



EUROPEAN PARLIAMENT

2014 - 2019

---

*Committee on Budgetary Control*

---

12.11.2014

## **WORKING DOCUMENT**

on the European Court of Auditors' Special Report No 15/2014 (2013 Discharge) "The External Borders Fund has fostered financial solidarity but requires better measurement of results and needs to provide further EU added value"

Committee on Budgetary Control

Rapporteur: Dennis de Jong

## *Introduction*

The Schengen area consists of countries that have abolished passport and immigration controls at their common borders. As a consequence of the abolition of internal border controls, external border security of any state affects all of the others. Due to the countries' differing geographical situations, the responsibilities for border controls vary considerably.

The External Borders Fund (EBF), established in 2007<sup>1</sup>, is the main EU financial instrument in support of external border management, amounting to 1.9 billion euro for the 2007-2013 period. It includes 28 European countries (Iceland, Norway, Switzerland plus all EU Member States, with the exception of Ireland, the United Kingdom and Croatia). In 2014, the EBF was replaced by the instrument for financial support for external borders and visas, as part of the Internal Security Fund (ISF)<sup>2</sup>.

The Court's audit focused on five participating States accounting for more than 55% of the allocations from the EBF: Spain, Italy, Greece, Poland and Malta.

## *ECA Conclusions*

The EBF has contributed to external border management and fostered financial solidarity. However its further EU added value was limited, overall results could not be measured due to weaknesses in the responsible authorities' monitoring and there were serious deficiencies in the ex post evaluations by the Commission and the Member States. Crucially, the Court found serious weaknesses in the management of the fund in key Member States, i.e. in Greece, Spain, and Italy and, for the early funding years, Malta. These weaknesses carry the risk that border management is not adequately strengthened where it is most needed.

The EBF helped to spread the Member States' financial burden arising from the integrated management of external borders but further EU added value of the fund was limited: (a) in consular cooperation; (b) in support of Frontex operations; (c) on emergency actions and specific actions and (d) by funding actions which were or would have been financed nationally.

Four out of the five Member States, of which the ECA audited their EBF-funded activities, did not programme the EBF as part of their comprehensive national strategy on border and visa management. In all Member States in the Court's sample a common integrated risk analysis is only under development or is not used at all.

In the three principal recipient Member States (Greece, Spain and Italy) the Court found recurrent deficiencies in EBF planning, implementation, monitoring and evaluation, impacting on the effectiveness of the EBF.

---

<sup>1</sup> Decision No. 574/2007/EC of the European Parliament and of the Council of 23 May 2007 establishing the External Borders Fund for the period 2007 to 2013 as part of the general programme 'Solidarity and management of migration flows' (OJ L 144, 6.6.2007, p. 22).

<sup>2</sup> Regulation (EU) No 515/2014 of the European Parliament of the Council, of 16 April 2014 (OJ L150, 20.5.2014, p. 143)

In Italy, Spain, Greece and Malta the Court found inadequate procurement procedures which put the sound financial management of the fund at risk.

### ***ECA Recommendations***

In light of the findings of its audit, the ECA recommended that:

1. The Commission should ensure that all indicators to be used for the 2014-2020 funding period, are relevant, measurable and, where possible, paired with a target value, that indicators are collected from the start and, where not already in place, that IT systems are developed. The Commission should provide clear guidelines to Member States in this respect, and deliver its evaluation report on time and present stakeholders with an analysis of underlying data;
2. Member States should have appropriate expertise available in the administration for the design and application of SMART objectives and measurable indicators; should set targets for output, outcome and, where possible, impact indicators; collect actual values of indicators from the start of the programme using appropriate IT systems and ensure that information is reliable; should apply their experience with similar IT systems gained in the Structural Funds field;
3. Member States and the Commission should concentrate more on establishing common application centres and other forms of consular cooperation rather than the renovation, adaptation or equipping of consulates;
4. To support the work of Frontex, the legislator should consider making the entering of relevant ISF co-financed assets into Frontex's technical equipment pool obligatory. The Commission should provide Frontex with relevant, comprehensive and timely information regarding EBF/ISF implementation in the Member States. Information should take into account the option of 'operating support' introduced with the new 2014-2020 framework and a robust system to avoid double funding needs to be put in place;
5. The national EBF programmes should be based on a comprehensive strategy for border management, with Member States basing their strategy on a risk analysis using the Common Integrated Risk Analysis Model (CIRAM);
6. The legislator should consider making compliance with Schengen catalogue recommendations on strategy and risk analysis an *ex ante* condition for receiving future ISF support;
7. Administrative capacity in Member States needs to be strengthened, for example through focused training by the Commission or through sharing best practices between Member States;
8. Member States should strengthen administrative capacity in public procurement and carry out the procurement of EBF/ISF assets through the most transparent procedures available.

***Recommendations by the Rapporteur for possible inclusion in the 2013 Commission discharge report***

The European Parliament,

1. Notes with concern that the strategic objectives of the EBF have not been clear, and that, in particular, there is tension between the general nature of the EBF as solidarity mechanism and its concentration on concrete objectives for better co-operation in the field of border controls and visas;
2. Notes that for the Commission the successful launch of SIS II, VIS and Eurosur in all Member States indicates the contribution of the EBF; Is, however, of the opinion that such a general statement can never be used as a satisfactory reply to the ECA's specific criticisms of lacking performance indicators;
3. Notes that similar problems may arise in respect of the objectives of the instrument for financial support for external borders and visa, as part of the ISF, since again this instrument serves both solidarity between Member States in respect of border controls management and the realisation of a uniform and high level of control of the external borders and the effective processing of Schengen visas, in compliance with the Union's commitment to fundamental freedoms and human rights;
4. Emphasises that Member States, whilst recognising the importance of effective border controls at the common external borders as part of the Schengen acquis, regard border controls management and, to a lesser extent, the processing of visas still as essentially national competences;
5. Is concerned that if the Commission and Member States do not agree on the main character of this part of the ISF, be it a solidarity mechanism or an instrument for the furtherance of the implementation of the Schengen acquis, Member States may still be inclined to use the funding for projects that they deem important from a national perspective, rather than seeking to contribute to consular co-operation, to Frontex operations or to emergency actions and specific actions which are of importance to the Schengen area as a whole;
6. Requests the Commission to examine whether it may be useful to divide the border controls and visas part of the ISF into several earmarked segments: one for solidarity, one for the realisation of consular co-operation, Frontex operations and emergency and specific actions; and one for actions that are particularly relevant from a national perspective;
7. Expects that by earmarking parts of the available funds it will be easier for Member States to develop and use relevant and measurable indicators for output, outcome and impact of the actions concerned; Notes in this regard that both actions in the solidarity segment, and actions that are particularly relevant from a national perspective should only be funded if it can be demonstrated *ex ante* that they serve concrete and measurable objectives;

8. Agrees with the Court that the work of Frontex should be more directly supported by the ISF by making the entering of at least part of the ISF co-financed assets into Frontex's technical equipment pool obligatory;
9. Is worried about the irregularities found by the Court in the various national procurement policies and states that the exception clause for defence and security procurements may not be used in cases, where less restrictive procedures could have been used without compromising security;
10. Commends the Commission for having taken corrective financial measures in the case of a project that was found in breach of fundamental freedoms and human rights, but calls upon the Commission to identify, as far as possible, *ex ante* any possible risks in this regard, especially when it comes to the manner in which border controls are carried out in respect of the right to seek asylum.