mio €)</b>					
			Commitment appropriations authorised	Commitments made	%
			1	2	3=2/1
<b>Title 02 Enterprise and industry</b>					
02	02 01	Administrative expenditure of the 'Enterprise and industry' policy area	3,348206	3,33588208	99,63 %
	02 04	Horizon 2020 - Research relating to enterprises	64,68231665	62,66819119	96,89 %
<b>Total Title 02</b>			68,03052265	66,00407327	97,02%
<b>Title 16 Communication</b>					
16	16 01	Administrative expenditure of the 'Communication' policy area	2,5632522	2,43361438	94,94 %
	16 02	Fostering European citizenship	0,05661536	0	0,00 %
<b>Total Title 16</b>			2,61986756	2,43361438	92,89%
<b>Title 18 Home affairs</b>					
18	18 01	Administrative expenditure of the 'Home affairs' policy area	6,20685377	5,47820206	88,26 %
	18 02	Internal Security	981,4588578	971,5786539	98,99 %
	18 03	Asylum and Migration	838,9857833	827,0706869	98,58 %
<b>Total Title 18</b>			1826,651495	1804,127543	98,77%
<b>Title 33 Justice</b>					
33	33 01	Administrative expenditure of the 'Justice' policy area	0,07492	0,067026	89,46 %
	33 03	Justice	3,00088503	3	99,97 %
<b>Total Title 33</b>			3,07580503	3,067026	99,71%
<b>Total DG HOME</b>			1900,37769	1875,632256	98,70 %

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



% Outturn on commitment appropriations

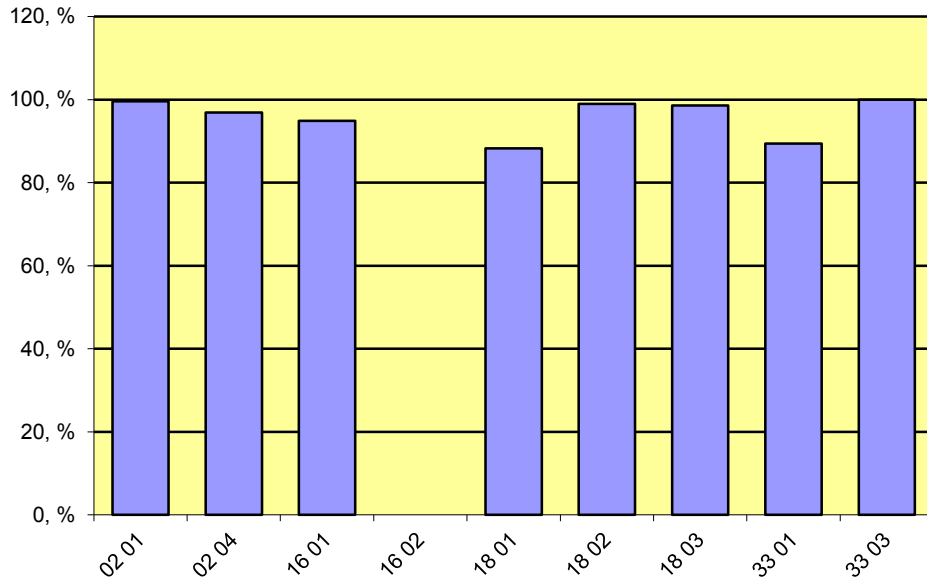


TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS IN 2015 (in Mio €)					
Chapter			Payment appropriations authorised *	Payments made	%
			1	2	3=2/1
<b>Title 02 Enterprise and industry</b>					
02	02 01	Administrative expenditure of the 'Enterprise and industry' policy area	3,348206	2,65335382	79,25 %
	02 04	Horizon 2020 - Research relating to enterprises	75,84743009	63,57602325	83,82 %
<b>Total Title 02</b>			79,19563609	66,22937707	83,63%
<b>Title 16 Communication</b>					
16	16 01	Administrative expenditure of the 'Communication' policy area	2,7334563	2,23331664	81,70 %
	16 02	Fostering European citizenship	0,90597769	0,88686288	97,89 %
<b>Total Title 16</b>			3,63943399	3,12017952	85,73%
<b>Title 18 Home affairs</b>					
18	18 01	Administrative expenditure of the 'Home affairs' policy area	8,04859686	3,66407276	45,52 %
	18 02	Internal Security	704,8214113	699,5761074	99,26 %
	18 03	Asylum and Migration	429,9196429	427,8252593	99,51 %
<b>Total Title 18</b>			1142,789651	1131,065439	98,97%
<b>Title 33 Justice</b>					
33	33 01	Administrative expenditure of the 'Justice' policy area	0,07492	0,0323925	43,24 %
	33 03	Justice	2,75953203	2,74497229	99,47 %
<b>Total Title 33</b>			2,83445203	2,77736479	97,99%
<b>Total DG HOME</b>			1228,459173	1203,192361	97,94 %

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

"=% Outturn on payment appropriations"

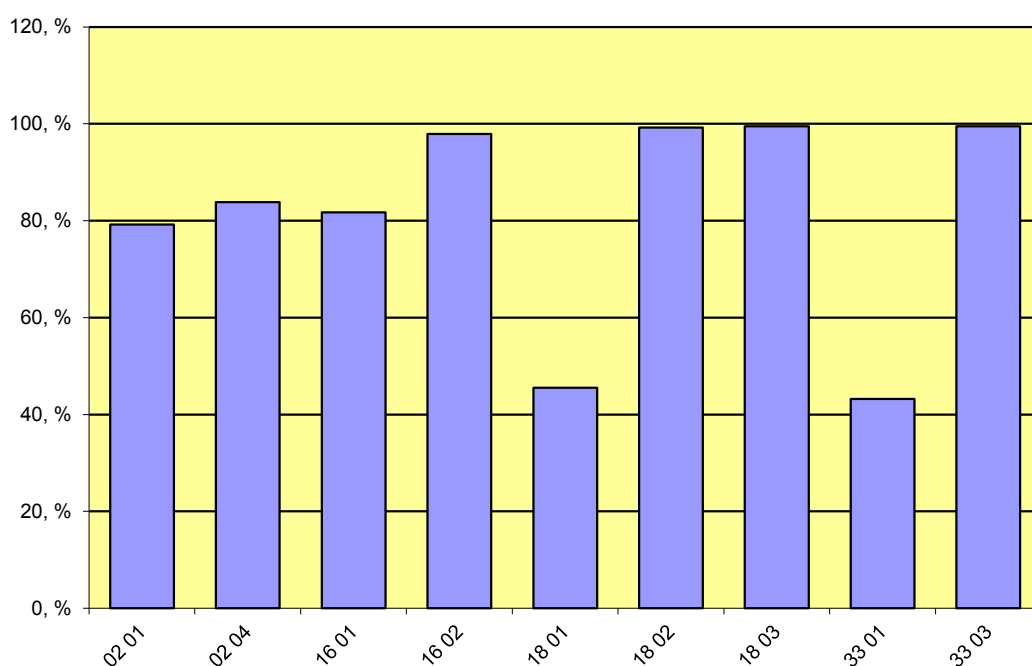


TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2015 (in Mio €)									
Chapter			2015 Commitments to be settled				Commitments to be settled from financial years previous to 2015	Total of commitments to be settled at end of financial year 2015 (incl corrections)	Total of commitments to be settled at end of financial year 2014 (incl. corrections)
			Commitments 2015	Payments 2015	RAL 2015	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
<b>Title 02 : Enterprise and industry</b>									
02	02 01	Administrative expenditure of the 'Enterprise and industry' policy area	3,29243826	2,65	0,63908444	19,41 %	0,00	0,64	0,00
	02 04	Horizon 2020 - Research relating to enterprises	62,66819119	0,23	62,43558027	99,63 %	76,79	139,23	140,19
<b>Total Title 02</b>			<b>65,96062945</b>	<b>2,89</b>	<b>63,07466471</b>	<b>95,62%</b>	<b>76,79325282</b>	<b>139,8679175</b>	<b>140,1851177</b>
<b>Title 16 : Communication</b>									
16	16 01	Administrative expenditure of the 'Communication' policy area	2,43361438	2,07	0,36661438	15,06 %	0,00	0,37	0,17
	16 02	Fostering European citizenship	0	0,00	0	#DIV/0	0,55	0,55	1,52
<b>Total Title 16</b>			<b>2,43361438</b>	<b>2,07</b>	<b>0,36661438</b>	<b>15,06%</b>	<b>0,545</b>	<b>0,91161438</b>	<b>1,69117735</b>
<b>Title 18 : Home affairs</b>									
18	18 01	Administrative expenditure of the 'Home affairs' policy area	5,47820206	2,04	3,43772622	62,75 %	0,00	3,44	1,84
	18 02	Internal Security	971,5786539	467,44	504,140995	51,89 %	615,61	1.119,75	881,82
	18 03	Asylum and Migration	827,0706869	259,83	567,2433759	68,58 %	420,49	987,74	700,74
<b>Total Title 18</b>			<b>1804,127543</b>	<b>729,31</b>	<b>1074,822097</b>	<b>59,58%</b>	<b>1036,102062</b>	<b>2110,924159</b>	<b>1584,401501</b>
<b>Title 33 : Justice</b>									
33	33 01	Administrative expenditure of the 'Justice' policy area	0,067026	0,03	0,0346335	51,67 %	0,00	0,03	0,00
	33 03	Justice	3	0,00	3	100,00 %	2,38	5,38	5,17
<b>Total Title 33</b>			<b>3,067026</b>	<b>0,03</b>	<b>3,0346335</b>	<b>98,94%</b>	<b>2,38309872</b>	<b>5,41773222</b>	<b>5,16547031</b>
<b>Total DG HOME</b>			<b>1875,588813</b>	<b>734,29</b>	<b>1141,29801</b>	<b>60,85 %</b>	<b>1115,823414</b>	<b>2257,121423</b>	<b>1731,443266</b>

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

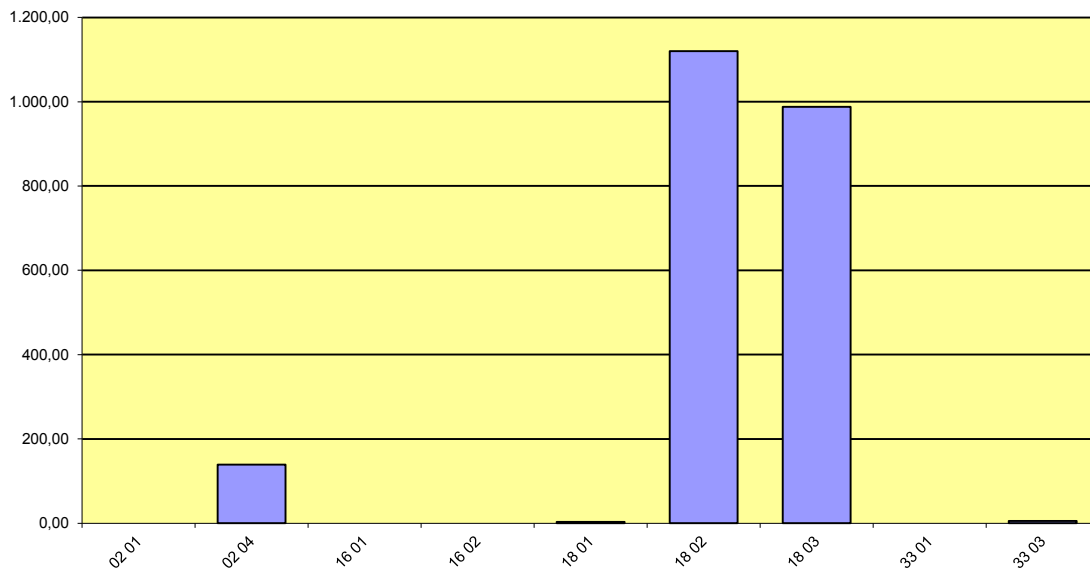


TABLE 4 : BALANCE SHEET

BALANCE SHEET	2015	2014
<b>A.I. NON CURRENT ASSETS</b>	<b>240174361,3</b>	<b>52890201,98</b>
A.I.2. Property, plant and equipment	0,00	0,00
A.I.6. Non-Current Pre-Financing	240.174.361,30	52.890.201,98
A.I.7. OLD LT Pre-Financing		0,00
<b>A.II. CURRENT ASSETS</b>	<b>148127863,8</b>	<b>377965413</b>
A.II.2. Current Pre-Financing	145.308.618,71	377.286.436,81
A.II.4. Exchange Receivables	1.257.132,35	230.143,29
A.II.5. Non-Exchange Receivables	1.562.112,72	448.832,86
<b>ASSETS</b>	<b>388302225,1</b>	<b>430855614,9</b>
<b>P.III. CURRENT LIABILITIES</b>	<b>-608295942,3</b>	<b>-481676218,4</b>
P.III.4. Accounts Payable	-138.741.289,65	-161.927.955,91
P.III.5. Accrued charges and deferred income	-469.554.652,60	-319.748.262,46
<b>LIABILITIES</b>	<b>-608295942,3</b>	<b>-481676218,4</b>
<b>NET ASSETS (ASSETS less LIABILITIES)</b>	<b>-219993717,2</b>	<b>-50.820.603,43</b>
P.I.2. Accumulated Surplus / Deficit	2002460765	511730253,9
Non-allocated central (surplus)/deficit*	-1782467048	-460909650,5
<b>TOTAL</b>	<b>0,00</b>	<b>0,00</b>

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

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

**TABLE 5 : STATEMENT OF FINANCIAL PERFORMANCE**

<b>STATEMENT OF FINANCIAL PERFORMANCE</b>	<b>2015</b>	<b>2014</b>
II.1 REVENUES	-7720197,32	-1290139,25
II.1.1. NON-EXCHANGE REVENUES	-11706489,55	-3824101,66
II.1.1.5. RECOVERY OF EXPENSES	-10.506.896,25	-1.156.347,37
II.1.1.6. OTHER NON-EXCHANGE REVENUES	-1.199.593,30	-2.667.754,29
II.1.2. EXCHANGE REVENUES	3986292,23	2533962,41
II.1.2.1. FINANCIAL INCOME	-62.723,76	-67.593,95
II.1.2.2. OTHER EXCHANGE REVENUE	4.049.015,99	2.601.556,36
II.2. EXPENSES	1401687054	1492020650
II.2. EXPENSES	1401687054	1492020650
II.2.10. OTHER EXPENSES	27.880.215,24	10.708.827,64
II.2.1. EXP IMPL BY MEMBER STATES (SHARED)	802.654.454,24	1.109.436.762,35
II.2.2. EXP IMPL BY COMMISS&EX.AGENC. (DM)	235.425.906,70	132.476.566,80
II.2.3. EXP IMPL BY OTH EU AGENC&BODIES (IM)	334.308.900,48	238.056.076,94
II.2.4. EXP IMPL BY 3RD CNTR & INT ORG (IM)	1.416.631,42	545.382,56
II.2.8. FINANCE COSTS	945,44	797.034,07
<b>STATEMENT OF FINANCIAL PERFORMANCE</b>	<b>1.393.966.856,20</b>	<b>1.490.730.511,11</b>

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

**TABLE 6: AVERAGE PAYMENT TIMES FOR 2015 - DG HOME**

<b>Legal Times</b>							
Maximum Payment Time (Days)	Total Number of Payments	Nbr of Payments within Time Limit	Percentage	Average Payment Times (Days)	Nbr of Late Payments	Percentage	Average Payment Times (Days)
20	2	1	50,00 %	10	1	50,00 %	21
30	680	641	94,26 %	14,09048362	39	5,74 %	38,48717949
45	31	25	80,65 %	23,24	6	19,35 %	60,16666667
46	1	1	100,00 %	42			
50	4	4	100,00 %	46,5			
60	239	202	84,52 %	24,78217822	37	15,48 %	214,8108108
90	224	183	81,70 %	48,76502732	41	18,30 %	132,5853659
105	1	1	100,00 %	15			
365	14	14	100,00 %	30,14285714			

<b>Total Number of Payments</b>	<b>1196</b>	<b>1072</b>	<b>89,63 %</b>		<b>124</b>	<b>10,37 %</b>	
<b>Average Payment Time</b>	<b>33,01421405</b>			<b>22,59141791</b>			<b>123,1209677</b>

<b>Target Times</b>							
Target Payment Time (Days)	Total Number of Payments	Nbr of Payments within Target Time	Percentage	Average Payment Times (Days)	Nbr of Late Payments	Percentage	Average Payment Times (Days)
20	159	116	72,96 %	10,5862069	43	27,04 %	39,1627907
30	281	220	78,29 %	13,89545455	61	21,71 %	139,3114754
45	2	2	100,00 %	38			
75	92	36	39,13 %	52,72222222	56	60,87 %	111,2142857

<b>Total Number of Payments</b>	<b>534</b>	<b>374</b>	<b>70,04 %</b>		<b>160</b>	<b>29,96 %</b>	
<b>Average Payment Time</b>	<b>42,45131086</b>			<b>16,73529412</b>			<b>102,5625</b>

<b>Suspensions</b>							
Average Report Approval Suspension	Average Payment Suspension Days	Number of Suspended Payments	% of Total Number	Total Number of Payments	Amount of Suspended Payments	% of Total Amount	Total Paid Amount
26	61	321	26,84 %	1196	299.839.793,50	27,71 %	1.082.204.855,29

<b>Late Interest paid in 2015</b>			
DG	GL Account	Description	Amount (Eur)
HOME	65010100	Interest on late payment of charges New FR	945,44
			<b>945,44</b>

**TABLE 7 : SITUATION ON REVENUE AND INCOME IN 2015**

Chapter	Revenue and income recognized			Revenue and income cashed from			Outstanding balance	
	Current year RO	Carried over RO	Total	Current Year RO	Carried over RO	Total		
	1	2	3=1+2	4	5	6=4+5		
52	REVENUE FROM INVESTMENTS OR LOANS GRANTED, BANK AND OTHER INTEREST	41638,34	0	41638,34	41638,34	0	41638,34	0
59	OTHER REVENUE ARISING FROM ADMINISTRATIVE MANAGEMENT	63159,81	0	63159,81	63159,81	0	63159,81	0
60	CONTRIBUTIONS TO UNION PROGRAMMES	105000	0	105000	104858	0	104858	142
63	CONTRIBUTIONS UNDER SPECIFIC AGREEMENTS	998204,33	15039,25	1013243,58	763498,39	14954,34	778452,73	234790,85
66	OTHER CONTRIBUTIONS AND REFUNDS	36066994,65	663936,9	36730931,55	33813066,92	434365,41	34247432,33	2483499,22
90	MISCELLANEOUS REVENUE	88965,5	0	88965,5	0	0	0	88965,5
<b>Total DG HOME</b>		<b>37363962,63</b>	<b>678976,15</b>	<b>38042938,78</b>	<b>34786221,46</b>	<b>449319,75</b>	<b>35235541,21</b>	<b>2807397,57</b>

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

INCOME BUDGET RECOVERY ORDERS ISSUED IN 2015  Year of Origin (commitment)	Irregularity		Total undue payments recovered		Total transactions in recovery context(incl. non-qualified)		% Qualified/Total RC	
	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount
2006	1	36130,22	1	36.130,22	2	39.593,62	50,00%	91,25%
2008	9	2734576,91	9	2.734.576,91	11	7.506.144,03	81,82%	36,43%
2009	9	6164526,99	9	6.164.526,99	13	10.127.462,22	69,23%	60,87%
2010	13	336130,73	13	336.130,73	15	1.196.036,70	86,67%	28,10%
2011	8	1546536,78	8	1.546.536,78	25	5.577.674,96	32,00%	27,73%
2012	4	59972,2	4	59.972,20	46	5.418.625,41	8,70%	1,11%
2013					13	1.814.920,25		
2014					10	4.109.128,38		
2015					2	16.538,01		
No Link	1	59376,3	1	59.376,30	2	66.799,77	50,00%	88,89%
<b>Sub-Total</b>	<b>45</b>	<b>10937250,13</b>	<b>45</b>	<b>10.937.250,13</b>	<b>139</b>	<b>35.872.923,35</b>	<b>32,37%</b>	<b>30,49%</b>

EXPENSES BUDGET	Error		Irregularity		OLAF Notified		Total undue payments recovered		Total transactions in recovery context(incl. non- qualified)		% Qualified/Total RC	
	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount
INCOME LINES IN INVOICES									1	107,90		
NON ELIGIBLE IN COST CLAIMS	7	65979,47	140	26103293,46			147	26169272,93	147	26.169.272,93	100,00%	100,00%
CREDIT NOTES	19	182830,14	8	560271,48			27	743101,62	39	1.010.384,21	69,23%	73,55%
<b>Sub-Total</b>	<b>26</b>	<b>248809,61</b>	<b>148</b>	<b>26663564,94</b>			<b>174</b>	<b>26912374,55</b>	<b>187</b>	<b>27179765,04</b>	<b>93,05%</b>	<b>99,02%</b>
<b>GRAND TOTAL</b>	<b>26</b>	<b>248809,61</b>	<b>193</b>	<b>37600815,07</b>			<b>219</b>	<b>37849624,68</b>	<b>326</b>	<b>63052688,39</b>	<b>67,18%</b>	<b>42,68%</b>



**TABLE 9: AGEING BALANCE OF RECOVERY ORDERS AT 31/12/2015 FOR HOME**

	<b>Number at 01/01/2015</b>	<b>Number at 31/12/2015</b>	<b>Evolution</b>	<b>Open Amount (Eur) at 01/01/2015</b>	<b>Open Amount (Eur) at 31/12/2015</b>	<b>Evolution</b>
2008	1	1	0,00 %	128.250,00	128.250,00	0,00 %
2009	2	2	0,00 %	85.659,56	85.659,56	0,00 %
2014	12	2	-83,33 %	465.066,59	15.746,84	-96,61 %
2015		14			2.577.741,17	
	15	19	26,67 %	678.976,15	2.807.397,57	313,48 %

**TABLE 10 : RECOVERY ORDER WAIVERS IN 2015 >= EUR 100.000**

	Waiver Central Key	Linked RO Central Key	RO Accepted Amount (Eur)	LE Account Group	Commission Decision	Comments

<b>Total DG</b>	
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<b>Number of RO waivers</b>	
-----------------------------	--

*Justifications:*

N/A

N/A

**TABLE 11 : CENSUS OF NEGOTIATED PROCEDURES - DG HOME - 2015**

<b>Negotiated Procedure Legal base</b>	<b>Number of Procedures</b>	<b>Amount (€)</b>
<b>Total</b>		

No data to be reported

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

<b>Internal Procedures &gt; € 60,000</b>		
<b>Procedure Type</b>	<b>Count</b>	<b>Amount (€)</b>
Open Procedure (Art. 127.2 RAP)	6	72.349.948,46
Restricted Procedure (Art. 127.2 RAP)	1	5.000.000,00
<b>TOTAL</b>	<b>7</b>	<b>77.349.948,46</b>

**Additional comments**

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**TABLE 13 : BUILDING CONTRACTS**

Total number of contracts :	
Total amount :	

Legal base	Contract Number	Contractor Name	Description	Amount (€)

**No data to be reported**

**TABLE 14 : CONTRACTS DECLARED SECRET**

Total Number of Contracts :

Total amount :

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

**No data to be reported**

## INTRODUCTION

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

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

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

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

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

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

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

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

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

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

### CHAPTER A – QUALITATIVE CRITERIA FOR DEFINING SIGNIFICANT WEAKNESSES

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

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

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

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

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

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

### CHAPTER B – QUANTITATIVE CRITERIA FOR DEFINING RESERVATIONS

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

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



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

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

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

### 1. SHARED MANAGEMENT

#### **STEP 1 – Cumulative Residual Error Rate**

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

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

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control)..This results in a **residual error rate** for each annual programme, validated by management. Furthermore, a cumulative (average) residual error rate is calculated for programmes covered by a common management and control system (as a rule, each Fund in each MS).

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

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

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

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

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

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

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

### Step 3: Materiality and potential reservation

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

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

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

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

### **2. DIRECT MANAGEMENT – RESEARCH GRANTS**

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

The Instructions for the preparation of Annual Activity Reports (AARs) stipulate that the quantitative materiality threshold **must not exceed 2% of payments authorised in the reporting year under the ABB activity**. However, the Guidance on AARs also allows a multi-annual approach, especially for budget areas (e.g. programmes) for which a multi-annual control system is more effective. In such cases, the calculation of errors, corrections and materiality of the residual amount at risk should be done on a "cumulative basis" on the basis of the totals over the entire programme lifecycle.

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

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

The general control objective for the Research services, following the standard quantitative materiality threshold proposed in the Standing Instructions is to ensure for each FP (and the Coal and Steel Research Fund for DG RTD), that **the residual error rate, i.e. the level of errors which remain undetected and uncorrected, does not exceed 2% by the end of the FP's management cycle**. The question of being on track towards this objective is to be (re)assessed annually, in view of the results of the

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

implementation of the ex-post audit strategy and taking into account both the frequency and importance of the errors found as well as a cost-benefit analysis of the effort needed to detect and correct them.

Notwithstanding the multiannual span of their control strategy, the Directors-General of the Research DGs (and the Directors of the European Research Council Executive Agency (ERCEA) and the Research Executive Agency (REA)) are required to sign a statement of assurance for each financial reporting year. In order to determine whether to qualify this statement of assurance with a reservation, the effectiveness of the control systems in place needs to be assessed not only for the year of reference but also with a multiannual perspective, to determine whether it is possible to reasonably conclude that the control objectives will be met in the future as foreseen. In view of the crucial role of ex-post audits defined in the common FP7 audit strategy, this assessment needs to check in particular whether the scope and results of the ex-post audits carried out until the end of the reporting period are sufficient and adequate to meet the multiannual control strategy goals.

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

### Effectiveness of controls

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

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

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

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

$$\text{ResER}\% = \frac{(\text{RepER}\% * (P - A)) - (\text{RepERsys}\% * E)}{P}$$

where:

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

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

- A** total EC share of all audited amounts, expressed in €. This will be collected from audit results.
- E** total non-audited amounts of all audited beneficiaries. In FP7, this consists of the total EC share, expressed in €, of all non-audited received cost statements for all audited beneficiaries (excluding those beneficiaries for which an extrapolation is ongoing).

If the residual error rate is not (yet) below 2% at the end of a reporting year within the FP's management lifecycle, a reservation must be considered.

The Common Representative Audit Sample (CRAS) is the starting point for the calculation of the residual error rate. It is representative of the expenditure of FP7 as a whole. Nevertheless, the Director-General (or Director for the Executive Agencies) must also take into account other information when considering if the overall residual error rate is a sufficient basis on which to draw a conclusion on assurance (or make a reservation) for specific segment(s) of FP7/H2020. This may include the results of other audits, results of ex-ante controls, risk assessments, external or internal audits, etc. All this information may be used in assessing the overall impact of a weakness and considering whether to make a reserve or not.

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

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

### **Adequacy of the audit scope**

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

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

### **Materiality is assessed for each Framework Programme**

In 2015, DG HOME managed financial operations under the seventh and H2020 framework programmes. Each is managed under different sets of regulatory and contractual provisions. Therefore, the assessment of the performance of the internal controls has to take into account these differences.

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

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However, it has to be noted that

- no payment against cost claim has been made and no audit has been carried out, thus no error rate has been calculated for H2020.

### 3. DIRECT MANAGEMENT – GRANTS (NON-RESEARCH)

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

#### STEP 1 – Cumulative Residual Error Rate

##### A. Adequacy of the audit scope

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

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

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

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

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

**(Cumulative) detected error (amount)** = For audited grants, total grant value as initially paid after the ex-ante controls minus grant value as calculated after the ex-post control<sup>2</sup>

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

##### C. Determination of the residual error rate

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

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<sup>2</sup> Positive amounts only. In case, following this calculation, the result would be a negative amount, it should be brought back to zero.



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

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

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

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

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

### **STEP 3: Materiality and potential reservation**

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

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

## **4. INDIRECT MANAGEMENT: PAYMENTS TO TRADITIONAL AGENCIES**

### **STEP 1 –Residual Error Rate**

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

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

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

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The real actual 'net'<sup>3</sup> financial impact of the errors defined under step 1 is considered as amount at risk, and (if very significant) its 'quantitative' materiality is considered for a potential financial reservation.

### Step 3: Materiality and potential reservation

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

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

## 5. PROCUREMENT AND OTHER EXPENDITURE

### STEP 1 – Residual Error Rate

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

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

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

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

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

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<sup>3</sup> Any correction actually made by the Commission should be deducted from the detected error



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

The financial exposure differs depending on the type of errors:

- ✓ For **payment (amount) errors**: the amount at risk is the real actual 'net'<sup>4</sup> financial impact of the errors and its 'quantitative' materiality is considered for a potential financial reservation. These financial procurement errors are taken into consideration for the application of the quantitative materiality criteria
- ✓ For **procedural (contract selection and award) errors**, DG HOME considers that even when the contractor should/could have been different, this does not always mean that the full (100%) value of the contract is 'at risk' (or that the taxpayer's money would be entirely 'lost'). Consequently, these kinds of errors cannot be considered for making a financial reservation (given that in terms of materiality the actual financial impact cannot be quantified in a consistent way with the payment errors) and are therefore not included in the calculation of the actual financial exposure (amount at risk). However, given that DG HOME acknowledges the seriousness of breaching any of the key principles of public procurement, these types of procurement errors are considered for making a potential *reputational* reservation, rather than a financial one (*e.g. when affecting a significant part of the related activity, when being systemic and affecting more/all of DG HOME's procurement processes, when causing a fall-out in press and/or public, etc. – see below*).

### Step 3: Materiality and potential reservation

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

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

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<sup>4</sup> Any correction actually made by the Commission should be deducted from the detected error

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

### ICT 1: Expenditure in shared management:

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

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

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

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

**Stage 2 – Implementation of operations (Member States) (2007-2013 and 2014-2020 programming period):**

**A. Setting up of the systems**

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

Main risks	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
<p>The process of designation of authorities in the MSs (Responsible Authority/RA) is not effective and therefore the management and control systems (MCSs) are not compliant with the applicable rules</p>	<p>The MCSs set up by the RA has to be audited by an independent audit body before they can be designated.</p> <p>Supervision by the Commission:</p> <ul style="list-style-type: none"> <li>- compliance review when receiving the formal notification of designation;</li> <li>- desk reviews based on questionnaires of the controls of the RA, of the audit approach of the AA and of the monitoring approach of the Designating Authority, to allow an early assessment of the systems design and to address the compliance risk;</li> <li>- system review meetings with a number of MSs, to allow a better understanding of control systems and a more reliable risk analysis;</li> </ul>	<p><b>Coverage / Frequency:</b> 100% compliance review/desk reviews</p> <p>System review meetings (risk sample basis)</p> <p><b>Depth:</b> compliance review/desk review of description of MCSs sent by MSs;</p>	<p><b>Costs:</b> estimation of cost of staff involved</p> <p><b>Benefits:</b> amounts associated with systems for which the Commission audit work did not reveal substantial compliance problems at a later stage of the implementation period <i>[not quantifiable individually]</i></p>	<p><b>Effectiveness:</b> - % of authorities designated</p> <p><b>Efficiency:</b> Number of systems for which serious weaknesses were found by designation reviews (% of total checked)</p>

**B. Member States controls to prevent, detect and correct errors within the declared expenditure (2007-2013 and 2014-2020 programming period)**

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

Main risks	Mitigating controls	How to determine coverage, frequency and depth	Control indicators

<p><b>2007-2013 period</b></p> <p>The bodies responsible for the management and control of Union funds do not provide the information required by the regulations.</p> <p>(Annual) declaration of expenditure submitted to the Commission includes expenditure which is irregular or non-compliant with EU and/or national eligibility rules and legislation.</p> <p>More specifically, the funding of the projects does not comply with the rules on the <i>eligibility of expenditure</i> specified in the EU regulations, or in the rules laid down at national/regional level, such as:</p> <ul style="list-style-type: none"> <li>- beneficiaries declaring ineligible or incorrectly calculated costs such as incorrectly calculated staff costs, incorrect allocation of overhead costs, overcharging of staff costs, costs incurred before or after the duration of annual programme; ineligible projects, beneficiaries, or participants, costs incurred for operations which have not been decided on by the responsible authority;</li> <li>- EU and/or national <i>public procurement rules</i> are breached by beneficiaries (incorrectly or unlawful</li> </ul>	<p><b>2007-2013 period</b></p> <p><i>Management verifications</i>: first level checks by the Responsible Authorities. The following checks are carried out:</p> <ul style="list-style-type: none"> <li>- Desk checks of all expenditure based on supporting documents, including progress reports by final beneficiaries, etc.;</li> <li>- On-the-spot visits to a number of projects selected on a risk based analysis to verify delivery of the project outputs (investment, services) and reality and eligibility of expenditure declared;</li> <li>- Correction of irregular expenditure and recovery of EU funds as appropriate;</li> <li>- Drawing up of progress and final reports on the implementation of the annual programmes summarising the implementation of the entire programme, which are scrutinised by the Commission</li> </ul> <p><i>Certification, audit opinion and annual audit report</i> by the certifying and audit authorities</p> <p>Each declaration of expenditure is checked and certified as correct by the certifying authority. The assurance is based on its own desk checks and, if necessary, on-the-spot-verifications and the information on checks performed by the responsible and audit authorities.</p> <p>The certifying authority shall verify the recovery of any EC financing found to have been unduly paid. It shall keep an account of amounts recoverable and amounts recovered.</p> <p>The Audit Authority performs system audits and carries out substantive testing of projects to cover 10% of expenditure by programme closure; it passes on findings of systems weaknesses and irregular expenditure found to the Responsible Authority and to the certifying authority for correction; it issues an annual control report on the work carried out and conclusions drawn.</p> <p>For qualified and adverse opinions from the Audit authority on the functioning of the management and control system, the responsible authority shall ensure that an adequate action plan is</p>	<p><b>Coverage:</b></p> <p><b>2007-2013 period</b></p> <p>as provided for by the regulatory framework. In particular, the verifications carried out by the Responsible Authority cover administrative, financial, technical and physical aspects of projects, as appropriate and include 100% administrative and financial verifications of the applications for reimbursement sent by the final beneficiaries. System audits covering all key processes and a sample of project audits (covering at least 10% of each annual programme declared expenditure).</p> <p><b>2014-2020 period</b></p> <p>as provided for by the regulatory framework. In particular, the verifications carried out by the Responsible Authority cover administrative, financial, technical and physical aspects of projects, as appropriate and include 100% administrative verifications of the applications for reimbursement sent by the final beneficiaries.</p> <p><b>Depth:</b></p> <p><b>2007-2013 period</b></p> <ul style="list-style-type: none"> <li>- <u>management verifications</u>: performance of first-level checks (administrative and on the spot controls).</li> <li>- <u>certification</u>: verification carried out by the certifying authorities of the Member State, with the aim to verify that the first level checks carried out by the management authorities have been effectively</li> </ul>	<p><b>Effectiveness:</b></p> <p>Error rates as reported by the AA (in case of qualified/adverse opinion of AAs)</p> <p><b>Efficiency:</b></p> <ul style="list-style-type: none"> <li>- time to lift interruption of payments;</li> </ul> <p>Number of qualified opinions of AAs, out of which validated by the Commission</p>
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<p>awarded contract, etc.).</p> <p><b>2014-2020 period</b></p> <p>Annual accounts submitted to the Commission include expenditure which is irregular or non-compliant with EU and/or national eligibility rules and legislation.</p>	<p>implemented by the responsible authority to restore effectively the functioning of the system.</p> <p><b>2014-2020 period</b></p> <p>At the level of Responsible Authority: first level checks/carry out administrative and on-the-spot controls of claims before payment</p> <p>At the level of Audit Authority:</p> <ul style="list-style-type: none"> <li>- audits at the level of RA to ascertain the reliability of the controls put in place by the RA (system audits and audits on sample of expenditure included in the annual accounts)</li> <li>- possibility to carry out on the spot checks at the level of beneficiary;</li> <li>- annual audit opinion foreseen in article 59 of the Financial Regulation</li> <li>- Identification of non-compliance with the designation criteria;</li> </ul>	<p>carried out and that the expenditure being declared for reimbursement is accurate, results from a reliable accounting system, and complies with applicable Community and national rules. They typically consist of desk checks and on-the-spot-verifications where necessary.</p> <ul style="list-style-type: none"> <li>- <u>audit opinion</u>: system audits and audits of operations on a sample basis</li> </ul> <p><b>2014-2020 period</b></p> <p><u>management verifications</u>: performance of first-level checks (administrative and on the spot controls).</p> <ul style="list-style-type: none"> <li>- designation: additional verification of compliance with the designation criteria by the Audit Authority</li> <li>- audit opinion: system audits on the checks already carried out, where necessary with re-performance of on-the-spot checks; where applicable, audits of operations and additional substantive testing on expenditure</li> </ul>	
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**Stage 3 – Monitoring and supervision of the execution, closure of annual programmes and ex-post control (2007-2013 period)**

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

Main risks	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
<p>The management verifications and subsequent controls by the Member States have failed to detect and correct ineligible costs or calculation errors.</p>	<p>Commission checks of MS' annual declarations of expenditure;</p> <p>Commission assessment of MCSs in the MSs, in particular of work done or</p>	<p><b>Coverage: 100%</b></p> <p>Verification of information provided in the annual clearance and annual audit</p>	<p><b>Costs:</b></p> <p>Part of the cost of SFC2007</p> <p>Cost of Commission</p>	<p><b>Effectiveness:</b></p> <p>Number of programmes with reported error rate assessed as reliable</p> <p>Number and amount of</p>

<p>The audit work carried out by the audit authorities is not sufficient to obtain adequate assurance on the submitted declarations of expenditure;</p> <p>The Commission services have failed to take appropriate measures to safeguard EU funds, based on the information received.</p>	<p>reported by the AA.</p> <ul style="list-style-type: none"> <li>- assessment of Annual audit opinions</li> <li>- calculation of weighted error rates (for 2007-2013)</li> <li>- estimation of residual error rates</li> <li>- assessment of system audit reports from AA (for 2007-2013)</li> <li>- Assessment of annual summaries (for 2007-2013)</li> <li>- Own Commission audits</li> <li>- technical and bilateral meetings with MSs</li> </ul> <p>Commision' checks of progress and final report on the implementation of annual programmes (2007-2013)</p> <p>Interruptions and suspensions of payments</p> <p>Financial corrections (implemented by Commission)</p> <p>Audits by the European Court of Auditors</p>	<p>opinions.</p> <p><b>Depth:</b> desk checks and/or on-the-spot monitoring and audits based on risk assessment; verification of the quality and reliability of the information based on Commission's own audit work; 'validation' and where necessary adjusting of error rates reported by MS to calculate a cumulative residual error risk (RER);</p>	<p>monitoring activities (including bilateral and technical meetings, review of annual summaries and cost of the externalisation of monitoring visits)</p> <p>Cost of Commission staff checking MS annual reports and audit reports</p> <p>Cost of audit missions and guidance to audit authorities</p> <p><b>Benefits:</b></p> <p>Errors prevented [unquantifiable],</p> <p>Errors detected and corrected (amount of financial corrections) at closure stage (including flat rate financial corrections);</p> <p>Errors detected by Ex-post controls</p>	<p>interruptions/suspensions of payments</p> <p>Corrections made resulting from Commission audit work (decided and implemented)</p> <p>- % of the expenditure for which the Commission can rely on the work of the AA (where applicable)</p> <p>- Best estimate of (residual) amount at risk per MS and cumulated.</p> <p><b>Efficiency:</b></p> <p>Time-to-final payment (and % of payments within delays)</p>
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## ICT 2: Grants direct management (2014-2020 period and completion of 2007-2013 framework period)

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

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

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

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

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

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

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

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

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



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

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

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

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

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

##### A - Reviews, audits and monitoring

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

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

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

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

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

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

## ICT 3 - Procurement direct management

### Stage 1: Procurement

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

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

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

**B – Evaluation and selection of the offers<sup>2</sup>**

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

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

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

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

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

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

## Stage 3: Supervisory measures

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

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

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



**ICT 4 – Expenditure entrusted entities: it covers funds entrusted by the Council/EP to traditional agencies and paid by DG HOME; delegations agreements, cross-subdelegations and amounts paid to executive agencies are not included as the expenditure is immaterial**

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

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

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

**Stage 2: Commission contribution: payment or suspension/interruption**

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

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

## EVALUATIONS END OTHER STUDIED FINALISED IN 2015

Reference No of Annex 4 MP2015	Title	Reason <sup>1</sup>	Scope <sup>2</sup>	Type of evaluation or other study			Associated DGs	Costs (EUR)	Comments	Reference	Cancelled
				Focus <sup>3</sup>	Author <sup>4</sup>	Type <sup>5</sup>					
<b>I. Evaluations finalised or cancelled in 2015</b>											
a. evaluations finalised in 2015	Report from the Commission to the European Parliament and the Council on progress in the EU's 2013-2020 Drugs Strategy and 2013-2016 Action Plan on Drugs	L	The EU Drugs Strategy 2013-2020 requests COM to provide biennial progress reports to assess the implementation of the objectives and priorities of the EU Drugs Strategy and its Action Plan(s)	P/R	I	R				COM(2015) 584 final	
	Report from the Commission to the European Parliament and the Council pursuant to Article 18 of Regulation (EU) No 98/2013 of 15 January 2013 on the marketing and use of explosives precursors, examining the possibilities to transfer relevant provisions on ammonium nitrate from Regulation (EC) No 1907/2006	L	Article 18(2) of Regulation (EU) No 98/2013 of 15 January 2013 on the marketing and use of explosives precursors states that: 'By 2 March 2015, the Commission shall present a report to the European Parliament and to the Council examining the possibilities to transfer relevant provisions on ammonium nitrate from Regulation (EC) No 1907/2006 into this Regulation.'	P/R	I	R	DG GROW			COM(2015) 122 final	
	Report on the implementation, results and overall assessment of the Europe for Citizens Programme 2007-2013	LMFF	Overall assessment of the Europe for Citizens Programme 2007-2013	R	M	E	DG COMM, EAC	106200,00		COM(2015) 652 final	

b. Evaluations cancelled in 2015	Evaluation of Dublin Regulation	L	Evaluation of the application of the Regulation	R	M	R	LS, SG, JUST	454545,00	Evaluation cancelled since it was decided to proceed directly with a proposal for a revision of the Dublin III regulation. The external contractor study has been carried out		
<b>II. Other studies finalised or cancelled in 2015</b>											
a. other studies finalised in 2015	Study for an Impact Assessment on a Proposal for a Directive on the Criminalisation of Money Laundering	'evaluate first'	Anti money laundering and Counter terrorist financing policies	P/R	E	R	SJ/JUST/MARKT/TAXUD/OLAF	180100,00		Not published	
	Study paving the way for future policy initiatives in the field of organised crime - effectiveness of specific criminal law measures targeting organised crime	O	Study in view of preparing post Stockholm policy initiatives as well as assessment of the FD OC. It responds to certain recommendations of the ad-hoc CRIM Committee of 2013	P	E	R		392000		<a href="http://ec.europa.eu/dgs/home-affairs/e-library/docs/20150312_1_amoc_report_020315_0_220_part_1_en.pdf">http://ec.europa.eu/dgs/home-affairs/e-library/docs/20150312_1_amoc_report_020315_0_220_part_1_en.pdf</a>	
	Eurobarometer on corruption	O	Corruption policy area ; one 'flash' EB with business representatives, like for the previous edition "Special" EB postponed to 2016	N/A	E	O	COMM	400000		<a href="#">Businesses' attitudes towards corruption in the EU</a>	

	Administrative measures to prevent and tackle crime (legal possibilities and practical application in EU MS)	O	Legal possibilities and practical application in 10 EU MS	P/R	E	O		300000		<a href="http://ec.europa.eu/dgs/home-affairs/e-library/documents/policies/organized-crime-and-human-trafficking/crime-prevention/docs">http://ec.europa.eu/dgs/home-affairs/e-library/documents/policies/organized-crime-and-human-trafficking/crime-prevention/docs</a>	
	Study on implementation of Council Framework Decision 2003/568/JHA on combating corruption in the private sector	L	According to Article 9 of Framework Decision 2003/568	R	E	R			Analysis done internally		
	Study on the case law on trafficking for the purpose of labour exploitation	O		P	E	R		236000			
	Study on high risk groups for trafficking in human beings	O		P	E	R		249000			
	Study on prevention initiatives on trafficking in human beings	O		P	E	R		323000			

	Business related migration to the EU (EMN study)	L	Economic legal migration	R	E	R		EMN operational budget		<a href="http://ec.europa.eu/dgs/home-affairs/what-we-do/networks/european_migration_network/reports/docs/emn-studies/emn_study_admitting_third_country_nationals_for_business_purposes_synthesis_report_04_may2015.pdf">http://ec.europa.eu/dgs/home-affairs/what-we-do/networks/european_migration_network/reports/docs/emn-studies/emn_study_admitting_third_country_nationals_for_business_purposes_synthesis_report_04_may2015.pdf</a> /
	Smart Borders Pilot Project Implementation models of the Entry-Exit System (EES) and Registered Traveller Programme (RTP) proposals (Smart Borders Package). Pilot phase to be entrusted to eu-LISA via a delegation agreement	CWP	Management of the external borders of the Schengen area	P	M	O		300000	Aimed at verifying the feasibility of the options identified in the Technical Study and validating the selected concepts for both automated and manual border controls	<a href="http://ec.europa.eu/dgs/home-affairs/what-we-do/policies/borders-and-visas/smart-borders/index_en.htm">http://ec.europa.eu/dgs/home-affairs/what-we-do/policies/borders-and-visas/smart-borders/index_en.htm</a>
	Study on labour shortages in the EU – overview of tools and mechanisms in place in MS (EMN study)	L	Economic legal migration	R	E	R		Part of EMN operational budget		<a href="http://ec.europa.eu/dgs/home-affairs/what-we-do/networks/european_migration_network/reports/docs/emn-studies/emn_labour_shortages_synthesis_final.pdf">http://ec.europa.eu/dgs/home-affairs/what-we-do/networks/european_migration_network/reports/docs/emn-studies/emn_labour_shortages_synthesis_final.pdf</a>

	OECD study on integration indicators	O	Integration	P	E	O		213000		<a href="http://www.oecd.org/publications/indicators-of-immigrant-integration-2015-settling-in-9789264234024-en.htm">http://www.oecd.org/publications/indicators-of-immigrant-integration-2015-settling-in-9789264234024-en.htm</a>
b. other studies cancelled in 2015										

<sup>1</sup> L - legal act, LMFF - legal base of MFF instrument, FR - financial regulation, REFIT, CWP - 'evaluate first', O - other (please specify in Comments)

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

<sup>3</sup> P - prospective, R - retrospective, P/R - prospective and retrospective

<sup>4</sup> E - external, I - internal, M - mixed (internal with external support)

<sup>5</sup> FC – fitness check, E – expenditure programme/measure, R – regulatory measure (not recognised as a FC), C – communication activity, I – internal Commission activity, O – other – please specify in the Comments

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

	2015	2014
<b>Stage 1: Negotiation and assessment/approval of spending proposals</b>		
Number of annual/national programmes adopted	54	0
Total value of annual/national programmes adopted (€ million)	7252,12	0
% of programmes adopted	93%	0
Average value of an adopted programme (€ million)	134,3	0
% of financial allocation adopted	99%	0
Number of revisions of annual/national programmes	24	47
<b>Stage 2: Implementation of annual programmes</b>		
Number of designation notifications received	42	n/a
out of which accepted by DG HOME	40*	n/a
Number of system reviews -desks reviews completed	2	n/a
Number of system reviews -meetings with MSs	4	n/a
Amounts associated with systems for which the COM work did not reveal substantial compliance problems (€ million)	560,24	n/a
No of systems for which serious weaknesses were found on the spot despite the validation on paper of the MCS (both programming periods)	2	2
MCSs with weaknesses (%; SOLID)	16%	10%
<b>Stage 3: monitoring and supervision, closure of annual programmes and ex-post controls</b>		
Number of annual programmes open (SOLID/AMIF/ISF)	285	321
Amount of open programmes (€ million)	1623,12	3.806,02
Number of AMIF-ISF committees	2	3
Number of monitoring missions	62	33
Number of system audits	1	3
Total number of annual programmes over the programming period, out of which there is:		
reasonable assurance	229 (34%)	216 (32%)
limited assurance with limited impact	328 (49%)	304 (45%)
limited assurance with significant impact	104 (15%)	120 (18%)
no assurance	14 (2%)	37 (5%)
Number of final cost claims received (closures of annual programmes)	114	119
Eligible amount in final cost claims received (closures of annual programmes) (€ million)	625,56	505,27
Value of payments made (€ million)	582,23	351,33
Number of annual programmes closed	130	147
Value of programmes closed (€ million)	821,93	628,8
Average implementation rate for closures processed in the year	81,60%	81%
Number of withholding of payments	0	0
Ineligible amounts in final costs claims (€ million)	23,31	4,43
Number of withheld payments	0	0
Number of suspended payments	0	0
Number of exceptions	9	62
Number of non-compliance events	0	0
Number of ex-post audits performed	6	7
Errors detected by ex-post controls (€)	1,257,656	1.874.806
Amount for which the COM has reasonable assurance (€)	1.622.381.677	1.242.402.799
Corrections implemented by recoveries ex-post controls (€ million)	8,58	0,59
Total financial corrections (€ million)	31,88	5,02
Number of programmes with a reported error rate assessed as reliable	453	474
% of expenditure for which the COM can rely on the work done by the AA	96%	97%
number of projects with errors vs number of projects audited	63% (38 out of 63)	51% (35 out of 68)
Cumulative detected error rate (%)	2,76%	not comparable
Cumulative residual error rate (%)	0,62%	not comparable

\* the 2 designations not yet accepted correspond to NPs of associated countries not yet approved



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

## DIRECT MANAGEMENT GRANTS

	2015		2014
	non-research	research (NEW)	non-research
<b>Stage 1: Programming, evaluation and selection of proposals</b>			
Available budget for calls (€ million)	261,94	30,5	77
Number of projects evaluated	366	51	419
Value of projects evaluated (€ million)	336,97	328,9	197
Number of projects selected	121	6	155
Value of projects selected (awarded budget) (€ million)	214,51	31,7	74
Quantitative success ratio (awarded budget/available budget)	81,89%	103,93%	95,74%
Qualitative success ratio (average points selected/average total eligible)	1,2	1,37	1,19
Number of litigation cases/redress procedures	1		0
<b>Stage 2: Contracting</b>			
EC contributions requested in the applications (€ million)	336,97	42,2	82,32
EC contribution provided through grant agreement signed (€ million)	228,39	41,9	79,61
Reduction in EC contribution (€ million)	14,83	0	2,71
% reduction in EC contribution	7%	0,00%	3,30%
Number of grant agreements signed	121	6	170
Average amount of grants signed (€)	1.887.521	6.983.333	468.294
Exceptions recorded by the ex-ante financial verification	2	0	0
<b>Stage 3: Monitoring</b>			
Number of payments made	308	69	350
Value of payments made (€ million)	167,12	62,48	108,56
Value of cost claims processed (€ million)	110,76	102,93	65,26
Number of cost claims processed	265	70	206
Ineligible costs in cost claims (€ million)	2,76	0,11	2,83
Ineligible costs in cost claims processed (%)	2,49%	0,11%	2,61%
Exceptions recorded by the ex-ante financial verification	0	0	0
<b>Stage 4: Ex-post</b>			
number of ex-post controls	36	n/a	15
average amount of grant audited	488.735	n/a	721.000
% of projects audited that contained errors detected by ex-post controls	86%	n/a	93%
Absolute value of proposed correction	2.677.981	n/a	1.062.358
Errors prevented for audited population (savings of the total EU grant paid) - annually in reference year	4,03%	n/a	0,69%
Errors detected for the audited population (in% of the total EU grant paid (in addition to the errors already prevented) - annually in reference year	15,20%	n/a	9,82%
Follow-up ratio: number of files followed up by AOSD within 3 months (target 90%)	82%	n/a	93%
Implementation ratio for recovery orders (target set at 75% at end of March N+1)	71%	n/a	86%
Cumulative detected error rate/Common Representative Error Rate (%)	3,36%	4,47%	4,31%
Cumulative residual error rate (%)	2,88%	n/a	3,79%

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

## DIRECT MANAGEMENT - PROCUREMENT

	2015	2014
<b>Stage 1: Procurement procedure</b>		
Number of tenders	11	20
Number of contracts signed	196	166
Value of contracts signed (€ million)	55,16	35,02
Unfavourable ex-ante opinions (HPC and ex-ante verification)	0	1
Exceptions and non-compliance events	2+1	0
Redress procedures	0	0
<b>Stage 2: Contracting</b>		
Number of payments made	597	451
Value of payments made (€ million)	34,14	32,74
Amount of credit notes issued	0,74	3,2
Number of credit notes issued	26	23
Exceptions and non-compliance events recorded by the ex-ante financial verification	2+1	1

## INDIRECT MANAGEMENT - traditional agencies

	2015	2014
<b>Stage 1: Operations: monitoring, supervision and reporting</b>		
Number of deviations from the FFR requested	0	9
<b>Stage 2: Commission's contribution</b>		
Total Payments made (€ million)	332,02	241,79
Amounts suspended/interrupted (€ million)	0	0

## 2. COST EFFECTIVENESS OF CONTROLS (PER CONTROL SYSTEM)

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

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

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

		2015	2014
<b>Shared management</b>	Time-to adopt national programmes	69	98
	Time-to-pay pre-financings	31	83
	Time-to-close	80	292
<b>Direct management grants</b>	Time-to-inform (non-research grants)	112	142
	Time-to-grant (non-research grants)	95	40
	Time-to grant* (research grants)	245	na
	Time-to-pay (all grants)	48	29
<b>Others</b>	Procurement: Time-to-pay	18	14
	Traditional agencies: time-to-pay	13	16

*\*for non-research grants the time-to-grant includes only the period from the award to the signature of grants, while in case of research grants the time-to-grant includes also the time-to-inform.*

#### 4. FINANCIAL CORRECTIONS (SHARED MANAGEMENT)

Financial Corrections Made in 2015 Per Member State For 2007-2013 Programmes (in € million)					
Member State	EIF	RF	EBF	ERF	Total
Belgium	-	-	0,18	-	0,18
Cyprus	-	-	0,22	-	0,22
Finland	0,06	-	-	-	0,06
Greece	-	0,05	0,65	-	0,70
Italy	-	-	3,68	-	3,68
Malta	0,00	-	0,15	-	0,15
Poland	0,01	-	0,04	-	0,05
Portugal	0,03	-	-	-	0,03
Slovakia	-	-	0,03	-	0,03
Spain	1,84	-	11,64	0,03	13,51
Sweden	0,25	-	-	4,44	4,69
switzerland	-	-	0,06	-	0,06
The Netherlands	-	-	0,04	-	0,04
United Kingdom	0,03	-	-	-	0,03
<b>Total</b>	<b>2,22</b>	<b>0,05</b>	<b>16,69</b>	<b>4,47</b>	<b>23,43</b>

### 5. Cumulative Net Amount at Risk per Member State (in Millions €)

Member State	EIF			ERF			RF			EBF			Programming period 2007 - 2013				
	Net Amount at Risk	Payments of closed APs	RER	Net Amount at Risk	Payments of closed APs	RER	Net Amount at Risk	Payments of closed APs	RER	Net Amount at Risk	Payments of closed APs	RER	Total Amount at Risk per MS	Total payments per MS	Average risk rate (%)	Number of Programmes under reservation	Number of interruptions of payment deadlines
Austria (AT)	0,05	9,87	0,51%	0,12	22,61	0,52%	0,04	10,05	0,40%	-	8,59	0,00%	0,21	51,12	0,41%	-	-
Belgium (BE)	-	2,45	0,00%	0,33	16,68	1,96%	0,08	15,25	0,53%	0,03	9,89	0,30%	0,44	44,28	0,99%	-	-
Bulgaria (BG)	0,02	2,36	0,92%	0,00	2,18	0,06%	0,01	1,67	0,44%	0,10	19,66	0,49%	0,13	25,88	0,49%	-	-
Switzerland (CH)	-	-	-	-	-	-	-	-	-	0,01	7,65	0,07%	0,01	7,65	0,07%	-	-
Cyprus (CY)	0,02	1,73	1,18%	0,01	3,57	0,31%	0,02	4,81	0,38%	-	16,29	0,00%	0,05	26,41	0,19%	-	-
Czech republic (CZ)	0,17	5,66	3,04%	0,10	2,93	3,32%	0,04	1,42	2,88%	0,16	5,16	3,13%	0,47	15,18	3,11%	-	-
Denmark (DK)	-	-	-	-	-	-	-	-	-	-	5,10	0,00%	-	5,10	0,00%	-	-
Estonia (EE)	0,06	5,42	1,11%	0,00	1,66	0,05%	0,00	1,28	0,03%	0,00	19,76	0,00%	0,06	28,12	0,22%	-	-
Finland (FI)	-	5,51	0,00%	-	10,10	0,00%	0,00	3,20	0,13%	-	37,71	0,00%	0,00	56,53	0,01%	-	-
France (FR)	0,30	14,88	2,00%	0,08	9,94	0,84%	0,12	48,41	0,26%	0,55	77,94	0,70%	1,05	151,17	0,70%	-	-
Germany (DE)	3,00	52,26	5,74%	1,92	38,37	5,00%	0,12	13,55	0,90%	0,12	56,99	0,21%	5,16	161,16	3,20%	2	-
Greece (EL)	0,00	2,68	0,02%	-	-	0,00%	-	1,38	0,00%	-	13,94	0,00%	0,00	18,00	0,00%	-	-
Hungary (HU)	0,04	7,71	0,52%	0,00	4,89	0,08%	0,01	3,75	0,40%	0,10	19,09	0,52%	0,16	35,45	0,45%	-	-
Ireland (IE)	0,01	2,23	0,40%	0,01	3,97	0,37%	0,00	2,73	0,01%	-	-	-	0,02	8,94	0,26%	-	-
Iceland (ISL)	-	-	-	-	-	-	-	-	-	-	0,29	0,00%	-	0,29	0,00%	-	-
Italy (IT)	0,19	101,36	0,19%	0,42	41,59	1,00%	0,00	31,00	0,01%	-	135,84	0,00%	0,61	309,78	0,20%	-	-
Latvia (LV)	0,00	5,33	0,00%	0,00	1,86	0,00%	0,02	1,96	0,97%	-	9,41	0,00%	0,02	18,57	0,10%	-	-
Lithuania (LT)	-	4,31	0,00%	-	2,66	0,00%	0,04	2,53	1,42%	0,22	115,48	0,19%	0,26	124,98	0,20%	-	-
Luxembourg (LU)	0,02	2,38	0,76%	0,00	1,90	0,00%	-	1,12	0,00%	-	0,35	0,00%	0,02	5,76	0,32%	-	-
Malta (MT)	0,00	0,86	0,12%	0,00	7,37	0,00%	0,00	2,48	0,15%	0,00	32,49	0,00%	0,01	43,20	0,01%	-	-
Norway (NO)	-	-	-	-	-	-	-	-	-	-	5,12	0,00%	-	5,12	0,00%	-	-
Poland (PL)	0,04	11,12	0,35%	0,04	10,65	0,37%	0,23	11,51	2,00%	0,30	21,85	1,38%	0,61	55,14	1,10%	-	-
Portugal (PT)	-	6,76	0,00%	0,00	1,51	0,00%	0,00	3,08	0,10%	-	10,21	0,00%	0,00	21,55	0,01%	-	-
Romania (RO)	0,00	3,76	0,01%	-	2,46	0,00%	0,00	3,64	0,02%	0,25	31,25	0,80%	0,25	41,11	0,61%	-	-
Slovakia (SK)	0,01	3,43	0,24%	0,03	4,34	0,65%	0,07	3,78	1,72%	0,00	6,44	0,02%	0,10	17,99	0,57%	-	-
Slovenia (SI)	0,00	1,95	0,21%	0,00	1,83	0,27%	0,00	1,17	0,24%	0,02	24,11	0,07%	0,03	29,07	0,10%	-	-
Spain (SP)	-	53,17	0,00%	-	7,18	0,00%	0,05	31,53	0,15%	-	157,95	0,00%	0,05	249,84	0,02%	-	-
Sweden (SE)	0,03	10,27	0,30%	-	56,16	0,00%	0,00	7,88	0,03%	0,00	6,65	0,01%	0,03	80,96	0,04%	-	-
The Netherlands (NL)	0,03	9,24	0,35%	0,10	18,41	0,56%	0,14	15,45	0,91%	0,03	15,03	0,23%	0,31	58,13	0,53%	-	-
The United Kingdom (UK)	0,41	27,61	1,48%	0,49	27,84	1,75%	0,32	58,81	0,54%	-	-	-	1,21	114,26	1,06%	-	-
<b>Total</b>	<b>4,41</b>	<b>354,33</b>	<b>1,24%</b>	<b>3,65</b>	<b>302,68</b>	<b>1,21%</b>	<b>1,32</b>	<b>283,46</b>	<b>0,47%</b>	<b>1,89</b>	<b>870,24</b>	<b>0,22%</b>	<b>11,27</b>	<b>1.810,72</b>	<b>0,62%</b>	<b>2,00</b>	<b>0,00</b>

Level of assurance		
Total payments	1.810,72	RER below 2%
Overall RER	0,62%	2% < RER < 5%
		5% < RER < 10%
		RER above 10%

## ANNEX 12: Performance tables <sup>1</sup>

### Security and Safeguarding Liberties

<b>General objective 1: Contribute to ensuring a high level of security in the European Union while facilitating legitimate travel, through a uniform and high level of control at the external borders and the effective processing of Schengen visas, in compliance with the Union's commitment to fundamental freedoms and human rights</b>		<input checked="" type="checkbox"/> Programme based (ISF-Police, ISF-Border, Programme Justice) <input checked="" type="checkbox"/> Non-programme based	
Impact indicator 1: Number (value) of confiscated criminal assets relating to organised crime (source: Member States via Eurostat criminal justice figures; Member States and Asset Recovery Offices via Europol).			
<u>Baseline</u>	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
Data yet to be collected (Directive 2014/42/EU requires Member States to provide statistics; first data should be available as of 2016).	Data yet to be collected.	No data available – will be available under Directive 2014/42/EU following transposition.	Increase by the end of the period of measurement.
Impact indicator 2: Number of cross-border organised crime groups dismantled and/or disrupted (source: Europol).			

<sup>1</sup> Information on current situation for some indicators based on Member States reporting for AMIF and ISF under shared management is not available. The indicators based on this information could not be updated.

<u>Baseline</u>	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
Data yet to be collected.	Data yet to be collected.	Data yet to be collected.	Increase by the end of the period of measurement.
Impact indicator 3: Ratio between the number of reported cases of serious / organised crime / cross border crime and the number of the number of cases that are prosecuted (source: Europol and Member States via Eurostat criminal justice figures)			
<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
Data yet to be collected (new data collection based on forthcoming International Crime Classification).	Data yet to be collected.	Statistics not available.	Decrease of the ratio by the end of the period of measurement. The collection of this data is foreseen in the Communication on "Measuring Crime in the EU: Statistics Action Plan 2011- 2015" (COM(2011) 713) of 18.1.2012.
Impact indicator 4: Level of concern about cybercrime among population (source: Eurobarometer)			
<u>Baseline</u> (2013 - Eurobarometer of 22.11.2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
76% of the respondents agree that the risk of becoming a victim of cybercrime has increased in the past year	72%	85% (Special Eurobarometer 423). However, this should be treated with caution, since the question wording has changed from "the risk has increased" to "the risk is increasing".	69%
Impact indicator 5: Perceived level of corruption as reflected in the biennial Commission report on corruption based on Eurobarometer			
<u>Baseline</u> (2013 -Special Eurobarometer 397 and Flash Eurobarometer 374)	<u>Milestone</u> (2017 anti-corruption report)	<u>Current situation</u>	<u>Target</u> (2020 / 2019 anti-corruption report)



76% of the respondents to the special EB think that corruption is very widespread or somewhat widespread	71%	There was no Special EB carried out in 2015. The next EB will be done in 2016.  40%  (Source: Flash Eurobarometer 428)	69%
46% of the respondents to the flash EB for businesses consider that corruption creates an obstacle in doing business	41%		39%

Impact indicator 6: Volume of terrorism in the EU expressed by the number of failed, foiled or completed terrorist attacks in EU Member States; number of deaths as a result of a terrorist attack (source: Europol – Terrorism Situation and Trend Report)

<u>Baseline</u> (2012 - Europol Terrorism Situation and Trend Report 2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
219 attacks 17 deaths	170 attacks 0	99 attacks 145 deaths	Below 120 0

Impact indicator 7: Number of irregular migrants apprehended at the EU external borders (source: Member States)

<u>Baseline</u> (2012)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
73.042	250.000	1.830.421	250.000  In the context of the current migratory crisis with the dramatic increase of irregular border crossings in 2015 (546% compared to 2014), as well as considering the growing instability in the EU immediate neighbourhood, it is difficult to make a forecast for a stable figure. It is to a great extent dependent on the high volatility of external factors (e.g. political situation in the third countries considered as sources of irregular migration).

Impact indicator 8: Number of joint operations coordinated by Frontex at external borders (source: Frontex).			
<u>Baseline (2013)</u>	<u>Milestone (2017)</u>	<u>Current situation</u>	<u>Target (2020)</u>
17 joint operations	Increase compared to 2013.	25 joint operations	Increase compared to 2017.  The increase compared to the baseline reflects the EU support in the field of external border management, where one Member State carries out border controls on behalf of the whole Schengen area.
Impact indicator 9: Share of multiple entry visas (MEVs) with long validity on total number of visas issued (source: Member States).			
<u>Baseline (2012)</u>	<u>Milestone (2015)</u>	<u>Current situation</u>	<u>Target (2020)</u>
41,6%  (this percentage includes all multiple entry visas issued and not only those with long periods of validity).	45%  (still under the current visa code – Implementation of visa facilitation agreements and flexible interpretation of the Visa Code rules should lead to an increase in the number of MEVs).	2015 data yet to be collected.  2014: 48% (this includes all multiple-entry visas issued and not only those with long periods of validity)  The milestone has been reached and – pending the outcome of negotiations on the recast visa code – the indicator is on track to reach the target in 2020.	60%  (under the revised Visa Code, the percentage will be related only to multiple entry visas with long validity; the proposal for a revised Visa Code will include mandatory rules on the issuing of MEVs to regular travellers, therefore increasing the share of MEVs being issued; a higher target than 60% does not seem realistic as more regular travellers will hold MEVs with a long period of validity, and thus there will be a more important share of first time travellers amongst the visa applicants)

<b>Specific objective 1: Supporting a common visa policy to facilitate legitimate travel, provide a high quality of service to visa applicants, ensure equal treatment of third country nationals and tackle irregular migration.</b>		<input checked="" type="checkbox"/> Programme-based (ISF-Borders) <input checked="" type="checkbox"/> Non-programme based	
<b>Result indicator 1: Cumulative number of consulates developed or upgraded with the help of the Fund out of the total number of consulates (broken down in co-locations, common application centres, representations, other) (source: reporting of Member States in the framework of the Fund)</b>			
<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
0	100	Data yet to be collected. Data available at this moment is the number of visa sections that were renovated/constructed/equipped/connected to VIS with the help of the External Borders Fund in the period between 2011 and mid 2015. In the context of the on-going ex-post evaluation, Member States reported: consulates connected to VIS – 1365, consulates constructed or renovated – 184, consulates equipped with security enhancing equipment – 116, consulates equipped with operating equipment for Schengen visa processing – 1349.	200  This target consists in equipping/ securing/enhancing 10% out of the around 2000 consular posts issuing Schengen visas.
<b>Result indicator 2: Cumulative number of consular cooperation activities (co-locations, common application centres, representations, others) developed with the help of the Fund (source: reporting of Member States in the framework of the Fund)</b>			
<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
0	15	Data yet to be collected. Data available at this moment is the number of consular co-operation activities developed under the 2011-2013 annual programmes (implementation up to mid-2015) reported by Member States in the context of on-going ex-post evaluation of the External	35  Realistic target established in consideration of MS moderate willingness to embark on

		Borders Fund: 31	consular cooperation activities.
<b>Result indicator 3:</b> Cumulative number of staff trained and number of training courses in common visa policy related aspects with the help of the Fund (source: reporting of the Member States within the framework of the Fund)			
<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
0	750 staff trained 10 regional training courses	Data yet to be collected. Data available at this moment is the number of border guards and consular officials trained under the 2011-2013 annual programmes (implementation up to mid-2015) reported by Member States in the context of on-going ex-post evaluation of the External Borders Fund: 18 183	1500 staff trained 20 regional training courses The target is to train at least one consular official in each of the around 2000 Schengen consulates issuing visas in the world.
<b>Result indicator 4:</b> Cumulative number of specialised posts (including Immigration Liaisons Officers) in third countries supported by the Fund (source: reporting by Member States within the framework of the Fund)			
<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
30	45	Data yet to be collected. Data available at this moment is the number of ILOs deployed under the 2011-2013 annual programmes (implementation up to mid-2015) reported by Member States in the context of on-going ex-post evaluation of the External Borders Fund: 528	60
<b>Main policy outputs in 2015</b>			
<ul style="list-style-type: none"> <li>- <b><i>The Visa Information System (VIS) finalised its rollout worldwide as of 20 November 2015. From that date, all data related to visa applications of all third country nationals under visa requirement to travel to the Schengen area, including biometric data, as well as any subsequent decision, are available in the VIS database.</i></b></li> <li>- <b><i>The Commission adopted two reports assessing the situation of non-reciprocity with certain third countries in the area of visa policy (April and November 2015).</i></b></li> <li>- <b><i>Several visa waiver agreements were signed and entered provisionally into force. In May 2015 with United Arab Emirates, Timor Leste, Dominica,</i></b></li> </ul>			

*Grenada, St Lucia, St Vincent and the Grenadines, Trinidad and Tobago, Samoa and Vanuatu, in November with Tonga and in December with Colombia.*

- *The Commission presented a proposal for a Regulation of the European Parliament and of the Council amending Regulation (EC) No 1683/1995 of 29 May 1995 laying down a uniform format for visas (July 2015).*

**Specific objective 2: Supporting integrated borders management, including promoting further harmonisation of border management-related measures in accordance with common Union standards and through sharing of information between Member States and between Member States and the Frontex Agency, to ensure, on one hand, a uniform and high level of control and protection of the external borders, including by the tackling of irregular immigration, and, on the other hand, the smooth crossing of the external borders in conformity with the Schengen acquis, while guaranteeing access to international protection for those needing it, in accordance with the obligations contracted by the Member States in the field of human rights, including the principle of non-refoulement.**

- Programme-based (ISF-Borders)
- Non-programme based

**Result indicator 1:** Number of border control (checks and surveillance) infrastructure and means developed or upgraded with the help of the Fund (broken down by infrastructure, fleet, equipment, other) (source: reporting of the Member States within the framework of the Fund).

<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
0		Data yet to be collected. Data available at this moment is the data provided in the context of on-going ex-post evaluation of the External Borders Fund by Member States covering 2011-2013 annual programmes (implementation up to mid-2015): vehicles acquired: 2736; planes acquired or upgraded: 23; helicopters acquired or upgraded: 89; vessels acquired or upgraded: 314; border crossing points equipped: 1403	

**Result indicator 2:** Number of staff trained and number of training courses in border management related aspects with the help of the Fund (source: reporting of the Member States within the framework of the Fund).

<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
0	750 staff trained 25 training courses	Data yet to be collected. Data available at this moment is the number of border guards and consular officials trained under the 2011-2013 annual programmes (implementation up to mid-2015) reported by Member States in the context of on-going ex-post evaluation of External Borders Fund: 18 183	1500 staff trained 50 training courses Target defined by extrapolating data gathered from the European Border Fund 2012-2013 annual programmes.

**Result indicator 3:** Number of Automated Border Control gates supported from the Fund and border crossings of the external borders through Automated Border Control gates supported from the Fund out of the total number of border crossings (source: reporting of the Member States within the framework of the Fund).

<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
0	45 gates 2 million crossings out of 820 million	Data yet to be collected.	100 gates 25 million crossings out of 950 million Target defined by extrapolating current data on border crossings and existing Automated Border Control gates.

**Result indicator 4:** Number of national border surveillance infrastructure established/further developed in the framework of EUROSUR (source: Member States/Commission)

<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
19 National Coordination Centres	30 National Contact Centres and other infrastructure/upgrade	All the 30 National Coordination Centres were set up and are currently operational	30 National Contact Centres and other infrastructure/upgrade

**Result indicator 5:** Number of incidents reported by Member States to the European Situational Picture (irregular immigration, including on incidents related

to a risk to the lives of migrants, cross-border crime, crisis situations) (source: Member States)

<u>Baseline</u> (2015)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
117.721 (until 04.11.2015)		117.721 (until 04.11.2015)	

**Main policy outputs in 2015**

- ***The Commission adopted a Border package on 15.12.2015, including a draft Regulation on the European Border and Coast, a proposal for amending the Schengen Borders Code, a "Practical Handbook for implementing and managing the European Border Surveillance System (Eurosur Handbook)".***
- ***The second phase of the proof of concept on "smart borders", a pilot (also called 'testing phase') entrusted by the Commission to the European Agency for the operational management of large-scale IT systems in the area of freedom, security, and justice (eu-LISA), was completed. The main objective of the pilot was to test technical options identified within the technical study against specific measurable criteria in operational and relevant environments. The testing phase aimed to contribute defining the best technical solutions for faster and more secure border-control processes, respecting the highest principles on data protection and fundamental rights.***
- ***Regular bi-annual reports on the functioning of the Schengen area were adopted by the Commission in May and December.***
- ***A number of Schengen evaluations were carried out for the first time according the new Schengen governance mechanism: "Announced visits" were carried out in Austria, Belgium, Germany, Netherlands, and "unannounced visits" in Sweden, Spain, Hungary, Poland and Greece as regards the management of external borders and at the internal borders between Latvia/Lithuania, Germany/France and Italy/Switzerland.***
- ***SIS II became operational in the UK on 13 April 2015. 25 EU Member States and 4 Schengen Associated Countries now cooperate through the Schengen Information System.***

<b>Specific objective 3: Preventing crime and combating cross-border, serious and organised crime including terrorism, and reinforcing coordination and cooperation between law enforcement authorities of Member States and other national authorities of Member States, including with EUROPOL or other relevant EU bodies, and with relevant third-countries and international organisations.</b>			<input checked="" type="checkbox"/> Programme-based (ISF-Police) <input checked="" type="checkbox"/> Non-programme based
<b>Result indicator 1: Cumulative number of joint investigation teams (JITs) and European Multidisciplinary Platform against Criminal Threats (EMPACT) operational projects supported by the Fund, including the participating Member States and authorities (source: Europol)</b>			
<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
0	820	541	1285
<b>Result indicator 2: Cumulative number of law enforcement officials trained on cross-border-related topics with the help of the Fund, and duration of their training (person /days) (source: CEPOL).</b>			
<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
0 official trained with the assistance of the Fund	20.000 officials 40.000 training days	Such trainings should be included in national programmes, on which no data is available. First reports on the implementation of national programmes in 2015 are due in February 2016.	39.200 officials 78.400 training days  Targets are based on the Cepol training statistics: in 2012 about 5.600 officers participated in courses organised by Cepol and the number of officers trained under the national programmes should basically equal this amount. In addition, assuming that the training intensity should increase over the years, after 2017 the numbers should be higher. The figure on person-days is based on the assumption that the average duration of a training course is two days.
<b>Result indicator 3: Number of projects supported by the ISF-Police Fund, aiming to improve law enforcement information exchange, which are related to</b>			



<b>Europol data systems, repositories or communication tools (broken down by type of crime) (source: Commission)</b>			
<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
0	24	7 projects to be funded under ISF-P union actions in this field. Projects are schedule to start early 2016.	43  In 2013, 13 Member States had a data loader in place to upload data to the Europol Information System (EIS); the extent to which national authorities are connected to Europol's Secure Information Exchange Network Application (SIENA) differs from Member State to Member State. SIENA and EIS are the most relevant systems regarding this indicator. Within the life span of the fund, all Member State should establish data loaders and all should improve the connection to SIENA or conduct alternative projects in line with the aim mentioned in the indicator, suming up to at least 43 projects.
<b>Result indicator 4: Amount of operational messages through Europol systems on organised crime topics (source: Europol)</b>			
<u>Baseline</u> (2013)	<u>Milestone</u> (2016)	<u>Current situation</u>	<u>Target</u> (2018 and beyond)
456.598	Increase	732.070 (539.548 in 2014)	Increase
<b>Result indicator 5: Number of exchanges between Member States and/or with third countries via FIU.Net (source: FIU Net)</b>			
<u>Baseline</u> (2013)	<u>Milestone</u> (2016)	<u>Current situation</u>	<u>Target</u> (2018 and beyond)
11.402	Increase	17.140 (12.075 in 2014)	Increase
<b>Main policy outputs in 2015</b>			
<b>- <i>The fight against organised crime and terrorism are key pillars of the European Agenda on Security adopted by the Commission on 28.04.2015.</i></b>			

- ***An EU Internet Referral Unit was established in Europol (July 2015) and an EU Internet Forum was launched (3.12.2015).***
- ***A Radicalisation Awareness Network (RAN) Centre of Excellence was established, operational since 1.10. 2015.***
- ***Legal and technical modifications were implemented in SIS II in order to improve and accelerate information exchange on terrorists suspects and to prevent the departure of foreign fighters.***
- ***The Commission adopted a package of measures to fight against trafficking in firearms and explosives, including a proposal for a revision of the Firearms Directive to tighten controls on the acquisition and possession of firearms and an implementing Regulation on common minimum standards for deactivation of firearms (November 2015) as well as an EU action plan against illicit trafficking in and use of firearms and explosives (2.12.2015).***
- ***The Commission adopted two proposals for Council Decisions authorising the Commission to sign, on behalf of the European Union, the Council of Europe Convention on the Prevention of Terrorism, as well as the Additional Protocol to the Convention (15.06.2015).***
- ***The Commission adopted a proposal for a Directive on Terrorism which will strengthen the EU's legislative framework in preventing terrorist attacks by criminalising preparatory acts such as training and travel abroad for terrorist purposes as well as aiding or abetting, inciting and attempting terrorist acts (2.12.2015).***
- ***The Commission presented a proposal, followed by a Council Decision, to authorize the opening of negotiations for a PNR agreement between the EU and Mexico (23.06.2015).***
- ***Schengen evaluations in the field of police cooperation were carried out in Austria, Belgium, Germany, the Netherlands and Liechtenstein. Based upon the evaluation reports established by the Commission the Council Recommendations proposed will improve cross-border law enforcement information exchange as well as operational cooperation of the countries concerned.***
- ***The Commission presented an EU Action Plan against migrant smuggling to prevent the exploitation of migrants by criminal networks and reduce incentives to irregular migration (27.05.2015).***

<b>Specific objective 4: Enhancing the capacity of Member States and the Union for managing effectively security-related risks and crisis, and preparing for and protecting people and critical infrastructure against terrorist attacks and other security related incidents.</b>			<input checked="" type="checkbox"/> Programme-based (ISF-Police) <input checked="" type="checkbox"/> Non-programme based
<b>Result indicator 1: Cumulative number of projects relating to the assessment and management of risks in the field of internal security supported by the Fund (source: Commission)</b>			
<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
15	60	16	105 Number of valuable projects is extrapolated to be 15 per year.
<b>Result indicator 2: Number of initiatives commenced in conjunction with the 4 pan-European Critical Infrastructures named in the new approach to the European Programme for Critical Infrastructure Protection (Eurocontrol, Galileo, the European Electricity Transmission Grid, the European Gas Transmission Network) (source: Commission)</b>			
<u>Baseline</u> (2013)	<u>Milestone</u> (2015)	<u>Current situation</u>	<u>Target</u> (2017)
0	4	4	4
<b>Result indicator 3: Number of tools put in place and/or further upgraded with the help of the instrument to facilitate the protection of critical infrastructure by Member States in commenced in conjunction with the 4 pan-European Critical Infrastructures named in the new approach to the European Programme for Critical Infrastructure Protection (Eurocontrol, Galileo, the European Electricity Transmission Grid, the European Gas Transmission Network) (source: Commission)</b>			
<u>Baseline</u>	<u>Milestone</u>	<u>Current situation</u>	<u>Target</u>

(2013)	(2015)		(2017)
0	1	1	3
<b>Result indicator 4: Greater engagement of Member States in the implementation of the CBRN Action Plan and the Action Plan on enhancing the Security of Explosives measured through the number of Lead Country Initiatives (source: Commission)</b>			
<u>Baseline</u> (2013)	<u>Current situation</u>		<u>Target</u> (2015 – Target year for the implementation of the EU CBRN Action Plan)
3	3		3
<b>Main policy outputs in 2015</b>			
<p><b>See also under the specific objective 1</b></p> <ul style="list-style-type: none"> <li>- <i>Creation and launch of the Syria Strategic Communications Advisory Team (SSCAT) project (January 2015).</i></li> <li>- <i>Adoption by the Commission of a Report on the transfer of relevant provisions on ammonium nitrate from Regulation (EC) No 1907/2006 into Regulation (EU) No 98/2013 (13.03.2015).</i></li> <li>- <i>Adoption of the AIRPOL soft target Manual.</i></li> <li>- <i>The CIWIN platform has been reconfigured to act as a repository of Critical Infrastructure Protection (CIP) tools, available to CIP practitioners in the EU.</i></li> </ul>			

<b>Specific objective: Strengthening the role of Europol and CEPOL to tackle serious crime more effectively and to improve training of law enforcement officers.</b>	<input checked="" type="checkbox"/> Non-programme based
<b>Result indicator 1: Number of law enforcement officers participating in training organised by CEPOL (source: CEPOL)</b>	

<u>Baseline</u> (2012)	<u>Current situation</u>	<u>Target</u> (2015)
6.019	12.992	Increase
<b>Result indicator 2: Number of contributions to Analytical Work Files (source: Europol)</b>		
<u>Baseline</u> (2012)	<u>Current situation</u>	<u>Target</u> (2015)
27.076	61.252 (50.285 in 2014)	Increase
<b>Result indicator 3: Number of cross border cases where Europol used its information capabilities and operational expertise (source: Europol)</b>		
<u>Baseline</u> (2012)	<u>Current situation</u>	<u>Target</u> (2015)
15.949	39.868 (20.779 in 2014)	Increase
<b><u>Main policy outputs in 2015</u></b>		
<ul style="list-style-type: none"> <li>- <b><i>A new Regulation on CEPOL was adopted by the European Parliament and the Council (November 2015). It will be implemented from July 2016. According the new Regulation, a number of new tasks have been attributed to the agency, such as those related to assessing EU initiatives in defined fields, building the capacity of third countries, providing multiannual Strategic Training Needs Assessments, and the promotion of mutual recognition of training among EU Member States. The width of CEPOL's remit in the area of research relevant for training and external relations has also been extended.</i></b></li> <li>- <b><i>Political agreement on a new Europol Regulation (4/12/2015), with formal adoption to follow in 2016.</i></b></li> <li>- <b><i>The FIU.Net has been embedded within Europol.</i></b></li> <li>- <b><i>Participation of Europol, as observer, in all Schengen evaluations in the field of police cooperation (Austria, Belgium, Germany, the Netherlands, and Liechtenstein). This allowed for properly taking the role of Europol into account and fostered the use of Europol instruments in international police cooperation.</i></b></li> </ul>		

<b>Specific objective 6: To support initiatives in the field of drugs policy as regards judicial cooperation and crime prevention aspects closely linked to the general objectives of the Justice Programme, insofar as they are not covered by the ISF or by the Health for Growth Programme.</b>		<input checked="" type="checkbox"/> Programme-based (Justice Programme)
<b>Result indicator 1:</b> Number of new psychoactive substances assessed (including through testing, if necessary) to enable the EU or the Member States to take appropriate action to protect consumers depending on the type and level of risks that may be posed when consumed by humans (source: Commission)		
<u>Baseline</u> (2012)	<u>Current situation</u>	<u>Target</u> (2020)
68	100	95
<b>Result indicator 2:</b> % of problem opioid users that are in drug treatment (source: EMCDDA)		
<u>Baseline</u> (2011)	<u>Current situation</u>	<u>Target</u> (2020)
50%	The latest available data is from 2014 <sup>2</sup> . The estimated percentage of problem opioid users in substitution treatment (OST) across the EU remains at 50%. With regard to the percentage of problem opioid users in any type of drug treatment (OST and other drug treatment), estimates from 9 countries are available and rates vary from 19% to 88%.	60%
<b><u>Main policy outputs in 2015</u></b>		
- <b><i>The EMCDDA and Europol presented a Report on the Risk Assessment of 4,4'-DMAR and Report on the Risk Assessment of MT-45, produced in the framework of the Council Decision on new psychoactive substances.</i></b>		

<sup>2</sup> Data from 2015 will be available in the second half of 2016

- *The EMCDDA presented the following studies: "New psychoactive substances in Europe. An update from the EU Early Warning System (March 2015)"; "New psychoactive substances in Europe: Innovative legal responses."; "Estimating trends in injecting drug use in Europe using national data on drug treatment admissions".*
- *The Commission presented a Report to the European Parliament and the Council on progress in the EU's 2013-2020 Drugs Strategy and 2013-2016 Action Plan on Drugs.*

**Specific objective: To contribute to reducing drugs use and trafficking, and the harms that drugs cause to individuals and to society, through measures to reduce the availability of new drugs, to improve the quality of drug-demand reduction services and the understanding of drug-supply, by supporting actions to raise awareness about the risks of drugs, enhance the effectiveness of treatment and support cross-border operational cooperation against drug.**

Programme-based (ISF-Police)  
 Non-programme based

**Result indicator 1:** Degree of use of various drugs, availability, accessibility and coverage of effective and diversified drug treatment across the EU

<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
1.3 million people received treatment for illicit drug use in Europe during 2012. In terms of coverage, half of opioid users are in substitution treatment	Increase coverage of drug treatment, in particular of opium substitution treatment, to at least 2/3 of opioid users who wish to have access to such treatment (EU MS are in charge of providing drug-related services, including treatment, the Commission can only provide support through its financial programme and support the exchange of best practices in this area)	<b>Availability:</b> The total estimated number of people who received treatment for illicit drugs use has remained stable at 1.3 million. <b>Coverage:</b> In the EU as a whole, the coverage of drug treatment in general and of OST in particular has remained stable (see Specific objective 6, result indicator 2), with larger EU countries achieving OST coverage rates of approximately 50% of problem opioid users. Some countries are providing this evidence-based treatment only to a minority of problem opioid users. National coverage estimates of opioid substitution treatment are available in the EMCDDA latest Risk Assessment: <a href="http://www.emcdda.europa.eu/publications/rapid/2015/drug-related-infectious-diseases-in-europe">http://www.emcdda.europa.eu/publications/rapid/2015/drug-related-infectious-diseases-in-europe</a> (page 16) <b>Effectiveness and diversification:</b> The effectiveness of opioid	Expand the availability, accessibility and coverage of effective and diversified drug treatment across the EU to problem and dependent drug users including non-opioids users, so that all those who wish to enter drug treatment can do so, according to relevant needs (as stated in the EU Drugs Strategy).

		substitution treatment is supported by many studies (see: <a href="http://www.emcdda.europa.eu/best-practice/treatment/opioid-users">http://www.emcdda.europa.eu/best-practice/treatment/opioid-users</a> ). A range of opioid substitution medications are available in most countries, the treatment offer has become broader, contributing to a further improvement of services. Further actions were taken to define minimum quality standards for drug treatment.	
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**Result indicator 2:** Level of awareness of the risks and consequences associated with the use of illicit drugs and new psychoactive substances, in general and in particular as regards youth

<u>Baseline</u> (2014)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
2014 Eurobarometer on youth and drugs: 16% young people say they have not been informed about the effects and risks of the use of illicit drugs at all in the past year, an increase of 6 points since 2011; 29% young people say they have not been informed at all in the past year about new substances that imitate the effects of illicit drugs	Reduce the percentage of young people who have not been informed about the effects and risks of illicit drugs to 10% and of the young people who have not been informed about the risks of new psychoactive substances to 20%. (Note: EU Member States are in charge of providing prevention and awareness raising services, the EU has a supporting role by funding cross-border action or facilitating the exchange of best practice)	No new Eurobarometer since 2014. In 2015 the Commission published a progress report on the implementation of the EU Drugs Strategy and Action Plan in the period 2013-2014. This showed that awareness raising and counselling are the most common prevention activities used in Member States to reach young people thought to be at risk for substance abuse. General information campaigns in schools about substance abuse are reported to be widely available in the EU. Most Member States reported having had specific programmes and/or measures aimed at delaying the first use of illicit drugs and having run awareness initiatives on the risks and consequences of using illicit drugs and other new psychoactive substances.	Reduce to 10% the number of young people who have not been informed about the risks of illicit drugs and of new psychoactive substances

**Result indicator 3:** Degree to which new psychoactive substances which are notified by several Member States and which seem to pose risks are subjected to risk assessment (including to testing, if necessary) to enable the EU or the Member States to take appropriate action to protect consumers (source: Commission)

<u>Baseline</u> (2014)	<u>Current situation</u>	<u>Target</u> (2020)



6 substances subjected to risk assessment and on which the Commission proposals for banning them	1 substance subjected to risk assessment	Increase – but this depends on the number of substances on the market, and on whether they are notified and pose risks in several Member States.
<b>Result indicator 4:</b> The number of recommendations produced by the Civil Society Forum on Drugs and the follow up given to them by the relevant institutions (Commission or Council).		
<u>Baseline</u> (2014)	<u>Current situation</u>	<u>Target</u> (2020)
2 policy papers/recommendations	The Civil Society Forum was renewed, enlarged (45 organisations) and extended (3-year term membership) in 2015. The packages on the civil society recommendations for the UNGASS and on Drugs and on minimum quality standards in drug demand reduction were both delivered in 2015 as planned.	12 policy papers/recommendations or updates of these
<b><u>Main policy outputs in 2015</u></b>		
<ul style="list-style-type: none"> <li>- <b><i>Adoption of 4 Council Implementing Decisions subjecting in total 8 new psychoactive substances to control measures (Council Implementing Decisions 2015/1873/EU on 4,4'DMAR and MT 45, 2015/1874/EU on 4 methylamphetamine, 2015/1875/EU on 251-NBOMe, AH 7921, MDPV and methoxetamine, 2015/1876 on 5-(2-aminopropyl), all of 8 October 2015.</i></b></li> <li>- <b><i>Adoption of a Commission proposal subjecting a new psychoactive substance to control measures (COM(2015) 674 final of 18 December 2015 on alpha-PVP.</i></b></li> <li>- <b><i>Civil Society Forum package on minimum quality standards in drug demand reduction</i></b></li> <li>- <b><i>Civil Society Forum package of the civil society recommendations on UNGASS and a Regional Consultation on UNGASS carried out on 5-6 October 2015.</i></b></li> <li>- <b><i>Council conclusions on the implementation of minimum quality standards in drug demand reduction in the EU.</i></b></li> <li>- <b><i>Key indicators in drug supply, based on technical work led by the EMCDDA. For 2 indicators (drug seizures and drug law offence) the concept was reviewed, new data collection tools were developed and pilot data collections took place in 2015. Further work concerned the indicators on drug prices, drug purity, drug production and perceived drug availability.</i></b></li> </ul>		

<b>Specific objective: To foster secure European societies in a context of unprecedented transformations and growing global interdependencies and threats, while strengthening the European culture of freedom and justice</b>	<input checked="" type="checkbox"/> Programme-based (Horizon 2020) <input checked="" type="checkbox"/> Non-programme based
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**Result indicator 1:** Patent applications in the area of the different Societal Challenges (inclusive, innovative and secure societies) Source: Internal monitoring (source: Commission)

<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
For FP7 Cooperation Projects finished by February 2013, estimated 2 patent applications per EUR 10 million funding	1 application per 20 million funding	The first Horizon 2020 projects have started in the third quarter of 2015. There are no patent applications yet.	On average, 2 patent applications per EUR 10 million funding This target was set by DG RTD for all members of the “research family DGs”.

**Result indicator 2:** Share of projects with activities on the road to innovation measured by the Technology Readiness Level (TRL) indicator<sup>3</sup> (Source: Commission)

<u>Baseline</u>	<u>Milestone</u> (2015)	<u>Current situation</u>	<u>Target</u> (2020)
<u>New indicator</u>	End 2015: 60% of the budget for the biannual work programme will be devoted	Over 70% of the projects are at a TRL level of 5 or higher.	Still to be determined

<sup>3</sup> The TRL index ranges from 1 (basic research) to 9 (market ready application). The target of 4 is to demonstrate that the aim of the programme is to finance projects which intend to innovate. This should not be seen as underrating the value of basic research projects, which actually create pre-conditions for innovation.

	to projects with a TRL of at least 4 (demonstration through a trial and/or external input)		
<b>Main policy outputs in 2015</b>			
<ul style="list-style-type: none"> <li>- <i>Following the 2014 Calls for proposals of the Horizon 2020 Secure Societies Challenge, the Commission launched 36 security research projects, ranging from airport security to critical infrastructure and training of first responders (two thirds under the management of the Research Executive Agency).</i></li> <li>- <i>The Commission issued a mandate to the European Standardisation Organisations to develop a standard, modelled on existing quality management schemes but applied to privacy management in the design and development and in the production and service provision processes of security technologies (20.01.2015).</i></li> </ul>			

## Asylum and Migration

<b>General objective 2: Contribute to the effective management of migration flows and to the implementation, strengthening and development of the common policy on asylum, subsidiary protection and temporary protection and the common immigration policy, while fully respecting the rights and principles enshrined in the Charter of Fundamental Rights of the European Union</b>			<input checked="" type="checkbox"/> Programme based (AMIF) <input checked="" type="checkbox"/> Non-programme based
Impact indicator 1: Convergence of protection recognition rates by Member States for asylum applicants from a same third country, as reflected by the amplitude between the highest and lowest recognition rates in the Member States for asylum seekers from the top source third country (source: Eurostat)			
<u>Baseline</u> (2012)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
The standard deviation in terms of recognition rates for international	Lower (increased convergence).	The standard deviation in terms of recognition rates for international protection among Member States on the	Lower (increased convergence).

protection among Member States on the caseload on Afghanistan, one of the most relevant in the EU, is 21. In 2013, recognition rates for asylum-seekers from Afghanistan varied from 9 to 82%		caseload on Afghanistan is 22.27. In 2014 (latest annual data available), Recognition rates for asylum seekers from Afghanistan varied from 22 to 89% (63% in Belgium, 22% in Denmark, 46% in Germany, 27% in Greece, 89% in Italy, 48% in Sweden)	
Impact indicator 2: Difference in employment rates of third-country nationals (TCNs) compared to that of EU nationals (source: Eurostat)			
<u>Baseline</u> (2011)	<u>Milestone</u> (2017)	<u>Current situation (last figures 2014)</u>	<u>Target</u> (2020)
10 points (employment rates: 54% TCNs / 64% EU nationals)	Gradual approximation of employment rates of TCNs and EU nationals.	Employment rate EU nationals: 65.2% Employment rate third country nationals: 53.2%	Gradual approximation of employment rates of TCNs and EU nationals.
Impact indicator 3: Share of permits issued to researchers, highly-skilled workers, seasonal workers, intra-corporate transferees (ICTs) and remunerated trainees from third countries on total number of residence permits for remunerated activities issued (source: Eurostat)			
<u>Baseline</u> (2012)		<u>Current situation (last figures 2014)</u>	<u>Target</u> (2015)
6,6% highly skilled workers (32.338) 0,5% blue cards (2.514) 2,6% researchers (12.668) 4,2% seasonal workers (20.322) 86,1% other remunerated activities (421.512) 100% = 489.354 permits issued to third country nationals for remunerated activities		6,1% highly skilled workers (35.527) 2.4% blue cards (13.724) 1.7% researchers (10.145) 32.4% seasonal workers (188.140) 57.3% other remunerated activities (332.791) 100% = 580.327 permits issued to third country nationals for remunerated activities	Increased share of permits issued to researchers, highly-skilled workers, ICTS, seasonal workers and remunerated trainees from third countries on total number of residence permits.

Impact indicator 4: Effectiveness of return policy as reflected by the ratio between the number of irregular migrants returned to their country of origin compared to return decisions issued (source: Member States)		
<u>Baseline</u> (2012)	<u>Current situation</u>	<u>Target</u> (2015)
41% (206.045 effective returns / 498.680 return decisions issued)	61% (175.220 effective returns / 286.725 of return decisions issued)	Increased ratio
Impact indicator 5: Ratio voluntary/forced return (source: Member States)		
<u>Baseline</u> (2012)	<u>Current situation</u>	<u>Target</u> (2015)
41,1%	72 473 forced returns, 81 681 voluntary returns and 21 066 not specified.	Increased ratio.

<b>Specific objective 1: To strengthen and develop all aspects of the Common European Asylum System, including its external dimension</b>	<input checked="" type="checkbox"/> Programme-based (AMIF) <input checked="" type="checkbox"/> Non-programme based
<u>Result indicator 1</u> : Number of refugees estimated (i.e. pledged) for resettlement (source: reporting of the Member States within the framework of the Fund).	

<u>Baseline</u> (2013)	<u>Current situation</u>		<u>Target</u> (2017)
3962	2.025		20.504 <sup>4</sup>
<b>Result indicator 2: Number of target group persons provided with assistance through projects in the field of reception and asylum systems supported under the Fund (source: reporting of the Member States within the framework of the Fund)</b>			
<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
0	140.000	Data yet to be collected	140.000 Estimation on the basis of European Refugee Fund figures for previous years.
<b>Result indicator 3: Number of places in new or existing reception and accommodation infrastructures made compliant with the standards of the EU acquis (source: reporting of the Member States within the framework of the Fund)</b>			
<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
0	2.376	Data yet to be collected	2.376 Estimation on basis of European Refugee Fund figures for previous years
<b>Result indicator 4: Number of persons trained in asylum-related topics with the assistance of the Fund, and that number as a percentage of the total</b>			

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<sup>4</sup> Pledged figure under the resettlement Council conclusions of 20.07.2015, over a period 8.06.2015/8.12.2017

number of staff trained in those topics			
<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
0	270	Data yet to be collected	270 (10 persons per Member States per year)
<u>Result indicator 5</u> : Number of country-of-origin information products and fact-finding missions conducted with the assistance of the Fund			
<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
	10	Data yet to be collected	10 (approximately 1 per Member State every three years)
<u>Result indicator 6</u> : Number of projects supported under this Fund to develop, monitor and evaluate asylum policies in Member States (source: reporting of the Member States within the framework of the Fund)			
<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
0	20	Data yet to be collected	20
Main policy outputs in 2015			
<ul style="list-style-type: none"> <li>- <i>The Commission adopted a proposal for a Council Decision establishing an emergency relocation mechanism for the benefit of Italy and Greece aiming to relocate 40, 000 people within a two-year period (May 2015) and a Recommendation on a European resettlement scheme (June).</i></li> <li>- <i>The Commission issued guidelines on the implementation of the Eurodac Regulation as regards the obligation to take fingerprints (27.05.2015).</i></li> <li>- <i>The Commission adopted a second proposal for a Council Decision establishing an emergency relocation mechanism for the benefit of Italy and Greece aiming to relocate 120, 000 people within a two-year period, a proposal for a permanent crisis relocation mechanism under the</i></li> </ul>			

**Dublin system, and a proposal for a European list of safe countries of origin ( September).**

- **The Commission presented a Recommendation for a Voluntary Humanitarian Admission Scheme with Turkey (formally adopted on 11 January 2016) as well as a proposal for a temporary suspension of Sweden’s obligations under the EU relocation mechanism for the period of one year (December).**
- **Two meetings of the Resettlement and Relocation forum were held in 2015 (in October and December) to facilitate the implementation of the relocation and resettlement schemes, inform on the state of play, clarify legal issues, identify bottlenecks and find solutions.**
- **The Commission reported on the progress on the implementation of the hotspots in Italy and Greece (15.12.2015).**
- **Throughout the year DG Home Affairs has closely worked with the European Asylum Support Office (EASO) in the different activities performed by the agency, with a view to foster a coherent implementation of the Common European Asylum System. This cooperation increased particularly in view of supporting Italy and Greece in the implementation of the emergency relocation mechanism in partnership with Frontex.**
- **The Commission has closely monitored the transposition and implementation by the Member States of the new and existing acquis intensified. In order to assist Member State in the implementation of the acquis, two Contact Committees were organised on the Qualification Directive (on exclusion grounds and cessation of the status as well as on the eligibility grounds).**
- **Two new Regional Development and Protection Programmes (RDPP) were put in place in North Africa and the Horn of Africa. Priority actions under both programmes were identified and the Commission made available over EUR 75M for their implementation (EUR 15 M from AMIF).**
- **Protection and asylum featured high in the Valetta Summit declaration adopted in November 2015.**

**Specific objective 2: To support legal migration to the Member States in line with their economic and social needs such as labour market needs, while safeguarding the integrity of the immigration systems of Member States, and to promote the effective integration of third-country nationals.**  
**Relevant general objective: Asylum and Migration.**

- Spending programme
- Non-spending

**Result indicator 1: Number of target group persons assisted by the Fund through integration measures in the framework of national, local and regional strategies (source: reporting of the Member States within the framework of the Fund)**



<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
0	325.630	Data yet to be collected. The data available relate to the number of persons that received reintegration assistance under the General Programme "Solidarity and Management of Migration Flows" (SOLID) in the period between 2011 and mid 2015 under the Return Fund (45.300 persons).	325.630
<b>Result indicator 2:</b> Number of target group persons who participated in pre-departure measures supported under the Fund (source: reporting of the Member States within the framework of the Fund)			
<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
0	5000	Data yet to be collected	6000
<b>Result indicator 3:</b> 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 as a result of the measures supported under this Fund (source: reporting of the Member States within the framework of the Fund)			
<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
0	30	Data yet to be collected	30
<b>Result indicator 4:</b> Number of cooperation projects with other Member States on the integration of third-country nationals supported under the Fund (source: reporting of the Member States within the framework of the Fund)			
<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
0	15	Data yet to be collected	15
			The topic closest to this item under

			the EIF had an output of 53 operations over 4 years (i.e. 13 per year). For the same reason as above, most of the AMIF funding on integration is likely to be concentrated on projects targeted at TCNs themselves.
<b>Result indicator 5:</b> Number of projects supported under the Fund to develop, monitor and evaluate integration policies in Member States (source: reporting of the Member States within the framework of the Fund)			
<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
0	27	Data yet to be collected	27 (1 per Member State, all MS except Denmark)
<b>Result indicator 6:</b> Evolution of EU attractiveness for highly skilled workers, students, researchers, seasonal workers, remunerated trainees, intra-corporate transferees (ICTs) from third countries as measured through the numbers of persons of these categories granted entry into the EU (source: Eurostat).			
<u>Baseline</u> (2012)	<u>Milestone</u> (2018)	<u>Current situation</u>	<u>Target</u> (2020 )
- 16.500 ICTs - 12.663 researchers (all EU Member States incl. Denmark and United Kingdom) - 465.774 students (all Member States incl. Denmark, Ireland and United Kingdom; this includes students as well as unremunerated trainees and pupils, as	Increase	ICT: no figure yet available for the ICT directive, adopted in 2014)  10.145 researchers (2014)  476.817 students (2014)  Remunerated trainees: no information available  188.131 seasonal workers (2014)  13.852 blue cards issued (2015)	Increase

<p>not all EU Member States disaggregate these categories)  - 11.000 remunerated trainees  - Over 100.000 seasonal workers  - 3.475 Blue Cards granted</p>			
<p><b>Result indicator 7:</b> Ratio between the number of residence permits delivered to victims of human trafficking and the number of non-EU identified and presumed victims of trafficking in EU Member States (source: Eurostat, Member States reporting)</p>			
<p><u>Baseline</u>  (2010-2012  ESTAT/HOME report  – October 2014)</p>	<p><u>Milestone</u>  (2017)</p>	<p><u>Current situation</u></p>	<p><u>Target</u>  (2020)</p>
<p>Ratio : 0.52   Permits granted in 2012 on the basis of Directive 2004/81: 1,124 (source: Eurostat; figures for 23 Member States, figures for Austria are not yet available, Directive not implemented by Denmark, Ireland, United Kingdom).</p>	<p>Increase</p>	<p>893 residence permits were issued in 2014 in EU28 (compared to 881 in 2013)   Information on the number of non EU identified and presumed victims of trafficking in EU Member States not available at the time of reporting</p>	<p>Increase</p>
<p><b><u>Main policy outputs in 2015</u></b></p>			
<p>- <b><i>The Commission Communication on a European Agenda on Migration adopted on 13 May 2015 announced - as one of the four pillars of the agenda – a new policy on legal migration.</i></b></p>			

- *The 1st meeting of the European Migration Forum took place (27-28 January 2015), where more than 240 representatives from civil society, academia, Member States authorities, local and regional authorities as well as EU institutions met to discuss the migration challenges in the Mediterranean.*
- *A political agreement was settled between the Council and the European Parliament (December 2015) on the Commission proposal for a recast Directive on the conditions of entry and residence of third-country nationals for the purposes of research, studies, pupil exchange, remunerated and unremunerated training, voluntary service and au pairing. This paved the way for an adoption of the recast directive in 2016.*

<b>Specific objective 3: To enhance fair and effective return strategies in the Member States, which contribute to combating irregular immigration, with emphasis on sustainability of return and effective readmission in the countries of origin and transit</b>			<input checked="" type="checkbox"/> Programme-based (AMIF) <input checked="" type="checkbox"/> Non-programme based
<b>Result indicator 1: Number of returnees whose return was co-financed by the Fund; persons who returned voluntarily and persons who were removed (source: reporting of the Member States within the framework of the Fund)</b>			
<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
0	97.559	Data yet to be collected. The data available relate to the number of persons who returned voluntarily and persons who were removed under the General Programme "Solidarity and Management of Migration Flows" (SOLID) in the period between 2011 and mid 2015 under the Return Fund: 247 599 persons. Data have been reported by Member States in the framework of on-going ex-post evaluation.	97.559
<b>Result indicator 2: Number of returnees who received pre or post return reintegration assistance co-financed by the Fund (source: reporting of the Member States within the framework of the Fund)</b>			
<u>Baseline</u>	<u>Milestone</u>	<u>Current situation</u>	<u>Target</u>

(2013)	(2017)		(2020)
0	3.000	Data yet to be collected. The data available relate to the number of persons that received reintegration assistance under the General Programme "Solidarity and Management of Migration Flows" (SOLID) in the period between 2011 and mid 2015 under the Return Fund (45.300 persons). Data have been reported by Member States in the framework of on-going ex-post evaluation.	4.500 (as per the 2015 programme statement; based on an average annual value calculated on EU level results achieved through the Annual Programmes 2008-2010)%
<b>Result indicator 3: Number of persons trained on return-related topics with the assistance of the Fund (source: reporting of the Member States within the framework of the Fund)</b>			
<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
0	6.465	Data yet to be collected.	6.465
<b>Result indicator 4: Number of monitored removal operations monitored and co-financed by the Fund (source: reporting of the Member States within the framework of the Fund)</b>			
<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
0	520	Data yet to be collected	520
<b>Result indicator 5: Percentage of monitored forced return operations out of the total number of forced return operations (only FRONTEX coordinated Joint return operations (JROs)) (source: Frontex)</b>			
<u>Baseline</u> (2012)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
59% (23 out of 39 Joint return operations)	50% or more of JROs being monitored	76% (50 out of 66)	100%
<b>Result indicator 6: Number of projects supported under the Fund to develop, monitor and evaluate return policies in Member States</b>			

<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
0	27	Data yet to be collected	27 (1 per Member State, all MS except Denmark)

#### **Main policy outputs in 2015**

- *The Commission presented an EU Action Plan on return as part of its second package of proposals following the European Agenda on Migration (9.09.2015).*
- *The Commission adopted a Recommendation establishing a common "Return Handbook" to be used by Member States' competent authorities when carrying out return related tasks (1.10.2015).*
- *The Commission adopted a proposal for a regulation on a European travel document for the return of illegally staying third-country nationals (15.12.2015).*
- *66 joint return operations have been coordinated by FRONTEX (3.565 returnees).*

<b>Specific objective 4: To enhance the solidarity and responsibility sharing between the Member States, in particular towards those most affected by migration and asylum flows, including through practical cooperation</b>			<input checked="" type="checkbox"/> Programme-based (AMIF) <input checked="" type="checkbox"/> Non-programme based
<b>Result indicator 1:</b> Number of beneficiaries of international protection transferred from one Member State to another with support of the Fund (source: reporting of the Member States within the framework of the Fund)			
<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
0	6	0	6
<b>Result indicator 2:</b> Number of cooperation projects with other Member States on enhancing solidarity and responsibility sharing between the Member			

States supported under this Fund (source: reporting of the Member States within the framework of the Fund)

<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
0	1	0	1

**Main policy outputs in 2015**

See also the main policy outputs under the specific objective 1

- *Relocation of applicants for international protection is now taking place rather than relocation of beneficiaries of international protection.*
- *Information related to EASO as per above under Specific Objective 1 is also relevant for the policy outputs under Specific Objective 4.*
- *Two meetings of the Resettlement and Relocation forum were held in 2015 (in October and December) to facilitate the implementation of the relocation and resettlement schemes, inform on the state of play, clarify legal issues, identify bottlenecks and find solutions.*

**External dimension of Home Affairs**

<b>General objective 3: Promote the values underpinning the area of freedom, security and justice in relation with third countries to contribute to the successful building of the internal area of freedom, security and justice and advance the EU's external relations.</b>	<input checked="" type="checkbox"/> Programme based (ISF-Police, ISF-Borders, AMIF) <input checked="" type="checkbox"/> Non-programme based
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Impact indicator 1: Number of cooperation frameworks within the Global Approach to Mobility and Migration (source: Commission).

<u>Baseline</u> (2013)	<u>Current situation</u>	<u>Target</u> (2020)

<p>2 global frameworks (High-level Dialogue on International Migration and Development; Global Forum for Migration and Development).</p> <p>8 regional frameworks (Prague Process; Eastern Partnership Process; Africa-EU Migration and Mobility Dialogue; Rabat Process; Budapest Process; ACP-EU Migration Dialogue; EU-CELAC Dialogue on Migration).</p> <p>27 bilateral frameworks.</p>	<p>No new global or regional policy dialogues have been set up in 2015, but most of those existing have been consolidated.</p>	<p>Increased number of cooperation frameworks (strategic and evidence based development of migration and mobility processes and dialogues with third countries at bilateral, regional and global level).</p>
<p>Impact indicator 2: Number of specific JHA cooperation processes with strategic partners (source: Commission).</p>		
<p><u>Baseline</u> (2013)</p>	<p><u>Current situation</u></p>	<p><u>Target</u> (2020)</p>
<p>9 (US, Russia, China, India, Canada, Australia, South Africa, Nigeria, Brazil)</p>	<p>The JHA cooperation process with Russia remains suspended due to the Ukraine crisis.</p>	<p>Increase in line with political priorities (strategic and evidence based development of specific JHA cooperation processes).</p>
<p>Impact indicator 3: Number of candidate countries with which negotiations on JHA chapters have been opened (source: Commission)</p>		
<p><u>Baseline</u> (2013)</p>	<p><u>Current situation</u></p>	<p><u>Target</u> (2020)</p>
<p>1 (chapter 23 was been opened and provisionally closed with Iceland)</p> <p>Chapters 23 and 24 have not been opened yet with any other of the candidate countries (Turkey, the former Yugoslav Republic of Macedonia, Serbia, and Montenegro)</p>	<p>Chapters 23 and 24 have been opened with Montenegro.</p> <p>Iceland withdrew its application for EU membership.</p>	<p>Increase.</p>



<b>Specific objective 1: Further develop and implement EU external policies, including policy dialogues on migration with third countries, regional groupings and international organisations, based on the Global Approach to Migration and Mobility and strengthen dialogue and cooperation between the EU and third countries and international organisations on drugs issues, based on the EU's balanced approach to drugs.</b>			<input checked="" type="checkbox"/> Spending programme <input checked="" type="checkbox"/> Non-spending
<u>Impact indicator 1: Number of existing mobility partnerships (source: Commission)</u>			
<u>Baseline</u> (2013)	<u>Current situation</u>		<u>Target</u> (2020)
6	8 (same as in 2014)		Increased number of mobility partnership with priority non-EU countries, especially in the Southern Mediterranean
<u>Impact indicator 2: Number of EU readmission agreements in force (source: Commission)</u>			
<u>Baseline</u> (2013)	<u>Current situation</u>		<u>Target</u> (2020)
13 EU readmission agreements in force	17		Increased number of EU readmission agreements in force with major source and transit countries
<u>Result indicator 3: Number of Common Agendas on Migration and Mobility with priority non-EU countries which do not qualify for a Mobility Partnership (CAMM) (source: Commission)</u>			
<u>Baseline</u> (2013)	<u>Milestone</u> (2015)	<u>Current situation</u>	<u>Target</u> (2020)

0	Progress in CAMM discussions with Ethiopia, Brazil and India, and other interested countries.	2 CAMM in place, a new CAMM was signed with Ethiopia in 2015.	5 CAMM in place
<b>Impact indicator 4: Number of visa dialogues with non-EU countries (source: Commission)</b>			
<u>Baseline</u> (2013)	<u>Milestone</u> (2015)	<u>Current situation</u>	<u>Target</u>
5 visa dialogues (Russia, Ukraine, Moldova, Georgia, and Kosovo) + one roadmap discussed with Turkey	<p>Conducting visa liberalisation missions to Ukraine and Georgia to support the authorities in pursuing reforms in all VLAP key areas in implementing VLAP benchmarks. In view of the Riga Summit, assessment of the effective implementation of the measures adopted by Ukraine and Georgia and issuance of Progress Reports.</p> <p>2nd progress Report assessing Kosovo's performance in the visa dialogue</p>	<p>The Commission adopted the final VLAP reports for Georgia and Ukraine on 18 December 2015. The respective legislative proposals to amend the Visa Regulation (539/2001) will be presented by the Commission early 2016.</p> <p>With eight outstanding requirements to be fulfilled, Kosovo is currently going through the last phase of its visa dialogue. The Commission will present a legislative proposal to lift the visa obligation for Kosovo citizens once Kosovo will have fulfilled these requirements.</p> <p>The EU-Turkey Summit of 29 November 2015 has invited the Commission to present a second progress report on Turkey in March 2016 and a third one in autumn 2016 (ideally end of September), stating that the third report should propose the Council and the Parliament to lift visa obligations on Turkey provided that by then Turkey will have been able to fulfil all the requirements of the visa liberalisation roadmap.</p> <p>The EU suspended the Visa Dialogue with the Russian Federation in March 2014 following the illegal annexation of Crimea. Since then no high-level or expert meetings were held on that topic.</p>	<p>Visa liberalisation for all non-EU countries currently in visa dialogues, which fulfil the necessary conditions in line with EU legislation</p> <p>Launch of new visa liberalization dialogues with the remaining EaP countries</p>
<b>Result indicator 5: Strengthened dialogue and co-operation in the field of drugs with relevant partners, including in a global context (source:</b>			

Commission)		
<u>Baseline (2013)</u>	<u>Current situation</u>	<u>Target (2020)</u>
<p>Policy dialogues with Latin American and the Caribbean, Western Balkans, ENPI countries, US, Russia, Afghanistan and Pakistan, Central Asian Republics and coordinated activities and common approach in the UN framework.</p> <p>Operational cooperation and exchange of best practices on both drug demand and supply reduction</p>	<p>EU dialogues on drugs, with Commission participation, were conducted respectively with CELAC, Western Balkans, Eastern Partnership, Central Asia, the US, Russia, Brazil and Peru. The context of UNGASS preparations has intensified policy dialogue on drugs and allowed useful exchanges of respective positions.</p> <p>There is no dedicated bilateral dialogue with Afghanistan and Pakistan, however drug policy was addressed on the occasion of high level visits to both countries. Moreover both countries, together with Central Asia, benefited from the EU funded programme Heroin Route Programme. In the case of CELAC there was a very good synergy between the policy dialogue and EU cooperation programme COPOLAD which has been extended (2016-2019) and enlarged to Caribbean countries.</p> <p>The Commission re-activated its participation in the activities of the Pompidou Group on Drugs (Council of Europe) and followed the activities of the Central Dublin Group, a coordination group on international drugs problem in different parts of the world, including the Commission, EU Member States, USA, Canada, Australia, Japan, Norway and UNODC.</p>	<p>Reinforce co-operation and update and implement Dialogues, Declarations and EU.</p> <p>Drugs Action Plans with partners.</p> <p>Successful outcome at the 2016 UNGASS on drugs with the adoption of an action plan to address new challenges in drugs policies that recognises the key role of health policies and of respect of human rights in global drugs policies, while keeping the commitment to fight trafficking.</p>
<u>Main policy outputs in 2015</u>		
<ul style="list-style-type: none"> <li>- <b><i>The Commission adopted a joint Communication with the High Representative for Foreign Affairs and Security Policy on "Addressing the Refugee Crisis in Europe: The Role of EU External Action" (9.09.2015).</i></b></li> <li>- <b><i>A new Common Agendas on Migration and Mobility was signed with Ethiopia in 2015, whereas negotiations on a CAMM with Brazil and India made significant progress.</i></b></li> <li>- <b><i>Negotiations on a Mobility Partnership with Belarus made good progress.</i></b></li> <li>- <b><i>The EU adopted its Common Position on UNGASS in November 2015 with input from the Commission, Member States, the European External</i></b></li> </ul>		

**Action Service, EMCDDA and the Civil Society Forum (for which DG Home is responsible). It is a basis for reaching out to third countries and regions in view of the UNGASS 2016.**

## Fostering European citizenship

<b>General objective 4: To contribute to citizens understanding of the Union, its history and diversity, to foster European citizenship and to improve conditions for civic and democratic participation at Union level.</b>		<input checked="" type="checkbox"/> Programme based (Europe for Citizens)																																												
Impact indicator 1: Percentage of EU citizens feeling European (source: Eurobarometer)																																														
<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)																																											
<p>Q03.L. For each of the following statements, please tell me to what extent it corresponds or not to your own opinion. You feel you are a citizen of the EU - % (Q)</p> <table border="1"> <thead> <tr> <th>Survey</th> <th>Yes, definitely</th> <th>Yes, to some extent</th> <th>No, not really</th> <th>No, definitely not</th> <th>Don't know</th> </tr> </thead> <tbody> <tr> <td>EB 80 Aut 2013</td> <td>20%</td> <td>28%</td> <td>12%</td> <td>14%</td> <td>1%</td> </tr> <tr> <td>EB 79 Sp 2013</td> <td>22%</td> <td>18%</td> <td>15%</td> <td>12%</td> <td>1%</td> </tr> <tr> <td>EB 78 Aut 2012</td> <td>22%</td> <td>13%</td> <td>13%</td> <td>19%</td> <td>1%</td> </tr> <tr> <td>EB 77 Sp 2012</td> <td>13%</td> <td>14%</td> <td>13%</td> <td>22%</td> <td>1%</td> </tr> <tr> <td>EB 76 Sp 2011</td> <td>13%</td> <td>18%</td> <td>15%</td> <td>12%</td> <td>1%</td> </tr> <tr> <td>EB 75 Sp 2009</td> <td>21%</td> <td>13%</td> <td>13%</td> <td>19%</td> <td>1%</td> </tr> </tbody> </table>		Survey	Yes, definitely	Yes, to some extent	No, not really	No, definitely not	Don't know	EB 80 Aut 2013	20%	28%	12%	14%	1%	EB 79 Sp 2013	22%	18%	15%	12%	1%	EB 78 Aut 2012	22%	13%	13%	19%	1%	EB 77 Sp 2012	13%	14%	13%	22%	1%	EB 76 Sp 2011	13%	18%	15%	12%	1%	EB 75 Sp 2009	21%	13%	13%	19%	1%	Stable at 77%	64% (Eurobarometer 84, Autumn 2015)	Stable at 77%
Survey	Yes, definitely	Yes, to some extent	No, not really	No, definitely not	Don't know																																									
EB 80 Aut 2013	20%	28%	12%	14%	1%																																									
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EB 75 Sp 2009	21%	13%	13%	19%	1%																																									
<b><u>Main policy outputs in 2015</u></b>																																														

n/a

**Specific objective 1: To raise awareness of remembrance, the common history and values of the Union and the Union's aim, namely to promote peace, the values of the Union and the well-being of its peoples, by stimulating debate, reflection and the development of networks**  Programme based (Europe for Citizens)

Result indicator 1: Number of participants who are directly involved (source: project holders' final reports)

<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
100.000	100.000	100.000	100.000 (based on 2013 survey)

Result indicator 2: Number of persons indirectly reached by the programme (source: project holders' final reports)

<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
150.000	180.000	185.000	202.5000 (based on 2013 survey)

Result indicator 3: Number of projects (source: EACA database)

<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
31	68	33	77 (based on 2013 survey)

Result indicator 4: Quality of projects applications (measured by the average score given to applications) and the degree to which the results of selected projects can be further used, transferred (source: EACEA project database)

<u>Baseline</u>	<u>Milestone</u>	<u>Current situation</u>	<u>Target</u>

(2013)	(2017)		(2020)
Lowest score obtained by a retained project: 80	81,6	80	83,2
Number of events organised: 50	85	90	95
Result indicator 5: Percentage of first time applicants (source: EACA database)			
<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
40%	35-45%	45%	35-45%
<b><u>Main policy outputs in 2015</u></b>			
<b><i>- In addition to the projects financed by the Europe for Citizens programme, a networking meeting for remembrance organisations was organised by the Commission from 4 to 6 May in Tallinn on the theme "Common European Memory: Promise, illusion or challenge?"</i></b>			

<b>Specific objective 2: To encourage democratic and civic participation of citizens at Union level, by developing citizens' understanding of the Union policy making-process and promoting opportunities for societal and intercultural engagement and volunteering at Union level<sup>5</sup></b>	<input checked="" type="checkbox"/> Programme based (Europe for Citizens)
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<sup>5</sup> For indicators related to the specific objective 2, the source data is EACEA - Indicators, milestones and targets have been set out on the basis of a study carried out by DG COMM in 2012-2013 in order to measure the impact of the Europe for Citizens programme – [http://ec.europa.eu/citizenship/news-events/news/11072013\\_studyefc\\_en.htm](http://ec.europa.eu/citizenship/news-events/news/11072013_studyefc_en.htm).

Result indicator 1: Number of participants who are directly involved (source: project holders' final reports)			
<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
1.000.000	1.000.000	1.000.000	1.000.000
Result indicator 2: Number of persons indirectly reached by the programme (source: project holders' final reports)			
<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
100.000.000	1.200.000	1.100.000	1.350.000
Result indicator 3: Number of participating organisations (source: project holders' final reports)			
<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
1.000	1.400	1.300	1.700
Result indicator 4: Perception of the Union and its institutions by the beneficiaries (source: project holders' final reports)			
<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
77% feel more European as a result of their participation in the "Europe for Citizens" Programme	Stable at 77%	64% (Eurobarometer 84, Autumn 2015)	77 (based on 2013 survey)
Result indicator 5: Quality of projects applications (measured by the average score given to applications) (source: EACA database)			

<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
Lowest score obtained by a retained project: 71	72,4	74	73,9
Result indicator 6: Percentage of first time applicants (source: EACA database)			
<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
40%	35-45%	44%	35-45%
Result indicator 7: Number of transnational partnership including different types of stakeholders (source: project holders' final reports)			
<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
Average number of stakeholders: 1,3	At least 2 types of stakeholders	Average number of stakeholders: 1,8	At least 2 types of stakeholders
Result indicator 8: Number of networks of twinned towns (source: EACA projects database)			
<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
41	49	32	56
Result indicator 9: Number and quality of policy initiatives following-up on activities supported by the Programme at the local or European level (source: project holders' final reports and Commission-led peer review process)			



<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
0	2	2	2
Result indicator 10: The geographical coverage of the activities (EACEA projects database)			
<u>Baseline</u> (2013)	<u>Milestone</u> (2017)	<u>Current situation</u>	<u>Target</u> (2020)
The comparison between the percentage of projects submitted by one Member State as a lead partner and the percentage of its population in the total population of the Union <sup>6</sup> : 13	19	28	23
The comparison between the percentage of projects selected per Member State as a lead partner and the percentage of its population in the total population of the Union <sup>7</sup> : 12	17	27	20
The comparison between the percentage of projects submitted by one Member State as a lead partner or co-partner and the percentage of its population in the total population of the Union <sup>8</sup> : 18	24	28	26
The comparison between the percentage of projects selected per Member State as a lead partner or co-partner and the percentage of its population in the total population of the Union <sup>9</sup> : 15	19	28	22

<sup>6</sup> Geographical coverage at EU level = number of Member States for which 90 % < NC < 110 %, NC = National coverage = % of projects submitted per member State as a lead partner / % of its population in the total population of the EU.

<sup>7</sup> Geographical coverage at EU level = number of Member States for which 90 % < NC < 110 %, NC = National coverage = % of projects selected per member State as a lead partner / % of its population in the total population of the EU.

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<sup>9</sup> Geographical coverage at EU level = number of Member States for which 90 % < NC < 110 %, NC = National coverage = % of projects selected per member State as a lead partner or co-partner / % of its population in the total population of the EU.

<b><u>Main policy outputs in 2015</u></b>			
n/a			