

# 2018 Discharge to the Commission

## WRITTEN QUESTIONS TO COMMISSIONER

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#### Horizontal questions

1. Could the Commission list all error rates reported in your DGs' AAR and AMPR and provide an explanation for the basis of calculation (how does the Commission arrive at these error rates, are they based on historical data or projections?)?

#### Commission's answer:

##### DG HOME 2018 Annual Activity Report (AAR):

##### 1. List of error rates reported

- a) SOLID – shared management: residual error rate for all closed annual programmes across all four SOLID funds of 1.85%;
- b) AMIF and ISF - shared management: residual error rate of 1.68% (AMIF error rate: 1.66%, ISF error rate: 1.74%);
- c) Centralised direct non research grants: residual error rate for 2007-2020 of 3.29%;
- d) Centralised direct management research grants: residual error rate of 2.98 % for FP7 and 2.32% for H2020.

##### 2. Basis of calculation

Following the corporate approach of the Commission and considering the multi-annual character of the programmes managed under direct management and shared management, DG HOME favours a **multi-annual approach** by evaluating the cumulative budgetary impact of the residual errors over the **whole programming period**. This multi-annual approach allows giving a more stable view on the situation.

**For shared management**, the calculation of the error rate is based on the assessment of each Member State's management and control system, resulting from the different types of audit work carried out by the national authorities and by DG HOME. In the calculation of the residual error rate, the Commission deducts the amounts corresponding to any corrective actions taken that have already effectively reduced the exposure: the corrections already made/ recovery orders issued.

**For direct management grants non-research** the residual error rate is calculated on a cumulative basis for the period 2007-2020 and it is given by the detected errors stemming from the audit work minus the financial corrections applied (recovery orders issued).

**For direct management grants research** the error rates are calculated by the Common Support Centre (CSC) / Common Audit Service (CAS) of DG Research and Innovation for all participating DGs.

**Annual Management and performance Report (AMPR):****1. List of error rates reported**

- a) Estimated risk at payment: EUR 30.61M;
- b) Estimated risk at closure: EUR 17.72M.

**2. Basis of calculation**

The risk at payment quantifies those errors that might remain after preventive controls have been applied and payments have been made. It is based on the error rates estimated by each Commission's department in their Annual Activity Report. Some departments may use a different but equivalent terminology.

To determine the risk at closure, the estimated future corrections are deducted from the risk at payment. These are the corrections that each department estimates they will implement as a result of controls in subsequent years. (see 2018 AMPR subsection 2.1 and Annex 2).

- 2. Could the Commission provide a description of the auditing process, including the institutions involved, possibly with a timeline?

**Commission's answer:**

The audit process is part of the broader control framework put in place by DG HOME.

The audit processes for shared management and direct management are described below; indirect management / agencies is subject to a separate discharge procedure.

**a) Under shared management**

DG HOME has to ensure that Member States have set up and effectively run their management and control system to provide assurance on the legality and regularity of expenditure declared to the Commission.

The following activities are part of the audit process:

- ) Audits at Member State level: audits carried out by the national audit authorities (system audits, expenditure audits, audit of accounts);
- ) Audits carried out by DG HOME: system audits, clearance of the accounts procedure, expenditure audits.

If an irregularity in the expenditure is detected or in case a management and control system is deemed insufficient, the Commission may apply financial corrections to the Member States. This allows the Commission to assume final responsibility for the implementation of the budget.

Accordingly, in the framework of a multi-annual audit strategy, DG HOME carries out audits in Member States to verify the effective functioning of national systems. The main tasks include:

- desk review of the initial designation of the Management and Control System;
- system audits aimed at verifying the proper set-up and implementation of the Management and Control System;
- review of annual accounts submitted by the Member States;
- audits of expenditure.

**b) Under direct management (grants for Union actions and emergency assistance - EMAS)**

In line with DG HOME's audit strategy, each year a sample of grants to be audited is selected. The selected transactions are then subject to on-the-spot audits, following which an audit report is issued. The final step of the process is the recovery of any amounts found to have been paid in excess of the amount due.

The overall control objective of audits in direct management is to detect and correct any error remaining undetected after the implementation of ex-ante controls.

3. What is the Commission's opinions about the idea of introducing centralised sampling where the Commission defines the sample for each Member State as the basis for the national audit authorities' checks?

**Commission's answer:**

Following the shared management principle, the selection and implementation of the sampling methodologies is one of the responsibilities of the audit authorities. Audit activities also need to be carried out in the most efficient way within the time given to audit authorities to carry out their duties. This is why the Commission proposed various tools to audit authorities to spread their work over the year (multi-period sampling, different sampling techniques and methods compiled in a comprehensive guidance).

The Commission acknowledges that the use of sampling techniques require deep expertise and sound professional judgement to ensure that results are statistically valid and reliable. In this context, the audit authorities are benefitting from detailed guidance by the Commission on sampling techniques. Most of them have developed internal technical expertise or use also outsourced, specialised expertise, for example from national statistical offices, when necessary.

The Commission does not consider that it would be in a position to introduce a centralised sampling and that this would be beneficial to the policy. The general main principle remains that under shared management the Member States' audit authorities are fully responsible for the national audit work and results, including an adequate selection and implementation of sampling methodologies, and for applying the appropriate financial corrections that result from such audit work, at the level that Member States consider more appropriate in line with their institutional arrangements.

The Commission proposals for 2021-2027 continue with this line and include further possibilities to find synergies and standardisation in this area. Consequently, for DG HOME funds, the sampling will continue to be determined by the Audit Authorities based on audit standards.

4. Could the Commission provide a list of all studies paid for by DG HOME since 2009 indicating the topic/title, who conducted the study, if it was published or not (if published, including date) and the total cost of the study?

**Commission's answer:**

In 2018, DG HOME signed the following contracts related to studies, as listed in the table below. A list of all studies procured by DG HOME since 2009 would require thorough

research which cannot be carried out within the timeframe provided for replying to the Written Questions of the 2018 Discharge exercise.

Name of study	Contractor	Amount of contract	Information on publication
Needs assessment in third countries and regional organisations for the development and implementation of national legislation and regional strategies to prevent and fight smuggling of migrants	Rand Europe	271.894,00	<a href="https://publications.europa.eu/en/publication-detail/-/publication/36eb3343-fcf9-11e8-a96d-01aa75ed71a1/language-en/format-PDF/source-84592568">https://publications.europa.eu/en/publication-detail/-/publication/36eb3343-fcf9-11e8-a96d-01aa75ed71a1/language-en/format-PDF/source-84592568</a>
Compliance assessment of measures of Member States to transpose Directive 2016/801 EU and legal consultancy on this Directive	Milieu Ltd	314.090,50	Not published
Compliance assessment of measures of Belgium to transpose Directive (EU) 2011/98/EU ("Single Permit Directive") and legal consultancy on this Directive.	Milieu Ltd	16.950,00	Not published
Study on data analysis on trafficking in human beings	Lancaster University	127.052,00	<a href="https://ec.europa.eu/home-affairs/sites/homeaffairs/files/what-we-do/policies/european-agenda-security/20181204_data-collection-study.pdf">https://ec.europa.eu/home-affairs/sites/homeaffairs/files/what-we-do/policies/european-agenda-security/20181204_data-collection-study.pdf</a>
Feasibility study on a centralised routing mechanism for advanced passenger information	Unisys Belgium SA/NV	498.735,63	<a href="https://op.europa.eu/en/publication-detail/-/publication/3ce76d7a-2838-11e9-8d04-01aa75ed71a1/language-en/format-PDF/source-108097603">https://op.europa.eu/en/publication-detail/-/publication/3ce76d7a-2838-11e9-8d04-01aa75ed71a1/language-en/format-PDF/source-108097603</a>
Study to assess the impacts of various options related to possible evolutions of the European Border Surveillance System (Eurosur)	ICF Consulting Services Limited	269.700,00	<a href="https://op.europa.eu/en/publication-detail/-/publication/9ff1a661-e596-11e9-9c4e-01aa75ed71a1/language-en/format-PDF/source-108097269">https://op.europa.eu/en/publication-detail/-/publication/9ff1a661-e596-11e9-9c4e-01aa75ed71a1/language-en/format-PDF/source-108097269</a>
Legal analysis on the necessity and proportionality of extending the Visa Information System (VIS) to include data on long stay visas and residence documents	PWC EU Services EESV	118.658,00	<a href="https://op.europa.eu/en/publication-detail/-/publication/f73a0369-7def-11e8-ac6a-01aa75ed71a1/prodSystem-cellar/language-en/format-PDF">https://op.europa.eu/en/publication-detail/-/publication/f73a0369-7def-11e8-ac6a-01aa75ed71a1/prodSystem-cellar/language-en/format-PDF</a>
Evaluation Study of Council Directive 2008/114 of 8 December 2008 on the identification and designation of European critical infrastructures and the assessment of the need to improve their protection	Ernst & Young Special Business Services	271.630,00	<a href="https://ec.europa.eu/home-affairs/news/commission-evaluates-implementation-directive-protecting-european-critical-infrastructures_en">https://ec.europa.eu/home-affairs/news/commission-evaluates-implementation-directive-protecting-european-critical-infrastructures_en</a>
Evaluation of the Croatia Schengen Facility	ECORYS	118.00,00	<a href="https://op.europa.eu/en/publication-detail/-/publication/e293ee16-eeef-11e9-a32c-01aa75ed71a1/language-en/format-PDF/source-108097418">https://op.europa.eu/en/publication-detail/-/publication/e293ee16-eeef-11e9-a32c-01aa75ed71a1/language-en/format-PDF/source-108097418</a>
Mapping C-UAV capabilities now and in the future - a	SCK-CEN	146.600,00	Not published

Name of study	Contractor	Amount of contract	Information on publication
prospective view on mitigating the UAV threat			
Compliance assessment of measures of Member States to transpose Directive 2014/42/EU ("Confiscation Directive") and legal consultancy on this Directive	Milieu Ltd	231.008,86	Not published
Study in view of a report evaluating the implementation of Regulation 258/2012	Ernst & Young Special Business Services	226.525,00	<a href="https://op.europa.eu/en/publication-detail/-/publication/83a6affc-25a9-11e8-ac73-01aa75ed71a1/language-en">https://op.europa.eu/en/publication-detail/-/publication/83a6affc-25a9-11e8-ac73-01aa75ed71a1/language-en</a>
Assessing the completeness and conformity of measures of Member States to transpose Directive (EU) 681/2016 ("PNR Directive")	Milieu Ltd	249.909,73	Not published
Study on the Feasibility of Improving Information Exchange under the Prüm Decisions (Council Decision 2008/615/JHA)	Deloitte Consulting & Advisory CVBA	689.740,00	On-going

## KPIs

- Why did the Commission not define any Key Performance Indicators (KPI) regarding resettlement schemes and relocation?

### Commission's answer:

In 2015, the Commission reviewed its Strategic Planning and Programming framework to make it more performance-oriented. This review resulted in the establishment of Strategic Plans for the 2016-2020 period which are organised around long-term objectives reflecting the political priorities set by President Juncker, and DG-level objectives to guide their operations. Progress towards these objectives is assessed against impact and result indicators. A small number of them are key performance indicators that measure the most critical aspects of the DG's performance. When DG HOME elaborated its Strategic Plan in 2015, it selected four key policy performance indicators. This was pre-crisis, and although they did not include the number of persons relocated and the number of persons resettled, both numbers have been consistently used as result indicators to measure progress in implementing the relocation and resettlement schemes since their launch in 2015 and early 2016, in response to the migration crisis.

In each Annual Activity Report, starting with the Report on 2016, DG HOME has reported the results achieved during the year in implementing the schemes and progressing towards the specific objective of enhancing protection and solidarity. In the 2018 Annual Activity Report, the numbers show again the progress achieved in 2018.

Since the very beginning, the Commission has also closely monitored implementation and reported on progress, producing 15 Progress Reports on the Implementation of the European Agenda on Migration over the entire period of validity of the relocation decisions, i.e. until September 2017.

Among others, the Progress reports on the Implementation of the European Agenda on

Migration also include reporting on the state of play on relocation and resettlement.

Taken together, since 2015, EU schemes have seen EU Member States provide protection through resettlement to over 63,000 people, and 34,700 people have been relocated under the 2015 Council Decisions (*see also the reply to question 19*).

6. Why did the Commission not define any KPI regarding the situation of the placement of most vulnerable migrants in hotspots (in particular children under the age of 14 years, pregnant woman and disabled persons)?

**Commission's answer:**

Please see the reply to question 6 relating to Key Performance Indicators in Strategic Programming and Planning.

The Commission pays particular attention to ensure that the situation of vulnerable migrants is properly taken into consideration in all legislative and operational measures in the migration and asylum areas:

In the DG HOME 2018 Annual Activity Report, although no specific indicator was used, we described measures that we coordinated and supported to protect vulnerable migrants, in particular women and children, for example relating to:

- specific assistance on asylum,
- resettlements,
- reception places in Greece in safe zones.

There is also a dedicated sub-heading where we report on 'Protecting child migrants'.

The situation of vulnerable migrants is also carefully reflected in all relevant DG HOME policy initiatives (i.e. asylum, resettlement, integration, return, etc.) as well as in the operational measures implemented on the ground (e.g. in the Standard Operating Procedures for hotspots, etc.).

In the specific area of trafficking in human beings, a Second Commission Progress Report was adopted in December 2018. It focuses on trends and challenges as regards women and children, including from non-EU countries. The accompanying Data Study provides statistical data on victims as was available in Member States.

The Commission's proposal relating to the Asylum and Migration Fund also includes indicators for vulnerable migrants and the proposal on the Border Management and Visa Instrument is equipped to track the support provided to hotspots. The final set of indicators will be agreed by the Parliament and the Council.

**Europol and Eurojust face an increasing number of cases while also facing a lack in staff.**

7. Does the Commission have an overview over the requests of Member States and of the time frame that Member States are receiving answers from Europol and Eurojust?

**Commission's answer:**

**Europol**

**According to the information provided by Europol:**

Member States request information from Europol on a daily basis. These queries concern operational issues.

Europol provided the following information with regard to the questions raised:

In 2018, there were 12,891 requests (12,079 by Member States and 812 by third parties) answered 'first line' (i.e. by the Operational Centre of Europol) and 11,535 (9,911 by Member States and 1,624 by third parties) requests were answered 'second line' (i.e. by other operational areas of Europol, including Analysis Projects – APs). By Q3 2019, 10,459 (9,746 by Member States and 713 by third parties) requests were answered 'first line' and 8,493 requests (7,071 by Member States and 1,422 by third parties) 'second line'. The requests vary in terms of complexity and number of operational data concerned.

**Eurojust**

It is to be noted that Eurojust falls under the competence of the Commissioner for Justice, Consumers and Gender Equality.

The following numbers concern the general requests for assistance to **Eurojust** - case numbers per Member State (registered at Eurojust). The statistics are the following (reporting period January to December 2018):

BE 241, BG 263, CZ 232, DK 141, DE 715, EE 61, IE 88, EL 193, ES 492, FR 541, HR 128, IT 646, CY 87, LV 96, LT 104, LU 91, HU 263, MT 71, NL 395, AT 401, PL 371, PT 187, RO 402, SI 210, SK 262, FI 87, SE 216, UK 431.

Additional requests may have been made by Member States for specific cases, (requests for coordination meetings, coordination centres or other specific requests pertaining to the case that could have an impact on resources).

According to the information provided by Eurojust, the Case Management System does not provide information on timeframes for answers. In practice, timeframe varies and depends on the needs of investigations and prosecutions and resources. In addition, no legal timeframes exist.

8. How many questions are answered within a time frame of 8 weeks?

**Commission's answer:**

**Europol**

Europol has provided the following information: In 2018 and in 2019 (until the end of Q3), 92% of the requests received were answered in 56 days or less, including so-called 'first line' (by the Operational Centre of Europol) and 'second line' (other operational areas including Analysis Projects – APs) responses.

As stated above, the interactions between Europol and the Member States concern operational issues.

**Eurojust**

As noted above, Eurojust falls under the competence of the Commissioner for Justice, Consumers and Gender Equality.

According to the information provided by Eurojust, timeframe varies (please see reply to question 7).

9. How many questions of Member States are not receiving an answer?

**Commission's answer:**

Europol has provided the following information: All requests from Member States are being responded to, based on regulatory or priority requirements. The average time for so-called 'first line' responses was 6.8 days in 2018 and 5.8 days in 2019 (until the end of Q3).

**Eurojust**

As noted above, Eurojust falls under the competence of the Commissioner for Justice, Consumers and Gender Equality.

According to the information provided by Eurojust, in principle every request from Member State is answered in so far as it falls within the mandate of Eurojust.

10. Which kind of questions are considered as negligible?

**Commission's answer:**

According to the information provided by Europol, they refer back requests to the originator which are outside the mandate established by the Europol Regulation.

**Eurojust**

As noted above, Eurojust falls under the competence of the Commissioner for Justice, Consumers and Gender Equality.

Eurojust supports and strengthens coordination and cooperation between national investigating and prosecuting authorities in relation to serious crime which Eurojust is competent to deal with in accordance with its legal framework. Eurojust supports national authorities where that crime affects two or more Member States or requires prosecution on common bases. In principle, no requests are considered negligible and requests are dealt with as long as they fall within the agency's mandate.

**Error rates**

11. KPI 5 - How come that the error rate in direct management is higher than in shared management? Why is this reported as a cumulative error rate? What is the error rate for the financial year concerning the 2018 AAR?



**Commission's answer:**

The error rate at the moment when the Commission makes the payment is higher in direct management than in shared management because for the former the audits have not yet been performed at that stage.

The control strategies for direct management and shared management foresee different layers of controls and a different timing for audits, in relation to the Commission payment.

For shared management, the control framework in place allows to minimise the risk of errors/irregularities in the Commission's payments because:

- payments are made after all the applicable controls have been carried out at national level, including the audits by the Audit Authority;
- when the errors detected at national level are not duly corrected by the Responsible Authority, the Commission would not release the payments for the amounts concerned.

For direct management the control strategy is based on a cost-effective approach that foresees ex-ante controls (before Commission's payment) and ex-post expenditure audits, only after the Commission's final payment is made. Thus, the errors found during the ex-post audits are included in the calculation of the residual error rate if no recovery order is issued by the reporting cut-off date.

The error rate is reported as cumulative error because of the multi-annual character of DG HOME programmes managed under direct management and shared management; through this multi-annual approach, DG HOME evaluates the cumulative budgetary impact of the residual errors over the **whole programming period**. This multi-annual approach allows giving a more stable view on the situation.

For assurance purposes and reservations, the AAR 2018 reports cumulative error rates. Nevertheless, the report discloses also an estimated total amount at risk corresponding only to the financial year 2018 (EUR 17.72M or 0.94% of the relevant expenditure for the financial year).

12. Could the Commission depict in detail all the steps used by DG HOME to calculate the final amount at risk for its funds managed and inform the Parliament about the different kinds of error rates used therefore?

**Commission's answer:**

For its calculations of the estimated amount at risk at closure (2018 DG HOME AAR, Table page 83-84) DG HOME followed the instructions received from central services. Thus, the steps were the following:

- The calculation was made separately for **each control system** (column 1 of the table);
- Reporting of **total payments** (pre-financings and clearings) made during the year (column 2);
- Reporting of **new pre-financings** paid during the year (column 3);
- Reporting of **total cleared pre-financing** during the year (column 4);
- Calculation of **relevant expenditure** (total payments *minus* new pre-financings paid in the year plus total pre-financings paid during previous years and cleared during the reporting year) (column 5);

- Reporting of the error rates used as **average error rates (AER)** (column 6): *detected error rates* (3.4% for SOLID, 1.68% for AMIF/ISF, 3.84% for direct management non-research grants); *average of error rates communicated by Common Audit Service to DG HOME for research grants FP7 and H2020* (2.91%); *conservative estimate of 0.5%* for low-risk expenditure (procurement, administrative expenditure, operating subsidies to agencies, delegation agreements);
- Calculation of the **estimated amount at risk at payment** (column 7) by applying the average error rate (AER) (column 6) to the relevant expenditure for the reporting year (column 5);
- Reporting of **average recoveries and corrections (ARC)** (column 8): the average (1%) was calculated based on the 7 years historic average of recoveries and financial corrections (2011-2018), adjusted with factors from the past years no longer relevant for current programmes (one-off events, cancelled or waived recovery orders, etc); For precautionary reasons (in order not to inflate the recovery capacity), an ARC of 0% (instead of 1%) was applied to the control systems corresponding to the low-risk expenditure and therefore showing a low recovery orders ratio (public procurement, decentralised agencies).
- Calculation of the **estimated future corrections** (column 9) by applying the % of average recoveries and corrections (ARC) (column 8) to the amount of relevant expenditure for the reporting year (column 5);
- Calculation of the **estimated overall amount at risk at closure** (final amount at risk) (column 10) by subtracting the estimated future corrections (column 9) from the estimated amount at risk at payment (column 7).

13. In the AMPR for 2018, the Commission notes that there are only two kind of “error rates”: the risk at payment and the risk at closure. However, in its annual activity report, the Director general of DG HOME also mentions a “residual error rate” as well as an “estimated multiannual residual error rate” Could the Commission define the abovementioned error rates and explain why there are a different kind of error rates?

**Commission’s answer:**

The Commission presents error rates for each of its departments in the Annual Activity Reports and across policy area in its Annual Management and Performance Report.

As EU spending programmes are multiannual by design, the related control systems and management cycles also cover multiple years. This implies that while errors may be detected in any given year, they are corrected in the current or in subsequent year(s) until the very end of a programme's lifecycle. Consequently, the risk (both as % and in amount) is estimated at two key stages in the cycle: at payment and at closure, as per the terminology used in the AMPR.

The risk at payment quantifies those errors that might remain after preventive controls have been applied and payments have been made. It is based on the error rates estimated by each department in their Annual Activity Report. Some departments may use a different but equivalent terminology.

To determine the risk at closure, the estimated future corrections are deducted from the risk at payment. These are the corrections that each department estimates they will implement

as a result of controls in subsequent years. (see 2018 AMPR subsection 2.1 and Annex 2).

In addition, in the context of the overall assurance building process, the Commission's authorising officers by delegation determine the residual error rate for each programme (see 2018 AMPR subsection 2.5 and Annex 3). Where this residual error rate is above the materiality threshold, they qualify their declaration of assurance with a reservation. This residual error rate takes into account those corrections that have already been made by then. (See also the reply to Q14 below.)

14. The Director General of DG HOME refers to the materiality criterion as follows on page 110 of the AAR: *it is the **cumulative residual error rate**, i.e. the level of errors that remain **undetected and uncorrected, by the end of the management cycle**, at a Member State level. The control objective is to ensure that the residual error rate at the level of the specific Member State and Fund is below 2% at the end of the management cycle. Where the residual error rate was above 2% or expected to be above 2%, a reservation was made.* When the Commission decided to make a reservation because the level of error is above the materiality threshold of 2 %, should it not concern the error rate **at payment and not the residual error rate**?

**Commission's answer:**

(See also the reply to Q13 above.) At the time of reporting, some of the corrective measures have already been implemented, while others will be in subsequent years. This has to be taken into account in order to determine the risk at year end. This is why the concept of residual error rate (which takes into account those corrections that have already been made up to the end of the reporting year) is used. This concept is an 'intermediate' type of error rate between estimated risk at payment and estimated risk at closure, up to the moment of reporting in the management cycle.

15. How does the Commission proceed for calculating the cumulative residual error rate? To which financial year correspond financial corrections that are deducted, if any, from the detected error rate?

**Commission's answer:**

Considering the multi-annual aspects of the programmes managed for grants under direct management and programmes under shared management, DG HOME follows 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".

Annex 4 of the 2018 Annual Activity Report of DG HOME gives details on the approach used to calculate the cumulative residual error rate for the different management modes.

As explained for Question 3 above, each department estimates the estimated future corrections that it will implement as a result of controls in subsequent years (see 2018 AMPR subsection 2.1 and Annex 2). This estimate is based on the 7 year historic average of recoveries and financial corrections of the department. Where the departments are of the opinion that this is not the best available estimate for the current programmes, they duly

adjust or replace their historic average.

### Hotspots/relocation

16. How does DG HOME ensure a safe environment in hotspots, particularly for vulnerable persons like women and children? How is this measured?

#### Commission's answer:

The Commission has provided substantial funding to the hotspots since the beginning of their operation. This funding contributes inter alia to providing legal, medical and psychosocial assistance services for the benefit of migrants, including in particular vulnerable migrants, in hotspots.

In **Greece**, the Commission is providing funding to the United Nations High Commissioner for Refugees (UNHCR) for child protection, non-formal education for adults, support to persons with specific needs and in relation to sexual and gender based violence, provided on the islands of Lesbos, Chios, Leros, Samos, and Kos.

Actions were taken by Greek authorities with the financial support of the EU to ensure the safety of vulnerable groups including unaccompanied minors in the hotspots: dedicated zones have been created in the hotspots supervised by the police and child protection teams were appointed in all hotspots, trained by EASO and the EU Agency for Fundamental Rights. A specific facility for vulnerable applicants, KaraTepe, is funded by the Commission on Lesbos, and specific facilities also exist on Kos and Leros.

But the situation of unaccompanied minors remains difficult. As of 30 September 2019, there were over 1,400 unaccompanied children in the Greek hotspots, from a total of 4,600 registered as present in Greece. The Commission constantly recalled to the Greek authorities the need to ensure that unaccompanied children are transferred as soon as possible to suitable accommodation on the mainland. The severe shortage of adequate shelter places on the mainland protracts the time spent by children in the hotspots (at present, only 1,196 places in long term accommodation [Shelters/Semi-Independent living arrangements/rented apartments] and 650 in temporary hotel accommodation).

Thanks to EU support, Greece has developed in 2019 a specific strategy relating to the needs for accommodation and care of unaccompanied minors in 2019–2020, which is now being revised. The Commission is in regular contact with the Greek authorities and follows the updates and the implementation of the strategy closely with a view to ensuring that the protection of unaccompanied minors is fully and urgently addressed.

In **Italy**, after the initial screening and identification procedures in hotspots and disembarkation points applying hotspot procedures, unaccompanied minors are transferred to specialised and dedicated reception facilities.

In 2017, the average length of stay of minors in hotspots in Italy has significantly decreased and is now a matter of hours. Following the further decrease of arrivals in 2018 and 2019, first-line reception system in Italy was under much lower pressure than in 2017.

The Commission also supports IOM and UNHCR in providing information at disembarkations and hotspots and referring vulnerable groups to the responsible authorities – which, in the case of unaccompanied minors, are the child protection authorities of the Member State of arrival.

Ensuring a safe environment in the hotspots is under the responsibility of the Greek and Italian Authorities, to which the Commission provides full support. The following indicators have been used to measure a safe environment in the hotspots: the number of residents

against the actual capacity (prime indicator), the number of unaccompanied minors / number of places in safe zones of the hotspots, number of toilets/showers separated by gender and proximity to the living areas, adequacy of lighting of the areas at night, as well as the number of police officers deployed to the hotspots.

17. To decongest overcrowded hotspots on the Aegean islands, DH HOME funded the transfer of 29540 persons to the mainland. Did this significantly decongest the hotspots?

**Commission's answer:**

The Commission is supporting the Greek authorities in transferring vulnerable asylum seekers to the mainland. Since August 2017, more than 60,000 migrants have been transferred; this has contributed in decongesting the overcrowded hotspots.

The Commission funds through emergency assistance:

- 6000 places in 56 hotels (Filoxenia project: EUR 75 million, run by IOM)
- 25 000 places in apartments (ESTIA accommodation and a cash scheme: EUR 194 million for 25,000 places in apartments and cash assistance to 70 000 people)
- 23 000 places in 27 camps on the mainland (SMS project, EUR 69 million, run by IOM).
- 660 places for unaccompanied minors (UAMs) in hotels (PEDIA project, EUR 35, run by IOM)

However, the increase in arrivals on the Aegean islands since June 2019 has put additional strain on an already fraught system. Urgent action is needed to fully implement the EU-Turkey Statement to alleviate the pressure on the islands and to improve the conditions for migrants. The Commission is ready to provide further support but has reiterated that a holistic approach in migration management is needed. It welcomes the Greek authorities' ongoing efforts to decongest the hotspots, by making the asylum procedures more efficient and increase and accelerate returns to Turkey and in parallel by increasing the reception capacity.

The Commission takes note of the new law on international protection that was published on 1 November. A formal notification is now expected by the Greek authorities and the Commission will carry out a thorough assessment and will follow the implementation closely. The Commission stands ready to step up its support, and is committed to continue assisting the Greek authorities - who are responsible for managing the situation - in implementing the necessary measures to ensure effective procedures who are at the same time fully compliant with fundamental rights.

18. Do the Member States provide the Commission with a sufficient overview of how the money was used for relocation?

**Commission's answer:**

The funding to support the emergency relocation scheme has been allocated in the 2016 Budget. Member States have reported regularly on the use of funds for relocation in the framework of the annual implementation reports and annual accounts.

Due to the expiry of the scheme, the Commission by proposing the amendment of Article 18

of the AMIF Regulation opened up the possibility for Member States to use the remaining unused funds for the relocation (EUR 505 million) for other actions, which was agreed by the co-legislators (Regulation (EU) 2018/2000). Accordingly, through revision of national programmes in 2019, this funding has been reallocated to voluntary relocation (EUR 26 million) and resettlement (EUR 116 million), among other key priorities in the migration area.

19. Could the Commission provide an overview of how many persons were relocated to which countries in the year 2018?

**Commission's answer:**

In 2018, almost 6,900 applicants were relocated from Greece, Italy, Spain and Malta to the following Member States: AT, BE, BG, DE, EE, ES, FI, FR, IE, LU, LV, NL, PT, SE, SI.

Applicants were transferred both within the framework of the 2015 relocation scheme and of ad-hoc relocations on a voluntary basis. The latter concerned asylum applicants disembarked in Italy, Malta and Spain (mainly further to Search and Rescue operations). Overall, 838 asylum applicants (154 from Italy, 581 from Malta and 103 from Spain) were relocated from disembarkations that took place in 2018 on an ad-hoc voluntary basis to France, Germany, Spain, Portugal, Ireland, Luxembourg and the Netherlands.

20. Which were the main achievements of the resettlements and relocation schemes in 2018?

**Commission's answer:**

The Member States **resettlement** efforts have increased threefold over the past four years.

A new EU resettlement scheme was launched in September 2017. Within that scheme, the Commission has received over 50,000 pledges from 20 Member States for resettlements in 2018–2019. To date, this is the Commission's most ambitious plan on resettlement.

The implementation is well on track: by the end of 2018, about 18,500 individuals had been resettled; by 7 October 2019, 39,300 resettlements had already taken place under the scheme; that corresponds to an implementation rate of approximately 78%.

The Commission has called on Member States to step up the work further, and deliver on the remaining pledges by end December 2019. Member States are committed to doing so and the Commission is confident that a very good implementation will be achieved (even if there may be some delays, depending on various factors related to the resettlement process).

EUR 500 million of EU funds are available to support Member States' resettlement efforts under the 50,000 scheme (lump sums of EUR 10,000 per resettled person).

Moreover, the Commission is determined to guarantee the continuity of EU resettlement efforts beyond the current scheme in light of the high global resettlement needs. Responding to the Commission's call, Member States made a very generous collective pledge of more than 30,000 places for 2020. Currently, funding for 20,000 resettlement places is secured. The Commission will examine all potential budgetary options to secure additional funding and revert to the matter in early 2020.

Despite good results achieved through these ad hoc arrangements, a structured EU framework for resettlement is essential. The Commission will continue to work with the European Parliament and the Council to reach a final agreement on the Union Resettlement Framework Regulation as soon as possible.

In 2018, almost 6,900 applicants were **relocated** both within the framework of the 2015 relocation scheme and of ad-hoc relocations on a voluntary basis. Of these, 838 asylum applicants (154 from Italy, 581 from Malta and 103 from Spain) were relocated from disembarkations that took place in 2018 on an ad-hoc voluntary basis to France, Germany, Spain, Portugal, Ireland, Luxembourg and the Netherlands.

21. When it comes to the Special report no 6/2017 - EU response to the refugee crisis: the Hotspot approach - Information on this audit was disclosed in the 2016 and 2017 Annual Activity Reports. Regarding the follow up of 13 recommendations made by the Court, DG HOME immediately began to implement some of them, such as the evaluation of the setting-up and implementation of the hotspot approach and the monitoring of the speed of asylum applications processing in Greece. In the end of 2018, DG HOME implemented all recommendations in this area, by closing 11 out of 13 outstanding recommendations. What about the remaining two?

**Commission's answer:**

Action was taken as soon as the recommendations were published: already on 15 November 2017, a Staff Working Document on "best practices on the implementation of the hotspot approach" was published. Moreover, the 'terms of cooperation' for the EU Regional Task Forces in Piraeus (Greece) and Catania (Italy) were adopted in March 2018. These terms of cooperation further clarified the operational framework of the hotspots and clearly defined the roles of national authorities, EU agencies and international organisations.

The Commission considers that all of the Court's 2017 recommendations have been fulfilled as far as the Commission is concerned. The implementation of the recommendations relating to (i) support in addressing the lack of hotspot capacity in Greece and (ii) help to ensure that unaccompanied minors are treated in accordance with international standards are ongoing and they are under the remit of the national authorities. The Commission continues to provide the support needed to improve the situation in Greece, in particular in the hotspots.

Although the relevant actions were under the remits of national authorities, the Commission made particular efforts in monitoring and reporting the situation of unaccompanied minors and addressing the issues to relevant authorities.

The Greek authorities appointed Child Protection Officers (CPOs) in all hotspots in early 2018.

In Italy, the revision of the standard operating procedures for hotspots that was launched in summer 2018 included relevant provisions on unaccompanied minors. It is also worth noting that unaccompanied minors typically spend a short time in Italian hotspots, if any, since they are usually transferred to dedicated facilities as soon as they declare to be minors.

## Hotspots in Greece

NGOs such as Pro Asyl (in their 2019 report “Der Einzelfall zählt”) as well as several documentary films have recently documented that the living conditions of migrants are catastrophic.

22. Could the Commission describe the willingness to cooperate of Greek authorities responsible for migration? Are these national authorities willing to improve the situation?

**Commission’s answer:**

The Commission continues being in very close contact with the Greek authorities and continues following the relevant developments closely.

Commission colleagues are present in Athens and on the islands in order to support the Greek authorities and ensure the cooperation between the different partners with the Commission services on the ground.

The Greek authorities have put in place strategies for reception and for unaccompanied minors that they have submitted to the European Commission. The authorities intend to keep these strategies up-to-date according to the developments and needs.

Greece’s implementation of EU funding under its national programmes has improved with the support of the Commission. Steps have been taken by Greece, such as the transfer of responsibility for the overall management of the National Programmes to the Ministry of Citizen Protection, and the revision of the programmes to better cater for the most pressing needs.

Since 2017, an annual Financial Plan has been used, which consists of the main funding priorities of the Greek Government for the consequent year. This annual plan allows for better planning and steering of the projects, and improved justification of Greece’s further financial needs before the Commission’s budgetary authority. The planning exercise for 2020 is currently taking place in close cooperation with the newly elected Government of July 2019.

Moreover, the implementation of the funds is monitored through regular Steering Committees taking place in Athens with the participation of all involved stakeholders.

The Commission continues in this way to work closely with the Greek authorities to ensure that the funds are used in a timely, effective and efficient manner.

The Commission is also carrying out several Technical Assistance projects in order to build operational capacity and transfer expertise to the Greek Authorities.

The European Commission has stressed the need for further strengthening of the coordination between the different Greek authorities, improving the administrative capacity of key services for migration, and accelerating the procurement procedures.

23. Did the Commission discover any irregularities, in particular involving Greek national authorities?

**Commission’s answer:**

As part of its **monitoring strategy**, DG HOME carries out on a regular basis monitoring on-



the-spot visits of EU co-funded projects in Greece, both in direct and shared management. The purpose of monitoring visits is to assess the smooth implementation of the projects from an operational point of view. Based on the monitoring visits, DG HOME has found no evidence to date of misuse of EU funds.

As part of its **ex-post audit strategy**, DG HOME also audits carries out audits on projects. Since the implementation of AMIF and ISF is still ongoing, the number of ex post audits carried out in Greece is not yet high. Only one emergency assistance audit is completed. It identified ineligible costs (non-eligible VAT). The corresponding recovery order of EUR 27 063.46 (over a total grant of EUR 716 848.35) has been issued in October 2019.

24. Could the Commission quantify how much money was not spent appropriately?

**Commission's answer:**

Following the ex post audit mentioned in the reply to Q23, a recovery order of EUR 27 063.46 was issued in October 2019.

25. How are these problems going to be solved? Did the Commission implement or intends to implement any specific measures to improve the living conditions of migrants in hotspots or migrant camps?

**Commission's answer:**

Whilst the Greek authorities have undertaken steps to alleviate the pressure on the islands and the EU-Turkey Statement continues to deliver concrete results, the system is under strain, also due to newly increased arrivals. Urgent and resolute actions are needed to address the situation and improve the conditions for migrants. In particular, the Commission has repeatedly stressed the need for more efficient asylum procedures, which would allow swift processing of asylum requests and also increasing of the returns to Turkey under the EU-Turkey Statement

The Commission has been providing funding since 2015 under the Asylum, Migration and Integration Fund, Internal Security Fund and the Emergency Support Instrument for the migration, security and border management in Greece. The projects funded were implemented by the Greek Authorities and International Organisations either through the shared management of the Greek National Programme or through direct funding of a wide spectrum of activities under emergency assistance.

In the case of the hotspots the Commission provided funding under the ISF and AMIF National Programme to establish the reception and identification centres (RICs) in the five islands and among others, to increase police presence in the hotspots, increase police patrolling and law enforcement inside the accommodation areas of the Reception and Identification Centres and in order to subdue and prevent illegal activity. In addition, under the Greek National Programme the provision of the transportation services from the islands to the mainland is foreseen and projects on the provision of cleaning and catering services as well as for the provision of Non Food Items for the refugees are under implementation by the Greek Authorities.

In addition, through emergency assistance (EMAS AMIF), the Commission awarded recently funding for the creation of Safe Zones in hotspots on the islands for the protection of the unaccompanied minors residing there (EUR 4.2 Million).

Moreover, the Commission supports further the creation of long term accommodation places (reception capacity) and other accommodation emergency needs through emergency assistance, on the mainland. In this respect, the Commission funds in 2018- 2019, the following

- 6,000 places in 56 hotels (Filoxenia project: EUR 75 million, run by IOM)
- 25,000 places in rented apartments (ESTIA accommodation) and a cash allowance scheme for 70 000 people (EUR 194 million, run by UNHCR )
- 23,000 places in 27 camps on the mainland (SMS project, EUR 69 million, run by IOM).
- 660 places for unaccompanied minors (UAMs) in hotels (PEDIA project, EUR 35 million, run by IOM)

Moreover, under the AMIF National Programme, the Greek Authorities have allocated EUR 50 million to support the creation of up to 2,000 places in dedicated shelters for unaccompanied minors. These shelters are located in the mainland of Greece.

The Commission stands ready to continue supporting the Greek Authorities with the management of the migratory flows.

26. Did the Commission impose any financial corrections (if yes, please specify the amount)?

**Commission's answer:**

Should evidence confirm that Greece or any other Member State is in breach of its legal obligations under the AMIF Regulation, the Commission may launch a conformity clearance procedure and recommend financial corrections. When deciding on a financial correction, the Commission shall respect the principle of proportionality by taking account of the nature and gravity of the breach of applicable law and its financial implications for the Union budget. In the case of the Greek AMIF and ISF National Programmes there were no financial corrections imposed.

As regards direct management, as explained in Q35 there are no financial corrections other than the recovery orders issued in case ex post audits identify ineligible expenditure. Following the ex post audit mentioned in the reply to Q23, a recovery order of EUR 27 063.46 was issued in October 2019.

27. Were there any cases of fraud or suspicion of intentional misuse of the EU money?

**Commission's answer:**

OLAF has ongoing investigations into alleged irregularities concerning EU-funded projects in the hotspots in Greece.

OLAF informed the Commission that as the investigations are still on-going, no further comments can be issued at this stage. This is in order to protect the confidentiality of on-going and possible ensuing investigations, subsequent judicial proceedings, personal data and procedural rights.

The fact that OLAF is examining the matter does not mean that the persons or entities potentially involved have committed any frauds or irregularities. OLAF fully respects the presumption of innocence and the rights of defence of the persons and entities concerned by its investigations.

## Return rates

The total return rate of irregular migrants remained stable at around 41%, while the effective rate of return to third countries decreased to around 35%.

28. What measures are needed to increase these rates?

### Commission's answer:

The return rate to third countries decreased from 36.79% in 2017 to 35.63% in 2018. This decrease is partially explained by the lower numbers of illegally staying third country nationals from Western Balkans. If data regarding the Western Balkans countries is removed from the overall EU return data, the return rate increased from 30% in 2017 to 32% in 2018.

Carrying out returns is firstly a responsibility of the Member States. The Commission is committed to provide all necessary support and to improve the legal and policy framework to enable improvements.

The Commission has regularly encouraged Member States to use all available instruments to their full potential. For this purpose, the Commission also put forward in September 2018 a proposal for a recast of the Return Directive and insists on the need to finalise negotiations as soon as possible.

In addition, the new European Border and Coast Guard Regulation further strengthens the mandate of the Agency in providing support to Member States in all areas related to return.

The Regulation on the use of the Schengen Information System for the return of irregular migrants is now in force and we are working with the competent national authorities to ensure that it can become operational as soon as possible.

The Commission expects that these measures, as well as those included in the 2015 and 2017 Action Plans on return, will contribute to increasing the return rate.

Concrete results depend on implementation by Member States but also on the willingness of third countries.

In March 2018, the Commission therefore proposed to amend the Visa Code Regulation. Besides facilitating procedures for legitimate travellers, an additional objective is to use visa policy as a tool to foster cooperation from non-EU countries on return and readmission. The amended Regulation was adopted last June and will apply from February 2020.

To improve third countries' cooperation, three practical readmission arrangements were concluded in 2018 (Ethiopia, The Gambia and Côte d'Ivoire) – adding to those arrangements previously concluded with Afghanistan (2016), Guinea (2017), Bangladesh (2017), and to the 17 readmission agreements in place.

The Commission is currently negotiating readmission agreements with Tunisia, Morocco, Nigeria and China, and has recently concluded an agreement with Belarus.

The Commission also continues the discussions on migration related issues with Iraq.

At the same time the Commission has continued investing in a continuous dialogue with third countries for the effective implementation of the 23 agreements and arrangements as well as in specific tools designed to improve cooperation on readmission such as electronic case management systems, or in improving third countries capacity to deliver on, for example identification of their nationals – actions financed under the Readmission Capacity Building Facility, implemented by IOM.

29. What are the main obstacles to increasing these rates or causing stagnation?

**Commission's answer:**

In relation to the external dimension, main obstacles come from the lack of capacity or of willingness of third countries to cooperate. The EU (the Commission and EEAS supported by Member States) has engaged all main countries of origin in a dialogue on irregular migration and has whenever necessary proposed and pursued projects to enhance the capacity to manage readmission and other related matters, such as identification of nationals.

New readmission arrangements have been concluded and some started to deliver results as regards improvements in cooperation, not yet reflected in an increased return rate. Both the negotiation and implementation of readmission instruments rely however on the strong and consistent message that the EU and its Member States expect the third country concerned to cooperate. This can mean the application of more broad policy leverage. In this respect, the revised EU Visa Code, in force from February 2020, will be one important additional tool, giving the EU the possibility to adopt restrictive visa measures for third countries which do not cooperate sufficiently on readmission. Additional incentives and leverages could be sought also in other policy areas, on a case by case approach.

In relation to the internal dimension, national procedures implementing the EU return policy and legal framework, which vary significantly among the Member States, are not as swift and effective as they should be, therefore preventing the prompt implementation of returns.

The main obstacles identified by the Commission during the last years, and which the recast Return Directive aims to address, are mainly related to the following: limitations in the use of assisted voluntary return schemes; lack of cooperation on the part of the third-country nationals; lack of adequate instruments for monitoring and exchanging promptly the necessary information among competent authorities; inconsistent and ineffective application of rules related to detention and alternatives to detention; limited coherence and consistency with asylum procedures; and ineffective rules on judicial appeals.

**EASO**

The former Executive Director of EASO, José Carreira who stepped down following i.a. allegations of staff harassment and irregularities in employment procedures between 2002 to early 2016 held several senior management positions in many EU agencies in Spain, Germany, Greece, the UK, Poland and France.

30. Was DG HOME aware of accusations of any kind of misconduct prior to Mr Carreira's employment at EASO?

**Commission's answer:**

DG HOME was not aware of any accusations of misconduct prior to Mr Carreira's employment at EASO. His appointment took place in accordance with all the relevant rules and procedures. Thus, the former Executive Director was appointed by the EASO Management Board as a whole, in accordance with the rules set out in the EASO Regulation 439/2010, which included a hearing before the European Parliament.

The Commission wishes to clarify that the allegations of staff harassment and irregularities in employment procedures against the former Executive Director of EASO covered procedures between 2012 and early 2016.

31. Does the Commission have procedures or mechanisms in place to share knowledge about misconduct or allegations thereof for consideration upon employment of staff with an employment history at an EU body, institution or agency?

**Commission's answer:**

In accordance with the Commission's rules on the conduct of administrative inquiries and disciplinary proceedings, information on the outcome of disciplinary proceedings are inserted in each active and former statutory staff member's personal file for a defined period of time commensurate to the seriousness of the case. These personal files are transferred with the staff member between each institution and agency, also in cases of interruption of contract and/or change in the statutory regime, in accordance with the Conclusion of the Heads of Administration No 259/12.

During each recruitment procedure, the Commission systematically requests a declaration from the candidate concerning any previous disciplinary sanctions or ongoing proceedings, informing candidates that any false declaration may lead to compulsory resignation pursuant to Article 49 of the Staff Regulations or to termination of the contract under Article 50 of the CEOS. The accuracy of these declarations can be checked by referring to the abovementioned personal files.

32. Could the Commission explain the following reservation and in particular explain the concept of materiality criteria? ***"Non-quantified reservation due to the partial implementation of the Action plan adopted by the Agency following ECA recommendations on EASO's 2016 accounts underlying transactions and other areas of concern in EASO's HR management and control systems. Materiality criteria are the duration of the reputational impact (since 2016), as well as the awareness and attention of stakeholders."***

**Commission's answer:**

DG HOME issued a reservation on reputational grounds on EASO for the first time in AAR 2017, when the European Court of Auditors issued its report on EASO's 2016 accounts with a qualified opinion on the legality and regularity of the payments underlying the accounts. The reservation was maintained in 2018 because in its report on EASO's 2017 accounts, the European Court of Auditors issued an adverse opinion on the legality and regularity of the

payments underlying the accounts.

As per the Commission's corporate instructions, when it comes to materiality, the Authorising Officer by Delegation needs to have objective criteria for determining which weaknesses should be subject to a formal reservation to his/her declaration.

In qualitative terms, when assessing the significance of any weaknesses, the following factors should be 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;
- for non-quantifiable/reputational reservations, the duration and the degree of awareness among stakeholders

In the case of DG HOME's reservation as partner DG of EASO, the materiality criteria applied are indeed the duration of the issues since 2016/2017 (weaknesses still present during 2018) as well as the attention the issues attracted from several stakeholders (ECA, EP, IAS). Furthermore, DG HOME considers that these issues not only affect EASO's spending of the Agency's budget itself, but also reflect negatively on DG HOME's policy reputation.

### Follow-ups on reservations

33. Further to the reservations listed by DG HOME in its 2018 activity report, could the Commission please describe the current state-of-play with regard to the following (in particular, describe the deficits/issues in all cases, if similar problems were found in other Member States, if financial corrections were imposed, and the amount of corrections)?
- 1) Shared management - Reservation concerning SOLID funds 2007-2013 in several Member States
  - 2) Shared management - Reservation concerning AMIF and ISF 2014-2020 in several Member States
  - 3) Centralised Direct Management – Non research grants
  - 4) Centralised Direct Management – Research grants, 7th Framework Programme
  - 5) Indirect management - Decentralised agencies: EASO (non-quantified reservation)
  - 6) Indirect management - Decentralised agencies: EBCGA (non-quantified reservation)

### Commission's answer:

#### **1) Shared management - Reservation concerning SOLID funds 2007-2013 in several Member States**

The Commission is actively following up with every Member State on the corrections to be made and has proceeded and is proceeding with recovery orders. The following examples illustrate the process:

The reservation for **Germany** in relation to the **European Fund for the integration of third-**

**country nationals (EIF)** and the **European Refugee Fund (ERF)** was first issued in the Annual Activity Report for 2015, when a DG HOME ex-post audit revealed **serious deficiencies in the management and control systems** for the programmes on the European Fund for the integration of third-country nationals and the European Refugee Fund, in particular as regards the procedures for selection of operations, information and guidance to beneficiaries, management verifications, audit trail and preventive and corrective actions when systemic errors are detected by audits. The residual error rate stemming from the audit performed was above the materiality level of 2%, leading to a reservation. The reservation was maintained in the AAR 2018 and DG HOME expects to take corrective measures by the end of 2019 and consequently lift the reservation.

After a contradictory procedure, DG HOME prepared a notification to the German authorities concerning the amount of financial corrections to be recovered to reduce the residual error to below materiality. The notification was sent in December 2018, proposing to apply financial corrections on individual projects and flat rate corrections. The latest reply by the German authorities was received by DG HOME in October 2019 and is being analysed.

The reservation regarding **Finland** in relation to the **European Fund for the integration of third-country nationals** was issued for the first time in 2018, when the completion of a DG HOME ex-post audit revealed **serious deficiencies in the management and control systems** for the programmes, in particular as regards the information and guidance to beneficiaries, management verifications, audit trail, reliable accounting, monitoring and financial reporting systems, audit of operations, and the error rate stemming from the audit performed was above materiality level of 2%.

DG HOME's pre-information letter to Finland was sent in March 2019 proposing to apply financial corrections. The national authorities have sent an extensive reply in June 2019 which is under analysis by DG HOME.

## **2) AMIF-ISF - Denmark, Finland**

The reservation concerning AMIF/ISF stems from the result of system audits carried out by DG HOME on the multi-annual programmes for the **ISF in Denmark**, and for the **AMIF and ISF in Finland**.

The reservation is **quantifiable** as the deficiencies are linked to payments made in previous and current reporting years, and for which the corrective measures have not been implemented yet.

For both countries, the system audit by DG HOME has revealed **serious deficiencies in the management and control system** regarding the audit procedures and audit trail.

For **Denmark**, the audit procedure is still **ongoing** and the final audit results have not yet been transmitted to the Danish authorities.

For **Finland**, the final audit report was sent to the Finnish authorities, which have provided information on the corrective actions in October this year. DG HOME is analysing the latest elements provided by the Finnish authorities. If corrections were necessary, this would lead to the launch of a conformity clearance procedure.

## **3) Direct Management – grants AMIF / ISF Union actions**

The reservation regarding direct management reflects the fact that the estimated residual error rate in that area is above 2%. This estimation is based on a multiannual calculation taking into account all ex-post audit results on grants financed by DG HOME since 2007. It is a residual error rate, because the amounts recovered are deducted from the estimation of

the risk remaining in the non-audited population.

The residual error rate for grants is above 2% since several years. In 2018 it was estimated at 3.29%.

The **main reasons for errors** are the following:

- the programmes managed by DG HOME target **relatively new policy areas and new beneficiaries** that need to adapt to EU rules;
- The projects financed are often complex, they are innovative and involve many actors of different countries. Hence there are **hundreds of beneficiaries and co-beneficiaries**, for which it is not easy to adapt to complex eligibility rules.

DG HOME continues in its **endeavours to reduce errors** in grants through the following actions:

- Streamline and harmonise procedures regarding monitoring and final payment. In particular DG HOME is now using the Commission's corporate IT grant management system;
- More frequent (systematic in certain programmes) request for audit certificates accompanying the cost claim;
- Maintaining the current high level of ex-post audits to ensure that undue amounts are recovered.

#### **4) Centralised Direct Management – Research grants, 7th Framework Programme**

It is clear that the 2% residual error target for the 7th Framework Programme (FP7) has not been attained. Hence, a reservation has to be maintained.

Nevertheless, the lessons learnt from FP7 audits have been used in the development of the general framework of Horizon 2020.

In this respect, we can already observe the positive impact of the lesson learnt: based on the initial audits on the expenditure under Horizon 2020, the residual error rate derived for DG HOME in 2018 has been estimated at 2.32% (only 0.32% above materiality threshold).

#### **5-6) EASO –EBCGA**

In its Annual Activity Report for 2018, DG HOME included two reservations on decentralised agencies (**EASO** and **EBCGA**).

These two reservations are **reputational** because the identified deficiencies **do not have a financial impact** on the payments made by DG HOME during 2018. However, it is crucial to report on them and to ensure appropriate follow up, also to preserve the reliability of DG HOME's control systems.

To include reputational reservations is a **prudent approach**, in line with the objectives of transparency and accountability, in order to avoid the risk of a negative impact on the discharge 2019, in which the Court could otherwise question DG HOME's control system and assurance process.

- The reservation on **EASO** was issued in 2017 and maintained in 2018, as the **action plan** designed by the Agency to address the numerous governance issues flagged in the European Court of Auditors' report for 2017 was (and still is) **being implemented**. In its recent report on the 2018 accounts, the Court however expressed only a qualified opinion on the legality and regularity of the payments –



an improvement compared to the adverse opinion of the previous year. The Court acknowledged that EASO had taken positive and concrete steps to improve its governance. The Commission is closely following this matter and is in regular contact with the Agency.

The reservation on **EBCGA** was introduced as a **precautionary measure** in the AAR 2018. In its 2018 report on EBCGA's 2017 accounts, the European Court of Auditors identified an **irregular procurement procedure** for a ferry transport service in Greece. As no payment was made on that contract in 2017, the Court did not make observations on the legality and regularity of the accounts. It is worth noting that the ECA in its last report on the EBCGA does not mention this recommendation and issued an opinion that payments underlying the accounts for the year ended 31 December 2018 are legal and regular in all material respects.

34. Could the Commission describe the process for follow-ups on its reservations?

**Commission's answer:**

The Commission regularly follows up on the reasons for issuing the reservations (follow up of audit reports, issuing of recovery orders, follow-up of reputational events, etc.). From the point of view of the assurance and issuing of reservations, a full assessment of the assurance (calculation of residual error rates) is performed only for the reporting year-end in the framework of the Annual Activity Report.

In shared management, the Commission services ensure a close follow-up of their implementation through finalisation of ex post audits and subsequent financial corrections.

For direct management, the Commission issues recovery orders to beneficiaries for amounts unduly received.

As regards follow-up on non-quantified (reputational) reservations and taking the example of EASO, DG HOME closely follows-up the situation. The irregularities found were promptly followed-up by a set of rigorous remedial actions, elaborated in close cooperation between DG HOME, the Chair of EASO's Management Board and the Board itself. These actions include closer monitoring of the Agency's activities by the Commission and the Management Board. Since June 2018, EASO implements a comprehensive Governance Action Plan that addresses the weaknesses in management and control system identified by the Court of Auditors. DG HOME has provided advice to EASO on this Action Plan and the reporting on its implementation, to enhance its transparency and completeness. Updates on its implementation are consistently presented during the Management Board meetings.

35. What consequences are imposed if the Commission is not satisfied with the implementation of the corrective measures in the action plans?

**Commission's answer:**

Should evidence confirm that the identified issues have not been duly addressed and that the Member State is in breach of its legal obligations under the Fund's legal basis, the Commission may launch a conformity clearance procedure and recommend net financial corrections, leading to the de-commitment of the problematic amounts from the Member

State national programme. When deciding on such a net financial correction, the Commission shall respect the principle of proportionality by taking account of the nature and gravity of the breach of applicable law and its financial implications for the Union budget.

For direct management, there is no corrective measures as such to implement. Indeed, each grant agreement corresponds to a specific project, and errors detected systematically trigger the recovery of the corresponding ineligible expenditure.

## Research

36. Could the Commission provide an overview over the research conducted by DG HOME in 2018?

**Commission's answer:**

DG HOME is responsible for the largest part of the budget for the Secure Societies section of the Horizon 2020 Framework Programme for Research and Innovation. The implementation of it in 2018 is shared with the Executive Research Agency (REA). Projects are selected and launched in the areas of civil protection, fighting crime and terrorism, border security and infrastructure protection.

In 2018, 28 projects were selected with a total EU contribution of approximately EUR 154 million. 11 projects for a total of EUR 53 million were signed and are implemented directly by DG HOME.

Projects cover a broad range of specific domains from advanced forensics, tools to deal with online radicalisation, methods for gathering electronic evidence in criminal cases, up to technologies for first responders.

37. What were the main findings and did the Commission introduce any specific measures as a consequence of the research findings?

**Commission's answer:**

In 2018, around 30 EU security research projects funded by DG HOME (implemented directly via DG HOME or REA under co-delegated budget) were finalised and delivered their results.

Research results as such do not always lead to specific policy measures, since they are launched to support policy implementation and lead to new technologies that can then be used to develop tools and solutions to be acquired by security practitioners, like police forces, border guards or firefighters.

However, results of EU-funded security research can also contribute to policy initiatives. In 2018, examples are the results of numerous projects in the area of counter-explosives (HOMER, PREVAIL, EXPEDIA), which have been used for the Impact Assessment SWD(2018) 104 of the Regulation on the marketing and use of explosives precursors. EU-funded research on tools to remove terrorist content online contributed to the Commission proposal for a Regulation on preventing the dissemination of terrorist content online 2018/0331 (COD), while the results of the EU-funded research project EVIDENCE contributed to the elaboration of the Impact Assessment SWD(2018) 118 of the Commission legislative

proposal on electronic evidence.

### Facilities for Refugees in Turkey

38. ECA found that, in a challenging context, the Facility for Refugees in Turkey had rapidly mobilised 3 billion euros to provide a swift response to the refugee crisis. Nevertheless, it had not fully achieved its objective of coordinating the response effectively. The projects audited provided helpful support to refugees, many of them had achieved their outputs, but half had not yet achieved their expected outcomes. Furthermore, ECA found scope for increasing the efficiency of cash-assistance projects and therefore concluded that the Facility could have been more effective and could achieve better value for money.

- Could the Commission explain what prevented the full achievement of the objectives of the Facility, in particular, what were the problems with the cash-assistance projects?
- Could the Commission quantify how much money was not spent appropriately?
- How are these problems going to be solved, in particular in relation to half of the projects, which have not yet achieved the expected outcomes?
- Did the Commission impose any financial corrections (if yes, please specify the amount)?
- Were there any cases of fraud or suspicion of intentional misuse of the EU money?

#### **Commission's answer:**

It should be noted that the implementation of the Facility for Refugees in Turkey falls under the competence of the Commissioner for European Neighbourhood Policy and Enlargement Negotiations.

The ECA report referred to an operational audit of the kick-off phase of the Facility for Refugees in Turkey. The report covers the very beginning of Facility mobilisation, in fact covering only some humanitarian projects of the first tranche and none of the second tranche. At the time of the audit, only the two cash-based projects (Emergency Social Safety Net [ESSN] and Conditional Cash Transfer for Education [CCTE]), plus some complementary projects had been mobilised; it is therefore only logical that very few of the expected outcomes had been achieved.

Recommendations of the European Court of Auditors are an important input into the effort to further improve the work of the Facility. The Commission's replies to the findings are included in the report and the Commission has accepted and is already implementing all the ECA recommendations for the second tranche.

The report itself was debated in the relevant Council working groups and the EP's BUDG and AFET Committees. It was also discussed in the Facility Steering Committee.

The Court also acknowledged the speed at which the Commission mobilised the Facility and the Commission's efforts to effectively coordinate the mobilisation of very substantial resources from both the EU budget and Member State contributions. It also noted that there were no instances of duplications; that needs were identified quickly, that audited projects provided helpful support to refugees, and that a comprehensive Facility monitoring system was set up.

In its efforts to ensure maximum efficiency, ownership and sustainability, the Commission

has always abided by the contractual framework under which it provides assistance. The implementation of our assistance follows the strict requirements of the EU Financial Regulation and we remain in control of its implementation.

In response to the sub-questions listed above, the Commission would like to answer as follows:

- ) The audit covered the very beginning of Facility mobilisation and systems had to be put in place during a challenging period in Turkey.

As the Commission made clear in its replies to the Court's findings, which are included in the annex to the report, *"In a politically volatile period, including a failed coup attempt in Turkey, EUR 3 billion was committed and contracted and close to EUR 2 billion disbursed within the timeframe of 20 months, in full compliance with the EU's procedural and legal framework. (...) Most projects have achieved their expected outputs. The biggest project, the Emergency Social Safety Net (ESSN), which represents 76% of the allocated funding, satisfactorily achieved its objectives. In addition, the Commission notes that only two projects ended within the period audited, since most projects had to be extended, mainly due to the very challenging context."*

- ) There was no funding that was not spent appropriately.
- ) The report covers a period where only part of the first tranche of the Facility had been mobilised, and none of the second tranche. Since the report was issued, the full first tranche was contracted, the full second tranche has been programmed, some 90 projects have been rolled out and a further 30 should follow in the course of the next year to reach the total of 120.

As for remedial action and as the Commission made clear in its replies to the Court's report, *"It is important to take into account of the ambition, complexity and unprecedented scale of the projects. Adjustments in the timeframe, budget or outputs/outcomes are necessary adaptations in order to achieve the objectives. (...)"*

*The Commission would like to reiterate the importance of flexibility when implementing projects, in view of allowing partners to deliver on the ground despite legal/administrative or operational challenges that may occur. No-cost extensions are not necessarily delays as such, but a mechanism for ensuring and adjusting delivery under often adverse and challenging circumstances. Without such extensions, the achievement of the objectives can be seriously hampered, which may lead to a waste of resources, i.e. inefficiency.*

*Extensions of projects do not systematically affect the efficiency of a project or reduce the funding available for final beneficiaries. Regarding the audited projects, whose duration was extended, the extensions have been carefully monitored. The extensions can have a neutral if not positive impact on the efficiency of the projects."*

- ) No, there were no reasons to impose any financial corrections.

To date, only one case of potential fraud or irregularities in the framework of the EU Facility for Refugees in Turkey has been reported to OLAF in the period 2018-2019. It concerned an EU funded project for health-related services, and OLAF did not open an investigation into the contract concerned given that it was already being closely

monitored by the EU Delegation to Turkey.

**I.S.F.**

39. The Romanian authority responsible for the ISF national programme did not systematically check the reality of expenditure when making on-the-spot visits to beneficiaries. In Sweden, the controls for double funding were not exhaustive. In Spain and in Sweden, the controls of the authorities responsible for the AMIF national programme were not enough to ensure that beneficiaries comply with the national and/or EU procurement rules. What concrete steps has the Commission taken to avoid the potential impact these weaknesses might have - failure to detect ineligible expenditure and procurement irregularities?

- )] Could the Commission give an update on these cases?
- )] Did the Commission discover any irregularities regarding the appropriate and correct use of EU money?
- )] Could the Commission quantify how much money was not spent appropriately?
- )] How are these problems going to be solved? Did the Commission implement or intends to implement any specific measures to improve potential weaknesses in specific Member States?
- )] Did the Commission impose any financial corrections (if yes, please specify the amount)?
- )] Were there any cases of fraud or suspicion of intentional misuse of the EU money?
- )] Where there further investigations for similar issues in other Member States?

**Commission's answer:**

These findings stem from reports from the Court of Auditors.

**Sweden:**

CL 9475/Sweden AMIF: The Audit Authority also found similar and others system deficiencies; to mitigate the risk (below materiality), the Responsible Authority reduced the expenditure in the accounts of financial year 2017 by approximately EUR 0.4 million so that the Audit Authority could issue an unqualified audit opinion. ECA selected transactions from the financial year 2017 accounts which were the same population as the one audited by the Audit Authority. Therefore, there is no risk to the EU budget as Sweden took sufficient corrective measures before declaring the accounts.

Furthermore, in its final conclusions, ECA welcomed the steps taken by the Swedish authorities to remedy the deficiencies identified. The changes to the verification procedures related to procurements carried out by the Swedish authorities were considered satisfactory by the Court. The Swedish authorities have furthermore strengthened the controls of other sources of financing available to the beneficiaries and are working with the ESF authorities to develop additional risk-reducing measures.

**Spain:**

The Court of Auditors, in the framework of the Statement of Assurance for the AMIF financial year 2016 (DAS 2016), performed an audit in Spain. ECA identified ineligible expenditure on three projects. The four ineligibility cases identified (advance on salaries, expenditure exceeding the maximum amount of a contract, expenditure incurred in 2013, insufficient clear link between certain declared expenditures and the project objectives) can affect an important projects population declared in the same and future annual accounts

and have shown important deficiencies in the checks on expenditure.

A conformity clearance procedure was initiated by the Commission, requesting the national authorities to perform all necessary control and verifications, and quantify all costs affected. Following this, a net recovery of EUR 117.379,12 is being made by the Commission. The Ministry managing the funds was requested to include the four ineligibility cases in the control manuals and in the scope of future checks, to ensure both necessary and preventive and corrective measures.

**Romania:**

CL – 9478/Romania ISF: In the framework of the Statement of Assurance for financial year 2018, ECA performed an audit in Romania. ECA detected that physical checks of expenditure were not made when the Romanian authorities were carrying-out on-the-spot visits at the premises of projects beneficiaries. The Responsible Authority clarified that they carry out administrative checks of the control activities of the Delegated Authorities and carries out its own on- the-spot controls on a sample of projects according to its risk analysis.

Considering that the error detected by the European Court of Auditors was a minor system weakness and that DG HOME gave full clearance on Romania 2018 ISF Accounts, DG HOME will not take further measures in relation to the detected issues.

As concerns cases of fraud or suspicion of intentional misuse of the EU money, to date, the Commission is not aware of any OLAF investigations concerning the countries and funds mentioned in your questions.

**AAR for 2018 Key performance indicators/ Reservations**

40. What are the problems detected in Germany and UK as to the management of SOLID funds and Finland and Greece regarding the AMIF/ISF funds? Did DG HOME note any improvement in 2018?

**Commission's answer:**

The reservations listed above are the ones of AAR 2017 and their causes and improvements are as follows:

- Germany SOLID: The reservation for Germany in relation to the European Fund for the integration of third-country nationals (EIF) and the European Refugee Fund (ERF) was first issued in the Annual Activity Report for 2015, when a DG HOME ex-post audit revealed serious deficiencies in the management and control systems for the programmes EIF and ERF. The residual error rate stemming from the audit performed was above the materiality level of 2%, leading to a reservation.

The reservation was maintained in AAR 2018 and DG HOME expects to take corrective measures by the end of 2019 and consequently lift the reservation.

- UK SOLID: in AAR 2017 reservation for UK in relation to the Return Fund (RF) and to the European Fund for the integration of third-country nationals (EIF) were issued because the residual error rate stemming from the audit performed was above the materiality level of 2%. The two reservations were lifted in AAR 2018 for the following reasons:

- concerning the Return Fund, the audits carried out by DG HOME detected irregularities in a public procurement of a multi-annual project. The dialogue with the national authorities that took place in 2018 allowed DG HOME to ascertain that the error in the sample was reduced to 1.15% and management and control system were assessed in category 2;

- concerning the European Fund for the Integration of third-country nationals, following the finalisation of the audit process, DG HOME issued a recovery order. As a result, the reservation has been lifted.

- Finland AMIF and ISF: the system audit by the Commission services revealed serious deficiencies in management and control systems for these programmes. The final audit report was sent to the Finnish authorities, who provided information on the corrective actions in October this year. DG HOME is analysing the latest elements provided by the Finnish authorities. If corrections are necessary, this would lead to the launch of a conformity clearance procedure.

- Greece AMIF: in AAR 2017, DG HOME issued a reputational reservation for AMIF Greece because the preliminary analysis of the AMIF annual accounts for the financial year 2016-2017 which were submitted by Greece on 15 February 2018 identified deficiencies in the functioning of the management and control system of the national programme, in particular as regards the adequacy, effectiveness and reliability of the management controls and audit opinion.

The reservation was lifted as the national authorities carried out additional audit work to confirm that the residual error is below 2%. During 2018 the national audit authority carried out additional audit work to demonstrate that the residual error rate is lower than initially calculated by the authority itself. As a result, DG HOME partially cleared the accounts submitted by Greece for the financial year 2017, thus reducing to zero the risk for the Union budget.

41. Why does it take such a long time to remedy the problems detected in Germany (since 2013) considering that the scope of the reservation is not so large? What is the state of play of this file? To which extent did it improve in 2018?

**Commission's answer:**

Please see also question number 33. In its 2018 Annual Activity Report, DG HOME maintained a reservation on SOLID Funds concerning several Member States, including **Germany** regarding the following **two Funds**:

- ) European Fund for the integration of third-country nationals (EIF) for closed Annual Programmes up to year 2013;
- ) European Refugee Fund (ERF) for closed Annual Programmes up to year 2013.

It has taken long to address the problems detected with Germany because they were the result of a number of different audits covering several financial years (2008-2011):

- ) Project audits by DG HOME audit team;
- ) Followed by systemic audit by the DG HOME auditors, to test common control elements;
- ) Audits in the framework of the statement of assurance by the European Court of Auditors on EIF 2007 and EIF 2010.

The files were interconnected and bundled. Thus, there were many findings to be addressed and examined. Also, the procedure includes many steps, allowing for a dialogue between the Commission and the authorities audited, and in the case of the problems detected in

Germany, the German authorities have contested findings and conclusions at every step. The procedure is therefore not concluded yet. The latest reply by the German authorities was received by DG HOME in October 2019 and is being analysed.

### **External migration policy**

42. How did DG HOME contribute in 2018 to the implementation of measures and the monitoring of progress on all migration aspects with third countries and how did it play a key role in particular in the Prague process and the Regional Development and Protection Programme?

#### **Commission's answer:**

DG HOME continued its cooperation with third countries following a comprehensive approach as defined in the Partnership Framework, based on results oriented strategic partnerships, with flexible tools tailored to the needs of the EU and partner countries. Concrete results were achieved in: saving lives in the Mediterranean; pursuing orderly migration management; strengthening migration and border management capacities of a given partner country; enhancing return, readmission and reintegration; breaking the business model of traffickers and smugglers; providing protection to those who need it; enhancing legal migration avenues; as well as addressing the root causes of irregular migration. DG HOME and the Commission as a whole has monitored its progress on advancing cooperation with third partners and regularly reported on the implementation of our policies through regular progress reports (most recently in October 2019) as well as the established channels in the Council and Parliament.

DG HOME has played a key role in supporting the Prague Process via funding (EUR 1.9 million for 2018-2021 under the Asylum, Migration and Integration Fund), as well as through its active participation as member of the Prague Process Strategic group, contributing to the steering of the work of this Process. Through this Process, the European Union steers cooperation on migration with the Eastern Partnership and Central Asia. DG HOME reinforced the bilateral cooperation with these countries. Examples of main achievements: setting up of the Migration Observatory; establishment of Migration Profiles to evaluate the overall migration situation in a given country; establishment of a Training Academy that provides trainings on migration management; and a number of handbooks and training materials on migration management for policy-makers.

DG HOME is the main donor of the Regional Development and Protection Programme (RDPP) in North Africa and Horn of Africa under the Asylum Migration and Integration Fund (EUR 45 million for 2016-2019), ensuring synergies with other actions under different sources of EU funding, in particular the EU Trust Fund for Africa. While the RDPPs are directly implemented through a consortium of EU Member States (led respectively by Italy and The Netherlands for the two regions), DG HOME provides steering for the definition of projects and monitors their implementation.

The various RDPP projects aim at supporting durable solutions for persons in need of international protection. In particular the registration of refugees and asylum seekers and the reinforcement of asylum systems in African countries (e.g. in Egypt, Niger, Morocco). RDPP programme also supported and assisted migrants stranded along the different migratory routes (e.g. in Libya, Tunisia), and vulnerable migrant children (e.g. in Sudan, Ethiopia, Kenya, Egypt). In Egypt, thanks to the support provided through RDPP, UNCHR managed to considerably reduce the reviewing backlog as well as waiting periods for



Refugee Status Determination (RSD) that decreased from 330 to 157 days. In 2019, more than 400 Best Interest Assessments (BIA) for children at risk were also conducted by UNHCR. UNHCR closely worked with Save the Children and Caritas to provide ad hoc assistance for alternative care arrangements for those identified children at risk. In Ethiopia through the RDPP a new Biometric Identity Management System (BIMS) improved the protection of refugees and host communities, giving them access to basic services, including the right to live outside of the camp and to advance their education.

43. What did DG HOME achieve in 2018 in cooperation with other services to improve the communicating policy of the Union as to the main achievements of the Union policy?

**Commission's answer:**

DG HOME's communication efforts were aimed mainly at supporting the Spokespersons' Service of the European Commission as well as the Commission's Directorate-General for Communication in ensuring that the media and the public are made aware of the key role played by the Commission on migration and security issues. DG HOME mainly communicated the Commission's work and achievements in these areas through dedicated thematic events, press material, DG HOME website updates, and social media initiatives.

In 2018, DG HOME staff kept engaging with external audiences, notably through presentations on migration and security to visitors' groups, as well as through the "Back to School" and "Back to University" initiatives. Furthermore, user engagement on DG HOME's Twitter account has increased 10-fold and outreach by 25%.

DG HOME's policies were also featured in the corporate communication campaign "EU Protects" that began in October 2018. The campaign tells the stories of how every day heroes throughout the Union work together across borders to tackle common challenges, such as radicalisation. Specific communication documents are published on progress in certain policy areas, such as "EU anti-trafficking action 2017-2019: At a glance".

The EU Immigration Portal (<https://ec.europa.eu/immigration/>) provides up-to-date and practical information on EU and national immigration procedures and policies to non-EU citizens, who wish to migrate to the European Union. Workers, researchers, students and those looking to join their families already in the EU can find information adapted to their needs. It also contains information on the risks related to irregular migration, such as trafficking and smuggling and the contact details of relevant national authorities responsible for immigration. It contains a specific section on the EU Blue Card with easy to access information and real life testimonials of blue card-holders. The Portal is available in 5 languages (EN-FR-ES-PT-AR).

The European Website on Integration (<https://ec.europa.eu/migrant-integration/home>) provides an easily accessible portal that offers a "one-stop-shop" for bringing together and making available existing information and good practices on immigrant integration from all Member States. Its target audience is policy makers and practitioners working on integration in Europe, and it provides them with a tool for the exchange of information and good practice. The Website is available in 3 languages (EN-FR-DE).

DG HOME also contributed to regular reporting to the public on the progress made in the implementation of the Commission policies in the area of Home Affairs. Five Communications, together with press materials, were adopted to report on the progress towards an effective and genuine Security Union. Similarly, reports on the progress in the

implementation of the European Agenda on Migration were adopted.

## Financial management

44. On which basis had the 2018 budgetary forecast been done? Which were the main changes by comparison with 2017?

### Commission's answer:

In 2017, the Draft Budget was prepared in the context of the migration and security crisis. It took into consideration the consequences of such situation on integration and return activities in the Member States, as well as on border surveillance (equipment made available by Member States to Frontex) and security area (PNR and interoperability), for which additional funding was provided by the Budgetary Authority.

The Draft Budget 2018 was prepared based on the initial 2018 financial programming and the needs linked to the migration and security challenges, including the support to Member States facing high migratory pressure as well as solidarity efforts by the Member States, and for which additional funding was provided by the Budgetary Authority.

The level of payment appropriations was based on the expected implementation rate by the Member States and on cumulative implementation rate of commitments as regards funds managed directly by the Commission.

45. Delays of payment: total Number of Payments by DG HOME in 2018: 680,  
On time: 602: 88, 59 %  
Out of delay: 78: 11, 47 %. (Table 6 of annex 3 of the AAR2018)  
Question: please comment, is that a good score, which are the main difficulties encountered?

### Commission's answer:

The rate of late payment is still higher than the average of the Commission but it is improving compared with previous years. It was the consequence of the high workload linked to the increase of the budget in 2016, 2017 and 2018 and the related increase in the number of transactions.

The total number of payments is 1224 in 2018. Out of those, 1107 were on time (90%). The 680 transactions in table 6 of annex 3 of the AAR 2018 refer only to those payments that were paid within a maximum delay of 30 days.

In 2018, despite a further increase in the total amount of payments (EUR 1.85 billion vs EUR 1.7 billion), the rate of late payment was significantly reduced to 10% compared to the previous years (18% in 2017 and 22% in 2016).

The average time to complete a payment follows the same positive trend (37 days in 2018 vs 55 days in 2017 and 48 days in 2016).

This trend was achieved without increasing the cost of controls nor deteriorating the error rate, hence the situation has globally improved.

However, the Commission's target rate being 4%, DG HOME is committed to keep improving

the existing positive trend.

46. How much EU funding Libyan coast guard authorities have received in 2018?

**Commission's answer:**

DG HOME does not provide direct funding to the Libyan authorities.

The Italian Coast Guard received EUR 1.8 million (ISF Emergency Assistance) to develop a feasibility study aimed to help support the Libyan authorities to assess the Libyan Search and Rescue capacity and to support them in building Libya's own national maritime rescue coordination mechanism in accordance with the international legislation.

This project reinforced the Commission's effort in improving migration management in Libya in addition to stepping up its humanitarian engagement and support to the population in Libya facing conflict and growing numbers of Internally Displaced Persons.

Under the programme Seahorse, funded through the Development Cooperation Instrument (DCI) and managed between 2013 and 2018 by DEVCO and since April 2018 by DG NEAR, 105-107 staff were trained in SAR, communication, National Coordination Centre handling, and navigation for EUR 750,000 in 2018. Figures have to be confirmed after an official audit.

**Ageing balance of recovery orders**

47. On page 23 of the annexes of DG HOME AAR, it is mentioned that one recovery order from 2008 was still open at 01/01:2018. What was it about?

**Commission's answer:**

The initial recovery order still open at 1 January 2018 has been issued with respect to the legal entity receiving the financial contribution, and concerns an old grant agreement on which a national Court Case has been initiated against the natural person responsible. Following the outcome of this Court case, a new recovery order has been issued against the natural person responsible and including the late interests. This implied first to waive the initial recovery order which was done by Commission decision C(2018) 1276 of 6 March 2018 described on page 24 of the AAR.

**Recovery orders waivers in 2018**

48. On page 24 of the annexes of DG HOME AAR it is mentioned that in 2018 DG HOME issued three recovery order waivers of a value above EUR 60 000 for a total amount of EUR 63427, 69; Please comment on those waivers corresponding to grant agreements dated 2004 and 2007.

**Commission's answer:**

Page 24 of the AAR disclosed the details of recovery orders above EUR 60.000 which have been waived during the year 2018.

In addition, it is mentioned that DG HOME waived 3 recovery orders of less than EUR 60.000, for a total amount of 63.427,69. These 3 smaller recovery orders are the following:

1. Renunciation to a recovery order of EUR 15.661,93 following the impossibility to recover the debt because of insolvent debtor. The debtor is Erythros Assocoazione di Promozione who was the beneficiary of grant JLS/2007/RAD/03.
2. Renunciation to a recovery order of EUR 36.130,22 following the impossibility to recover the debt because of the insolvent debtor. The debtor is CICOM was the beneficiary of grant PASR-PROJECT- I-TRACS - SEC6-PR-210500.
3. Renunciation to a recovery order of EUR 11.635,54 following the impossibility to recover the debt because of the insolvent debtor. The debtor AIRSHIPVISION INTERNATIONAL was the beneficiary of the grant FP7-SEC-2007-1-IMSK.

To quantify the potential financial impact of errors detected DG HOME states that it is necessary to determine the residual error rate, the “amount at risk” and the financial materiality compared to the relevant payments for a given control system.

49. Why do those three steps differ from one control system to another as to AMIF, Research grants and grants non-research?

**Commission’s answer:**

Although the EU spending is subject to common control features, individual spending programmes may be very diverse. Therefore, control strategies need to be adapted to differing management modes, policy areas and/or specific funding procedures (‘modalities’) and their associated risks. The Commission departments use a consistent methodology to assess the risk of error in their financial operations while also taking into account that the legal frameworks, management environments and other specificities vary between policy areas.

Consequently, also the common reporting guidelines and the consistent methodology for calculating error rates allow taking into account certain differences – as is the case for DG HOME as well (cf. AMIF under shared management with Member States, Research grants managed in cooperation with DG RTD's Common Support Center, non-research grants under direct management by DG HOME itself).

### **Decentralised agencies**

50. DG HOME is supported by the work of six decentralised agencies, which play key operational, coordination and advisory roles in the implementation of the EU priorities and objectives in the area of home affairs policies:

- )] European Border and Coast Guard Agency (EBCGA),
- )] EU Agency for Law Enforcement Cooperation (Europol),
- )] EU Agency for Law Enforcement Training (CEPOL),
- )] European Monitoring Centre for Drugs and Drug Addiction (EMCDDA),
- )] European Asylum Support Office (EASO), and
- )] EU Agency for the Operational Management of large-scale IT systems in the area of freedom, security and justice (eu-LISA).

**Commission's answer:**

No reply is required for this question.

51. How does DG HOME ensure to steer and coordinate the actions of all those agencies in order to guarantee an effective spending of EU budget?

**Commission's answer:**

DG HOME has developed extensive procedures to supervise and monitor the work of its six decentralised Agencies. Close cooperation, follow-up and supervision is indeed key in maintaining mutual trust and coherence, avoiding duplication of actions, boosting the Agencies' efficiency and ultimately ensuring an effective spending of EU budget.

DG HOME adopted, at the beginning of 2018, a Guidance Paper and a Control Strategy specifically dedicated to clarifying and formalising its relations with the Agencies. The Guidance Paper focuses on the inter-institutional and policy-related matters and aims to ensure greater consistency, transparency and clarity of procedures, as well as coordinated and efficient operations. The Control Strategy aims to support DG HOME in building assurance on the management of tasks entrusted to Agencies and reporting in its Annual Activity Report, including assurance on how the activities of the Agencies contribute to the achievement of the DG's policy objectives.

More concretely, DG HOME monitors the Agencies' policies, operational activities and budget execution through regular contact and various means, including:

- ) Acting as members of the Agencies' Management Boards and participating in preparatory working groups; the decisions setting the level of Commission representation in the Management Boards of the Agencies were amended at the end of 2018 to raise and harmonise the seniority level;
- ) Reviewing draft programming documents, including annual and multiannual activity plans, to verify that they are in line with the objectives, mandates and tasks of the Agencies and to check the overview of the resources and their planned use;
- ) Analysing various reports issued by the Agencies - including most notably the Consolidated Annual Activity Report which monitors the implementation of the Agencies' programme and serves as the basis for the discharge procedure – as well as by independent sources, such as audits or evaluation reports;
- ) Analysing the follow-up given by the Agencies to ECA's recommendations.

The Agencies are moreover subject to the external control of the Court of Auditors and to the annual discharge from the European Parliament.

DG HOME is well aware of the importance that needs to be given to the coordination of its decentralised Agencies and this is well reflected in the newly revised structure of the DG, since 16 September 2019.

52. Why does DG HOME include in the table Estimated overall amount at risk at closure on page 83 of the AAR the payments made in indirect management to the decentralised agencies whilst those agencies have an independent management and separate discharge?

**Commission's answer:**

EU Agencies are indeed independent and accountable for their policy support performance as well as for the regular and effective and efficient spending of their Agency's budget. However, as their funding (subsidy) is paid by the Commission Partner DG, the amount of the subsidy **is an integral part of the DG's budget**. Therefore, the Directorate-General's authorising officer by delegation is responsible and accountable for this annual contribution.

**SIS System**

53. In 2018, the Schengen Information System was consulted 6.1 billion times compared to 5.1 billion times in 2017 and 4 billion times in 2016. This reduces the chances that people who pose a security threat, including returning EU nationals, cross borders unnoticed. At the same time, the number of hits was 267 200, a 10% increase compared to 2017.

- ) How do you explain the increases from one year to another?
- ) Could the Commission provide an overview about the contribution of each country to the SIS?

**Commission's answer:**

- ) The increase in the number of consultations is mainly due to the implementation of Regulation (EU) 2017/458 of the European Parliament and of the Council of 15 March 2017 amending Regulation (EU) 2016/399 as regards the **reinforcement of checks against relevant databases at external borders**. The increase in the number of hits has followed accordingly.
- ) As the Member States contributions to the SIS is a restricted information the Commission cannot provide further details in its reply.

**Asylum, Migration and Integration Fund (AMIF)**

With regard to remaining amounts in AMIF at the end of 2018, the European Commission, the European Parliament and the Council had to take action to transfer remaining money to following year 2019 in order to provide possibility to Member States to use the above-mentioned amount to continue addressing challenges in the area of migration and asylum.

54. What progress has been made in management of AMIF? How does the European Commission ensure that the allocation of fund is efficient and transparent with no carry overs to following calendar year?

**Commission's answer:**

The Commission did not need to request any carry-over of appropriations from 2018 to 2019 as it managed to fully commit the adopted budget by the end of 2018.

55. With regard to shared management, how was the European Commission monitoring the spending of AMIF in 2018?

**Commission's answer:**

In the framework of **shared management**, the responsibility lies first with the Member States. National authorities are responsible for putting in place all the legal, administrative and operational measures to ensure that the funds available are fully used in an efficient and effective manner.

At EU level, DG HOME carries out annual clearance of accounts exercises each year for the funding given to Member States through their respective AMIF and ISF multiannual National Programmes. Before being submitted to the Commission, those accounts need to be certified for correctness by the national Audit Authorities. DG HOME also regularly audits Member States accounts.

In addition to management verifications and audits, DG HOME monitors the implementation of the two Funds through:

- analysis of annual accounts and implementation reports submitted by Member States;
- continuous monitoring by DG HOME, including daily contacts at desk level, specially dedicated meetings/video-conferences with national authorities when necessary, and visits on the spot;
- participation in the monitoring committees organised by national authorities;
- action plans in case of slow implementation to support Member States in planning their actions.

Controls that take place during the implementation of operations and after closure / payment are:

- system audits by DG HOME auditors;
- verification of the accounts and assurance package during the annual clearance of accounts procedures;
- ex-post audits to assess the legality and regularity of the expenditure by DG HOME auditors.

Controls by DG HOME on AMIF and ISF expenditure will continue at least until 2024 and provide for increased assurance.

56. How does the Commission ensure that the provisions of the AMIF regulation are fully upheld, which require that expenditures be reasonable and comply with the principles of sound financial management, in particular value for money and cost-effectiveness?

**Commission's answer:**

The Commission has very clear rules about how EU funds are to be managed and a very strict and thorough monitoring system in place to verify that all funds have been correctly spent.

DG HOME monitors the implementation of AMIF (and ISF) through controls that take place

during the implementation of operations and after closure/payment, including the following:

- management verifications and audits by the national authorities;
- participation in the monitoring committees organised by the national authorities;
- continuous monitoring at desk officer level to assist Member States during the implementation phase (desk review of reports and on the spot visits);
- system audits by DG HOME auditors;
- verification of the accounts and assurance package during the annual clearance of accounts procedures;
- based on risk assessment, audits to assess the legality and regularity of the expenditure by DG HOME auditors.

In particular, regarding the legality and regularity of expenditure under shared management, the responsibility for the implementation and the control of the Funds lies first with the Member States. National authorities are responsible for putting in place all the legal, administrative and operational measures to ensure legality and regularity of the use of the Funds.

In addition, the Commission carries out controls and audits on the implementation of the Funds at national level. In order to prepare its audit plan, the Commission carries out an annual risk assessment exercise based on previous audit work, information received with the national annual accounts, and the outcome of the procedure to clear the annual accounts.

Based on the outcomes of the annual risk assessment, the Commission carries out financial and system audits to obtain reasonable assurance on the functioning of the management and control systems in Member States and consequently on the legality and regularity of their declared expenditure.

If deficiencies are detected, the Commission requests Member States to put in place corrective measures.

In addition, the Commission has carried out an interim evaluation report on the implementation of the AMIF Regulation and will carry out an ex post evaluation report on the effects of this Regulation, following the closure of the national programmes. The evaluations assess the performance of the Funds against the evaluation criteria defined in the better regulation guidelines and in accordance to Article 55 of Regulation (EU) No 514/2014: (i) effectiveness, (ii) efficiency, (iii) coherence, (iv) relevance and (v) EU added value, (vi) sustainability, and (vii) simplification and reduction of administrative burden.

The report on the interim evaluation has been adopted by the Commission on 12 June 2018 (COM(2018) 464 final).

As concerns cost-effectiveness, based on the most relevant key indicators and control results, DG HOME has assessed the effectiveness, efficiency and economy of the control system and reached a positive conclusion on the cost-effectiveness of controls.

The overall cost-efficiency indicator is of 1.04%, lower than in 2017 (1.34%).

The total cost of the controls performed in 2018 by DG HOME has been estimated at EUR 19.33 million. This represents a significant decrease if compared to the previous two years, although the implementation pace increased over the last two years.

It comes with an increase in the volume of payments made, hence revealing an improved performance. This could be explained by the efforts made to provide guidance to Member States, to decentralised agencies and implementing partners, as well as improvement in the internal procedures for management and control.



The cumulative cost of control estimated by the Member States is equal to almost EUR 26 million (EUR 24 million in 2017). The total amount of the payments requested by the Member States for the financial year was equal to EUR 892.33 million, hence the ratio of the estimated costs of control over the amount of funds managed is equal to 2.88% (5% in 2017).

The percentage has decreased as compared to the previous year, as the implementation of Home Affairs funds by Member States increased steadily. The analysis of the data sent by the Member States show that the bulk of the costs of controls are associated with the ex-ante activities (before payments).

57. Could the European Commission provide figures on irregularities, if any, in managing AMIF projects (figures per Member State) that have been uncovered in 2018?

**Commission's answer:**

Member States are required to report irregularities, including suspected fraud and established fraud in the areas of shared management to the Commission for AMIF and ISF as set in the Implementing Regulation 2015/1977 and Delegated Regulation 2015/1973. This is done via the Irregularity Management System (IMS), a web-based application and database. Member States were invited for specific training on IMS and each Member State has a designated correspondent to this end.

In 2018, Member States reported 11 irregularities related to AMIF via IMS. The total amount concerned by such irregularities is of EUR 1.2 million and was distributed as follows: Belgium reported one irregularity of EUR 13,335; Germany reported two irregularities of a total value of EUR 172,012; Spain reported three irregularities of a total value of EUR 777,442; Slovenia reported two irregularities of a total value of EUR 160,529; Greece reported three irregularities of a total value of EUR 138,386.

The nature of irregularities can be manifold, spanning from detection of ineligible amounts to problems with procurement procedures. The concrete follow-up with beneficiaries through recovery orders is the responsibility of Member States.

58. Have there been any measures taken to improve guidance for Member States on using EU funds in particular the AMIF/ISF implementing guidelines?

**Commission's answer:**

Member States are on a regular basis provided with guidance in order to improve the implementation of the Funds under shared management. This takes places in various forms to best suit the needs of Member States:

- Meetings of the AMIF/ISF Committee take places at least twice a year (in 2018: 3 meetings).
- Guidance documents on specific topics (e.g. decommitment, resettlement, top-ups, etc.) are provided to Member States (in 2018: 18 documents).
- Workshops may also be organised on an ad hoc basis on specific issues such as FRONTEX Specific Actions, Simplified Cost Options (SCOs), MFF post 2020, audit, decommitment, Integration, OLAF training, etc.

- Issues raised on the implementation by the Member States are discussed on weekly basis and FAQs are updated and shared with Member States consequently.
- The internal structure of DG HOME, having funding Units composed of country desks in a financial Directorate, further ensures guidance and support to Member States in the implementation of AMIF and ISF on a daily basis.

59. In 2018 DG HOME managed to maintain good implementation rates as regards total available commitment and payment appropriations, achieving consumption rates of 94,67% for commitments (higher than in 2017 when it reached 89.73%) and 92,33% for payments (slightly lower than in 2017 when it reached 94.61%). What is still holding back the DG HOME from achieving a 100% or close to 100% consumption rate?

**Commission's answer:**

In 2018, Home Affairs policies were supported by EUR 2.674,51 million of commitment appropriations representing approximately 2% of the EU budget.

Very good implementation rates have been achieved as regards total available commitment and payment appropriations, achieving consumption rates of 94,67% for commitments and 92,33% for payments.

The amount of EUR 2.674,51 million includes also assigned revenue received in 2018, mainly from the Schengen associated countries as their contributions to the Internal Security Fund – Border and Visa, and which could be used in subsequent years as well.

When excluding assigned revenue, DG HOME achieved 100% implementation of the commitments appropriations of the voted budget and 99% implementation of the payment appropriations available at the end of 2018, which represents an excellent achievement.

60. Could the Commission provide data about the funding that has been dedicated in 2018 to finance Member States' resettlement programmes? How the funding has been spent (figures per Member State)? How many people were resettled as a result and to which Member States? Could the Commission provide data for 2018 on the number of irregularities and frauds detected in the context of AMIF program and their nature?

**Commission's answer:**

The table below shows the number of resettled persons by Member State and the corresponding expenditure declared in the 2018 accounts.

Resettlement		
Accounts Version 2018	Figures declared in the accounts	
MS	Total number resettled	Total amount declared (EUR)
AT	29	290,000.00
BE	880	8,800,000.00
BG	13	130,000.00

DE	2,881	28,802,000.00
ES	78	780,000.00
FI	659	6,122,000.00
FR	4,395	43,934,000.00
HR	152	1,520,000.00
IE	133	1,330,000.00
IT	444	4,440,000.00
LT	70	700,000.00
MT	14	140,000.00
PT	175	1,750,000.00
SE	3,943	38,750,000.00
SI	21	210,000.00
<b>Grand Total</b>	<b>14,043</b>	<b>139,258,000.00</b>

These figures correspond to data declared in the 2018 accounts, which have been controlled and audited by the Member States. They can differ and might be lower from the figures Member States report on a regular basis because the corresponding payment was not yet declared and audited and will only be requested for payment in the accounts of 2019 or later.

To date, the Commission is not aware of any OLAF investigations concerning the countries and funds mentioned in your questions.

61. Could the Commission provide figures on how much AMIF funding has been spent in 2018 to support the return of irregular migrants? What are the focal points and projects under AMIF in 2018? Could the Commission provide an overview over how much money was spent on which projects, specifically regarding hotspots, and the support or return and relocation?

**Commission's answer:**

In 2018, based on the annual implementation reports that were available at the time when the Annual Activity Report was prepared, 39 463 persons were voluntarily returned with support of the Asylum, Migration and Integration Fund, which is a considerable increase compared to 2017, when 16 049 persons were returned with the support of the Fund.

23 843 of the returned migrants received pre or post return reintegration assistance co-financed by the Fund.

In 2018, Member States reported on 155 return projects.

One AMIF project in Sweden, "In the Interest of the Child" focuses on preparing unaccompanied minors arriving in Sweden for a possible negative decision on their application for asylum (the majority of them receive a negative decision). The main goal of the project is to empower the minors and prepare them for the difficult transition. An essential part of the project is to roll out the methodology developed during the work with these minors to other municipalities in Sweden.

For the period 2014–2020, over EUR 996 million had at the end of 2018 been allocated to return priorities under the Fund and EUR 367 million had been spent, reaching an absorption rate of 37%.

In addition, DG HOME provided practical and financial support to Member States for returns through the Assisted Voluntary Return and Reintegration Programmes (AVRRs).

In addition, support was provided through the AMIF national programmes of Member States and through Emergency Assistance for assisted voluntary return and reintegration actions (in Italy and Greece). The total amount awarded for Greece under EMAS for this action was approximately EUR 2.5 Million from 1 January 2018 until 31 August 2019, while under the National Programme, the amount allocated was over EUR 24.3 Million.

In the case of the hotspots in Greece the Commission provided funding under the ISF and AMIF National Programme (to establish the reception and identification centres (RICs) in the 5 islands and among others, to increase police presence in the hotspots, increase police patrolling and law enforcement inside the accommodation areas of the RICs and in order to subdue and prevent illegal activity. In addition, under the Greek National Programme the provision of the transportation services from the islands to the mainland is foreseen and projects on the provision of cleaning and catering services as well as for the provision of Non Food Items for the refugees are under implementation by the Greek Authorities.

62. Does the Commission intend to establish an online database of all EU funded projects related to migration as requested by the Parliament?

**Commission's answer:**

In its 2017 discharge resolution of 26 March 2019, the European Parliament requested the Commission to *"establish a way of recording Union budgetary expenditure that will make it possible to report on all funding related to the refugee and migration crisis"*.

To address this recommendation the Commission has developed a **Financial Report on the Implementation of funding raised for the migration and refugee crisis** that is updated on a regular basis.

A first version of this report, covering the period 2015-2017, was sent on 25 February 2019 by the Commissioner Oettinger to the Budgetary Committee (reference Ares(2019)1268246) and to the Budgetary Control Committee (reference Ares(2019)1268109).

An updated version of this report including 2018 data was sent to the same Committees on 23 October 2019 (references Ares(2019)6555290 and Ares(2019)6555233).

Furthermore, the Commission, through the website FINANCIAL TRANSPARENCY SYSTEM (FTS), publishes regularly the beneficiaries and recipients of European Union funds managed by the Commission under direct management.

[https://ec.europa.eu/budget/fts/index\\_en.htm](https://ec.europa.eu/budget/fts/index_en.htm)

The Commission also publishes regularly information on the implementation of AMIF support to Member States through spending programmes and emergency assistance in the form of a *'Communication from The Commission to the European Parliament, the European Council and the Council - Managing the refugee crisis: State of Play of the Implementation of the Priority Actions under the European Agenda on Migration'*. The last version was published under the link below:

[https://ec.europa.eu/home-affairs/sites/homeaffairs/files/what-we-do/policies/european-agenda-migration/press-material/financial-support-to-mss-under-amif-and-isf\\_en.pdf](https://ec.europa.eu/home-affairs/sites/homeaffairs/files/what-we-do/policies/european-agenda-migration/press-material/financial-support-to-mss-under-amif-and-isf_en.pdf)

63. Does the Commission intend to specify common output indicators for national programmes at project level?

**Commission's answer:**

In the framework of shared management, in its proposed Regulations for the next generation of HOME Funds for 2021-2027, the Commission proposed output and result indicators. These indicators are set out in annex VIII of each of the proposed Regulations for the three Funds. These indicators will allow monitoring progress of the Funds towards the achievement of the specific objectives.

In addition, the Commission's proposals will enable the Commission to review and complement the indicators where necessary and to supplement the Regulations with provisions on the establishment of a monitoring and evaluation framework, including for project information to be provided by the Member State.

The proposed Common Provisions Regulation which sets out the financial rules for the three HOME policy funds require the managing authority to make the list of operations selected for support by the Fund publicly available on the website. This information shall include i.e. the purpose of the operation and its achievements.

As the national programmes are implemented in shared management, it is the responsibility of the Member State to ensure that data are collected efficiently, effectively and in a timely manner.

**The UK as the second largest beneficiary**

In 2018, money under AMIF was allocated to EU states using a distribution formula based on the number of asylum claims, the number of non-EU residents, and the number of returns effected during the three preceding years. Other member states also received emergency assistance on top of the basic allocation under AMIF.

The UK ranked as the second largest beneficiary after Italy. The UK's priority was support for legal migration, integration of refugees, and making sure national asylum systems are working properly. But the UK has spent literally nothing on integration and is grappling with dysfunctional asylum system.

This showed the flaws in the distribution formula and the importance of using up-to-date figures that reflect actual need.

64. Could the European Commission provide information what decisions were taken in this context and what their concrete effects?

**Commission's answer:**

The AMIF Regulation stipulates that at least 20% of the funds allocated to national programme should be allocated to integration and at least another 20% to asylum. The UK adhered to these requirements.

Within the above limitations, Member States have certain degree of flexibility under

national programmes (shared management) when choosing their own priorities. It is up to the Member States to decide whether the EU budget or national budget is used for certain actions to address deficiencies in their system.

As regards additional amount allocated in 2018, the distribution key was applied according to the basic act.

In the future, the allocations to national programmes should better reflect the needs on the ground. More specifically, in the proposals for the new HOME Funds under the MFF 2021-2027, the distribution key for the Member States' national programmes, for which 60% of the overall Fund's envelope will be allocated, takes into account the most recent data, to ensure that the information based on which Member States receive funding is not outdated.

Furthermore, 40% of the funding envelopes will form the so-called 'Thematic Facility'. This is a major novelty of the new HOME Funds and will allow funding to be flexibly allocated to Member States, international organizations or non-governmental organizations to support the objectives of the future Funds. This will increase the Union's responsiveness and will allow for a better and more targeted distribution of funding.

### **The Aquarius case**

In June 2018, the MSF ship Aquarius spent 10 days at sea before been allowed to disembark more than 600 migrants in Spain, because Italy refused to allow disembarkation and closed its ports. MSF ships therefore ended migrant rescues in Mediterranean, because European state refused to receive the ship.

65. The European Commission stressed the need for a solution to the problem of who takes in such ships. What sustainable arrangements and solutions were put in place regarding this problem?

#### **Commission's answer:**

Since the beginning of the migration and refugee crisis, saving lives at sea has been a priority for the EU. Disembarkation events, including by NGO vessels, in the Central Mediterranean clearly demonstrated the need to find European solutions for a sustainable approach to migration management, based on solidarity, common responsibility and respect of fundamental rights.

The Commission has no competence when it comes to coordination of Search and Rescue operations or indication of places for disembarkation, since these are Member States competences and fall under national and international law.

What the Commission can do and has done at each occasion in the past, when requested by a Member State, is to coordinate the relocation process on the ground with participating Member States, contributing therefore to creating conditions for a Member State to allow for disembarkations. Since 2018 numerous relocation exercises had taken place with the Commission's diplomatic and financial support, building on the solidarity efforts of the receiving Member States, which participated voluntarily in these exercises, but also on the support of EU Agencies, in particular the European Asylum Support Office.

EU funding has also helped support Member States with ad hoc disembarkations and the putting in place of the appropriate procedures for the processing and the relocation of migrants.

The Commission has been consistently recalling the importance of achieving a sustainable

and predictable system in this area. The Commission is fully supporting the process initiated with the signature of the Joint Declaration of Intent on 23 September by Malta, Italy, Germany and France setting out the contours of a predictable and structural set of arrangements, which were subsequently discussed with all Member States at the Home Affairs Council on 8 October. Following constructive discussions amongst Ministers and to support Member States in the implementation of the Joint Declaration of Intent, a series of technical discussions are being organised by the Commission with those Member States participating in relocation with a view to reaching a common understanding on standard operating procedures based on existing practices and workflows applied to voluntary relocation exercises coordinated by the Commission and supported by EU Agencies. The Commission remains committed to work with Member States towards a sustainable solution for disembarkation following search and rescue in the Mediterranean.

The Commission firmly maintains its position that a structural and permanent solution, embedded in the Common European Asylum System, should be found as swiftly as possible.

## EEAS

66. What improvement has been made in the consistency and coherence of the Union's external and internal action, as well as the need to strive for common positions and coordinated responses with regards to migration policy for the Union to be efficient in this role?

### **Commission's answer:**

The external and internal aspects of EU migration policies are closely interlinked. This requires concerted, coordinated and strategic efforts of all actors.

The Commission follows a comprehensive approach on migration management, addressing all its aspects in full coherence with other policy areas, and set up the new Partnership Framework approach.

DG HOME has worked closely together with the EEAS, other Commission's services (internal coordination structures exist involving SG, DEVCO, ECHO, NEAR, TRADE and FPI), as well as with Member States and the European Parliament to approach and engage with partner countries in a coherent and credible way. This helped to build strong partnerships with third countries on migration and mobility, placing the migration policies at the centre of EU foreign policy.

Moreover, the Commission continues to coordinate its action towards third countries with the Member States in view of ensuring consistency and mutually reinforcing the EU's and Member States' bilateral actions. A positive example is the cooperation with Morocco, which was re-launched this year as part of the broader political relation and on which we have closely worked together with Spain.

## Misuse of refugee funds in Greece

The arrival of more than a million migrants into Europe in 2015 placed huge strains on Greece, through which many of them travelled. Aid workers, migration experts and money from the EU followed. The €1.6bn given to Athens marks one of the most expensive humanitarian responses in EU history.

In 2018, the information about the potential misuse of EU funds in Greece was communicated. There are allegations that the Greek defence ministry used parts of the aid money to direct contracts to businessmen linked to ministers.

67. Could the European Commission provide information what are the results of this investigation?

**Commission's answer:**

As already described under Question 27, OLAF has an ongoing investigation into alleged irregularities concerning EU-funded projects in the hotspots in Greece. Since the investigation is not completed yet, the Commission has no information and is not aware of any of the allegations.

Upon completion of the investigation, OLAF will inform the Commission about the outcome of the investigation in order to allow it to take the appropriate corrective measure if any misuse of funds has occurred.

68. In this particular case of misuse of EU funds, what practices were involved, to what extent have they been interrupted, were sanctions considered, and what decisions were taken by the European Commission in this context and what their concrete effects?

**Commission's answer:**

The Commission has no information on the particular case mentioned in question 68. However, as a general procedure for all OLAF cases involving the misuse of EU funds, upon completion of an OLAF investigation, OLAF informs the Commission about the outcome of the investigation in order to allow it to take the corrective measures to address the irregularities detected and to recover any funds unduly spent.

### **Search & Rescue Operations (SAR)**

69. Since 2014 EU supports Search&Rescue operations (SAR) in Mediterranean sea.

- ) What was the total EU expenditures for SAR in 2018?
- ) What part of this sum was paid to Frontex and any other parties involved in SAR?
- ) What part of this sum was paid to NGOs helping EU with this matter? Who were three biggest beneficiaries?
- ) How was calculated the paid sum to NGOs? Is there any fix tax for 1 saved person?

**Commission's answer:**

Saving lives of migrants in distress at sea is a priority when managing the EU external borders. However, search and rescue operations are **Member States' competence** which must act in line with the international law. This is why the EU does not have a specific funding instrument which solely supports Member States or other actors' efforts in search and rescue activities.

The European Union nevertheless contributes to SAR whenever SAR events occur in the context of border surveillance operations (Joint Operations Themis (former Triton), Poseidon, Indalo) coordinated by the European Border and Coast Guard Agency (EBCGA), in



accordance with Regulation (EU) No 656/2014 establishing rules for the surveillance of the external sea borders in the context of operational cooperation coordinated by the EBCGA. HOME Funds financially support the Member States as follows:

- ) The Asylum, Migration and Integration Fund (AMIF) provides support to Member States taking part in the distribution of refugees and migrants saved at sea.
- ) The Internal Security Fund (ISF) Borders & Visa instrument can finance equipment and operating support relating to surveillance, such as vessels, fuel and staff. Besides, and although search and rescue operations per se are not the purpose of EU funding for border control activities through the ISF-Borders & Visa instrument, its legal basis (Regulation (EU) n°515/2014, Article 3(5)) does allow to use resources to **support** search and rescue activities which may arise during border surveillance operations at sea.
- ) A significant part of the EBCGA's annual budgets (i.e. in 2018 it was EUR 97,8 million) was used to finance maritime border operations in the framework of which the Agency contributed to saving more than 37.000 migrants (and in total 336 000 since 2015).

For the future, the proposal for the Border Management and Visa Instrument (BMVI) under the next MFF includes again support to search and rescue in the context of carrying out border surveillance at sea.

NEAR funding (payments executed to implementing partners on border management) for SAR in the Central and Western Mediterranean (only the International Centre on Migration Policy Development – Border Management of the Maghreb region programme – received funding in 2018). All Border Management programmes for the Western and Central Mediterranean routes are designed to support partner country authorities (border guards, border management agencies, etc.) in improving their ability to implement Search and Rescue (SAR) at sea operations. To this end, equipment is being delivered and capacities of staff as well as institutional capacities are being improved through trainings and institution building activities:

- EUTF-NOA“ Support to integrated border and migration management in Libya – phase 1”: EUR 0 (one payment executed in 2017)
- EUTF-NOA“ Soutien à la gestion intégrée des frontières et de la migration au Maroc” : EUR 0 (signed in March 2019)
- EUTF-NOA-REG-07 “Border Management for the Maghreb region (BMP-Maghreb)”: EUR 15.64M payment executed to ICMPD

## Absorption rate

70. The Court of Auditors observes in its Annual Report 2018 that despite the significant increase in the implementation rate of the AMIF and the ISF national programs, the value of unspent amounts continues to rise and thus may increase the pressure on national authorities at the final stage of implementation of their programs. The Commission informs in the Program Statements to the draft budget 2020 that the mid-term review in 2018 identified important funding gaps in national programs, which led to a financial reinforcement. Could the Commission give some more explanations about the situation of the AMIF and ISF absorption rate and what measures does it take to prevent pressure on the implementation at the end of the period and to prevent an increase of the risk of errors?

**Commission's answer:**

The programme implementation is now at **cruising speed** and we are carefully monitoring the promising progress made by Member States in the use of the Funds' appropriations.

As regards the Asylum, Migration and Integration Fund (**AMIF**), the commitment rate amounts to 66% of the available envelopes, while the payments' rate is at 36%.

For the Internal Security Fund (**ISF**), the commitment rate is on average at 63% and the payments' rate is at 32%.

In 2018, Member States claimed following amounts of **EU contribution**:

- AMIF – EUR 605.6 million
- ISF – EUR 384.6 million

These amounts are nearly the same under the **AMIF** as in 2017. As regards the **ISF**, there is an average increase of disbursement by 21% for both components (Borders and Police). Under the Police strand, the increase is even higher – up to 55%.

The **cumulative disbursement** since the beginning of the Funds' implementation amounts to:

- AMIF – EUR 1.6 billion
- ISF – EUR 0.93 billion

These figures confirm a **rising trend of absorption** of the available resources by Member States. There are various national payments modalities towards the beneficiaries.

A **reduced risks of decommitment** at the end of the eligibility period – December 2022 is expected.

Furthermore, DG HOME managed to decrease by 30% the RAL (reste à liquider / open commitments) on commitments **previous to 2018** (from EUR 4.1 billion to EUR 2.9 billion) and keep the RAL of the current year under regular review.

At the end of 2019, a further decrease by 25% is expected.

Finally, the gap between the commitment and payments' rates can be explained by the fact that **many actions have been launched and not yet finalised and because the pre-financing level is low in shared management**. Often, the reimbursement of the expenditure incurred by beneficiaries is done only once the projects are over. Furthermore, **Member States** declare expenditure once they consider it **free from errors** (controlled at national level). This takes some time and explains in part the lower level of payments at the beginning of the programming period 2014-2020.

## **Public Procurement**

71. The Court of Auditors points out several cases of weaknesses related to public procurement concerning different programs under shared and direct management implemented by DG HOME, as well as concerning agencies supervised by DG HOME. Indications for such problems are made in the Annual Activity Report of DG HOME as well, and some of them led to reservations for 2018. The Commission accepts the Court's recommendation for controls on procurement. Could the Commission give information about the state of play of the internal

guidelines adaptation which is indicated as a step for implementation of the Court's recommendation? Could also the Commission give more clarification about its measures to address the identified weaknesses concerning procurement in the different areas of its competences and responsibility?

**Commission's answer:**

A big share of the beneficiaries of DG HOME Funds is composed of public authorities, which are subject to public procurement rules. Given the complexity of these rules, it is normal that they are a recurrent source of errors. Compliance with public procurement rules is an essential eligibility criteria for EU funding and DG HOME pays great attention to the respect of these rules.

In its sample for 2018, the Court of Auditors identified cases where the Commission could have made its controls of public procurement more efficient.

The Commission accepted the recommendation made by ECA and started work to adapt its internal guidelines clarifying the documentation required and in which cases the documents will be checked, and the beneficiaries' procedures will be examined.

In this spirit in May 2019, the Commission has contacted the responsible authorities to have a better understanding of the procurement procedures used so far, and intends to develop a guidebook of best practice and possibly common errors. In addition, together with DG GROW, DG HOME raised awareness among Audit Authorities of Member State on the most common cases of non-compliance with the applicable rules on public procurement during its last workshop with the Audit Authorities in September 2019.

**Other questions**

72. Following the Court's observation in Spain, where authorities falsely considered VAT eligible for financing, where there any other cases discovered where EU co-financing exceeded the total eligible expenditure excluding VAT?

**Commission's answer:**

Regulation 514/2014 laying down general provisions for the implementation of AMIF and ISF determines in Article 19(d) that VAT is not eligible expenditure, except where it is non-recoverable under national law.

Under Spanish law, the Guardia Civil is not entitled to recover VAT paid. Therefore, VAT is an eligible expenditure under ISF and AMIF.

Nonetheless, in order to address the Court of Auditors' recommendation, the Commission has reminded Member States of the **rule that VAT is not eligible under shared management of the Home Affairs Funds**, except when it is non-recoverable.

In view of the application of this rule by the Member States, the Commission has requested Member States to provide the Commission with information about the existence and functioning of so-called VAT compensation schemes. It is the Commission's understanding that these schemes largely operate outside the VAT Directive. They are geared to compensate non-taxable persons for their inability to recover VAT paid on their purchases. The Commission has sent reminders to those Member States, which did not respond to the

Commission request for information by the deadline of 30 September 2019. The Commission services are currently analysing the responses with view to exploring a way forward. One possibility could be for Commission services to issue further guidance on the eligibility of VAT for beneficiaries under the HOME affairs funds if they are non-taxable persons benefitting from payments under the compensation schemes.

73. Did you set further requirements to Member States in the reporting of the annual accounts, particularly concerning the nature of the amounts (recoveries, pre-financing and expenditure)?

**Commission's answer:**

In its Annual Report for 2017, the European Court of Auditors examined the clearance decisions on shared management of Home Affairs Funds for the financial year 2016.

The Court found that the **reporting requirements were weak** and the Commission had insufficient information on actual spending by Member States under these Funds.

To address the issue, **the reporting framework was improved**: in February 2018, Member States submitted their accounts with a breakdown between pre-financing and expenditure actually incurred. This was duly reported in the Annual Activity Report 2018.

74. Have there been any measures taken to address the backlog of ex-post evaluations on SOLID?

**Commission's answer:**

Ex-post evaluations of SOLID Funds were completed. The Commission broadly reported on their conclusions and recommendations in the Communication COM(2018)456 final dating from 12.6.2018. The Report can be consulted here:

<https://eur-lex.europa.eu/legal-content/en/TXT/?uri=CELEX:52018DC0456>

Some of these conclusions and recommendations were already taken in consideration in the current AMIF and ISF (notably the inclusion in the legal base of a list of common indicators and the adoption of a common monitoring and evaluation framework). Others, such as the quite rigid allocation of funding based on historic data and inflows, are being addressed in the preparation of the next generation of Funds, with the proposal for a thematic facility through which a significant share of funding for Member States will be provided later on, taking duly into account MS more recent data and migratory flows.

75. Have there been any improvements regarding control procedures for double funding?

**Commission's answer:**

The Commission has robust control mechanisms and procedures in place to avoid the risk of double funding.

Under shared management, the responsibility for setting up procedures for avoiding the risk of double funding lies in the first place with the Member States.

From the Commission side we also look into this via mechanisms such as:

- Inter-service consultations on national programmes involving other Commission departments (DGs) to avoid double funding and to ensure complementarities;
- Examination of the annual accounts and annual implementation reports where Member States are required to report on how they ensure coordination and complementarities with other Union instruments;
- Monitoring visits in the Member States on the implementation of national programmes;
- Consultation of decentralised agencies such as EASO or EBCGA, when relevant.

For actions implemented in direct management (Union actions and emergency assistance), the eligibility rules foresee that detailed expenditure is assigned to the projects financed by the EU, which prevents that the same cost is charged to several projects. In addition, applicants to call for proposals are listing other EU grants received. Finally, the list of all grant beneficiaries is published on the Financial Transparency System of the Commission.

With regard to emergency assistance, the Commission carefully reviews applications to avoid the risk of double funding. Each application needs to provide information on other potential sources of funding and complementarity with other actions. The applicant needs to indicate how synergies and complementarities will be ensured and what measures will be taken to avoid double funding and overlaps. The Commission reviews such applications through an evaluation committee, which may request review by Union Agencies, if applicable. In addition, the evaluation committee applies a risk-based approach when analysing applications. The existence of other similar projects on-going at the same time, indicating a risk of overlapping and double claims, is one of the grounds for an application to be considered medium to high risk. The Committee may recommend a grant agreement with lower pre-financing payments, more frequent reporting by the beneficiary, reinforced monitoring through on-the-spot visits by the Commission and / or other appropriate measures to mitigate the identified risk.

Concerning decentralised Agencies, DG HOME continues to strive for optimal complementarity between the Agencies' activities and other sources of funding. Taking the example of EASO, DG HOME sent detailed questions to the Agency in relation to operations in Greece and Italy for 2019 as a way to ensure complementarity of actions financed under AMIF. EASO has also been invited to participate in the monthly Financial Plan 2019 Steering Committee meetings held in Athens, which also look into the implementation of the national programme. DG HOME also routinely assesses the Agencies' operational plans to avoid any overlaps with other HOME Funds.