

Annual Activity Report 2017

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Glossary

ABC	automated border control
AFIC	Africa–Frontex Intelligence Community
CCC	Common Core Curriculum
CSDP	common security and defence policy
CIRAM	Common Integrated Risk Analysis Model
CRO	collecting return operation
DG	directorate-general
EASO	European Asylum Support Office
ECRet	European Centre for Returns
ED4BG	European Day for Border Guards
EFCA	European Fisheries Control Agency
EFS	Eurosur Fusion Services
Impact	European Multidisciplinary Platform against Criminal Threats
EMSA	European Maritime Safety Agency
ETIAS	European travel information and authorisation system
EUBAM	European Union Border Assistance Mission
Eunavfor MED	European Union Naval Force Mediterranean
Europol	European Union Agency for Law Enforcement Cooperation
Eurosur	European Border Surveillance System
FAR	Frontex Application for Return
FLO	Frontex liaison officer
FRE	forced-return escort
FRM	forced-return monitors
FRO	fundamental rights officer
HR	human resources
IAS	Internal Audit Service
ICC	International Coordination Centre
ICF	internal control framework
ICS	internal control standard
ICT	information and communication technology
IPA	Instrument for Pre-Accession Assistance
IT	information technology
JAD	joint-action day
JHA	justice and home affairs
JO	joint operation
JORA	Joint Operation Reporting Application
JRO	joint return operation
LAU	Legal Affairs Unit
MAS	Multipurpose Aerial Surveillance
OSINT	open source intelligence
RAU	RAU
REX	rapid intervention exercise
SAC	Schengen-associated country
TCN	third-country national

TRU Training Unit

Foreword to the Annual activity report 2017

2017 was a year of change; the first full year under the new mandate. The upgraded and extended mandate of the agency and its increased resources are a clear and strong political response not only to the migration crisis but also the security crisis faced by the EU at its external borders in 2015 and 2016.

As the new European Border and Coast Guard Agency, Frontex is more operational than ever. Last year, at any given moment, we had as many as 1 700 officers from Member States deployed in our operations. In case of an emergency at the EU's external borders, Frontex now has a rapid-reaction pool of 1 500 officers at its disposal, along with additional vessels, aircraft, vehicles and other technical equipment. This means that Frontex is more involved than ever in creating and implementing migration management in the EU.

The agency is a cornerstone of the EU's area of freedom, security and justice. To help the European Union better prepare for future challenges at its external borders, Frontex is conducting vulnerability simulations in Member States and has shared its first findings with national authorities. It has also taken on additional tasks to help combat cross-border crime.

The agency has reorganised to reflect its new responsibilities and its expansion. The most tangible part of this is the new Operational Response Division, encompassing the Field Deployment Unit, Coast Guard and Law Enforcement Unit, along with the European Centre for Returns.

Last year in the operational area covered by Frontex more than 200 people suspected of cross-border crime were apprehended and some 137 tonnes of drugs seized. The scope of our activities has also grown regarding other illegal or criminal activities, including the smuggling of excise goods, such as tobacco and alcohol; trafficking in drugs, arms or other prohibited substances; and environmental crime. We share intelligence on cross-border criminal activities with Europol. In 2017 Frontex led three joint action days within the framework of the EU policy cycle and the European Multidisciplinary Platform against Criminal Threats. The agency also established the Centre of Excellence for Combatting Document Fraud to assist Member States, EU institutions, agencies and others in detecting document fraud.

Together with the two maritime agencies, the European Maritime Safety Agency and the European Fisheries Control Agency, Frontex successfully began to engage in the full range of European coast-guard functions, especially by focusing on the security and law-enforcement dimension. Frontex tested the practical application of coast guard functions in Coastex 2017.

Under its new mandate Frontex has taken significant steps to expand its return activities, which culminated this year in the creation the European Centre for Returns. In 2017 the agency organised 341 return operations with more than 14 000 returnees, compared to some 10 700 returnees the previous year and more than double the number from 2015. The agency created and made effective use of the Frontex return pools for forced-return monitors, forced-return escorts and return specialists. It created a new mechanism to support Member States with returns by scheduled flights and further developed its pre-return activities, such as assistance with obtaining essential travel documents.

Within the new structure of Frontex, the Situational and Awareness Monitoring Division incorporates the Vulnerability Assessment Unit, highlighting the agency's role in proactively strengthening the EU's borders to avoid future emergencies. Expanding its ability to provide situational awareness, the agency also continues to expand the capabilities of the European Border Surveillance System in cooperation with other EU bodies, including the EU Satellite Centre. In addition, Frontex created the Multipurpose Aerial Surveillance system, which streams real-time video and other data from above the EU's external borders.

Building on the achievements of the Africa Frontex Intelligence Community, Frontex received an additional funding from the European Commission (DG International Cooperation and Development) to further develop the analytical capacity of the Africa–Frontex Intelligence Community.

Frontex has further developed its capacity to manage large pools of officers and equipment, and is making great strides towards owning or leasing a significant number of aircraft, vessels, vehicles and other technical equipment.

All the new and expanded activities of Frontex are reflected in the growing number of staff. Last year our agency grew by a third, and after continued expansion the staff stands at nearly 600. It will more than double again by 2020. We all are aware that the significantly expanded mandate and resources bring even more scrutiny of the agency, along with greater accountability. We know that expectations are high among EU citizens, institutions and Member States, and we are committed to fully implementing the mandate and bearing our new responsibilities.

For the first time, the European Border and Coast Guard regulation clearly states that ‘the management of the external borders is a shared responsibility of the Union and the Member States’. As a result the agency now acts as an operational arm of the EU. It has become an even closer partner for the Member States, for example strengthening cooperation on vulnerability assessment and the High Level Roundtable on Returns.

Last year allowed us to identify the key areas for strategic dialogue with the Member States. Today we are building on this foundation of close interactions with Member States, because it is together that the agency and the Member States are creating the European Border and Coast Guard.

Introduction

Article 68(3)(d) of the European Border and Coast Guard regulation ⁽¹⁾ stipulates that, each year, the Executive Director shall **prepare** the **annual activity report** on the agency's activities and submit it to the Management Board. Article 62(2)(i) of the European Border and Coast Guard regulation states that the **Management Board shall adopt** an annual activity report of the agency for the previous year and forward it, by 1 July at the latest, to the European Parliament, the Council of the European Union, the European Commission and the European Court of Auditors.

To guide the reader and recipients of the information the report has been divided into three main parts, the first two of which form the *Annual activity report 2017*.

- The **first part** (1. Developments; and 2. Strategic action areas) of the annual activity report contains comprehensive and easily understandable information regarding Frontex's work. It outlines:
 - the situation at the external borders in the course of 2017;
 - developments at policy and agency level;
 - the new and enhanced mandate of the agency; and
 - the main activities in each of the strategic action areas during 2017.

It also reports on:

cooperation with third countries,

the way in which fundamental rights underpin Frontex's coordinated activities; and

the issue of public access to documents.

As stated in Article 26 and Article 28(8) of the European Border and Coast Guard regulation, the main activities in each of the strategic action areas also provide a comparative analysis of the results of evaluations of core operational activities with a view to enhancing the quality, coherence and effectiveness of future activities.

As stated in Article 47 of the Frontex financial regulation ⁽²⁾, the authorising officer shall **report** to the Management Board on the performance of his duties in the form of an **annual activity report** and **submit it for assessment**. No later than 1 July each year the report, together with its assessment, shall be sent by the Management Board to the European Parliament, the Council of the European Union, the European Commission and the European Court of Auditors.

- The **second part** (3. Key results and progress towards the achievement of general and specific objectives; 4. Budgetary and financial management; and 5. Management and internal control) of the document represents a major instrument of management accountability and constitutes the basis on which the Executive Director as authorising officer takes his responsibility for:
 - the management of human and financial resources with reference to the general and specific objectives set out in the work programme;
 - the efficiency and effectiveness of the internal control systems, including an overall assessment of the costs and benefits of controls;
 - the accounts and the report on budgetary and financial management; and

(1) Regulation (EU) 2016/1624 of the European Parliament and of the Council of 14 September 2016 on the European Border and Coast Guard and amending Regulation (EU) 2016/399 of the European Parliament and of the Council and repealing Regulation (EC) No 863/2007 of the European Parliament and of the Council, Council Regulation (EC) No 2007/2004 and Council Decision 2005/267/EC (OJ L 251, 16.09. 2016, p. 1).

(2) Management Board Decision No 01/2014 of 8 January 2014.

- the indication of the results of the operations with reference to the objectives set and the associated risks.

Mission statement

The European Border and Coast Guard regulation entered into force on 6 October 2016. The extended and enhanced mandate drove the need to revise the mission, vision and values applied by the agency. Nevertheless, the process of reengineering the mission statement took until the end of 2017. When adopting the *Programming document 2018-2021* the Management Board also adopted the revised mission, vision and values of the agency. The statements outlined below reflect the legal framework, with essential changes to strategic and conceptual elements of the new mandate, but are based on the mission statement that was in place until the end of 2017.

Mission	<p>Frontex supports, coordinates and develops European border management in line with the treaties, including the Charter of Fundamental Rights of the EU, as well as other international obligations.</p> <p>Frontex supports the Member States ⁽³⁾ to achieve an efficient, high and uniform level of border control in accordance with the relevant EU acquis, in particular the Schengen Borders Code.</p> <p>Frontex coordinates operational and EU measures to jointly respond to exceptional situations at the external borders.</p> <p>Frontex develops capacities at Member State and European level as combined instruments to tackle challenges focusing on migration flows, but also contributing to fighting cross-border crime and terrorism at the external borders.</p>	<p>Together with the Member States, we ensure safe and well-functioning external borders that provide security.</p>
Vision	<p>Frontex is the trustworthy European border agency, strengthening the European area of freedom, security and justice.</p> <p>Frontex supports the Members States in keeping up with their responsibilities by providing operational solidarity, especially to those facing disproportionate pressures at their external borders.</p> <p>Frontex applies the concept of integrated border management with a balanced focus on effective border control and the fight against cross-border crime. The agency uses all means effectively, including enhanced interagency cooperation and cooperation with non-EU/third countries to fulfil its remit.</p> <p>Frontex promotes European border guard culture with the full respect and promotion of fundamental rights as an integral element. Special focus is applied to the right to asylum and international protection and the principle of non-refoulement.</p> <p>Frontex builds the capacities and capabilities of the Member States, aiming at developing a functioning European system for border guards.</p> <p>Professional staff and a set of operational and administrative capabilities enable Frontex to add value to the European Union.</p> <p>Frontex is the preferred provider of operational support and expertise on border management to Member States, the European Commission and other EU agencies.</p>	<p>The European area of freedom, security and justice.</p>

(3) The term 'Member State' here includes the Member States of the European Union and the Schengen associated countries.

Values

Within a teamwork-focused framework, enabled by open communication, Frontex's staff members share and live the corporate values. Consequently, they perform their activities in a highly professional way. Humanity links Frontex's activities with the promotion of and respect for fundamental rights as unconditional and integral components of effective integrated border management, resulting in trust in Frontex.

We are professional

We have the knowledge, skills and competencies needed to fulfil our mission efficiently, with high ethical standards, and we continuously strive for excellence to improve our performance.

We are respectful

We recognise people, institutions and their roles and demonstrate respect by treating them as valuable and important.

We seek cooperation

Together with the Member States' relevant national authorities and with participation of other stakeholders, we manage the EU's external borders together and seek cooperation with non-EU countries.

Together, we cooperate and collaborate across the organisation, as well as with external stakeholders, in order to accomplish common goals and objectives.

We are accountable

We are trusted with a shared responsibility to implement European integrated border management.

We are trustworthy in fulfilling our responsibilities in our work, its timeliness and quality.

We care

As European public agents we serve the interests of citizens because we care about people and believe in European values.

1. Developments

1.1. The situation at the external borders in 2017

In 2017 Member States reported a further drop in the detections of illegal border crossing along the EU's external borders, with 204 719 detections recorded during the year. This represents a 60 % decrease compared with the 511 047 detections in 2016 (and an 89 % decrease compared with the 1.8 million detections at the height of the migratory crisis in 2015).

This decrease was in particular associated with a significant drop in detections on the eastern Mediterranean route (and secondary to it the western Balkan route) and on the central Mediterranean route. The large rise in detections on the western Mediterranean route, the displacement effects on the other routes and the absolute number of detections, which still exceeds any total recorded in recent history before the year 2014, together indicate that the pressure on the EU's external border remains high.

The sudden reversal in the numbers of irregular migrants detected on the central Mediterranean route in July 2017 is arguably the most significant development at the EU's external borders since the implementation of the EU–Turkey statement.

The numbers in the first half of 2017 roughly mirrored those reported in 2016 at an elevated level, but in July, mostly due to internal developments in Libya, the numbers dropped suddenly to less than half the level in June. An even more marked relative decrease, to almost a third of that level, was registered in August; the numbers remained at a much lower level throughout the rest of the year. Unrelated to the decrease in departures from Libya, more boats successfully left from the shores of Algeria and Tunisia in the third and fourth quarter. At the EU's external border with Turkey, the migratory pressure in 2017 remained roughly on a level with the months after the implementation of the EU–Turkey statement.

The number of migrants detected on the western Mediterranean route hit a new high in 2017, more than doubling the record of last year. While during much of the first half of the year the numbers were on a par with those reported during the last months of 2016, the flow reached a new level in June of 2017. Domestic issues in Morocco, the main transit country for migrants heading to Spain, created an opening for more departures from Morocco's western coast in particular, which, starting from the second quarter of the year, led to the use of high-capacity boats able to transport large numbers of migrants.

Corresponding to the changes in the migratory routes, the relative share of African nationals increased compared with 2016, driven by fast-growing numbers of migrants from Maghreb countries (notably Algerians, Moroccans and Tunisians) in the latter part of the year. As a result, African nationals accounted for almost two thirds of irregular migrants arriving at the shores of the EU.

Regional differences are notable, however, as the number of east African nationals fell by a lot more than the relative decline in numbers caused by the curb imposed by developments in Libya would suggest: the numbers of Eritreans, Ethiopians and Somalis for instance fell to roughly a quarter of their 2016 numbers.

In 2017 Member States reported a total of 6 700 individuals from third countries who presented themselves with fraudulent documents at border crossing points on entry to the EU/Schengen area. In contrast to the decreasing trend observed at the EU's external borders, the number of document-fraud detections on secondary movements within the EU/Schengen area increased by more than 10 %, and reached one of the highest levels since 2013.

Member States reported a drop in illegal stay between 2016 and 2017, the second year in a row when a decrease in the number of illegal stayers was recorded. This trend mirrored the fall in the number of illegal border crossings at the EU's external borders.

Despite a steady number of return decisions, in 2017 Member States continued to struggle to effectively return those whose asylum applications had been rejected and who had not been granted subsidiary protection status.

During 2017 the number of migrants returned to Africa and Asia in particular fell further. Returns to west Africa continue to show the lowest ratio between effective returns and return decisions. In the meantime, the agency is offering Member States increased support in organising return operations, having returned more than 14 000 persons in 2017, which represents a 32 % increase compared with the previous year.

1.2. Developments at policy level

2017 proved to be an important year for EU policy and legislative developments in the area of freedom, security and justice. Protecting the EU's external borders, including through the European Border and Coast Guard, is a key pillar of the EU agenda on migration, and 2017 represented the first complete year of implementation of the European Border and Coast Guard regulation. At regular intervals throughout 2017 the European Commission published communications on the operationalisation of the European Border and Coast Guard in order to report on the progress achieved. The communications focused on the significant progress achieved in the stated implementation priorities, namely:

1. putting in place the mandatory pooling of resources to enhance the agency's rapid-reaction capability;
2. carrying out preventive vulnerability assessments based on a common methodology;
3. enhancing support for return activities;
4. establishing the complaints mechanism; and
5. paving the way for better operational cooperation with priority third countries by setting out a model status agreement for deploying the agency's operational activities in such countries.

Policy developments in 2017 also broadly centred on finding responses to the situation at the EU's external borders, particularly focusing on the major flows arriving in Italy in the first half of 2017. This led to the Commission's communication on 'Migration on the central Mediterranean Route — Managing flows, saving lives', which was followed by the adoption of the Malta Declaration by the European Council. This declaration set the policy agenda for forthcoming work by emphasising the external aspects of migration. The declaration stressed the need to put in place measures aimed at breaking the business model of smugglers and stepping up work with neighbouring north African and sub-Saharan countries. Alongside this, work continued on the eastern Mediterranean route in order to ensure the continued and full implementation of the EU–Turkey statement.

Furthermore, the year witnessed the further implementation of the partnership framework on migration. The aim was to ensure closer cooperation with key countries in Africa in order to fight against traffickers and tackle migration flows through the central Mediterranean route, with a strong focus on cooperation with Libya. The EU Trust Fund supported political priorities, mobilising around EUR 1.9 billion for 118 projects in 1 year to address the root causes of migration and support better migration management in countries of origin and transit.

In relation to Schengen, in 2017 the European Commission proposed to amend the Schengen Borders Code rules applicable to the temporary reintroduction of border controls at internal borders. The proposal would allow Member States the option of a longer maximum time period for the temporary reintroduction of border controls and a new special procedure for cases in which the same serious threat to public policy or internal security persists for longer than 1 year. The Commission proposal was published alongside a

recommendation that Member States temporarily reintroducing internal border controls should ensure that they consult neighbouring Member States well in advance and maintain close and constant cooperation on the impact and necessity of the measures. Member States were also reminded of the possibilities included in the Commission recommendation of 12 May 2017 on the use of police checks as alternatives to the reintroduction of internal border controls.

Enhancing the return rate is another crucial element of the EU agenda on migration, and in March 2017 the Commission published its renewed return action plan addressed to Member States and to EU institutions and agencies. Proposals on accelerating asylum and inadmissibility procedures, enhancing the sharing of return information and strengthening measures to incentivise returns were all put forward. The communication was coupled with a recommendation directed solely at Member States to provide guidance on how the provisions of the return directive could be used for more effective returns. The European Commission also aimed to enhance readmission agreements with third countries and provide additional funding for Member States for return actions.

1.2.1. Interoperability and information systems

Ensuring greater interoperability of the EU's large-scale information technology (IT) systems was an important area of work in 2017. The overall aims were to close information gaps, enable improved data sharing and ensure that end users — particularly border guards, law enforcement officers, immigration officials and judicial authorities — have fast, seamless, systematic and controlled access to necessary information.

In particular, and on the basis of the discussions in the High Level Expert Group on Information Systems and Interoperability, the European Commission put forward two proposals on interoperability between EU information systems (including the Schengen information system, the visa information system, the European travel information and authorisation system (ETIAS), the entry/exit system and Eurodac (the EU asylum fingerprint database)). To achieve their objectives the texts proposed that four interoperability components be established: a European search portal, a shared biometric matching service, a common identity repository and a multiple-identity detector. In addition, the proposals would create a central repository for reporting and statistics to help ensure more effective use of the systems' statistical data for policy, operational and data-quality purposes.

Negotiations continued during 2017 on a number of new or revised large-scale IT systems. This was the case for ETIAS, which keeps track of visitors from countries that do not need a visa to enter the Schengen area. Once in place, ETIAS would carry out a preliminary check on travellers to determine whether their travel and stay in the EU would constitute a risk of irregular migration or a security or public health risk. The Commission's proposal also envisaged the creation of an ETIAS central unit operating 24/7 within Frontex to ensure the verification of travel applications and establish risk indicators for ETIAS screening rules.

Discussions continued throughout 2017 on the revision of the Schengen information system, aiming to enhance the ability of the system to fight terrorism and cross-border crime, improve border and migration management and ensure effective information exchange between Member States. Negotiations also progressed on the revision of the Eurodac system with a view to facilitating returns and helping tackle irregular migration. Both of these proposed system reinforcements may also provide for facilitated use by border guard officers deployed, inter alia, in the context of Frontex joint operations.

Evidently linked to the discussion on information systems, the proposal to make checks on EU citizens against all relevant databases mandatory was also adopted in 2017. This meant that checks on all third-country nationals and EU citizens became obligatory when both entering and exiting the EU (exception from targeted checks based on risk assessment to be done and reported to Frontex on a 6-month basis).

1.3. New mandate of the European Border and Coast Guard Agency

The revision and establishment of Frontex's new mandate brought not just enhanced tasks but also a change in the approach applied. Where previously border management was the sole responsibility of the Member States, the new regulation now provides for responsibility being shared between the Member States and Frontex. This is also reflected in Articles 3 and 4 of the European Border and Coast Guard regulation ⁽⁴⁾, which for the first time brought forward a legally binding concept of European integrated border management. This concept has to be implemented on the basis of shared responsibility by the European Border and Coast Guard Agency and the national authorities responsible for border management, including coast guards to the extent that they carry out maritime border surveillance operations and any other border-control tasks. While Member States retain the primary responsibility for the management of their external borders in their interest and in the interest of all Member States, the European Border and Coast Guard Agency is to support the application of EU measures relating to the management of the external borders by reinforcing, assessing and coordinating the actions of Member States that implement those measures.

In addition to this new concept, the role and activities of Frontex were also significantly expanded. The number of permanent Frontex staff will be more than doubled over the coming years and the agency will be able to purchase its own equipment and deploy it in border operations at short notice. A rapid reserve pool of at least 1 500 border guards and a technical equipment pool are at the disposal of the agency, meaning there should no longer be shortages of staff or equipment for rapid interventions by the agency.

As part of this European Border and Coast Guard Frontex is to ensure European integrated border management at the external borders with a view to managing the crossing of the external borders efficiently, while addressing migratory challenges and potential threats at those borders, thereby contributing to addressing serious crime with a cross-border dimension and preventing terrorism. The core objective is to ensure that reliable and well-functioning external borders safeguard the free movement of persons within the European area of freedom security and justice. Respect for fundamental rights always underpins these activities.

The agency prepares general and tailored risk analyses based on a Common Integrated Risk Analysis Model (CIRAM), to be applied by the agency itself and by Member States. Based also on information provided by Member States, Frontex provides suitable information covering all aspects of European integrated border management, especially border control, return, irregular secondary movements of third-country nationals within the EU, prevention of cross-border crime including facilitation of unauthorised border crossing, trafficking in human beings, terrorism and threats of hybrid nature, as well as the situation in neighbouring third countries. This allows appropriate measures to be taken or identified threats and risks tackled with a view to improving the integrated management of the external borders.

Given its activities at the external borders, Frontex contributes law enforcement actions to prevent and detect serious crime with a cross-border dimension, such as migrant smuggling, trafficking in human beings, trafficking of drugs and weapons, and terrorism.

In a spirit of shared responsibility, the role of the agency is also to regularly monitor the management of the external borders. The agency ensures proper and effective monitoring not only through risk analysis, information exchange and Eurosur (the European Border Surveillance System), but also through the

(4) Regulation (EU) 2016/1624 of the European Parliament and of the Council of 14 September 2016 on the European Border and Coast Guard and amending Regulation (EU) 2016/399 of the European Parliament and of the Council and repealing Regulation (EC) No 863/2007 of the European Parliament and of the Council, Council Regulation (EC) No 2007/2004 and Council Decision 2005/267/EC (OJ L 251, 16.09. 2016, p. 1).

presence of experts from its own staff in Member States. The agency is therefore able to deploy liaison officers to Member States.

Frontex furthermore carries out vulnerability assessments, based on objective criteria, to assess the capacity and readiness of the Member States to face challenges at their external borders, including by assessing the equipment, infrastructure, staff, budget and financial resources of Member States, along with their contingency plans to address possible crises at the external borders. Frontex identifies the measures to be taken and the Executive Director recommends them to the Member States. Member States shall take measures to address any deficiencies identified in the assessments.

Where a Member State faces disproportionate migratory challenges at particular areas of its external border characterised by a large influx of mixed migratory flows, that Member State should be able to rely on the increased operational and technical reinforcement in hotspot areas by the migration management support teams composed of teams of experts deployed from Member States by Frontex and the European Asylum Support Office (EASO), and from the European Union Agency for Law Enforcement Cooperation (Europol) or other relevant EU agencies, as well as experts from the staff of Frontex.

Frontex has also stepped up its assistance to Member States for returning third-country nationals, subject to the European Union return policy and in compliance with Directive 2008/115/EC⁽⁵⁾. In particular, it coordinates and organises return operations from one or more Member States and organises and conducts return interventions to reinforce the return system of Member States that require increased technical and operational assistance when complying with their obligation to return third-country nationals in accordance with that directive.

Frontex facilitates and encourages technical and operational cooperation between Member States and third countries within the framework of the external relations policy of the EU, including by coordinating operational cooperation between Member States and third countries in the field of management of the external borders by the direct involvement of third countries' authorities in joint operations, by deploying liaison officers to third countries and by cooperating with third countries' authorities on return, including as regards the acquisition of travel documents.

Frontex develops specific training tools (e.g. regarding protection of children) and provides training at EU level for national border-guard instructors and additional training and seminars related to integrated border-management tasks, including for officers of the competent national bodies. Such training courses serve to prepare interoperable border guards so they are ready to be registered in the different pools and to be deployed in joint operations. These training activities may also take place in cooperation with Member States and third countries on their respective territories.

Frontex monitors and contributes to developments in research relevant to European integrated border management, and disseminates this information to the European Parliament, the Commission and the Member States.

Frontex develops and operates information systems that facilitate the exchange of information in accordance with EU data protection legislation. This includes the enhancement of information exchange and cooperation with other EU bodies, offices and agencies, such as the European Maritime Safety Agency (EMSA) and the European Union Satellite Centre, in order to make the best possible use of information, capabilities and systems that are already available at EU level.

(5) Directive 2008/115/EC of the European Parliament and of the Council of 16 December 2008 on common standards and procedures in Member States for returning illegally staying third-country nationals (OJ L 348, 24.12.2008, p. 98).

Frontex promotes interagency cooperation, especially in the field of coast guard functions, but also in the field of customs and law enforcement cooperation, in order to fully exploit the advantages of multipurpose operations as an important element of integrated border management.





Frontex provides the European Commission and the Member States with necessary technical support and expertise in the management of the external borders and promotes solidarity between Member States, especially by providing fast and efficient assistance to those facing specific and disproportionate challenges.

Frontex continues to maintain and coordinate the Eurosur framework and to provide the necessary assistance for the development and operation of further systems to facilitate border-control process (always devoting appropriate attention to interoperability and interconnectivity).

The increased mandate as described above required a quick and iterative adjustment of the organisational structure and the applied business processes. In June 2017 the Management Board adopted the new organisational structure and mandated the Executive Director to implement this structure until the middle of the first quarter of 2018.

European Border and Coast Guard Agency

Main Tasks

	Risk analysis and vulnerability assessment	<p>The agency collects data on the situation at and beyond Europe's external borders. The data is used to identify trends in irregular migration and patterns in cross-border crime.</p> <p>NEW The agency conducts annual simulation tests to assess the ability of each EU member state to face challenges at their external borders, and the Executive Director may issue recommendations to the member states.</p>
	Operations	<p>The agency deploys border and coast guard officers along with vessels, aircraft, helicopters and other equipment to assist countries requiring support at their borders.</p> <p>NEW In emergency situations it can quickly deploy border and coast guard officers from the rapid reaction pool of at least 1 500 officers.</p>
	Returns	<p>The agency assists the member states in the return of migrants who are ineligible to stay in the EU. The decision as to who should be returned remains the exclusive responsibility of the national authorities of the EU member states.</p> <p>NEW A pool of monitors, escorts and return specialists will be created. The agency may also play a role in the organisation of voluntary departures.</p>
	Situation Monitoring	<p>The agency enables swift data exchange between border authorities of EU member states, the European Commission and other agencies. It provides situation and crisis monitoring, delivering early alerts and updates about the events at the external borders.</p> <p>NEW To assist in this task, the agency deploys liaison officers to the individual member states.</p>
	Coast Guard Functions	<p>NEW The agency supports the cooperation of law enforcement authorities, EU agencies and customs at maritime borders. Vessels and aircraft deployed in its operations also collect and share information relevant to fisheries control, detection of pollution and compliance with maritime regulations.</p>
	Cooperation with non-EU countries and international organisations	<p>The agency develops cooperation and signs working arrangements with non-EU countries and international organisations to exchange information about trends in migration and cross-border crime and provides assistance in capacity building.</p> <p>NEW The agency can carry out operations on the territory of non-EU countries neighbouring at least one participating member state, if it requires assistance due to high migratory pressure.</p>
	Combatting cross-border crime	<p>The agency focuses on preventing smuggling, human trafficking and terrorism as well as other forms of cross-border crimes.</p> <p>NEW The agency shares intelligence gathered at the borders on persons suspected of involvement in criminal activities with national authorities and European agencies.</p>
	Research and Innovation	<p>The European Border and Coast Guard Agency facilitates cooperation between border control authorities, research and industry.</p> <p>NEW The agency assists the member states and the European Commission in identifying key border security technologies and draws up and implements the EU framework programmes for research and innovation activities in the border security area.</p>
	Training	<p>The agency develops harmonised curricula and training standards for border guards in all EU countries. It conducts various courses to share knowledge and best practices, including capacity building programmes in non-EU countries.</p> <p>NEW The agency delivers training on integrated border management and the coast guard functions to border and coast guards across the EU. It also trains experts who will carry out vulnerability assessments.</p>
	Respect for fundamental rights	<p>Respect for fundamental rights is at the heart of all activities undertaken by the agency.</p> <p>NEW Complaint mechanism – Any person who has been directly affected by the actions of staff involved in an activity of the agency can submit a written complaint regarding possible violations of his/her fundamental rights.</p>

2. Strategic action areas

2.1. Joint operations and pilot projects at the external borders

2.1.1. Summary

The main operational focus of Frontex in 2017 was on the western, central and eastern Mediterranean areas, which experienced the most significant migratory pressure.

2017 saw a significant increase in the number of team members deployed to operational areas, which increased from 5 218 (including return activities) in 2016 to 6 845 (even without including return activities) in 2017.

The number of person-days spent on operations has increased by 16 % (from 285 823 in 2016 to 337 943 in 2017), supported by an additional 711 coordinating staff from the host countries, which contributed 48 243 person-days to the activities. Additionally, the number of heavy equipment crew members deployed increased by 26 % (from 2 944 in 2016 to 3 713 in 2017), providing 28 % more person-days to the operational areas (129 372 in 2016 to 165 136 in 2017).

In 2017 a total of 65 424 patrolling hours were performed using aerial and maritime means for surveillance purposes. Land means (patrol cars, thermovision vans and light equipment such as surveillance cameras and detectors) were deployed for 302 658 operating hours.

The budget dedicated to Joint Operations Unit activities was EUR 126 945 000. This represents almost 45 % of the overall budget of the agency for 2017 (EUR 280 560 000). Eighty-two Frontex-staff worked on joint operations in 2017 (excluding return).

Due to the operationalisation of the new mandate, 2017 was a year of significant change and readjustment of the activities being implemented. At the same time Frontex continued to assist Member States and Schengen-associated countries (SACs) in developing their own capacity and effectiveness in the area of border control through the exchange of good practices, expanding its network of contacts in both the Member States/SACs and third countries and leading by example.

2.1.2. European cooperation on coast guard functions

The role of European cooperation in the maritime domain has grown significantly in the recent years, mainly thanks to the efforts of EU institutions and agencies.

The closure of the pilot project 'Establishment of EU coast guard function' on 2 June 2017 and the results delivered by the European Fisheries Control Agency (EFCA), EMSA and Frontex in all its aspects — information sharing, surveillance services, capacity building and capacity sharing — showed the immense added value of multiagency and multipurpose operations within coast guard functions at the EU level. In March 2017 the three agencies signed a tripartite working arrangement for the streamlining of future coast guard cooperation. In order to implement the agreement, a steering committee composed of the executive directors of the three agencies was created and convened for the first time in Vigo, Spain on 22 June 2017.

As a result of this first meeting an annual strategic plan for 2018 was adopted, and the decision was made to establish technical subcommittees dealing with specific areas of cooperation, paving the way for concrete

tripartite cooperation, which will bring further impetus and integrated approach in the development of EU cooperation on coast guard functions. In this regard Frontex is leading Technical Subcommittee No 3 'Capacity Sharing and Legal issues' and representing the agency at the Contact Group meeting involving European Commission services (DG Mobility and Transport, DG Maritime Affairs and Fisheries and DG Migration and Home Affairs) and the respective agencies.

In the operational field, Frontex-coordinated multipurpose maritime activities remain one of the core platforms for the implementation of actions related to coast guard functions among the agencies (e.g. common briefings, sighting information exchange, sharing of assets). It should be noted that Frontex has considerably increased its provision of support to other agencies while providing surveillance services.

In addition to the aforementioned activities, together with EFCA and EMSA two multipurpose multiagency operational activities, along with multipurpose maritime exercises, were implemented in the Black Sea, in the Romanian and Bulgarian areas of responsibility at sea. Aerial and maritime assets were involved in these activities, along with experts from EFCA and from the Romanian and Bulgarian national border police and fisheries agencies.

It should be highlighted that cooperation with regard to coast guard functions is one of the new elements of Frontex's mandate, allowing the agency to move beyond focusing on migration and migratory flows and towards safeguarding the security of the EU's external borders, including the crucial fight against cross-border crime.

The agency coordinates multipurpose maritime activities that cover specific areas, especially the Mediterranean Sea and the Atlantic Ocean, to assist EU Member States in coast guard functions and fighting cross-border crime at sea. In addition to border control, multipurpose maritime activities cover tasks related to maritime safety, security, search and rescue, fisheries control, customs control, general law enforcement and environmental protection.

In 2017 the agency, in close cooperation with Member States, achieved the following results in the maritime domain:

- 2 233 search and rescue cases were registered;
- 744 suspected facilitators were apprehended;
- 219 smugglers were apprehended;
- 136 tonnes of drugs were seized;
- 108 million contraband cigarettes were seized;
- 17 sea-pollution cases were detected and reported;
- over 1 000 fisheries sighting forms were submitted to EFCA and national authorities;
- five incidents on illegal fisheries were reported.

2.1.3. The expansion of Frontex's activities with the new EU policy cycle/European Multidisciplinary Platform against Criminal Threats 2018-2021

Frontex has taken part in four out of nine European Multidisciplinary Platform against Criminal Threats (Empact) priorities within the perspective of the 2014-2017 EU policy cycle, co-driving the facilitation of the illegal immigration priority and supporting the excise fraud, firearms trafficking and trafficking in human beings priority by getting involved in 31 operational actions.

In 2017 the agency was actively engaged in drafting the new multiannual strategic plans for the new 2018-2021 EU policy cycle as endorsed by the Standing Committee on Operational Cooperation on Internal Security. The decision was made to pave the way for new priorities, such as organised property crime,

environmental crime and document fraud. Frontex also took part in drafting the operational action plans for 2018.

Highlights: Joint Operation Coordination Points Land 2017

1. Following the adoption of the resolution of the Council of the European Union to grant Ukraine a visa-free regime with the EU on 11 May 2017, the Ukrainian authorities placed a formal request for support with the European Border and Coast Guard Agency for the control of the preconditions for Ukrainian travellers at their external borders with EU Member States.

Consequently, and in reaction to this urgent need, Joint Operation (JO) Coordination Points Land temporarily activated the coordination points Yagodyn, Krakivets, Rava Ruska (Ukraine/Poland), Uzhgorod (Ukraine/Slovakia) Tysa, Luzhsnka (Ukraine/Hungary) and Porubne (Ukraine/Romania) by deploying EU teams that provided expert advice to the border guards during the entry/exit checks under the auspices of Frontex JO Coordination Points Land.

In terms of operational outcomes, 66 incidents were reported to Frontex (44 refusals of entry and 22 overstayers).

2. On 19 July 2017 a Portuguese canine unit, deployed within the framework of JO Coordination Points Land 2017, found 12.5 kilos of marijuana inside a vehicle on exit from the country at the Tabanovce border crossing point (former Yugoslav Republic of Macedonia) at the border with Serbia. Following this, on 31 August 2017 the same Portuguese canine unit found 16 kilos of cannabis inside an Albanian car at the Sukobin border crossing point (Montenegro) on the border with Albania.

Highlights: Joint operations and pilot projects in 2017

Frontex tested the practical application of coast guard functions during Coastex 2017

In partnership with the Portuguese Presidency of the European Coast Guard Functions Forum in 2017, Frontex took the lead in testing interagency cooperation in the maritime domain. Between 23 and 26 May the Portuguese authorities hosted the first operational scenario-based drill involving Frontex, the two EU maritime agencies (EMSA and EFCA) and Member States. The drill, which took place on the Atlantic peninsula of Tróia, tested the full scope of coast guard functions: border control, maritime safety, security, search and rescue, fisheries control, customs control, general law enforcement and environmental protection.

A Frontex team, composed of various units facilitating Coastex 2017, supported the Portuguese Navy, which was directly responsible for the operational implementation.

Thanks to the combined efforts, Coastex 2017 was the first multifunctional multiagency operation exercise, and included workshops and live activities at sea designed to test and promote cooperation, collaboration and coordination among the three agencies and those Member States engaged in European coast guard functions.

The exercise, which was also co-financed by Frontex, involved 11 vessels and four airplanes and helicopters from Spain, Italy and Portugal, plus a naval asset chartered by EMSA. In total, 750 personnel took part, including a boarding team of seven German experts and 90 observers deployed by the border and coast guard authorities of more than 20 EU Member States.

The main objectives of Coastex 2017 were to maximise the interoperability between all actors involved in coast guard functions by identifying gaps and complementarities between EU agencies and national authorities, and to draw conclusions for future cooperation in this regard.

Frontex, in cooperation with the Portuguese hosts, set up 12 real-life-scenario exercises addressing the various coast guard-related functions and mandates of the stakeholders involved. The exercises were tailored to represent the full scope of critical situations that may occur at sea in the context of multiagency, multipurpose operations.

Frontex also provided organisational and operational support with the installation of a joint situation centre in the Tróia Naval Base and the implementation of the Eurosur Fusion Services (EFS) during the activities at sea. The concept behind the establishment of the joint situation centre was to provide the means for all stakeholders involved to assess the various critical situations occurring at sea and prepare for the right response in real time to any of the cases simulated during the exercise.

Finally the exercise was a good opportunity for all participants to test and assess multiagency command, control, coordination and communication throughout simulated multifunction operations and to prepare for future common activities in real-life situations.

Frontex's leadership of three joint action days within the framework of the EU policy cycle/European Multidisciplinary Platform against Criminal Threats operational action plans during 2017

Frontex led three poly-criminal joint-action days (JADs) during the reporting period, with each one leading to significant operational results.

JAD Danube 2 took place from 19 to 30 June 2017 and was co-led with Hungary, and also involved Bulgaria, Croatia, Poland, Romania, Slovenia and Slovakia. There was also support provided by Interpol and Europol. The focus was on irregular migration and stolen vehicles. The operational area covered the western Balkans and the EU's eastern borders. Seven facilitators were arrested, 546 irregular migrants were apprehended, 24 stolen vehicles were seized, 1 251 persons were refused entry and 15 false documents were detected.

JAD Aeolos was co-led with Germany and the action took place between 5 and 14 September 2017. It specifically sought to identify organised criminal involvement in irregular migration at participating airports that happened to be activated during that period. The activity itself was undertaken within the framework of other Frontex joint air operations, involved the participation of partners from Europol and Interpol and was performed at 39 Member State/SAC and non-EU airports. JAD Aeolos delivered 18 arrests for offences relating to facilitation of illegal entry, trafficking in human beings and document fraud. Furthermore, Interpol reported the successful apprehension of three fugitives and two criminal suspects (for a variety of offences) on the basis of their actions during Interpol's deployment at Amsterdam Schiphol.

JAD Dual was co-led with Germany and Austria and took place between 2 and 9 October 2017. It involved the EU Member States, Europol, Interpol and third countries. The activity was targeted at combating facilitated illegal immigration and excise-goods smuggling, with the focus upon the use of cargo trains, containers, trucks and

other means of transportation. In terms of operational results, 761 irregular migrants and 247 overstayers were detected, 24 facilitators were arrested, 119 persons were refused entry, 17 stolen vehicles were identified and 47 cases of smuggled cigarettes, alcohol and drugs, along with weapons and ammunition, were seized.

JO Indalo — interception of a drug boat in the Alboran Sea

On 24 September a drug-trafficking boat was intercepted in the western Mediterranean within the framework of the Frontex-coordinated JO Indalo. While conducting surveillance activities in the Alboran Sea, an Italian Guardia di Finanza plane, deployed by Frontex, detected a yacht suspected of drug trafficking. The pilot immediately informed the Coordination Centre in Madrid, which in turn deployed several vessels, including the French navy and Spanish Guardia Civil patrol boats. After a pursuit that lasted several hours, the drug boat was intercepted by the Guardia Civil in international waters. The yacht, registered in the United Kingdom, was carrying 13 tonnes of hashish divided into over 500 individual packages. The market value of the seized drugs destined for the European market was estimated at EUR 20 million. Three crew members — two Spaniards and one Lithuanian — were arrested by the Spanish authorities.

JO Triton — interceptions of drug boats

Within the framework of the multipurpose JO Triton 2017, increased patrolling activities on the eastern sea areas of Italy and in the Ionian Sea resulted in the seizure of more than 30 tonnes of marijuana and the arrest of approximately 100 alleged facilitators from 61 boats that had departed from Turkey towards Italy. The results of active patrolling and the high number of interceptions could be seen in the changes to drug-smuggling routes and in the increased prices that the migrants had to pay to human traffickers due to the high risk of being caught on the way to Italy.

A Frontex co-financed Danish Air Force aircraft detected a target of interest in the eastern sea area of the Bari region on the coast of Italy, full of packages on board. After monitoring the boat until they had to return for refuelling, an Italian Guardia di Finanza helicopter was dispatched to the area by the International Coordination Centre in Rome to continue shadowing the fast boat.

After refuelling, the Danish aircraft continued its shadowing. The Guardia di Finanza also prepared a third aircraft to take over once the Danish Air Force aircraft had to return to refuel.

A fast Guardia di Finanza boat was engaged to chase the target. When the smugglers saw the Italian authorities' boat they threw packages overboard and tried to escape, reaching a maximum speed of 40 knots. The target was finally successfully intercepted with over 2 200 kg of marijuana on board.

In the course of JO Triton 2017 Frontex-deployed aircraft of the Danish Air Force detected and assisted in the seizure of a total of over 8 300 kg of marijuana with an estimated street value of EUR 125 000 000.

JO Focal Points Air — Regular Officers: air border activities at third-country airports

There were two large-scale activities undertaken in third countries within the remit of JO Focal Points/Coordination Points Air 2017 — Regular Officers: the 'Ukrainian deployments' and the 'Joint action with Albania'.

Ukrainian deployments

Following the decision of 11 May 2017 to grant Ukraine a visa-free regime with the EU, the Ukrainian authorities placed a formal request with Frontex on 19 May 2017 asking to increase operational capacity and to be able to host additional Frontex officers at their borders. In total 19 EU advisers/observers were deployed at the main Ukrainian airports. Frontex activated land and air crossing points within the JOs Coordination Points Land and Focal Points Air — Regular Officers by deploying EU team members/advisers/observers alongside the Ukrainian border guards during their entry/exit checks at the following Ukrainian airports: Kiev Boryspil (KBP), Kiev Zhuliany (IEV), Odessa (ODS) and Lvov (LWO) (all temporarily activated by 22 June 2017). Afterwards Ukraine proposed that the deployment of EU advisers/observers at Kiev Boryspil (KBP) and Kiev Zhuliany (IEV) airports be extended until the end of the year. There were 86 incidents reported and it was shown that many Ukrainians who had been refused entry and returned or had otherwise had adverse migration histories apparently considered that the new visa liberalisation situation provided an increased chance of gaining entry into the EU. Others had insufficient financial means or incomplete travel plans and were duly refused entry.

Many of those refused were young unemployed citizens and from the eastern part of Ukraine close to the conflict areas in the ongoing dispute with Russia.

Joint action with Albania to mitigate the flow of Albanian irregular migrants towards EU Member States/SACs

Based on a stable flow of Albanian citizens arriving by air in different EU Member States, Frontex planned a joint action with the Albanian authorities in order to implement specific measures to mitigate this flow of irregular migrants towards EU Member States/SACs. The specific aim of the common measures, undertaken within the framework of the current Frontex activities, was in the short term (immediate) to strengthen the credibility of Albanian and European Union border guards working together at Tirana (TIA) airport when informing potentially irregular Albanian citizens of the risk of being refused entry at European Union/SAC airports of arrival. The specific aims in the medium to long term (3-6 months) were to generate a deterrent effect that would dissuade Albanian citizens from potentially travelling to Member State/SAC airports without fulfilling the entry conditions and to reduce the risk of them losing the money they spent on their travel. Frontex deployed a team of six EU advisers/observers present at the same time at Tirana airport covering all flights to EU airports, and simultaneously deployed eight Albanian officers/observers (two for each period) at the most affected EU/SAC airports (Ljubljana (LJU), Milan (MXP), Rome (FCO), Paris (CDG), Venice (VCE), Brussels (BRU) and Vienna (VIE)). In total, 23 EU advisers/observers were deployed in the period from 5 September to 22 December 2017 at Tirana airport as part of this joint action. There were 1 495 incidents reported involving nearly 2 000 migrants. The migrants refused entry were mainly those with an adverse immigration history, or those lacking funds, accommodation arrangements or a credible story concerning their intended stay in the EU.

2.2. Return-support activities

2.2.1. Return operations

Within the reporting period the main activities of the European Centre for Returns (ECRet) were the following.

- Fulfilling the new tasks given by the European Commission and providing tailor-made support to Member States without any incidents in Frontex-coordinated return operations.
- Implementing 341 Frontex-coordinated and Frontex-co-financed return operations using charter flights and returning 14 189 third-country nationals, with this increasing the number of return operations by 47 % and the number of third-country nationals returned by 33 % compared to 2016.
- Creating and effectively using the Frontex return pools for forced-return monitors (FRMs), forced-return escorts (FREs) and return specialists.
- Increasing the number of physically monitored return operations by 100 % from 94 in 2016 to 188 in 2017, while effectively using the FRMs from the Frontex pool. Out of 188 monitors on board, 94 were deployed from the Frontex pool of FRMs.
- Deploying (10) FREs to a joint return operation (JRO) to Pakistan and effectively using the escorts in the readmission operations (576 FREs deployed to Lesbos in 2017).
- Organising the agency's first JRO to Afghanistan (with 22 third-country nationals on board), with Hungary as the leading Member State and Belgium and Slovenia as participating Member States.
- Increasing the number of collecting return operations (CROs) from 15 in 2016 to 38 in 2017, i.e. by 153 %.
- Implementing the first CRO to Ukraine and increasing the number of third countries participating in the Frontex CRO concept.
- Extending the support provided to Member States by putting in place a mechanism to charter aircraft via the agency for Frontex-coordinated return operations. The tender procedure was finalised and the framework contract to charter aircraft was signed in December 2017.
- Reaching 32 third countries of return with Frontex-coordinated return operations, and at the same time increasing the number of new third countries of return reached by 10 % compared to 2016. Three new destinations were reached in 2017, namely Azerbaijan, Mali and Peru.
- Creating a new mechanism to support Member States with returns by scheduled flights under the pilot project.

- Contributing to the implementation of the EU–Turkey statement by coordinating 50 readmission operations from Greece to Turkey, with 687 readmitted third-country nationals.

Frontex has achieved an overall budget consumption of EUR 44 million. As of 9 March 2018 a total of EUR 44 230 499.46 of the budget assigned to ECRet (EUR 53 060 000.00) had been used.

The revision of the 'Code of conduct for JROs', coordinated by Frontex under the new name 'Code of conduct for return operations and return interventions', was started in 2017. Besides the in-house developments, a workshop was organised between Frontex, Member States and the Frontex Consultative Forum representatives to discuss the revision of the code. The revised code will be issued in the form of a decision of the Executive Director in spring 2018.

The network of direct contact points on return was further enhanced, with four direct contact point meetings organised in 2017, and with the organisation of other return-related meetings and workshops.

The rolling operational plan has been fully transferred to the web-based application FAR (Frontex Application for Return), and FAR itself was updated three times during 2017.

Highlights: Return operations in 2017

1. The agency put in place a mechanism to assist Member States in carrying out returns by scheduled flights to finance voluntary, as well as forced returns organised by the Member States using this means. In order to develop an effective mechanism, Frontex carried out a number of activities as mentioned below.
 - 1.1. A workshop (15-17 May 2017) with a 'core group' of Member States.
 - 1.2. A survey (9 June 2017) completed by Member States.
 - 1.3. Based on the outcome of the survey, a pilot project was developed to assist Member States with the booking and purchase of flight tickets at special condition for **escorted returnee(s)** and **unescorted returnee(s)** to Algeria and Morocco.
 - 1.4. The application for returns by scheduled flights was developed and became an integrated part of FAR.
 - 1.5. A training session on the new FAR module was offered to Member States in September 2017 so that they could become familiar with the new functions of the system. Until the official launch of the project the application went through intense testing in order to solve as many technical problems as possible.

The application became available for use by all Member States on 8 December 2017. By the end of the year eight operations by scheduled flights had been implemented and eight escorted returnees had been returned. The implementation period of the pilot project is December 2017 to June 2018. Following a mid-term review it may be decided to extend the implementation of the pilot project for a further 6 months. The agency intends already to support connecting flights and voluntary departures in the first phase of implementation of the pilot project (currently only direct flights are supported) and to add additional destinations in the possible second period of implementation. Depending on the level of participation of Member States and on the evaluation of the pilot project it is envisaged that this will become a new agency activity and that it will be expanded gradually in 2018-2019 to more third countries of return and to include more airlines.
2. On 7 January 2017 the agency started to use the newly established Frontex return pools of FRMs, FREs and return specialists. Between the creation of the pools and the end of 2017 Frontex received 122 requests from Member States to deploy FRMs to return operations. Of the 122 FRMs requested Frontex was able to deploy 94 from the pool to monitor the return operations from the embarkation airport until the arrival at the third country of return.
3. On 20 November 2017 Frontex organised, under its own framework contract, its first return operation. Along with Hungary — the leading Member State — Belgium and Slovenia took part in the operation. A total of 22 returnees were taken back to Kabul, Afghanistan. The JRO was organised under the EU–Afghanistan joint way forward in cooperation with the European Commission, the EU delegation and the EU return liaison officers in Kabul.
4. The first CRO to Ukraine was successfully accomplished on 28 November 2017, returning 15 Ukrainians. A new third country was therefore added to the CRO concept, which is strongly supported by Frontex.

2.2.2. Pre-return activities

In 2017 Frontex further developed its activities in the field of pre-return.

The mapping exercise relating to Member States' capacities and needs in the field of return, as mentioned by the Commission in the renewed action plan ⁽⁶⁾, was completed and in accordance with the outcome of this exercise new initiatives were created to support Member States in several areas.

- Large discrepancies between Member States regarding the digitalisation of the return process led to the return case management systems project. The aim of the project is to support the development of a common and holistic approach among the Member States regarding return case management via the development of a common reference model for such systems. The agency intends to support Member States financially and via advice to bring their national case management systems in line with the reference model as mentioned before.

(6) Communication from the Commission to the European Parliament and the Council on a more effective return policy in the European Union — A renewed action plan (COM(2017) 200).

- The ECRet initiated the development of training activities in cooperation with the Training Unit (TRU) for the identification and acquisition of travel documents through interaction with diplomatic missions. Specific consular-engagement training is to be offered to all Member States for the dedicated teams working in the field of identification. The mapping showed a lack of such training at national level, with best practices at Member State level mainly established through experience at the moment. This training aims to better formalise this process.
- The expansion of return-specialist deployments. In addition to the permanent deployment of a return specialist in the return coordination office in Athens, the ECRet initiated the process for deploying a return specialist to Sofia on a permanent basis in 2018. Return specialists contribute to consular-engagement activities in the host Member State and provide input for possible improvements.
- The ongoing development of an exchange programme, in which specialists in the field of return can be hosted by another Member State for a short period of time to exchange best practices. Deployment terms, periods and locations are still being defined. This activity will be implemented in 2018 by the TRU in cooperation with the ECRet.
- Different training curricula have been developed for Member State experts in various fields of return, including multiplier training courses, escort officers and leaders, and return-specialist training. These training activities have brought together experts from all over Europe, creating a common understanding and baseline regarding return activities, which in turn facilitates closer cooperation between the key players in Europe.

Activities in 2017 also included developments in relation to the Integrated Return Management Application. Preparatory activities took place for the handover of the ownership, management and development.

Throughout the year the pre-return assistance sector strengthened its position in the extra-EU returns domain through active involvement and participation in essential Commission negotiations with a number of third countries, as well as by supporting activities and bilateral engagements with third countries. These include:

- hosting a familiarisation visit to Frontex (Guinea);
- supporting identification missions (including Côte d'Ivoire, Guinea and Sierra Leone); and
- participating in negotiations (e.g. operational conclusions with Afghanistan and Pakistan, participation in EU negotiations with Gambia and Guinea, consultation of Frontex on the Commission's draft arrangements with third countries).

As a result Frontex is now considered a reliable operational interlocutor and contributor on EU-third-country negotiations on returns (e.g. as a general rule the Commission invites Frontex to attend all technical meetings for negotiations on special arrangements with third countries and consults Frontex on relevant draft arrangements). The strengthened position paid off in new contacts and cooperation with some key third countries that thus far had not been familiar with Frontex returns or had been hesitant to cooperate (e.g. Guinea familiarisation meeting and planned signature of the best practices document for the organisation of return-related activities with Guinea; discussions with Bangladesh and Gambia in 2018).

Highlights: Pre-return activities in 2017

1. Deployment of return specialists to Bulgaria.
2. Completion of the mapping exercise.
3. Pilot training course for return specialists.
4. Very close engagement with Guinea to cooperate on return and readmission, building upon the EU–Guinea agreement.
5. ‘Good practices for return and readmission’.

2.3. Risk analysis and vulnerability assessment

2017 was a year in which the delivery of regular strategic and operational analytical outputs was marked by changes related to implementing Frontex’s enhanced mandate under the European Border and Coast Guard regulation. Furthermore, the year was marked by the continuous challenge of delivering new tasks assigned to risk analysis while at the same time continuing to provide the expected quality and timely delivery of analytical support for Frontex’s enhanced operations under the regulation. This was combined with the increased visibility of Frontex as a source of knowledge on irregular migration, and a growing demand for Frontex deliverables.

The successful delivery of the first full cycle of vulnerability assessment processes — with scarce additional, but nevertheless dedicated and skilled, resources — often required reprioritisation and the temporary reassignment of analysts to deliver elements related to vulnerability assessment, many times at the expense of other regular and ad hoc analytical outputs. Furthermore, the launch of analytical activities in support of return and the design of a dedicated portfolio of products to support return were also delivered with existing resources. Likewise, the new concept of the third-country intelligence portfolio, which was launched at the end of 2017, will continue into 2018.

The processing of personal data for risk analysis and contributions to police investigations was expanded to all joint operations, resulting in an increase in the volume and quality of personal data and information packages provided to Europol. Simultaneously, technical solutions were introduced to enhance the exploitation of information and personal data contained in migrants’ debriefing interviews. In order to improve the quality of interviews with migrants and the collection of personal data, while matching the increase in the number of debriefing teams, the Risk Analysis Unit (RAU) increased support and mentoring to debriefing teams in the field and improved the definitions and linkage of the roles of team leaders and intelligence officers with the debriefing teams. Overall, action was taken to enhance the quality of operational analysis reports, sustaining a high volume of requests from high-level stakeholders — such as DG Migration and Home Affairs, the European External Action Service, the General Secretariat of the Council, other organisations and agencies such as Europol, Operation Sophia and NATO — and the public on current developments in the operational areas.

To increase the availability of data for risk analysis, data-processing automation has been introduced allowing for the reduction of the response time required for numerous requests for data, information and analysis. Furthermore, relevant solutions were implemented to enable Member States to access processed data exchanged within the Frontex Risk Analysis Network. Similarly, the development of the Air Border Risk Analysis Network was finalised, allowing Member States to have access to air border data on indicators of irregular migration. More than 120 EU airports are now sharing trends and developments in real time, providing Frontex and the Member States with an up-to-date picture at the EU level for well-informed operational response and risk analysis.

The data collection processes for vulnerability assessment were, as already mentioned, established and supported largely with existing internal resources, and included the additional requirement of a secure environment as the collection of data has been established at 'EU restricted' EU classified information level.

New satellite imagery analysis services, operational field visits and regular workshops have led to a significant increase in the use of imagery intelligence by analysts at Frontex and in the Member States. In addition, these analytical services are now also delivered in support of the EU Border Assistance Mission (EUBAM) in Libya and the European Union Naval Force Mediterranean (Eunavfor MED) Operation Sophia.

Highlights: Risk analysis in 2017

Increased availability of information to various stakeholders

In 2017 the RAU developed automated data processing, which resulted in better-quality data being made available faster to various stakeholders for regular and ad hoc analysis. As regards the Member States, huge progress was made in enabling direct access for them and for SACs to the processed data exchanged within the Frontex Risk Analysis Network.

Delivering vulnerability assessment

Following the adoption of the common vulnerability assessment methodology and the launch of the Vulnerability Assessment Network at the end of 2016, the first baseline assessment — the initial step of the methodology — was officially launched in January 2017. This enabled the first assessments to be delivered in April 2017, exactly 1 year after the challenging concept of vulnerability assessment was outlined. The 28 baseline assessments were implemented in collaboration with Member States and led to 33 recommendations being issued to 21 Member States. In addition, six simulation assessments and eight emerging-threat assessments were drawn up. Importantly, Frontex reported the first results of the vulnerability assessment to the Parliament and the Council, with the feedback from the political masters, including the European Commission, having been positive. The first cycle of vulnerability assessments has been implemented with very few staff specifically dedicated to vulnerability assessment, using tools and staff reassignment from other areas of the RAU.

Africa–Frontex Intelligence Community/DG International Cooperation and Development capacity-building project

Building on the achievements of the Africa–Frontex Intelligence Community (AFIC), Frontex received additional funding of EUR 4 million from the Commission (DG International Cooperation and Development) to further develop the analytical capacity of the AFIC. The project will run for 3 years, during which time Frontex will train analysts and set up AFIC risk-analysis cells with technical equipment in selected AFIC countries. The project will also improve the operational capabilities of AFIC countries by promoting information sharing, leading to investigations to dismantle smuggling networks. The project was officially launched during the AFIC plenary meeting in September 2017, and this was followed by the first scoping visits to selected AFIC countries.

Analytical activities supporting return

A new set of analytical products, among them a monthly return-support analysis, was designed in collaboration with the ECRet and launched in 2017.

2.4. Management of pooled resources

Highlights of 2017 include the successful establishment of the return pools and the rapid-reaction pool. The return pools are fully operational, and around 100 deployments from the FRM pool have so far covered over 80 % of needs related to the monitoring of return operations in 2017. The rapid-reaction pool comprises 1 500 border guards and other relevant staff with different profiles, allowing the agency to respond to urgent unforeseen challenges. The mechanism of rapid intervention was tested during the 2017 edition of the rapid intervention exercise (REX). Taking place in Bulgaria, simultaneously at the land, sea and

air borders, a new concept was implemented, dividing the exercise into three distinct but interconnected modules: a tabletop exercise, a training component and the actual deployment.

The feasibility study for Opera evolution was concluded in 2017. Based on this, the project for developing a new application for the integral management of operational resources has been initiated. The business case and the project initiation document for the Opera evolution project were approved by the project board in January 2018. The terms of reference defining the technical requirements for the new system were developed in 2017 and have been included in the tender documentation to be published in the first quarter of 2018.

A temporary IT tool to support the annual bilateral negotiations process was developed in parallel in 2017. The tool was introduced to the Member States/SACs during Pooled Resource Network meetings and tested within the framework of the 2018 annual bilateral negotiations. It is currently being used for the 2018 open call and will be the main tool used for the 2019 negotiations.

An important tool for increasing the agency's resilience in catering for its operational needs is the strategy for acquisition of own technical equipment, which was adopted by the Management Board in September 2017. With a view to further developing it into a comprehensive strategy during 2018, it aims at gradually relieving the Member States of some of the burden related to the operation and deployment of technical equipment. For the time being a series of first positive achievements were accomplished, corroborating the effectiveness of Frontex's own and leased assets. Frontex Aerial Surveillance Services is continuing to deliver operational effects and 2018 will see the concept evolve into an inter-Institutional endeavour, partnering with EFCA. Other positive activities include framework contracts for the chartering of aircraft, light equipment and mobile offices. 2018 will see the acquisition of mobile surveillance systems, vehicles for migration management and satellite communication services, and a pilot project on leasing maritime vessels (for each of these the relevant preparations were made in 2017). In addition, Frontex will also venture into the provision of language services to support operations in terms of interpretation and translation.

A key enabler for operational effectiveness is a robust and flexible logistics and supply-chain management system. In 2017 Frontex launched a study with the aim of providing a model to be gradually implemented during 2018. The relevant deliverables were submitted by the end of 2017.

Another key enabler is ensuring the safety and health of human resources, both while deployed and upon returning home. One complex challenge here is that of managing the mental strain of being deployed. The first steps for a comprehensive occupational safety and health policy were drafted and adopted to be operationally fully implemented in 2018.

Highlights: Management of pooled resources in 2017

Rapid intervention exercise 2017 and rapid-reaction pools

The REX 2017, which lasted from 20 September to 8 November 2017, for the first time simultaneously covered activities at the air, land and sea borders, and was preceded by a 1-week full-time training course for all participants relevant to their profiles and to the tasks envisaged during their deployment. The exercise concept was updated in order to integrate new key elements, such as the new rapid-reaction pool and rapid-reaction equipment pool, and the updated rapid border intervention timeline. The pools were established following effective negotiations with the Member States, especially as regards aligning Member States' compulsory contributions to the rapid-reaction pool with specific Frontex needs.

The REX 2017 was based on a fictitious scenario involving increased migratory pressure affecting the Bulgarian land and sea borders and an increase in detections of counterfeit or forged travel documents and refusals of entry at the largest Bulgarian airports. In total, 53 experts with different operational profiles, a coastal patrol vessel and 10 patrol cars from 14 Member States/SACs participated in the exercise. Frontex also deployed one fixed-wing aircraft for maritime surveillance purposes.

The successful implementation of the exercise contributed to testing Frontex's and Member States' ability to implement the procedures for rapid border intervention and increasing the capacity of the rapid-reaction pool members.

Current duty-of-care implications for Frontex operations that have a large number of staff

In view of the border operations currently involving large numbers of staff, which have been running since 2015 and have been implementing the hotspot approach since 2016, and taking on board the extended mandate including responsibilities shared between Member States and Frontex, the concept of a duty of care towards deployed personnel gained momentum in 2017. Based on preliminary research in the field of the mental health of border guards deployed within the framework of JO Triton, with valuable contributions from eight of the most advanced Member States in this regard, the Frontex mental health strategy was developed, published and distributed in 2017.

Frontex aerial surveillance services

The Frontex aerial surveillance services concept continues to enhance situational awareness in relation to the agency's operational activities at land and sea borders. Launched in September 2015, in 2017 the framework contract was extended for an additional 2 years. To date, 14 specific contracts have been awarded, covering 748 operational days, which corresponds to almost 25 asset-months and amounts to a value of EUR 7.89 million. The concept allows Frontex to respond to operational requests at short notice, complementing the contributions of Member States and SACs and demonstrating the operational effectiveness of the agency's autonomy in this context. Advanced on-board sensor and communication systems allow for targeted cooperation with other EU stakeholders, such as EMSA and EFCA, in multipurpose missions. Looking ahead, the lessons learned from the current contract are being used to develop the concept further towards a new enhanced framework contract, for both Frontex and EFCA, planned to be put in place in 2018.

2.5. Training

The TRU has drafted the Frontex training quality assurance system to enable Frontex to become an accredited developer and provider of harmonised, learner-centred, cost-effective and internationally validated training products. Another new development in the educational-standards area is the creation of the 'Border and coast guard training delivery methodology — Train the trainers' course, to be implemented as of 2018.

The previously developed courses and/or curricula continued to be implemented, including the second iteration of the European Joint Master's in Strategic Border Management. Where necessary, the courses were updated and aligned with the sectoral qualifications framework.

The TRU organised approximately 320 training actions (including development meetings, training courses, webinars, etc.) involving more than 4 800 participants and experts, plus hundreds of webinar beneficiaries. In addition to training courses planned in the portfolio, the TRU also responded to ad hoc needs by organising tailored training interventions. The training locations were not limited to the Member States/SACs, and included some third countries.

Work has continued on the development of the e-learning infrastructure and the TRU's information and communication technology (ICT) platform.

Following the publication of the call for proposals, in 2017 for the first time the TRU awarded grants to 10 different projects for the development and delivery of European border and coast guard courses. The implementation of the successful projects continues in 2018.

The TRU continued to cooperate with other agencies and international organisations in the development and implementation of various training actions.

Highlights: Training activities in 2017

After 1 year of joint development, the Frontex TRU, with a great deal of support from Member States/SACs, delivered the first EU certification course for CIRAM analysts.

After entry exams, an interim assessment, 3 weeks of centralised sessions carried out at Frontex's headquarters in Warsaw and 1 week of examinations in front of a committee of analysts from seven Member States, students from 23 Member States graduated from the EU course for CIRAM analysts.

The course adopts a holistic approach, taking the students from the basics of analysis to the level where they are able to create analytical products, making use of CIRAM. The results and feedback received after such intensive training indicate that the course is very demanding and that intensive effort needs to be invested by students in order to obtain certification as an EU CIRAM analyst.

All students that have graduated from the course already work in the analytical units of structures involved in border management, or plan to do so soon after graduation. They are supposed to be the staff responsible at national level for the practical implementation of CIRAM, following the Schengen-related recommendations as mentioned in various Schengen evaluation reports.

Common training standards for FREs were successfully established.

The TRU designed, in close cooperation with the Return Support Unit, the first comprehensive training programme for FRE officers. This programme aims to prepare officers to act as escort officers in a national return operation/JRO or readmission operation, by air (commercial and charter flights) or by sea. The programme is also designed to prepare officers for a CRO. The modular structure enables flexible learning paths for compulsory and elective units, specifically to meet national requirements. Taken together the programme sets out the Frontex common standards for FRE training.

The common training standards and the idea of harmonising the national training of forced-escort officers were presented to Member State/SAC representatives responsible for the training of FREs at their first conference in November 2017. The representatives welcomed Frontex's initiative.

2.6. Research and innovation

During 2017 Frontex continued to further develop the four areas of work that constituted the research and innovation part of its mandate, reaching out to and engaging with the different stakeholders.

While always ensuring that the European research agenda is fed with needs identified by the border guard community, the desire to ensure that the outcome of the research and development undertaken finds some real take-up at the end of the research projects is also coming to the forefront more and more. During the

year Frontex actively engaged with the research and border guard community, providing a platform for the exchange of information, which included promoting the outcomes of the research undertaken.

The agency, in cooperation with the Member States, industry, academia and other stakeholders, aims to identify technical solutions that could address operational needs and are ready to be integrated and tested in a real operational scenario, and then to make recommendations for introducing these solutions in the field. To test potential solutions and assess their capabilities, and also to identify future needs, Frontex organised dedicated industry days and trials, while at the same time providing feedback to industry as regards the different products and services. Support was also provided to different internal stakeholders as regards the procurement of technical equipment.

The ever increasing number of people crossing the external border requires that innovative solutions be found in order to ensure that the necessary border checks are carried out in an expedited way, at the same time guaranteeing a high level of security and avoiding long queues and bottlenecks. The agency, together with the Member States, explored different ways to achieve this goal. In this context, Frontex provided support to Member States to better tailor their capacities to the flow of people crossing the border. At the same time, under the umbrella of the Instrument for Pre-Accession Assistance (IPA) II as part of the preparation of the states of the western Balkans for membership of the EU, Frontex prepared country reports on each of these states as regards identification and registration. The reports highlighted the areas in which capacities have to be put in place to comply with existing EU best practices related to this activity.

An equal level of control at all the external borders of the EU is not only ensured by a uniform legal framework. Working practices and processes also deserve attention as they may differ from Member State to Member State. Introducing a more coordinated approach in this area will eventually contribute not only to the more harmonised implementation of the legal framework, but also to a higher level of security and interoperability. The efforts in this area of work continued throughout the year, focusing on different topics of relevance for the border guard community.

Highlights: Research and innovation in 2017

Training course for multipliers on automated border control solutions

The training course was organised in March 2017 by Frontex in cooperation with the Portuguese Immigration and Border Service and the German Federal Office for Information Security. It was attended by 56 officers from 27 EU Member States, as well as selected experts from the European Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice and Frontex. It showed the excellent cooperation between Frontex's TRU and Research and Innovation Unit, the Portuguese service and the German office, and the joint commitment to safeguarding the efficient and effective management of automated border control (ABC) systems through the delivery of harmonised training at the national level.

This was the first time that harmonised training has ever been developed in support of fostering a common understanding of ABC systems that is aligned with European educational standards for border guarding. The large turnout of Member State experts from almost every EU Member State proved that there is a need for harmonised training, and the positive feedback after the course showed that this Frontex-led project was a much-needed initiative.

The training course comprised intermediate-level training on the ABC system for first-line officers and advanced-level training on vulnerability assessment and testing for ABC systems. Well-tailored training methods and materials were the result of long-term Frontex involvement with ABC-related best practices and guidelines since 2007, and the expertise gained by the agency's experts during that period proved to be crucial for the purpose of the training course.

It proved Frontex's long-term commitment to developing capability tools in the area of ABC, and included trainer's manuals, face-to-face training with a practical component and an online self-directed training tool to be used at the national level.

In September 2017 the Frontex Conference and Exhibition on Biometrics on the Move 2017 was organised in Warsaw. The objective of the conference was to provide a platform for international dialogue on feasibility and the potential impact of 'biometrics on the move technology' for border control, with a view to enhancing security and facilitating travel at the borders.

The focus of the conference was on legal and operational challenges, with the emphasis on the required legislation and technologies that could enable wider use of 'biometrics on the move', bringing changes to the border-checks approach and to day-to-day operations at the border.

The event brought together an international group of speakers and participants from industry, academia, and government and international organisations, including high-ranking officials and leading experts on the cutting edge of research. Ten companies presented solutions for 'biometrics on the move' via real-life demonstrations, four research abstract papers were distributed and 30 moderators and speakers contributed to five sessions — 'Vision', 'Challenges', 'Ongoing research in this area', 'What is in the pipeline' and the 'Way ahead'. A total of 176 delegates from 37 countries took part.

In the context of increased traveller flows, understanding how the different available intelligence sources can be best used to perform an advance traveller risk assessment holds great potential for rendering border management both more efficient and more secure. Pursuing the implementation of its new mandate, the agency has taken steps to explore the existing capabilities and to identify new methods for optimising the advance traveller analysis with a view to enhancing the border-crossing decision-making process and providing greater facilitation to bona fide travellers. In this context the Advance Information Working Group was launched in December 2016. Initially attended by 14 Member States, the group quickly gained the wider support of the practitioners' community, which acknowledged the added value of having a common understanding and a coordinated approach towards the use of advance information for border-management purposes. By means of six plenary meetings and two additional workshops, the *Guidelines for building a targeting capacity* were developed, incorporating contributions provided by all EU Member States. Such a capacity will make use of all present and future traveller-intelligence sources that can legally be employed for border-management purposes (e.g. advance passenger information, the visa information system, the entry/exit system, ETIAS, watch lists, facilitation programmes, intelligence networks, open-source intelligence). The main goal of these guidelines is to bring working practices closer together with a view to building the foundations for interoperability among Member States in traveller targeting. The document, which is to be made available to the intended audience in 2018, constitutes a first attempt at EU level to provide a toolkit and guidance material for decision-makers, project managers and other practitioners involved in the area.

2.7. and 2.8. Eurosur and situation monitoring

In 2017 Frontex continued to monitor the situation at the external borders and in the pre-frontier areas and provided a continuously enhanced set of EFS to Member States and other stakeholders.

2.7.1. Eurosur Fusion Services

The EFS continued to support Member States and other partners with situation-monitoring and information-exchange capabilities. In 2017 the EFS's contribution included 42 890 incidents detected and reported in the Joint Operation Reporting Application (JORA), 809 optical satellite images (a 125 % rise compared to 2016), 1 230 vessel-detection satellite images (a 96 % rise), 123 reports on a total of 60 tracked vessels of interest (an 86 % rise in the number of vessels) and 341 activated vessel-anomaly searches.

In 2017 the JORA system, via which reporting for the JOs is done and the EFS are provided, was upgraded. The upgrades included the addition of fishing vessels' positions in the vessel monitoring and tracking service following an agreement with EFCA. Aiming to better respond to the needs on the ground, in 2017 the EFS service development team also began to develop the second generation of the JORA system, which will be implemented gradually.

2.7.2. Eurosur Fusion Services real-time surveillance

In 2017 Frontex developed and implemented a new EFS — Multipurpose Aerial Surveillance (MAS) — giving the agency, for the first time, real-time surveillance capability. The service aims to increase situational awareness in the pre-frontier areas, with a focus on locations with no established operational presence on the part of Frontex. As part of the service, a European Monitoring Team has been formed to collect information from Frontex's own aircraft deployed in the pre-frontier MAS surveillance areas. The data is received and analysed by the team in real-time and distributed to Member States and other partners for operational follow-up activities such as rescue or interception.

2.8. Situation monitoring

2.8.1. Situation monitoring

Frontex continued to support Member States with 12/7 situation monitoring services, covering out-of-hours and night availability. Regular and ad hoc reports provided stakeholders with an accurate and close-to-real-time situational picture of the EU's border and pre-frontier areas, improving situational awareness and increasing reaction capability. In 2017 more than 4 700 situation monitoring reports produced an enhanced situational picture at the borders; 42 890 incidents were detected, reported and validated in JORA (a 15 % rise compared to 2016); 4 843 JORA users were provided with an access to the application; over 1 000 requests for information on operational data were processed by the senior duty officers team; 7 178 documents were uploaded to the Frontex One-Stop Shop; and 32 443 correspondence items were registered (a 13 % rise).

As part of the increasing investment in situation-monitoring skills and training, operational-media-monitoring activities were enhanced following two in-house workshops on social-media monitoring organised for Member States and other partners, including the European Commission, the European External Action Service, EASO, Europol, the Organisation for Security and Cooperation in Europe, the International Organisation for Migration and the United Nations High Commissioner for Refugees, as well as a social-media-monitoring exercise involving Member States.

In October Frontex organised a tabletop crisis-management exercise. The crisis-management exercise tested a new concept for crisis management embedded in a draft Frontex event response policy. The work to implement this new organisational concept for crisis management is ongoing.

Highlight: Operational results of the Multipurpose Aerial Surveillance system

In 2017, within a very short time frame, the MAS system was successfully established, triggering numerous search-and-rescue- and cross-border-crime-related operations. Fused with other EFS, including the Vessel Detection Service, MAS succeeded in detecting objects at sea on numerous occasions. In total, approximately 1 960 people were rescued after 36 detections conducted by MAS assets and the follow-up operations launched by the competent national authorities.

Examples illustrating the way MAS functions certainly include the detections that took place on 10 October 2017. One of the MAS aircraft detected five wooden boats with approximately 117 persons on board in the proximity of Sardinia. On the same day, a second aircraft sighted two wooden boats with approximately 22 persons on board. The information was transmitted in real time to the European Monitoring Team, which in turn notified the Italian authorities. The search and rescue operations that followed, coordinated by the Italian Coast Guard, led to the interception of the boats and the rescue of the people on board.

The multipurpose profile of the service enables the MAS's engagement in a variety of coast guard functions and activities. On 25 June a MAS aircraft sighted two vessels presenting abnormal behaviour at sea. The European Monitoring Team's assessment led to the identification of one of them as a former vessel of interest tracked within the framework of the EFS. The Spanish authorities were informed of the situation and boarded the vessel on 4 July. Six containers of cigarettes worth EUR 12 million were found on board during what the media called the largest operation of its kind in the history of the Spanish customs service.

2.9. International and European cooperation

In the course of 2017 Frontex maintained an effective cooperation network with third countries, international organisations and relevant EU entities.

2.9.1. Cooperation with third countries, including through technical-assistance projects

In 2017 Frontex invested in closer cooperation with countries of origin and transit for irregular migration along the key migratory routes to the EU. Particular efforts were dedicated to strengthening the dialogue with countries in the EU's southern neighbourhood, such as Egypt, Morocco and Tunisia, and to contributing to the overall EU efforts to support Libya. The agency also started negotiations on working arrangements with Guinea and Niger and further advanced on negotiations with Senegal. Turkey and the western Balkan region continued to be important priorities across various areas of the agency's work.

The agency continued to support its partners through Commission-funded capacity-building projects, namely the multiannual project for the 'Regional support to protection-sensitive migration management in the western Balkans and Turkey' and the integrated border management capacity-building project in the eastern partnership region. In September 2017 the agency started a new 3-year project in cooperation with partners in Africa with the aim of strengthening the AFIC (see also Section 2.3). Furthermore, Frontex developed another project under the title EU4BorderSecurity that will be implemented in the southern neighbourhood region from September 2018 onwards.

In order to provide a solid framework for the agency's engagement in the external dimension, in December 2017 the Frontex Management Board adopted an international cooperation strategy. The strategy will pave the way for cooperation with third countries and international organisation in the 2018-2020 period.

2.9.2. Cooperation with EU entities and international organisations

Close cooperation continued with the justice and home affairs (JHA) agencies, both through the JHA agencies network and on a bilateral basis. These partnerships were crucial for the operational activities related to the hotspot initiatives in Greece and Italy, the coordination of operational actions in the context of the EU policy cycle/Empact and the regular exchange of border-related situational-awareness and operational-monitoring products.

2017 marked the start of the implementation of new mandates for several JHA agencies. This opened up new possibilities to review and enhance existing cooperation agreements and strive for closer engagement at operational level. Cooperation with EASO, the European Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice and Europol was strengthened through respective cooperation plans. Discussions on reviewed working arrangements commenced with Eurojust and CEPOL.

European cooperation on coast guard functions was strengthened through a tripartite working arrangement between Frontex, EFCA and EMSA. Aligned with their new mandates, the three agencies cooperate in sharing maritime information, providing new surveillance and communication services, building capacity, analysing operational challenges and emerging risks in the maritime domain, and planning and implementing multipurpose operations.

Frontex also enhanced its engagement in the area of customs, regularly contributing to the Council Customs Cooperation Working Party, and strengthening dialogue with international and regional actors, such as the World Customs Organisation and the Customs Eastern and South-Eastern Land Border Expert Team.

2.9.3. Development of the Frontex liaison officers' network

2017 was also the starting point for the implementation of the Frontex liaison officers' (FLO) network in the EU Member States. Following the decision of the Management Board in June 2017, the agency and the Member States agreed on 11 clusters and their main seats for the deployment of FLOs, and started negotiations on the bilateral memoranda of understanding. Subsequently, Frontex defined the FLOs' job profiles and started the recruitment process (to be finalised in 2018).

The growing networks of FLOs, in both the EU Member States and third countries, require solid support and smooth workflows in the headquarters. To that end, the agency set the first milestones for the FLO Back Office that will be fully implemented throughout 2018.

Highlights: International and European cooperation in 2017

International Border Police Conference 2017

On 7 and 8 November Frontex hosted the 23rd International Border Police Conference in Warsaw. The event brought together more than 200 representatives of the international border security community from 67 countries.

The conference was designed as a platform for networking and exchange on operational issues of common interest, with the aim of enhancing cooperation among institutions and facilitating the interoperability of different border-management systems. The overarching theme of the conference was: 'Ensuring global security through integrated border management'. Over 2 days, discussions touched upon various topics, from measures to counter terrorism through effective border management, to information systems for stronger and smarter borders, capacity building and strategies for effective situation monitoring.

In order to strengthen bilateral ties and discuss potential cooperation, the presence of third-country partners was used to arrange multiple bilateral and multilateral meetings with the agency's executive management and operational business entities.

Numerous side meetings also served as a good opportunity to facilitate cooperation between EU Member States and third countries.

The conference once again proved to be a unique platform for exchange among the border-management community at the level of the chief executives. Frontex will further continue this tradition and will hold the next International Border Police Conference in 2019 in Warsaw.

Enhanced cooperation with the common security and defence policy actors

The new mandate of the agency has reinforced its possibilities to engage in the external dimension, and consequently to enhance cooperation with the European External Action Service and common security and defence policy (CSDP) actors. In 2017 the agency dedicated particular attention to cooperation with CSDP operations and missions in third countries, aiming to take full advantage of the new possibilities to work together.

Frontex has been supporting EUBAM Libya through the long-term deployment of experts. Since May 2017 two experts on 3-month deployments have been embedded with the border-management team of EUBAM Libya and have contributed to its work. Close cooperation is also in place with Eunavfor MED Operation Sophia, which Frontex has supported since its inception in 2015. Frontex provides Eunavfor MED with a number of EFS and regularly exchanges information on its operations in the Mediterranean. Communication and coordination of operational activities are reinforced through the exchange of liaison officers on the Eunavfor MED flagship and Frontex JO Triton.

Due to the political and security situation, cooperation with Libya took place exclusively through EUBAM Libya and Eunavfor MED. For example, within the framework of cooperation with Eunavfor MED, Frontex contributed to the training of 78 officers from Libya with a 1 week law enforcement training course.

CSDP missions are also important partners of FLOs in third countries. For example, the FLO to Niger is working closely with the EU Capacity Building Mission Sahel. These interactions have demonstrated the growing need to ensure close cooperation between CSDP missions and Frontex, and will continue to develop as the agency further develops its network of liaison officers in third countries.

Developing Frontex liaison officers' networks in the EU Member States and third countries

Since 2016 the agency has been gradually developing the FLO network in third countries, and it is envisaged that at least 10 FLOs will be posted to key priority regions by 2020. The European Border and Coast Guard regulation also provides for liaison officers to the Member States as an interface between the agency and the competent national authorities, which will result in the deployment of 11 FLOs across 30 EU Member States and SACs.

In 2017 the agency continued to deploy FLOs in selected priority regions agreed by the Management Board (the western Balkans, north and west Africa, the Horn of Africa and the Silk Route region). In July an FLO was deployed to Niger, based in Niamey, and in September an FLO to the western Balkan region took up duties in Belgrade, Serbia.

The FLOs are attached to the respective EU delegations in third countries and closely coordinate their work with European migration liaison officers, EU Member States' immigration liaison officers and other actors. The first FLO sent to a third country was deployed to Ankara, Turkey in 2016. The initial results of the FLOs' work already show a clear indication of closer engagement with the local authorities and have opened new opportunities for cooperation.

2.10. Communication (information and transparency, Press Office)

With the change in the mandate of the agency, the Frontex Press Office produced an information package on the new regulation and short animated movies about various aspects of Frontex's work, including the new regulation.

The Press Office also produced feature stories for the agency's website, and created a press room on it with a list of frequently asked questions and hot topics to facilitate access to information about the way the agency operates.

With a view to increasing the operational transparency of the organisation, the Press Office also facilitated access for 150 journalists to Frontex operations, organising interviews with the officers deployed. In addition, the Press Office organised more than 70 embedments on vessels, helicopters and aircraft during patrolling activities and search and rescue operations.

The Press Office contributed to the wider academic discussion about migration by facilitating access to information about Frontex and the role of EU institutions in general for master's and PhD students and researchers from European academic institutions and beyond.

The spokespersons also participated in external meetings involving about 1 000 civil-society representatives and members of the general public.

Frontex received numerous requests for information and access to operations from members of the general public. As part of Frontex's engagement with citizens, top management, including the Executive Director and heads of unit, took part in online interactive debates and direct round-table discussions on the role of the agency, clarifying its mandate and answering questions from the public.

Highlights: Communication and the Press Office in 2017

Creation of a Frontex LinkedIn page

Last year Frontex's digital communication officer, in cooperation with the human resources (HR) service, developed a LinkedIn strategy, which led to the setting up of a Frontex LinkedIn page. In 2017 the agency also signed a multiagency framework contract with LinkedIn, which allows Frontex's LinkedIn profile to have more functionalities, promote jobs and run sponsored job campaigns. This was an important and necessary development as the agency is in the process of recruiting a large number of new staff and needs to use all available channels to reach qualified candidates.

Frontex is now publishing all its job offers on its LinkedIn profile (and on Twitter), and is promoting such posts based on the skills required for a given job. The agency opened a live tab on which movies about Warsaw, sports clubs, the traineeship programme and photos from the agency's headquarters are posted. Frontex also collected testimonials from former trainees, as peer review is of the essence when looking for new job opportunities.

Number of followers: 6 118.

Total number of impressions (the number of times each update is shown to LinkedIn members): 429 878.

Frontex has seen a significant uplift in the number of followers during job campaigns.

2.11. Fundamental rights and data protection

As part of the regular duties of the fundamental rights officer (FRO), observations on most of the operational plans were provided for the consideration of operational units. Furthermore, the system of observations on evaluation reports has started to develop more comprehensively. The FRO has been appointed as the coordinator of eight serious incident reports on fundamental rights that were submitted by participants in operations in 2017.

The FRO also supported the initial inclusion of a specific fundamental rights objective with relevant indicators in the draft operational plans received, which needs to be tested and updated. Similarly, the FRO has recommended that a brief assessment of the general situation in third countries be undertaken within

the framework of JO Flexible Operational Activities Land on Border Surveillance 2017 and JO Coordination Points Land 2017.

The FRO team supported the operational briefings of JO Focal Points Land and JO Coordination Points Land 2017, JO Pegasus, JO Focal Points Air 2017 — Regular officers briefing, JO Alexis 2017: Phase 2 — Briefing for non-EU country observers and officers deployed in the second phase of the JO, the FLO to NATO, the FLO to Niger, the FLO to western Balkans, the Land Border Sector General Briefing and VEGA Children Air 2017 with fundamental rights sessions.

The FRO team participated in the Operational Heads of Airports Conference 2017, providing input about specific fundamental rights-related matters including access to asylum in airports. It also raised awareness on the particular needs of vulnerable persons. Furthermore, in order to enhance the capacities of border guards to identify and refer children on the move from any risk, the FRO team supported the development of versions of the *VEGA children handbook* for land and sea borders. The FRO team undertook several field visits and took part in readmission and return operations to monitor operational activities and provide guidance on fundamental rights compliance.

As a part of the ongoing revision of the monitoring mechanism for fundamental rights in all agency activities, the FRO contributed to updating and strengthening the standard operating procedures on serious-incident reporting, focusing on the aspects relevant to reporting and following up alleged fundamental rights violations as per the mandate.

With regard to the deployment of FRMs from the pool of monitors, the FRO contributed to the establishment and selection of monitors, organised by the Pooled Resources Unit, following an open call sent to relevant bodies in the Member States. By taking part in this process the FRO ensured that the skills and competences of the monitors will allow them to carry out their tasks in accordance with fundamental rights.

The FRO team participated actively in the following induction training courses for newcomers: 'Training on fundamental rights — Training the border guards' multipliers', 'Frontex FR trainers: development meeting', 'European Border and Coast Guard Team maritime border surveillance officer training (II)', 'Child protection at the EU borders', forced-return monitoring II training courses for FRMs and 'Common Core Curriculum for border and coast guard mid-level education and training'. The FRO has also submitted a revised version of the concept note on developing 'Specialised fundamental rights training for agency staff' that should naturally follow on from 'Basic fundamental rights training for agency staff', specifically for operational officers.

In 2017 the FRO received a total of 15 complaints. After performing an admissibility review five complaints were declared admissible, three of which are currently under investigation. The other two have been successfully closed. The FRO team has also supported the drafting of a new procedure on the complaints mechanism for operational plans for both operations and return activities, in close collaboration with the relevant operational units of the agency. The mechanism strives to have an online system for the submission of complaints directly from mobile devices. To this end the FRO team is working in cooperation with the ICT unit to develop such a system, and has already launched a microsite located on the website of the agency (<https://microsite.frontex.europa.eu/en/Complaints>) that ensures the safety of information and confidentiality. The FRO team has submitted to the agency a revised draft of the current rules mechanism, based on the experience gained since the establishment of the mechanism, and has consulted on it with the Consultative Forum.

Highlights: Fundamental rights in 2017

The FRO team successfully and collectively engaged in the process of drafting a fundamental rights strategy to replace the one enacted in 2011. The exercise included all of the agency's relevant new obligations in accordance with its new mandate as laid down in the regulation, with special emphasis on child protection and gender mainstreaming. The strategy is now being discussed internally before it reaches the stage of mandatory consultation with the Consultative Forum.

The FRO was actively engaged in 2017 in supporting the further implementation and training of the new members of the pool of FRMs, which became effective on 7 January 2017, with the support of the International Centre for Migration Policy Development's project on forced-return monitoring, phase II. Two intensive training courses lasting a full week, in which FRO engaged very actively, took place in 2017 in January (Amsterdam) and July (Lisbon). The main outcome of the work of the monitors consisted in a monitoring report that they regularly sent to the FRO for analysis, and has resulted in two sets of very valuable comments annexed as observations to the agency's biannual evaluation reports on return operations. These observations were shared with practitioners and monitoring bodies to enhance the harmonisation of standards and practices and the awareness of their impact on fundamental rights during return operations.

2.11.1. Data protection

The newly recruited full-time data protection officer dedicated her first 6 months to:

- the establishment of a data protection culture within the organisation;
- the systematic provision of data protection training to newcomers;
- the design and execution of a workshop on data protection;
- the modification of the register of processing operations on personal data and public access to notifications;
- prior notification on FAR sent to the European Data Protection Supervisor;
- successfully lobbying on the recasting of Regulation (EC) No 45/2001 to maintain a chapter on operational personal data applicable to Frontex.

Highlights: Data protection in 2017

Paving the way for the further collection, processing and exchanging of personal data in the context of the new mandate of the agency regarding the fight against cross-border crime and the prevention of terrorism.

2.12. Corporate governance

Finance and corporate services

Following the entry into force of the new European Border and Coast Guard regulation, which enhanced the mandate of the agency by extending its tasks and responsibilities, the existing financing scheme needed a thorough revision in order to properly support the implementation of the extended mandate and efficiently manage the increased budgetary resources. Together with the Member States/SACs, Frontex developed a new grant scheme that aims at significantly reducing the administrative workload for both the agency and national authorities thanks to the introduction of unit costs. In addition a significantly lower number of individual agreements are issued, covering a longer period of time.

The Finance and Corporate Services Unit also prepared all necessary documentation for the budgetary authority to enable the agency to rent additional floors in the current office building and successfully negotiated the amendment to the rental contract.

In 2017, the Corporate Services department was also responsible for organising the eighth annual European Day for Border Guards — Frontex’s flagship event. More than 500 border guard officers and other officials from 38 countries took part in the event, which took place on 12 June in Narvil, Poland. The programme included four panels with topics relating to Frontex’s transformation, including a new approach to European integrated border management, European coast guard functions and border security as part of maintaining internal security within the EU. The event, renamed the European Border and Coast Guard Day, presents Europe’s border and coast guard community with an opportunity to share experiences, best practices and common values.

2.12.1. Human resources and security

2017 was the first full year after the entry into force of the European Border and Coast Guard regulation. The allocation of new resources (both financial and human) created an unprecedented situation for the human resources services. The increased number of activities required a lot of effort to deal efficiently with different stakeholders’ expectations. By adopting a human resources strategy at the end of 2016 (2017 being the first full year of implementation) and empowering human resources services by allocating new resources, Frontex’s management gave a clear signal on the importance of this area. The security area has also been scaled up, and the relevant management decisions supported developments in this dimension. Last but not least, it should be stated that both the human resources and security aspects are recognised as strategic and very important topics for the proper functioning of the agency.

Highlights: Human resources and security in 2017

Despite the immense workload associated with the record number of recruitments and newcomers in 2017 there was not a single case of a failed probationary period. This underlines the fact that Frontex’s recruitment procedures contain a strong quality element.

2.12.2. Information and communication technology

The year was also a challenging one for IT, considering all the ongoing changes and the start of development of practical solutions for the implementation of Frontex's new mandate. The ICT Unit supported the current IT solutions, updating and upgrading the systems mainly against security vulnerabilities. In addition, the ICT Unit had to prepare the organisational change and contribute to the concept of the vulnerability assessment solution, to the tender specification and to the project organisation of the new operational resources management system. It continued to develop and extend FAR and to configure and deploy document-management workflows and the MyFX solution (collaboration and document-management platform) with sub-project 'communities' (project and workgroups) and modules for recruitment and for complaints.

Highlights: Information and communication technology in 2017

- Interim authorisation to operate granted to the Eurosur Communication Network, allowing the exchange of classified information between nodes.
- Automation of workflows for Executive Director decisions, administrative notices and security notices.
- Start of production and operational use of FAR.
- Development and start of operational use of the recruitment process through the MyFrontex platform — all applications handled by the systems since the start of operation (more than 1 000 application files by the end of 2017).
- Implementation of a paperless electronic user access management workflow for granting/revoking/changing users' access to information systems in the unclassified network: 473 electronic requests registered in 2017 (after the service was announced in May 2017).
- Implementation of a paperless electronic user access management workflow for granting/revoking/changing users' access to the premises: 419 electronic requests registered in 2017 (after the service was announced in May 2017).
- Standardisation of the way the Frontex email service is used in the form of administrative notice No R-AN-2017-9.
- Total number of incidents and service requests opened in 2017: 21 342; total number of incidents and service requests closed in 2017: 20 948.
- Service-level specification/service-level agreement compliance for all incidents and service requests closed in 2017: 93 %.

2.12.3. Legal affairs

2017 was a busy year for the Legal Affairs Unit (LAU), not least given that LAU merged with the Procurement Team of the Finance and Corporate Services Unit on 1 January 2018 (which required a lot of preparatory work) and has now become the Legal and Procurement Unit. As such, compared to previous years, LAU was more involved in legal issues connected to procurement procedures.

However, LAU was also increasingly busy in regard to its more classical remits. For instance, in light of the increasing number of requests for legal support, LAU set up a dedicated internal team providing legal support to the agency's various operational divisions/units and entities. As such LAU was very active, for example, in reviewing and contributing to the drafting and signature of various operational plans, memoranda of understanding on the deployment of FLOs to multiple third countries and status agreements with multiple third countries (e.g. Albania, the former Yugoslav Republic of Macedonia and Serbia); monitoring and providing input into the Commission's ETIAS proposal; and revising the 'Code of conduct for all persons participating in Frontex operational activities'.

Furthermore, again in light of the increasing number of requests for legal support, LAU set up a dedicated internal team providing legal support to the agency's non-operational divisions/units and entities. As such

LAU was very active, for example, in carrying out quality-control reviews of internal decision-making processes (e.g. legally reviewing draft Executive Director and Management Board decisions); securing the new lease for office space in Wronia; extending the existing lease for office space in the Warsaw Spire; supporting the drafting, signature and implementation of the Headquarters Agreement between Poland and Frontex; signing the notarial deed for the plot of land at 132 Raclawicka Street; and supporting the establishment and implementation of the new financing scheme for operational activities.

Finally, LAU continued to be responsible for the correct handling of the increasing number of requests for access to documents; complaints lodged with the European Ombudsman; representing Frontex in court cases; and recovering costs incurred in litigation proceedings.

Highlights: Legal affairs in 2017

Contributing to the signature of multiple status agreements concluded with third countries

Under the leadership of the Commission, LAU was highly involved (together with the International and European Cooperation Unit and the Joint Operations Unit) in the preparatory and negotiation stages for a number of draft status agreements that are to be concluded between the European Union and a number of third countries (namely, for now, Albania, the former Yugoslav Republic of Macedonia and Serbia). More specifically, LAU thoroughly examined comments provided by third countries, analysed their legality and operational implications, compared them against their counterparts in previously concluded status agreements and suggested counter proposals to the Commission.

LAU actively participated in a number of negotiating rounds with third countries, and provided substantial input during and after those negotiations. As such LAU contributed actively to reaching viable compromises with a number of third countries on those draft status agreements, which appear to be acceptable to all parties involved. LAU focused in particular on a number of key elements of high strategic/operational importance, such as achieving the highest degree of immunity possible for members of teams (given that Member States might otherwise be reluctant to deploy border guards in third countries).

Furthermore, LAU drafted a comparative table on a number of key elements of high strategic/operational importance, including input collected from various previous status agreements. This comparative table could prove to be of significant strategic value during any future negotiations with third countries on the conclusion of status agreements (and during the stages prior thereto).

Contributing to the signature and implementation of the Headquarters Agreement and the transfer of a plot of land

LAU provided extensive legal support leading up to the signature and entry into force of the Headquarters Agreement signed between Frontex and Poland and the transfer of the plot of land for building its new headquarters. Furthermore, LAU will continue to support the implementation of the Headquarters Agreement.

Transformation of the agency

Highlights: Agency transformation in 2017

In 2017 the agency was fully engaged in a change-management and innovation process to address all strategic organisational components impacted by the sharp growth in missions, tasks and responsibilities, budget and staff.

Under the leadership of Frontex's Executive Director the transformation of the agency encompassed a number of change-management projects. Specific mechanisms were established to design a new organisation chart and to further elaborate on Frontex's internal structure while reviewing the existing Frontex vision, mission and values.

In doing so the agency opened up the necessary space for collaboration by setting up new platforms for discussion and creation, hence ensuring that informed decisions could be taken on the allocation of staff, skills and competences across the portfolio, and not limited to the new entities.

After the adoption of a new organisation chart in June 2017 the Executive Director set up dedicated project boards for the establishment of new Frontex entities (divisions, offices and units). Managers were appointed as project managers and regular meetings were held to commonly address key challenges, including the allocation of resources. The setting up of such governance schemes made it possible to ensure that all components of change were approached with a holistic view and in a consistent way. In particular it contributed to a better definition of the scope of activities and the delineation of existing and new responsibilities. This process contributed to a better understanding of the emerging need to have key functions better highlighted and concentrated at the agency's level, as represented by the creation of new offices — dedicated to Fundamental Rights, Internal Control, Media and Press Relations, and Data Protection — with enlarged portfolios to adapt to emerging needs and to adequately mitigate potential new risks linked to the unprecedented growth.

When it comes to Frontex's vision, mission and values, a collaborative approach was undertaken starting with discussions among and contributions by managers, and at the same time they were extensively discussed among staff appointed on a voluntary basis to a dedicated focus group.

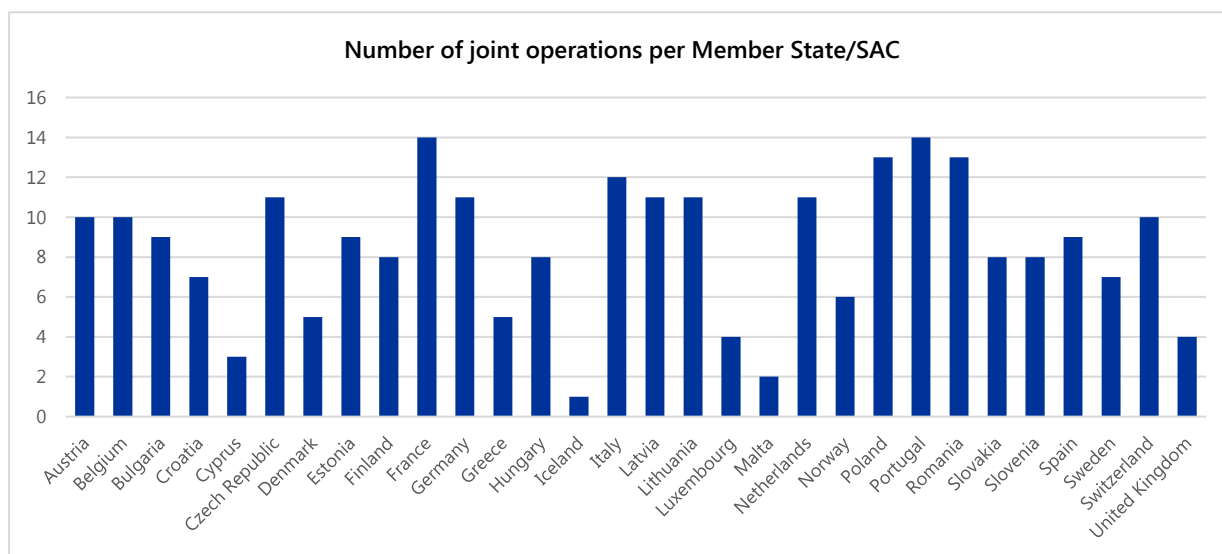
A new leadership training programme was launched for the managers, together with a new exchange platform that started to meet on regular basis to address cross-cutting issues related to the transformation of the agency.

3. Key results and progress towards the achievement of general and specific objectives of Frontex

3.1. Key performance indicators

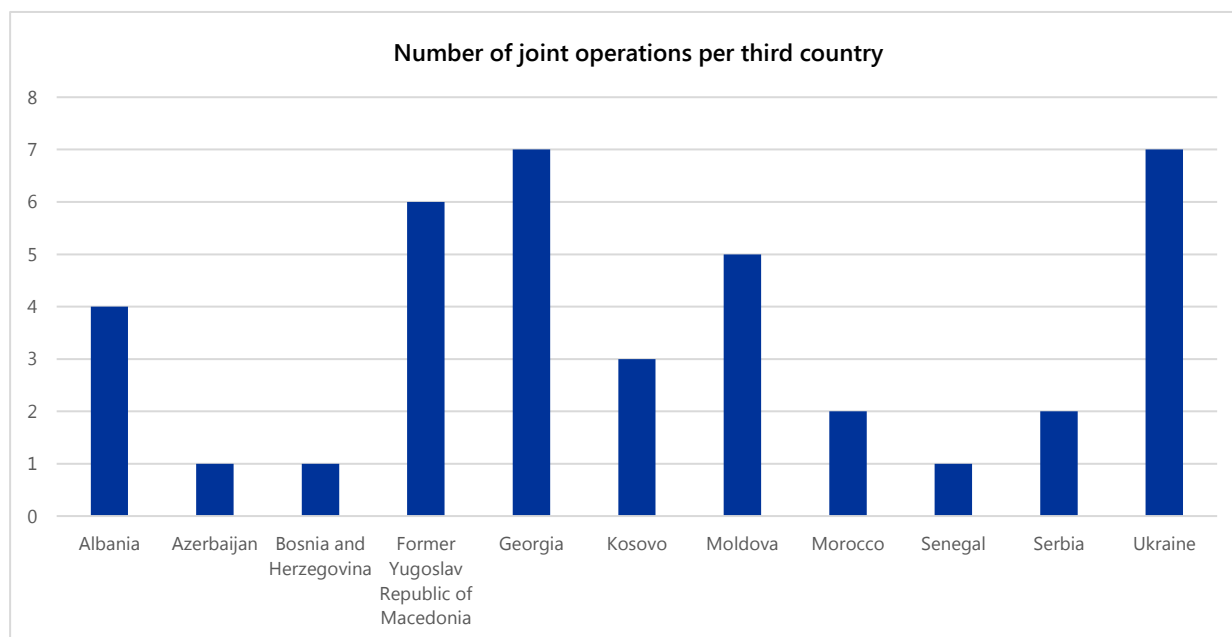
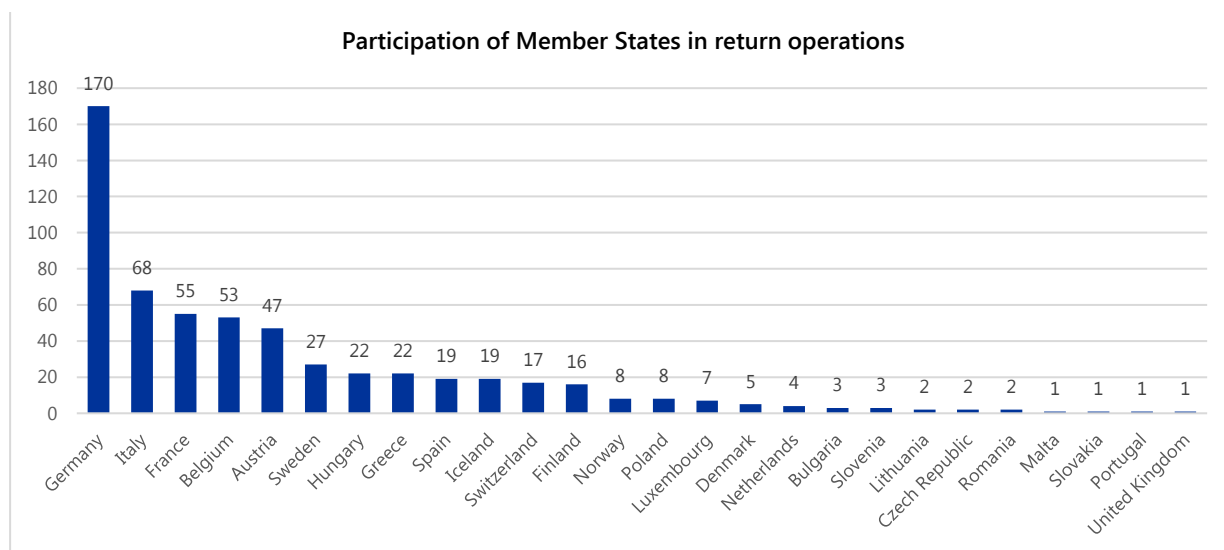
The most relevant **key performance indicators** are the following.

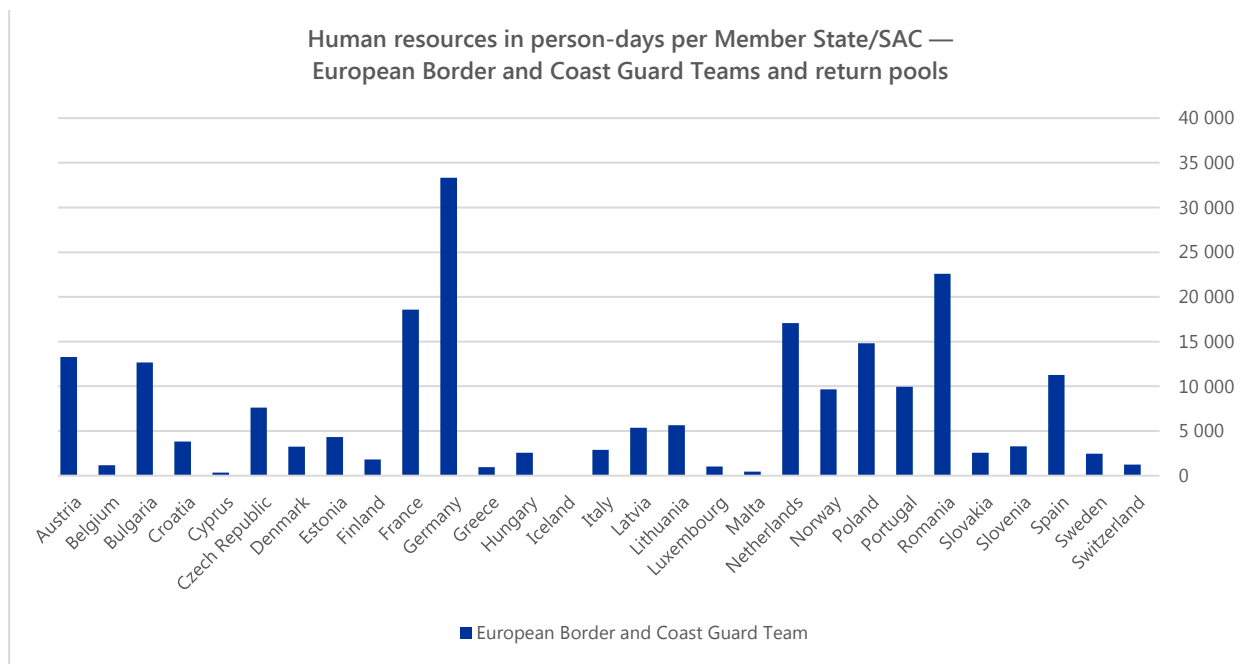
Description of indicator	In 2017 the number of Member States participating in operational activities should remain at the same level as in 2016.
Target	An average of 30 Member States and SACs participated in operational activities during 2017.



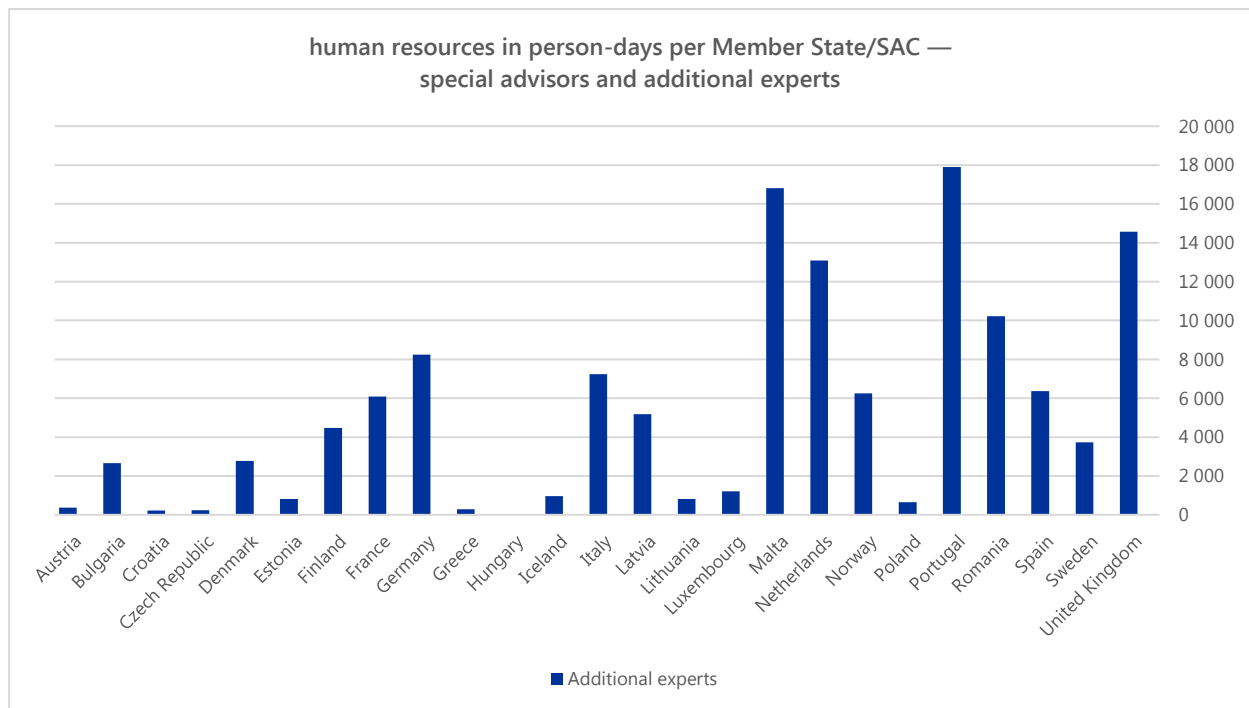
The overview shows that during 2017 all Member States and SACs participated in at least one JO. In that respect the target set was reached.

In 2017, 26 Member States took part as an organiser or participant in return operations coordinated and co-financed by Frontex — two more than in 2016. The overview shows that although the number of return operations increased significantly, the main users of those activities and services remained the same as in 2016.

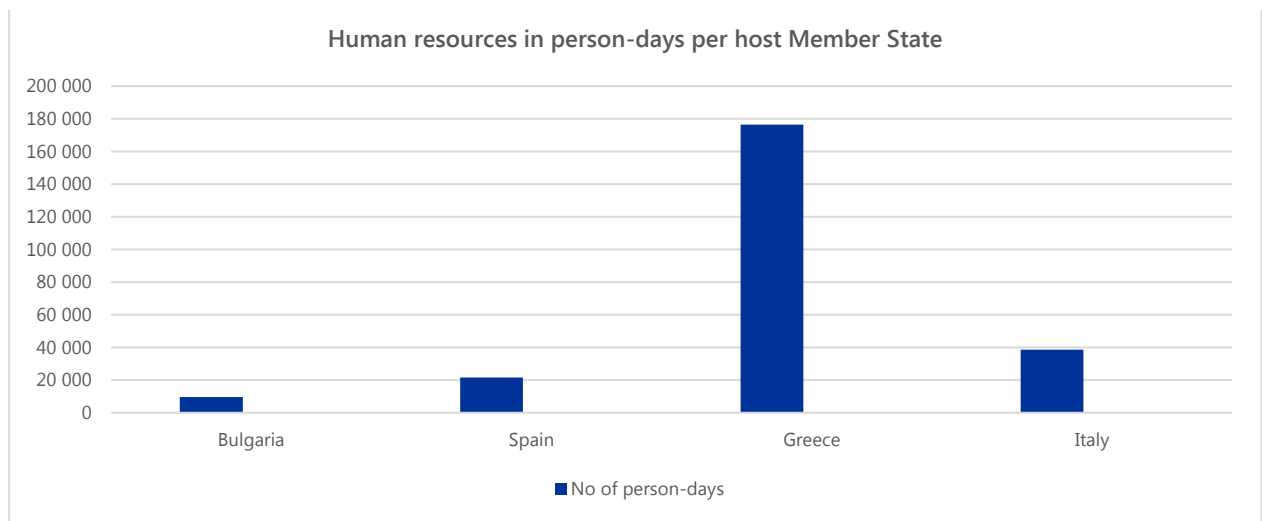




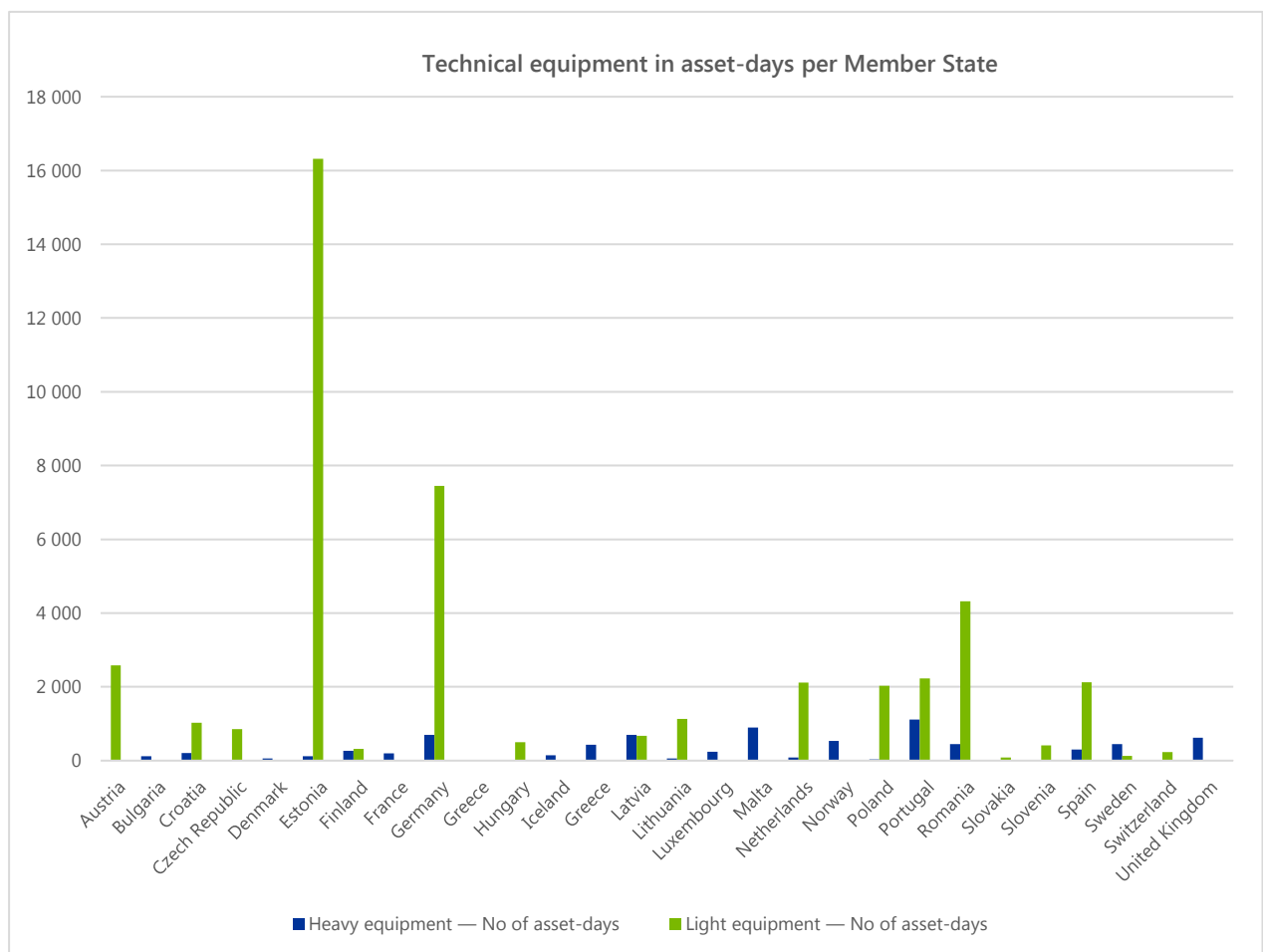
The graph above and below show the contributions per Member State and SAC to the overall number of deployments (days) coordinated by Frontex. Such contributions were either sourced from the pools or were 'additional experts' that were not part of any pool.

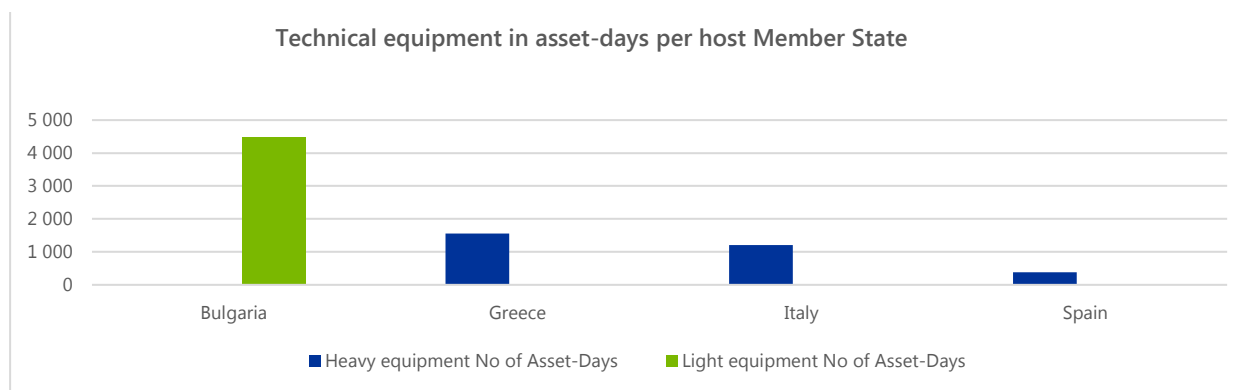


The previous two charts on the human resources deployed in operational activities (joint operations) need to be read together with the one below, as this shows that at least one of the hosting Member States (Greece) is still the main provider of human resources to joint operations. In comparison to the year before the contributions from the other hosting Members States is now much better balanced by the contributions from other (main) participating Member States such as Germany, Malta, the Netherlands, Portugal and Romania.

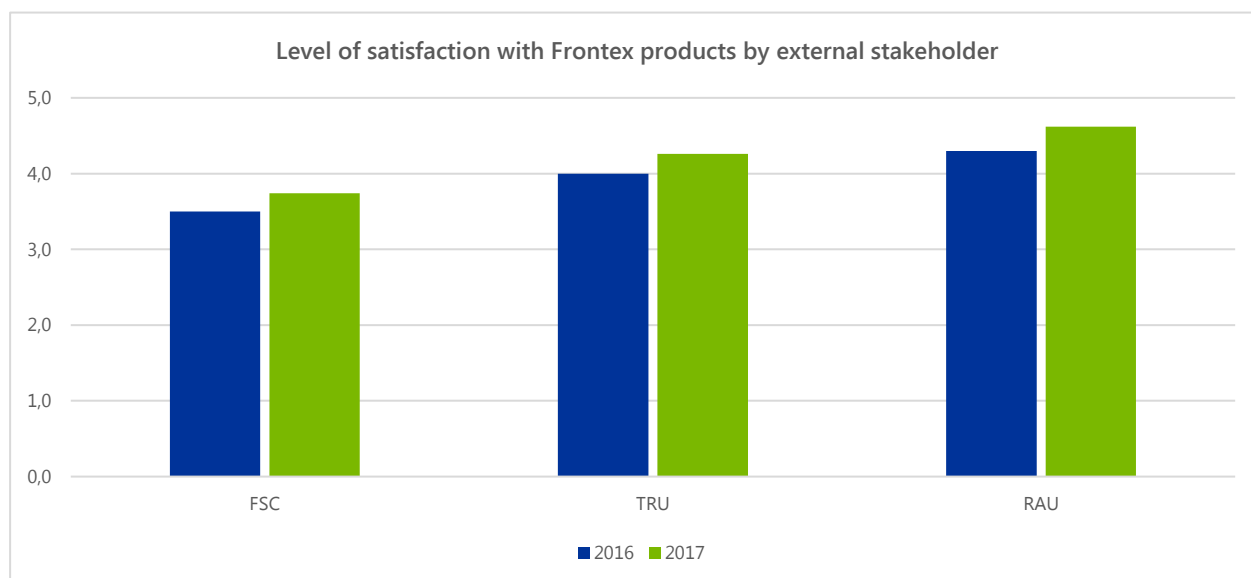


The same tendency can also be identified as regards the deployment of technical equipment. Here too the contributions from participating Member States have started to outpace the level of contributions from hosting Member States. At the current stage, and based on the tools at the full disposal of the agency (own equipment), but also considering the level of resource utilisation in the participating Member States, full replacement of the resources provided by the hosting Member State is not achievable.





Description of indicator	The increased focus on the quality of Frontex's products and services should result in an improved level of customer satisfaction (increase by 0.1 points).
Target	Customer satisfaction at the level (average) of 4.



The outcome of the customer satisfaction surveys conducted by the units shows an improvement in the value compared to 2016. Despite the already high level of satisfaction a slight increase was achieved.

3.2. Key conclusions on management and internal control

Frontex conducts its operations in compliance with the applicable laws and regulations, working in an open and transparent manner and meeting the expected high level of professional and ethical standards.

Frontex has adopted a set of internal control standards (ICSs), based on international good practice, aiming to ensure the achievement of its objectives. The financial regulation requires that the organisational structure and the internal control systems used for the implementation of the budget be set up in accordance with these standards.

The 2017 ongoing review of the internal control system and organisational performance provided reasonable assurance to Frontex's management on the level of compliance with all internal controls, on the correct functioning of the systems in place and on organisational performance. The review highlighted the main strengths and the potential weaknesses of the systems in place and supported the establishment of an improvement action plan.

In 2017 Frontex took measures to improve the efficiency of its internal control systems. Such measures need to be seen in the light of the ongoing implementation of the new and extended mandate, the significant increase in staff and the resulting overhaul of the organisational structure. Those undertakings are certainly slowing down the effective implementation of control measures due to an extended 'learning curve'.

Nevertheless, risk management and processes (ICS 8 — Processes and procedures, ICS 11 — Document management and ICS 12 — Information and communication), and also leadership (ICS 9 — Management supervision and ICS 15 — Assessment of the internal control system), remained at a high level of efficiency.

People management (ICS 3 — Staff allocation and mobility) and ICS 7 — Operational structure were assessed as requiring major improvements. Following the reorganisation of the Frontex structure adopted by the Management Board in June 2017, both areas are covered by development projects, which should increase the effectiveness of the controls and had already produced results in the first quarter of 2018 while this report was being drafted.

In addition, Frontex has systematically examined the available control results and indicators, including those aimed at supervising entities to which it has entrusted budget implementation tasks, along with the observations and recommendations issued by internal auditors and the European Court of Auditors. These elements have been assessed to determine their impact on the management's assurance as regards the achievement of control objectives.

In conclusion, Frontex's management has reasonable assurance that Frontex has continued to implement a comprehensive system of internal controls, performance and result-oriented management, embedding risk management and ensuring a proportional approach to compliance and the effectiveness of internal procedures and systems. The necessary improvements and reinforcements have been implemented, and the Executive Director, in his capacity as authorising officer, has signed the declaration of assurance.

Nevertheless, Frontex recognises that given the substantial increase in Frontex's budget (financial and human resources) and the implementation of the extended tasks and responsibilities that are assigned to Frontex, the internal control system must be further strengthened and improved in 2018.

4. Budgetary and financial management

All expenditure is implemented in the form of centralised management. As a general rule the agency uses the financial circuit model 3 'decentralised circuit with central counterweight', in which the operational initiation and verification functions, along with the financial initiation function, are executed within each division. The *ex ante* financial verification is centrally performed by the Financial Services department within the Financial and Corporate Services Unit of the Corporate Governance Division.

Four different circuits have been identified in Frontex: a standard circuit, a simplified circuit for commitments, a simplified circuit for payments and a mission circuit.

For payments below EUR 5 000 a simplified circuit is followed in which both operational and financial verification functions are performed by the authorising officer by delegation.

For missions the operational and financial initiation function is performed centrally by staff in the Corporate Travel Services department within the Financial and Corporate Services Unit. The operational and financial verification functions are performed by the relevant authorising officer by delegation.

For all remaining transactions a standard circuit is followed in which the functions of operational verification, financial verification and the authorising officer or authorising officer by delegation are separated.

The system of delegations and deputising in Frontex respects the following principles.

- The Executive Director and Deputy Executive Director are entitled to sign all transactions for all amounts and all budget lines.
- Delegations are granted by the Executive Director to division directors, heads of units, heads of sectors and other selected staff. Different financial thresholds apply to these delegations depending on the position of the authorising officer by delegation (as a general rule: director — EUR 500 000; other positions — between EUR 5 000 and EUR 200 000).
- Deputising/*suppléances*: as a general rule deputising is performed downwards, which means that heads of unit replace directors, heads of sector replace heads of unit and heads of sectors who are absent are replaced by another head of sector from the same unit or a delegated member of staff from the sector.

4.1. Implementation of appropriations

Table 1. Summary overview of 2017 implementation per fund source

Fund source	Budget	Total commitments	Total payments
C1 Regular budget	280 560 000	273 913 199 98%	183 355 601 66%
C4 Internal assigned revenue	3 466 079	3 096 707 89%	2 458 148 71%
C5 Internal assigned revenue carry-over	1 928 140	1 880 429 98%	1 660 552 86%
C8 Automatic carry over	74 350 323	63 277 656 85%	63 225 147 85%
Sub-total:	360 304 542	342 167 991 95%	253 699 448 70%
R0 Earmarked expenditure	23 823 593	18 439 477 77%	10 773 703 45%
Total:	384 128 135	360 607 468 94%	264 473 151 69%

The initial adopted budget of EUR 302 million was amended three times, resulting in the final budget of EUR 280.6 million.

In 2017 98 % of the C1 appropriations were committed and 66 % paid. The uncommitted appropriations of EUR 6.6 million had to be cancelled; EUR 2.25 million from the mandatory operational reserve, which needed to be kept until 31 December 2017 to have sufficient funds available in case of rapid intervention, is included in this amount. The committed but still unpaid appropriations amounted EUR 87.6 million (31 %) at 31 December 2017. They were automatically carried over to 2018 and constitute C8 funds. These commitments will be paid during 2018 with the final delivery of the goods or services or the completion of operational activities.

The funds automatically carried over from the year 2016 to 2017 (C8 funds) amounted to EUR 74.4 million, of which 85 % was paid. The remaining 15 % (EUR 11.1 million) had to be cancelled.

Internal assigned revenue is the amounts reimbursed from funds used from Frontex's regular budget (C1) voted by the budgetary authority. Internal assigned revenue concerns recovery orders collected to date and amounts to EUR 3.5 million (C4). Of C4 funds, 89 % were committed in 2017 and 71 % paid. The outstanding amount of EUR 0.3 million will be carried forward to C5 funds in 2018. EUR 1.9 million (C5) stems from recovery orders that were carried over from 2016. 98 % of C5 funds were committed and the outstanding amount of EUR 0.05 million was cancelled.

Table 2. Regular budget (C1) implementation per title

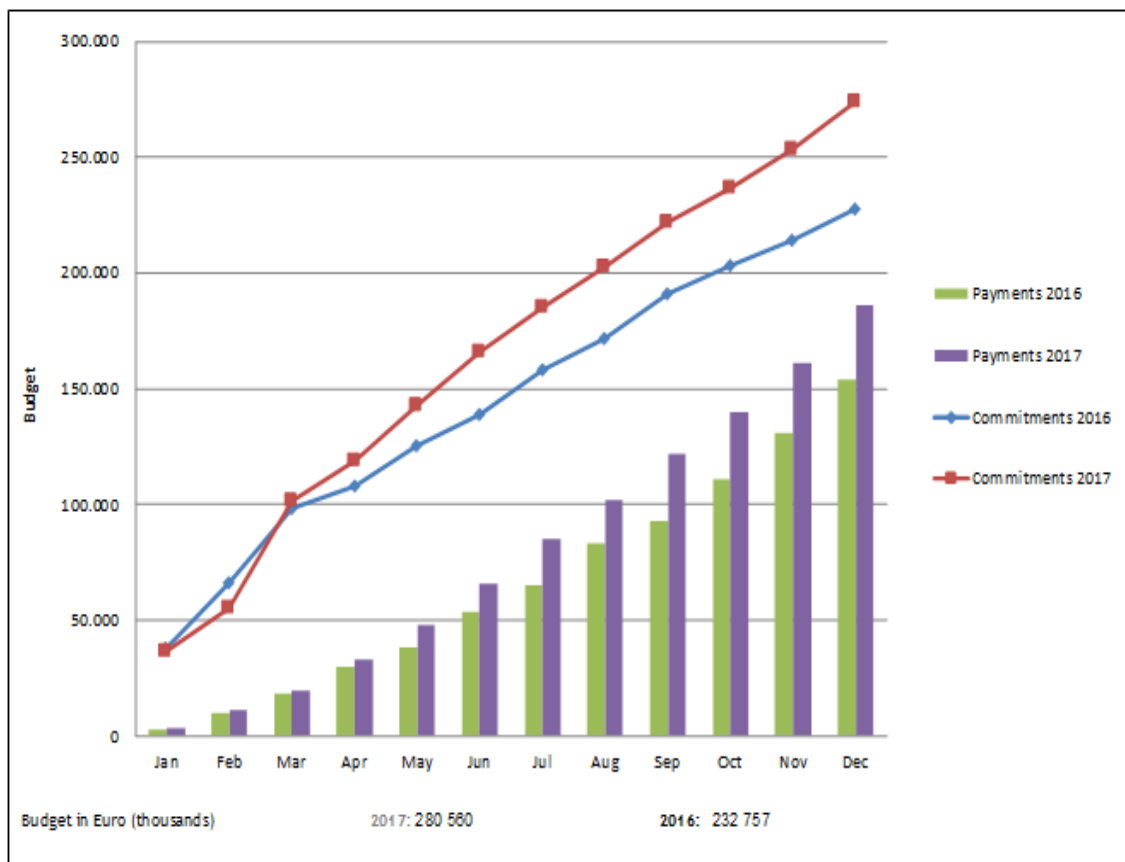
Title	Budget	Total committed		Total payments	
A-1 Staff	33 686 000	31 565 675	94%	31 180 559	93%
A-2 Other administrative expenditure	21 303 600	20 634 111	97%	9 707 846	46%
A-3 Operational activities	225 570 400	221 713 412	98%	145 467 196	64%
Total:	280 560 000	273 913 198	98%	186 355 601	66%

Table 3. Comparison of the performance of budgetary years 2017 and 2016.

The overall percentage level of commitments and payments remained the same as the previous year, namely 98 % in commitments and 66 % in payments. The percentage of funds needing to be carried forward to 2018 was 31 %, compared to 32 % in 2017, and 2 % of the budget appropriations needed to be cancelled.

	2017	2016
Commitments C1	98%	98%
Payments C1	66%	66%
Funds carried forward to the following year	31%	32%
Funds cancelled	2%	2%

Figure 1. Graphical view comparing C1 funds (commitments and payments) in 2017 and 2016



4.2. Information on transfers and amending budgets

In the course of the preparation of the programming document, adjustments were introduced to correct the overestimation of Title 1 (staff related expenditure) and align the 2017 budget with the annual programming document. This was the result of a misunderstanding of the figures provided by the European Commission as indications in the legal financial statement attached to the proposal for the new European Border and Coast Guard regulation. On 28 February the Management Board took Decision 08/2017 adopting the amendment of the *Frontex programming document 2017-2019*, including budget amendment N1.

As a result the overestimation of EUR 20 million under Title 1 was transferred to Title 2 (other administrative expenditure) and Title 3 (operational activities). EUR 6.6 million under Title 2 was to cover the (infra)structural adaptation of the current premises in the light of the significant staff increase. The remaining amount of EUR 13.4 million was transferred to the non-mandatory operational reserve in Title 3 to be used according to the needs of the agency.

On 17 August the Management Board adopted the second amendment to the *Frontex programming document 2017-2019* along with budget amendment N2, focusing strictly on the approval of an ad hoc grant agreement that Frontex was about to sign with the European Commission (DG International Cooperation and Development). The abovementioned amendment did not introduce any further changes to the regular budget appropriations.

On 7 December the Management Board adopted the third amendment to the *Frontex programming document 2017-2019* along with budget amendment N3. The reason behind this amendment was that it had been proved in the course of the year that EUR 21.5 million could not be absorbed by the agency. In agreement with DG Migration and Home Affairs, EUR 20 million was returned to the European Commission, with the remaining EUR 1.5 million representing the reduction in the SACs' contribution. All in all the EUR 20 million that was given back to the European Commission at the end of 2017 is equivalent to the same amount as the overestimated staff budget that was initially allocated by the EU budget authority to the agency as a consequence of a miscalculation of the correction coefficient. EUR 17 million was returned from Title 3, where the budget for return-related activities and the non-mandatory operational reserve had been overestimated and did not keep pace with real developments. A significant increase in the number of return operations and returnees was, however, achieved in 2017. The number of return operations in 2017 was 341, compared to 232 in 2016, and the number of returnees in 2017 was 14 189, compared to 10 698 in 2016. The number of readmission operations from Greek islands to Turkey also increased to 50, with 687 returnees, in 2017, compared to 35 with 908 returnees in 2016. Although Frontex had increased its operational activities and achieved significant improvements, the budgetary allocation also could not be fully used due to political constraints with regard to return and readmission activities. EUR 4 million needed to be given back from Title 1, as the large number of new employees with various profiles could not have been recruited during 2017. The low correction coefficient in Poland continued to negatively impact recruitment in 2017.

In 2017 a total of 16 budget transfers were made in order to further align the budgetary figures with the programming document adopted by the Management Board in November 2016 to respond to the actual needs of the agency as they developed during 2017.

Transfers under Title 1 amounted to EUR 2.6 million, with redistribution of funds needed due to an increase in other external services, supplementary clerical services, the publication of notices, other recruitment costs (use of assessment centres for the selection of new managers) and the initially envisaged appropriations for family, expatriation, installation and daily allowances not being sufficient.

Transfers under Title 2 amounted to EUR 3.5 million, with redistribution of funds being necessary mainly due to increased ICT needs (purchase of new ICT equipment for newcomers, new software licences, purchase of consultancy service for development of tools in SharePoint for the Joint Operations Unit, intranet and document management system), but also increased publications, transportation costs for staff members (social measure), an unplanned event for the entry into force of the Headquarters Agreement and additional funds for the deployment of the two additional FLOs in third countries (Niger, Serbia) and for security equipment for their offices.

Transfers under Title 3 amounted to EUR 32.8 million, mainly covering the following needs.

- Aligning the 2017 budget with the programming document after having received the opinion of the European Commission.
- Implementation of the mixed-crew proof of concept (European Coast Guard activities).
- An increase in deployments for incident validation at the Frontex Situation Centre.
- Additional deployments within JO Flexible Operational Activity Land 2017.
- Additional statistical-analysis software services related to the data-integration feasibility study.
- Lease of Medium Altitude Long Endurance Remotely Piloted Aircraft Systems platform.
- Additional deployment at maritime borders (extended JO Indalo).
- Continuation of the MAS project.

Table 4. Budget transfers in 2017

#	Description	Transaction number	Date	Title 1 – Staff expenditure	Title 2 – Other Administrative expenditure	Title 3 – Operational expenditure
1	Align the budget with POW after COM opinion	FRO.20243	25.01.2017	0	0	8 050 000
2	Increase in legal costs	FRO.20278	31.01.2017	0	3 000	0
3	Align the budget (phase 2) with PoW after COM opinion	FRO.20323	03.03.2017	0	215 000	5 030 000
4	Implementation of Mixed Crew Proof of Concept	FRO.20328	13.03.2017	0	0	600 000
5	LAU needs for damages/compensation and legal expenses	FRO.20362	04.04.2017	0	50 000	0
6	Increase in other external services	FRO.20372	20.04.2017	90 000	0	0
7	Increase in supplementary derical services	FRO.20414	24.05.2017	130 000	0	0
8	Transfer of funds from EUROSUR to RAU; publications increased	FRO.20428	23.06.2017	0	100 000	50 000
9	Savings in rent, increases in other Title 2 expenditure	FRO.20435	26.06.2017	0	133 000	0
10	Increase in deployments for Incident Validation at FSC OPS	FRO.20434	28.06.2017	0	0	300 000
11	Mid-term review of the budget	FRO.20480	01.08.2017	2 195 000	1 420 000	10 765 000
12	Addition a deployments in SBS and ABS	FRO.20542	19.09.2017	0	0	1 900 000
13	Final review of the budget	FRO.20581	18.10.2017	150 000	1 061 000	1 042 708
14	Addition a deployment in SBS and ABS; plus additional funds in ICT needed	FRO.20601	27.10.2017	0	103 513	3 500 000
15	Con tinuation of MAS project; increased transportation cost staff members	FRO.20687	07.12.2017	0	27 000	450 000
16	Purchase of new ICT equipment for newcomers	FRO.20767	20.12.2017	0	431 849	154 153
				2 565 000	3 544 362	31 841 861

4.3. Implementation of appropriations from 2016 carried forward to 2017

The amount carried forward from 2016 to 2017 (C8 funds) amounted to EUR 74.4 million, of which 85 % was paid. The remaining 15 % (EUR 11.1 million) had to be cancelled.

Table 5. Implementation of appropriations carried from 2016 to 2017

Title	Carried Forward	Total payments		To be returned
	A	D	E=D/A	
A-1 Staff	433 722	337 410	78%	96 312
A-2 Other administrative expenditure	6 410 231	5 787 144	90%	623 087
A-3 Operational activities	67 506 370	57 100 594	85%	10 405 776
Total:	74 350 323	63 225 148	85%	11 125 175

4.4. Procurement procedures

In 2017, 1 662 procedures were initiated, of which 1 509 procurement procedures were signed in 2017 compared with 1 167 in 2016. These procedures were initiated either by launching own tenders or using framework contracts (FWCs) concluded by Frontex or by the European Commission. The value of the signed procurement procedures amounted to EUR 92.79 million.

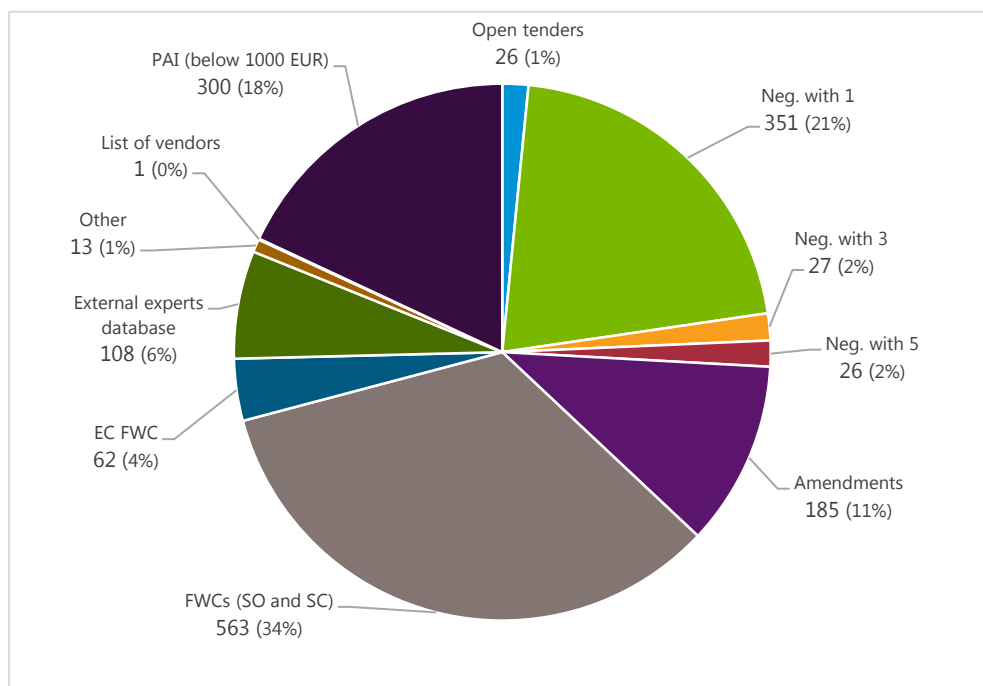


Figure 2. Procurement procedures in 2017 ⁽⁷⁾

A significant increase in the use of FWCs concluded by the agency was noted; the number of contracts signed using such FWCs increased by over 200 compared to 2016. In addition, more FWCs concluded by the European Commission were used by Frontex. The agency could benefit in 2017 from the existence of the FWCs for both its operational and its administrative activities.

The use of the external experts' database, which is not a typical procurement activity but also leads to the conclusion of contracts for service provision, has led to the conclusion of five times as many contracts compared to 2016. At the same time the number of very low-value procedures, payments against invoice, decreased by 10 % compared to the same period in 2016.

(7) PAI — purchase against invoice; EC FWC — European Commission framework contract (Frontex participating); FWCs (SO and SC) — framework contracts (specific order and specific contract); Neg. with 1 — negotiated procedure with one vendor; Neg. with 3 — negotiated procedure with three vendors; Neg. with 5 — negotiated procedure with five vendors.

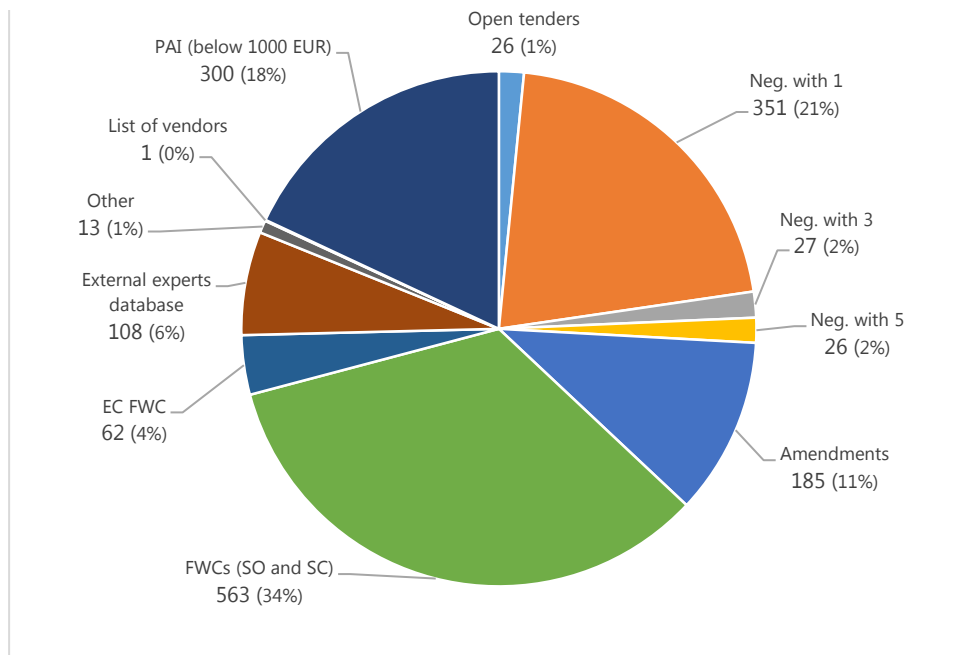


Figure 3. Value of signed procurement procedures (thousand EUR) ⁽⁸⁾

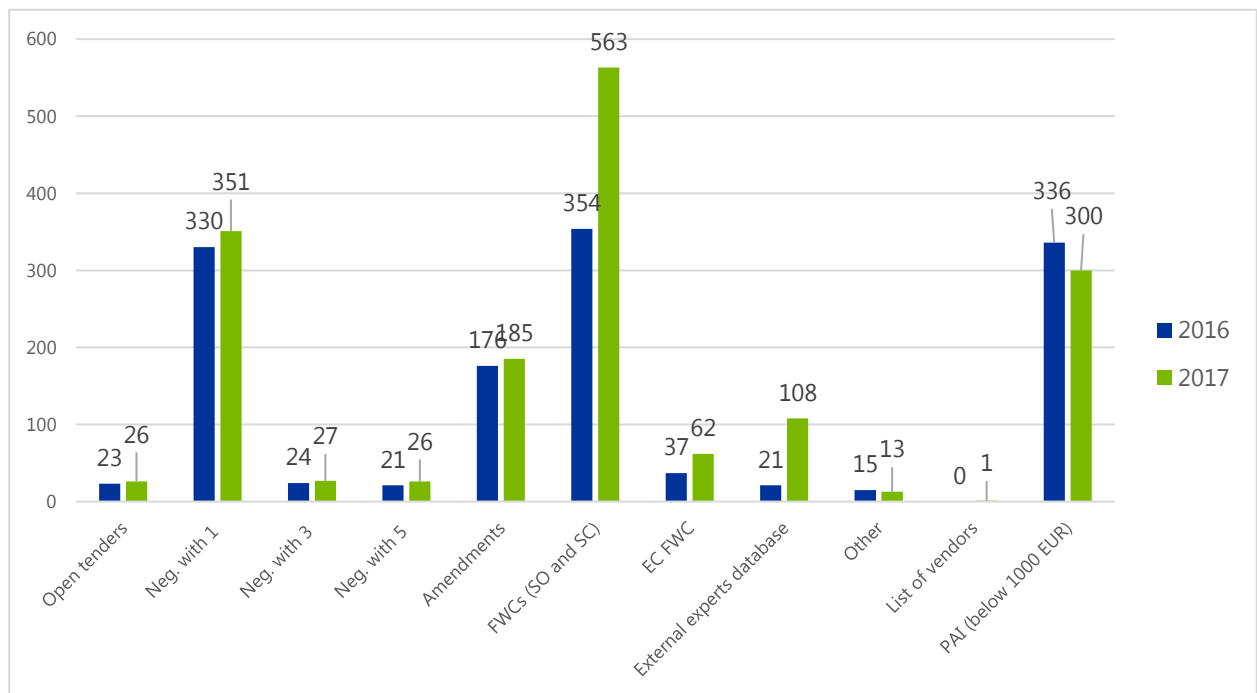


Figure 4. Procurement procedures in 2017 compared to 2016 ⁽⁹⁾

(8) PAI — purchase against invoice; EC FWC — European Commission framework contract (Frontex participating); FWCs (SO and SC) — framework contracts (specific order and specific contract); Neg. with 1 — negotiated procedure with one vendor; Neg. with 3 — negotiated procedure with three vendors; Neg. with 5 — negotiated procedure with five vendors; CDT — Translation Centre; OP — Publications Office of the European Union.

(9) PAI — purchase against invoice; EC FWC — European Commission framework contract (Frontex participating); FWCs (SO and SC) — framework contracts (specific order and specific contract); Neg. with 1 — negotiated procedure with one vendor; Neg. with 3 — negotiated procedure with three vendors; Neg. with 5 — negotiated procedure with five vendors.

4.5. Late payments — interest paid to suppliers

The overall interest charged by suppliers due to late payments (> 30 days) amounted to EUR 5 300.85.

4.6. *Ad hoc* grants and delegation agreements

External assigned revenue concerns funds that do not originate in voted EU appropriations for the agency, but that are received for the execution of specific contracts or agreements from external financing parties or from other European Commission directorates-general. According to the financial regulations these appropriations cannot be mixed with others, therefore they are shown separately under Title 4 of Frontex's budget.

The appropriations corresponding to assigned revenue are made available automatically, both as commitment appropriations and as payment appropriations, once the revenue has been received by the agency. External assigned revenue is carried over automatically and must be fully used by the time all the operations relating to the programme or action to which it is assigned have been carried out.

Frontex is currently running three grant agreements and one delegation agreement, all funded by the European Commission, as listed below.

- Grant agreement 'Strengthening of Africa–Frontex Intelligence Community (AFIC) in the fight against organised crime and the smuggling of migrants', signed with the European Commission (DG International Cooperation and Development) on 10 August 2017; budget of up to EUR 4.0 million for 3 years starting in September 2017.
- Grant agreement 'Eastern partnership IBM' (regional capacity-building project), signed with the European Commission (DG International Cooperation and Development) on 20 June 2014; budget of up to EUR 4.5 million for 3 years starting in 2014.
- Grant agreement 'IPA II' (regional support for protection-sensitive migration management in the western Balkans and Turkey) signed on 22 December 2015; total budget EUR 5.5 million, implementation period of 36 months from 1 January 2016.
- Delegation agreement on 'Copernicus 2015-2020' with the European Commission, represented by DG Internal Market, Industry, Entrepreneurship and SMEs, signed on 10 November 2015, entrusting Frontex with the service component implementation tasks, in line with Regulation (EU) No 377/2014 establishing the Copernicus programme. The indicative budget amounts to EUR 47.6 million, implemented until 31 December 2020.

4.7. Human resources management

4.7.1. Human resources developments

2017 was the second year of the 5-year growth cycle following the adoption of the new European Border and Coast Guard regulation, which significantly increased resources in the area of budget and staff. To this end the agency continued to recruit additional personnel at higher rates (compared to the 'cruising levels' of previous years).

During the year 208 new recruitments were concluded (newcomers who took up duties after the selection procedure and after the medical check-up); by end of 2017 about 40 % of all staff were newcomers who had joined Frontex during the year.

Frontex's human resources services also looked into the possibility of increased efficiency in recruitment processes. A new e-recruitment system that facilitates the registration of applications and the management of recruitment procedures became operational in late summer 2017. Also, in order to increase the visibility of published job vacancies, Frontex diversified its communication channels, including through the creation of a LinkedIn account where the vacancies are advertised.

In the course of 2017 Frontex continued to implement new or revised human resources policies, namely on:

- guidelines on internal mobility: new Executive Director decision to promote and regulate staff mobility within the agency — applicable for temporary agents and contract agents;
- policy on contracts of employment: new Executive Director decision with general principles on the duration and renewal of contracts — applicable to temporary agents and contract agents;
- policy on traineeships: new Executive Director decision to review the rules of the previous decision (2013) and regulate the selection process for trainees;
- decision on seconded national experts: new Management Board Decision 12/2017 repealing the old decision adopted in 2008;

Other human resources developments worth mentioning, which started during 2017 and for which implementation is envisaged in 2018, are:

- a working-time registration system,
- a competency framework,
- procurement of medical services,
- a start-up phase for joining the Sysper2 project.

4.7.2. Recruitment

Table 6.

Process	Volume/quantity	Additional comments
Recruitments completed = newcomers joining Frontex in 2017 (A)	173	Figure refers to new staff members without a former employment contract with Frontex
Recruitments completed = change of contract and/or status in 2017 (B)	35	Figure refers to staff member appointed to a new position after having successfully participated in an external competition
Total recruitments completed (A + B)	208	
New external procedures started/published in 2017	36	Several procedures covered more than one post to be filled
Departures	23	Figure refers to staff members that left the organisation
Internal reassignments	7	Figure refers to staff members that have been reassigned in the interest of the service

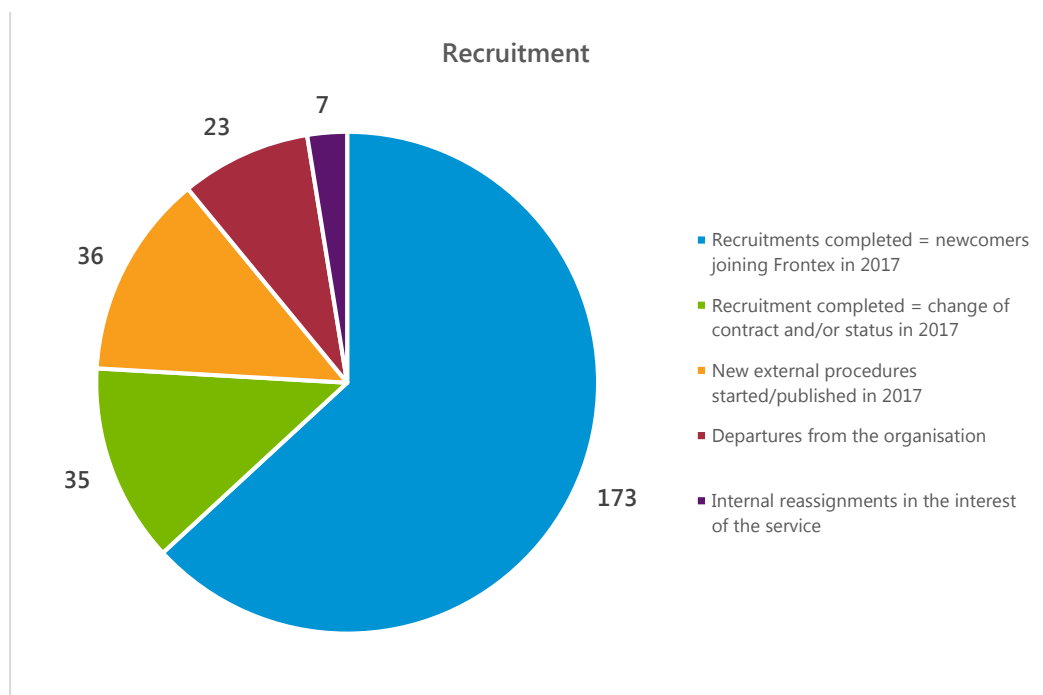


Figure 5. Staff issues 2017

4.7.3. Staff development and training

Process	Volume/quantity	Additional comments
Appraisal	353 appraisals processed	98 % of appraisals were finalised; no complaints under Article 90 (2) There were four appeals filed to the appeal assessors within the appraisal procedure as per Article 7 of the appraisal rules for temporary staff and Article 7 of the appraisal rules for contract staff
Reclassification	90 jobholders eligible (46 temporary agents and 44 contract agents)	The process for 2017 is still ongoing
Probation	150 probationary periods started in 2017	So far all contracts have been confirmed after the probationary period (some probationary periods to be finalised in 2018)
Contract renewal	39 renewal procedures started in 2017 (for contracts ending in 2018)	<ul style="list-style-type: none"> 1 process ongoing 36 contracts renewed 2 decisions to let the contract expire in view of staff's requests to retire No complaints under Article 90(2)
Training	<ul style="list-style-type: none"> In-house language courses: 23 groups in the spring semester (5 languages: DE, EN, ES, FR and PL) — 165 participants 31 groups in the autumn semester (6 languages: DE, EN, ES, FR, IT and PL) — 276 participants other in-house courses — 306 participants external courses — 134 participants 	It should be noted that apart from language courses, other in-house courses and external courses, the leadership and management development programme was successfully continued in the course of 2017

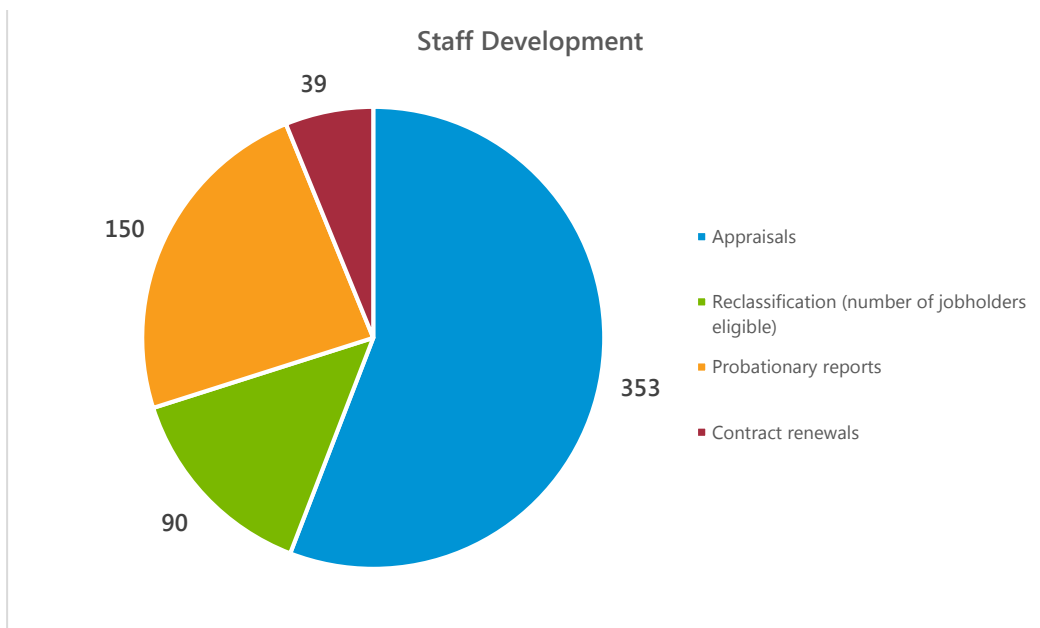


Figure 6. Staff development

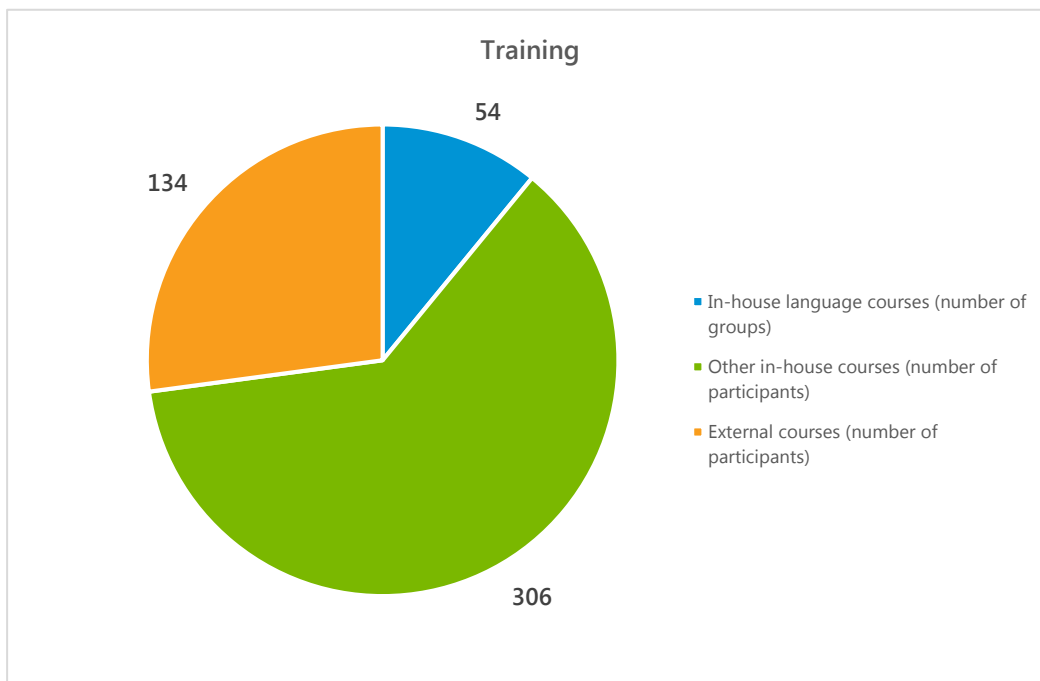


Figure 7. Training

4.7.4. Job screening

The job screening ⁽¹⁰⁾ exercise was carried out in accordance with the guidelines defined by the EU Agencies Network and based on staff figures including temporary and contract staff and national experts on 31 December 2017.

Table 7.

Type/role	Number	As a percentage of all staff	Category	Number	As a percentage of all staff
Administrative support	88	16.73 %	Document management	5	0.38 %
			Human resources management	31	5.89 %
			Information and communication technology	20	3.80 %
			Logistics	29	6.08 %
			Head of resources	3	0.57 %
Coordination	31	5.89 %	Legal Advice	18	3.42 %
			Communication/information	7	1.33 %
			General coordination	3	1.14 %
Overhead	33	6.27 %	Finance, non-operational procurement and quality management ⁽¹¹⁾	33	6.27 %
			Linguistic	0	0.00 %
Operational	374	71.11 %	Top-level operational coordination	13	2.47 %
			Programme management implementation	113	20.91 %
			Evaluation and impact assessment	75	14.26 %
			General Operational	176	33.47 %

4.8. Assessment by management

4.8.1. *Ex ante* controls

The *ex ante* controls in the agency are embedded in the financial circuit; *ex ante* financial verification plays a vital role in the *ex ante* controls.

Out of 22 088 financial transactions, the financial verification function in the agency processed 12 258 commitments and payment transactions in 2017. 100 % of the commitments and 44 % of payments were verified by the Financial Services department, showing an increase compared with previous years. In 2017 four full-time equivalents perform the financial *ex ante* verification.

(10) Job screening undertakes to distinguish what types of job are assigned to certain functional entities (divisions, units, sectors).

(11) Functionalities such as internal control and quality management are allocated under this group.

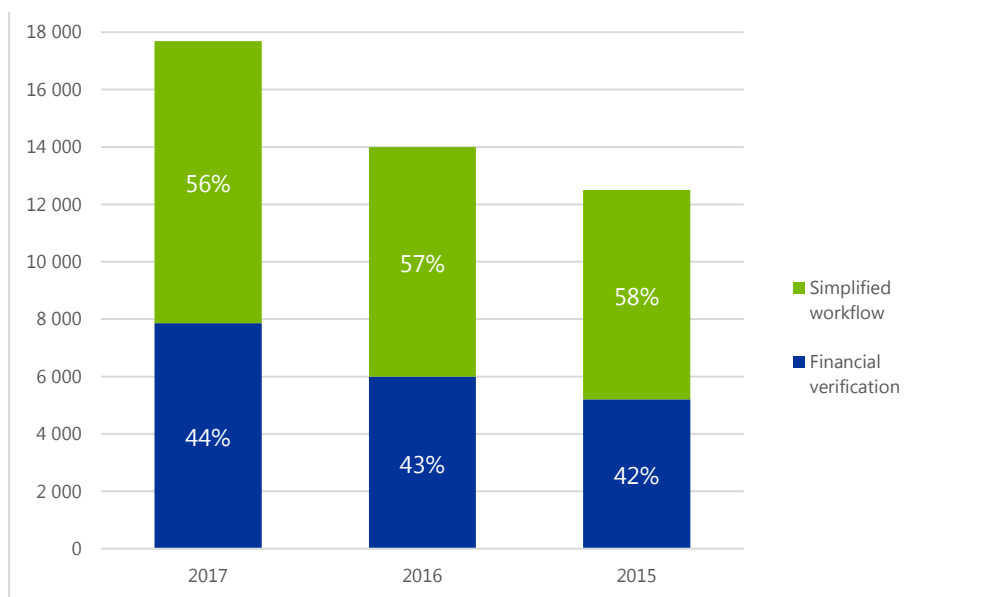


Figure 8. Number of payments verified by the Financial Services department (2017, compared with 2016 and 2015)

During 2017 Frontex continued its efforts to strengthen the *ex ante* control framework, in particular in the case of joint operations, pilot projects and return operations due to their high value. In 2017 Frontex verified supporting documents substantiating the request for final payment for 708 grants. The final total amount checked increased significantly to EUR 84.4 million, covering 67.7 % of the total amount paid, compared to EUR 60.5 million with 49 % coverage in 2016.

4.8.2. *Ex post* controls

In 2017 the agency followed its policy on *ex ante* and *ex post* controls. According to Executive Director Decision No 2016/126 on policy on *ex ante* and *ex post* controls, *ex ante* controls are complemented by *ex post* controls carried out in house or on the spot at the beneficiaries' premises. The total annual coverage shall reach a minimum of 50 % of the amount. Additional *ex post* controls performed by another agency on a mutuality basis complements the scheme. The reference period for selecting the population is set for the period from 1.7.n-1 to 30.6.n. The controls shall be finalised in due time to include the results in the annual activity report of year n.

In 2017 the *ex ante* control relating to grants paid reached 51 %, therefore no complementary *ex post* controls of grants were carried out.

Since 2014 Frontex has had a service-level agreement with the European Institute for Gender Equality (EIGE) on the bilateral exchange of experts in order to mutually perform *ex post* controls. As a result, in 2017 Frontex carried out an *ex post* control exercise at EIGE, checking whether the internal control system ensures the compliance of the transactions with the financial rules and internal procedures. In return, EIGE supported Frontex in performing the control on the validation of user access rights granted in ABAC (the Accrual-based Accounting System). This control resulted in a short report indicating small shortfalls in the rights encoded in ABAC. All inconsistencies detected were corrected by Frontex and led subsequently to the strengthening of the internal controls.

To complete the picture, within the remit of the Copernicus Delegation Agreement, Frontex carried out an *ex post* control of the costs claimed under the service-level agreement with the European Union Satellite Centre for the delivery of imagery and analysis. The *ex post* control of expenditure covered the following.

Table 8.

Year	Budgeted total according to the contract (EUR)	Real cost reported by the European Union Satellite Centre (EUR)	Controlled ex post (EUR)	%
2016	3 345 000.00	2 703 124.39	980 732.74	36 %
2017	3 220 000.00	1 019 659.65*	253 083.00	25 %

* Period from 1.1.2017 to 30.6.2017.

No irregularities that would have led to recoveries were found.

5. Management and internal control

Internal control is a process that helps an organisation to achieve its objectives and sustain operational and financial performance, respecting rules and regulations. It supports sound decision-making, taking into account risks to the achievement of objectives and reducing them to acceptable levels through cost-effective controls. Internal control applies to all activities, irrespective of whether they are financial or non-financial.

Due to the expanded mandate and responsibilities for Frontex under the new European Border and Coast Guard regulation, Frontex assessed the adequacy of the agency's internal control framework (ICF) established by Management Board Decision No 24 of 25 June 2009. Accordingly, the ICF of the European Commission should form the basis for that of the agency. On 19 April 2017 the European Commission introduced changes to its ICF; consequently, Frontex's ICF was revised as well.

To appropriately and effectively address the objectives of the revision, Frontex decided to change from a compliance-based to a **risk-based** approach. This approach enables the agency to act according to strategic directions ensured by internal control processes and mechanisms that provide the Executive Director with reasonable assurance that the agency delivers effectively even in cases of business disruption.

As a result, the **revised Frontex ICF** was adopted by the Management Board on 22 November 2017.

The revised Frontex ICF defines the five major components (i.e. the **building blocks that underpin the framework's structure** and support the agency in its efforts to achieve its objectives), namely: (1) control environment; (2) risk assessment; (3) control activities; (4) information and communication; and (5) monitoring activities. These five components are **interlinked and must be present and effective at all levels of the agency** in order for the internal control of Frontex operations to be considered effective.

In order to facilitate the implementation of the revised ICF, and management's assessment of whether each of the abovementioned components is present and effectively functioning (in harmony), each component consists of several principles (17 principles in total). Working with these principles helps to provide reasonable assurance that the agency's objectives are met, as they specify the actions required for effective internal control.

Following the adoption of the Management Board decision on the **revised ICF**, the Executive Director was mandated to implement the framework and to conduct an overall assessment of the presence and functioning of all internal control components at least on an annual basis (for the first time at the latest in the context of the annual activity report for 2019), and in particular to carry out the following actions.

- Establish and/or streamline the processes, structures and functions to accommodate changes resulting from the revision of the Frontex ICF, and in particular the processes of risk management, control, planning and evaluating, reporting and communicating.
- Ensure that there are adequate resources for efficient and consistent implementation, and effective assessment of the internal control system.
- With support of the internal control coordinator, take appropriate actions to establish and manage the revised ICF implementation plan. The internal control coordinator shall facilitate the process and support the managers in defining the baselines and targets for internal control indicators, taking into account their specificities and risks, and improving the awareness and understanding of the ICF by all staff, in particular through training, information and support activities.

Since the decision of the Management Board on the adoption of the **revised ICF** entered into force in November 2017, the activities and status of the internal control system in Frontex have been gradually adapted to the new framework. During 2018 the transformation as a whole should be completed, enabling a full assessment to be performed against the revised ICF.

Given that the changes to the ICF took effect during 2017, the internal control assessment presented herein is based on the tools and methods established under the framework of 2009, already updated to some extent with regard to the revised framework adopted in November 2017.

At the first stage the changes impact the process of assessment, which is carried out by management, which monitors the functioning of the internal control system on a continuous basis. The status of the internal control system is summarised in the internal control coordinator's periodical reports, and discussed during the regular internal control management meetings. The first internal control management meeting in the year following the annual assessment is dedicated to discussions and conclusions on the annual assessment of internal controls in the agency ⁽¹²⁾.

The internal control management meeting conclusions are drafted on the basis of the following dedicated reports.

- The internal control coordinator's regular reports based on the evaluation of the Frontex corporate risk log and exceptions register, and contributing to the periodic (at least quarterly) assessment of the effectiveness of the internal control system.
- The opinion of the internal auditor, the Internal Audit Service (IAS), as expressed in audit reports and in its assessment of the implementation of post-audit recommendations.
- The opinion and observations of Frontex's external auditor (the European Court of Auditors) and Frontex's response.

These reports result from a systematic analysis of the available evidence. This approach provides 'reasonable assurance' ⁽¹³⁾ as to the completeness and reliability of the information reported. The control results and other elements that support management's assurance are detailed below as follows: control results, audit observations and recommendations, and assessment of the effectiveness of the internal control system. The inputs are used to provide the conclusions as regards the assurance.

Following the process established by the ICSs adopted in 2009, the declarations of assurance of the Deputy Director, the directors of divisions, the heads of units and, where appropriate, other subordinated entities in the hierarchy were collected and presented to the Executive Director as input into and supporting documents relating to his declaration of assurance as the authorising officer ⁽¹⁴⁾.

5.1. Control results

Frontex has a set of ICSs in place that specify the necessary requirements, actions and expectations to build an effective system of internal control that can provide reasonable assurance on the achievement of Frontex's objectives.

(12) The meeting concluding on the assessment of the internal control in 2017 presented herein (26 April 2018).

(13) An internal control system, no matter how well designed and operated, cannot provide an absolute guarantee regarding the achievement of an entity's objectives. This is because of the inherent limitations of any control system and the possibility of deliberate human intervention to circumnavigate controls.

(14) After the revised Frontex ICF is fully operational, the declaration of assurance by the Executive Director will be complemented by the statement of the internal control coordinator, both attached to the annual activity report (for the annual activity report of 2019, and onwards), following the templates included in the revised Frontex internal control system.

The internal control system also includes a number of internal procedures, for example guidance on conflicts of interest, a code of good administrative behaviour and procurement procedures. New internal procedures are introduced when necessary and existing procedures are revised at regular intervals.

In accordance with ICS 8 Frontex has a procedure in place to ensure that overrides of controls or deviations from established processes and procedures are documented in exception reports, justified, duly approved before action is taken and logged centrally.

The control assessment results presented in the internal control assessment report (Section 5.1.1), the report on the exceptions (Section 5.1.2), the risk assessment report (Section 5.1.3) and the audit reports (Section 3.2).

5.1.1. Internal control assessments

In the course of implementation of the revised ICF, the risks and issues logged in the Frontex improvements log was consolidated, enabling prioritisation of actions during the year. As a result of this exercise a consolidated Frontex improvement log was established to serve as a source for the internal control monitoring and reporting concluded on a regular basis in the internal control coordinator reports. The log is based on multiple sources, including the exceptions register report, the Frontex corporate risks log, the conclusions of the quarterly internal control management meetings, IAS audit recommendations, and external auditors' findings and recommendations.

Other issues are identified on an ad hoc basis, at the internal control management meetings or during the annual evaluation of the internal control system.

The internal control assessment results presented below summarise the regular assessments of the controls performed during the year, focusing on:

- the Action plan for the improvement areas to be implemented in 2017;
- exceptions registered in 2017;
- risk assessment reports;
- audit reports and observations;
- the results of the internal control annual assessment of 2017.

5.1.2. Action plan for improvement areas to be implemented in 2017

The following actions were defined based on the assessment of the internal control system performed in 2016.

ICS	Improvement actions	Status 2017
All	To strengthen the internal control system by increasing awareness	Implementation of the revised ICF and endorsement of the regular internal control coordinator reports and internal control management meetings served to increase awareness. The effort need to be continued in the following periods.
1	To review the mission statement and vision.	Completed. The mission, vision and organisational values were reviewed in 2017 with the deep engagement of staff and management and with a focus on embedding it into the delivery of all of the organisation's processes.
2	To update the organisational values	
3	To strengthen HR-related processes, especially those related to staff selection and motivation	Completed. The risk related to recruitment was downgraded due to the actions performed in 2017, including: <ul style="list-style-type: none"> • the launch of the HR business partners concept (decentralised service model); • the launch of the internal staff mobility policy; • the launch of the e-recruitment system; • the launch of the Sysper2 project in cooperation with the Commission; • reviewed induction training for newcomers; • the launch of the leadership and development programme; • the launch of the change management workshops and the review of the vision, mission and values of the organisation; • the start of restructuring the organisation (launch of the project boards); • the successful organisation of a number of hostile-environment awareness training courses for staff; • the updated 'Code of conduct for all persons participating in Frontex operational activities' and 'Code of conduct for return operations and return interventions'; • the signature and entry into force of the Headquarters Agreement; • the signature of the legal document (notarial deed) for the transfer of land; • the strengthening of the optimal use of existing human resources; • the increasing visibility and attractiveness of recruitment campaigns using social media tools.
4	To improve training and career development in Frontex	Completed by endorsing the internal mobility policy and other actions.
5	To align Frontex organisational structure, functions, roles and responsibilities with the new mandate and objectives	Launch and completion of eight projects to implement elements of the new organisational structure by the end of 2017. Alignment of rules and procedures including revised roles and responsibilities.
6	To strengthen the risk management process	The risk-based reporting system was implemented in 2017, strengthened by the revised ICF contributing to improved risk management at unit level.
8	To develop, adopt, implement and control new processes, rules and procedures	Being implemented as part of the revised ICF.
10	To strengthen business continuity	The following developments were delivered in 2017. <ul style="list-style-type: none"> • New alternative premises and the alternative disaster-recovery site were established. • The crisis-management process was assessed, modified, implemented and tested. • Several components of business continuity in facilities management were implemented. The implementation of the revised comprehensive policy adopting all developments performed in 2017 is a priority.

The overall status of implementation of actions planned for 2017 is assessed as satisfactory; however, the workload driven by external factors (e.g. migration flows, potential weaknesses and vulnerabilities in the management of the EU's external borders) will impact on the further operationalisation of the new mandate and other changes in the agency's internal and external rules (e.g. processing personal data).

5.1.3. Register of exceptions — overview of 2017

Exceptions recorded in 2017 followed the process described in procedure of recording and monitoring of exceptions (Executive Director Decision No 2015/88), addressing ICS 8: ‘the Agency shall ... track and give prior approval to control overrides or deviations from policies and procedures’.

In 2017, 75 exceptions were registered with an overall amount of EUR 4 016 521. The table below represents the statistics for the whole of the year 2017, and provides a comparison with the previous years, showing the positive trend in number of exceptions and their total amount.

Table 9.

Year	No of exceptions	Amount (EUR)	Ratio (%)
2017	75	4 016 521	2.14
2016	124	8 358 939	4.64
2015	81	1 001 605	0.80
2014	73	1 661 106	1.77
2013	66	854 480	0.89
2012	116	2 182 397	2.21
2011	101	3 452 011	5.35

The key control indicator set for the exceptions is to keep the ratio of the amount covered by the exceptions to the total payment made during the period below 2 % (best practice). This objective was nearly achieved in the year 2017 (total), with the key performance indicator at the level of 2.14 %. This ratio was mostly driven by one single exception with an amount of around EUR 2 million, caused by urgent requests resulting from the migration crisis. By excluding this single exception the indicator for the whole of 2017 would remain well below the level of 2 %.

Overall, the control indicator and other parameters show a positive tendency (impacted mainly by the dynamics of the migration crisis). However, the establishment of a dedicated inspection and control entity and *ex post* controls performed while preparing this report identified events that would further influence the above indicator. At least one case relating to the conclusion of a contract for the rental of additional working spaces concluded in 2017 is expected to decrease the indicator for 2018.

Based on the exception register’s monitoring process and conclusions on possible improvements, the agency decided to strengthen the control over exceptions in a comprehensive way, i.e. by the revision of the procedure on the recording and monitoring of exceptions, which is part of the implementation of the revised ICF.

This revision focuses on streamlining and adding qualitative checks at an early stage of an event. It also includes practical guidelines for monitoring any type of event.

The 2018 annual control plan provides for a comprehensive review of high-value procurement procedures executed since November 2015.

5.1.4. Risk assessments

The Frontex’s corporate risk management process builds on the continuous assessment of risks, developing and incorporating response plans and ongoing revision of the measures. During 2017 six internal control reports provided information on the actual status of risk exposures, assessing their likelihood and impact.

Nine corporate risks with the highest risk exposure were identified at beginning of the year for frequent monitoring and reporting to the executive management.

In the margins of the implementation of the annual work programme 2017, but also during the internal revision of the ICF, these corporate risks were evaluated and assessed once again and updated in the course of the year.

At corporate level the following main groups of risks were identified as potentially having a negative impact on the delivery of Frontex's mandate.

- Competing new events and initiatives, together with an insufficient record of the baseline of the originally planned objectives, might not allow the delivery of Frontex's mandate to be controlled effectively.
- The quality and efficiency of Frontex's deliverables may be affected by insufficient centralised data governance.
- The low number of applications resulting in unsuccessful procedures and the relatively high internal turnover of staff driving unplanned recruitment exercises are putting the recruitment plan at risk.

The Frontex corporate risk log (April 2017) has been reviewed to introduce controls on the implementation of the response plans. The corporate risks were organised according to response plans so as to decrease the likelihood of risks effectively. Following this exercise seven response areas were identified, with three of them being followed up with detailed response plans implemented in 2017.

Planning and change management

The internal control process (based on the enhanced planning and evaluation process) has been redesigned by:

- providing the monthly internal control coordinator reports;
- organising the quarterly internal control management meetings.

This internal control platform was used to update the plans and assess change initiatives recorded in between the regular planning cycles, integrating information on use of human, technical and financial resources.

Two quarterly internal control management meetings took place in 2017.

Corporate data management

The projects on data modelling and the IT architecture of Frontex continued in 2017, with results expected in 2018 (design phase) and subsequent years (implementation phase).

HR recruitment effectiveness

The risks for recruitment were further analysed to understand the causes and implement appropriate measures (see status of recommendations described under Section II.3.1.1 of the *Action plan for the improvement areas to be implemented in 2017*).

The low correction coefficient has been further highlighted as a factor outside of the agency's internal controls that has an impact on the number of candidates applying for posts with Frontex; the relevant statement was included in the IAS strategic audit plan dated 5 September 2017 ⁽¹⁵⁾.

5.1.5. Other internal or external developments concerning Frontex that are relevant to the assessment of corporate risks

Change in the organisational structure

The reorganisation of the agency's structures was approved by the Management Board in June 2017, impacting the allocation of resources. The new organisation chart provides for the inclusion of mitigation measures in terms of control, such as the placement of procurement and *ex post* control activities under hierarchical lines that are independent of the Finance and Corporate Services Unit and the allocation of the internal control function to a fully fledged detached inspection and control office independent of the division responsible for the management of resources. The Management Board indicated that the assessment of the new structure's adequacy should be performed in February 2018. This review may result in changes in the particular areas. The continuing uncertainty entails a risk for the organisation, requiring adequate measures and managerial controls.

5.1.6. Conclusion of the Headquarters Agreement

The Headquarters Agreement between Frontex and the Polish government was ratified by the Polish parliament, and entered into force on 1 November 2017. The Headquarters Agreement has an effect on several of the agency's processes, with major consequences on working conditions and the management of facilities.

One of the resulting projects is the construction of the new headquarters building on land provided by the Polish government. Due to the size of the financial and human resources required for the project over the next few years, this undertaking requires appropriate risk management, including the establishment of appropriate controls. The programme/project is currently in the inception phase.

According to the Headquarters Agreement the Polish government is committed to facilitating the establishment of an accredited European School in Warsaw and reimbursing the schooling costs for non-Polish employees of Frontex until such an accredited European School is functional. This provision should serve as an important asset for the advertising of jobs at Frontex. However, these developments are out of the agency's direct supervision; the appropriate controls will be set up following the Headquarters Agreement's implementation plan to monitor the progress and impact on the recognised recruitment risk.

5.1.7. *Ex post* controls

See Section 4.8.2.

(15) 'Given that the country correction coefficient calculation method is based on the Staff Regulations, it is outside of the internal control powers of the Agency. As such the risk that the Agency fails in its mission to recruit staff from across the EU rather than from a few countries remains high. The nature of the Agency's operations depends upon having staff from across the EU and therefore the associated risks of failure to implement the budget and achievement of objectives are also increased.'

5.2. Audit observations and recommendations

5.2.1. The European Court of Auditors

The European Court of Auditors is required to provide its final opinion on Frontex's accounts 'no later than 1 June of the following year'. Therefore, the Court of Auditors' opinion on Frontex's accounts for 2017 was not available at the time the *Annual activity report 2017* was prepared. The opinion of the Court of Auditors on Frontex's accounts for the year ending 2016 is provided below, as this sheds some light on the adequacy of the internal control system.

Opinion on the reliability of the accounts

In the Court's opinion, **the agency's annual accounts present fairly, in all material respects**, its financial position as at 31 December 2016 and the results of its operations, its cash flows and the changes in net assets for the year then ended, in accordance with the financial regulation and the accounting rules adopted by the European Commission's accounting officer.

Opinion on the legality and regularity of the transactions underlying the accounts

In the Court's opinion, the transactions underlying the annual accounts for the year ending 31 December 2016 **are legal and regular in all material respects**.

Comments on the legality and regularity of transactions

The previous founding regulation, which was in force until 5 October 2016, provided for the funding of JROs carried out with participating countries. National return operations only became eligible under the new founding regulation. However, in the period January to October 2016 the agency funded national return operations to the amount of EUR 3.6 million. These payments are irregular.

The Staff Regulations provide that, in the case of an external selection procedure, temporary staff can only be recruited at grades SC 1 to SC 2, AST 1 to AST 4 or AD 5 to AD 8. In 2016 the agency recruited 14 staff at higher AST grades. The recruitments at these grades are irregular.

Comments on budgetary management

The level of carry-overs for committed appropriations increased to EUR 6.4 million for Title II, i.e. 43 % (2015: EUR 3.2 million, i.e. 38 %) and to EUR 67.3 million for Title III, i.e. 37 % (2015: EUR 40.2 million, i.e. 35 %). The main reason is contracts and operations extending beyond year end. The agency may consider introducing differentiated budget appropriations to better reflect the inevitable delays between legal commitments, contract implementation and operations and the related payments.

The level of cancelled carry-overs from 2015 was high for Title III at EUR 6.4 million, i.e. 16 %, due to an overestimation of 2015 costs that still had to be reimbursed to participating countries in 2016. There is a need to obtain more precise cost estimates and more timely cost reporting from cooperating countries.

Comments on financial management and performance

Under the agency's mandate high importance is attached to return operations, to which EUR 63 million had been assigned in the 2016 budget. However, EUR 3 million (37.5 %) was repaid to the EU budget since fewer return operations were carried out than envisaged. The significant delay in the procurement procedure for a EUR 50 million framework contract to charter aircraft and related services contributed to this situation.

The launch of this procurement procedure was planned for March 2016, but it had not been started by year end.

In December 2015 the European Commission and the agency signed a grant agreement amounting to EUR 5.5 million on providing regional support to protection-sensitive migration management in the western Balkans and Turkey for a 3 year period starting on 1 January 2016. However, cooperation agreements (legal commitments) with the three partners (EASO, the International Organisation for Migration and the United Nations High Commissioner for Refugees), amounting to EUR 3.4 million, were only signed between August and November 2016. Budget commitments amounted to EUR 1.2 million, covering only the pre-financing payments. Such a procedure is in breach of the financial regulation's rules, and the late signature of the agreements caused uncertainty in relation to operational cooperation between the partners.

Other comments

The establishment plan for 2016 provides for 275 posts. By the end of 2016 only 197 (71 %) of these posts were filled, mainly due to the fact that 50 new posts were only established in October 2016 and recruitment still had to be completed. The agency traditionally experiences difficulties in finding staff with the required profile, partly because of the salary correction coefficient (66.7 %).

5.2.2. The discharge authority's (European Parliament) observations and measures taken by Frontex

The European Parliament granted discharge to Frontex in respect of the implementation of the agency's budget for the financial year 2015 ⁽¹⁶⁾. The main areas in which the European Parliament made comments are listed below.

- More efficient and cost-efficient funding mechanism to be used for financing the agency's operational activities.
- Greater exchange of information between Frontex, the JHA agencies and Member States.
- Improve strategic programme planning, strategic objectives, monitoring, reporting and key performance indicators.
- Headquarters Agreement.
- Increase in adequate resources and staff in the Fundamental Rights Office.

Frontex has taken measures in light of the discharge authority's recommendations. Summary points are provided below.

- A new simplified grant-financing scheme has been developed and approved, with entry into force as of 1 February 2018.
- The new regulation provides the agency with an extended mandate with regard to the exchange of information, and the agency is implementing it in compliance with the data-protection rules in force.
- With the amended mandate, which has a considerable impact on annual and multiannual planning, the agency is using the opportunity to develop relevant objectives and indicators.
- The Headquarters Agreement was concluded and was ratified by the Polish parliament, and entered into force on 1 November 2017.
- The FRO team has been enhanced with five new staff members since 2016 and is now composed of seven staff members.

⁽¹⁶⁾ Given the timing of the Parliament and Court of Auditors' work their observations relate to 2015. The discharge for the 2016 accounts was given on 18 April 2018.

5.2.3. Audits — Internal Audit Service

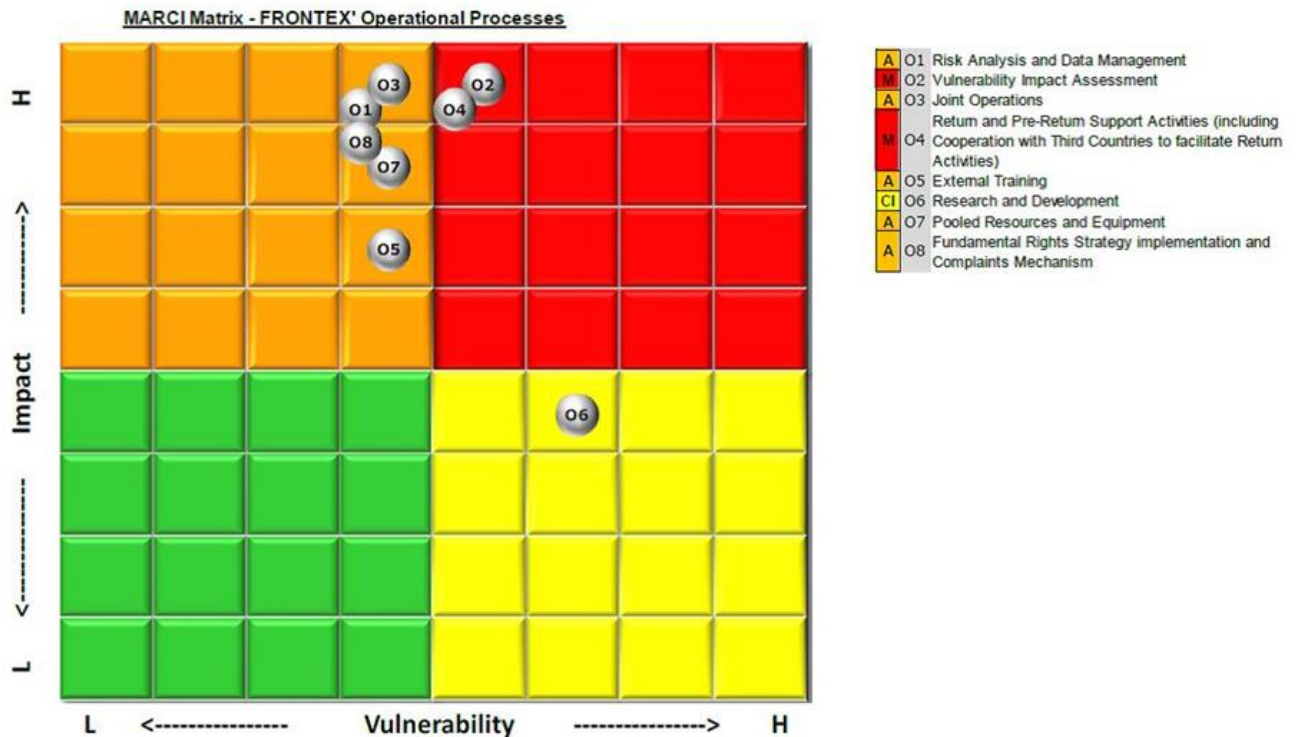
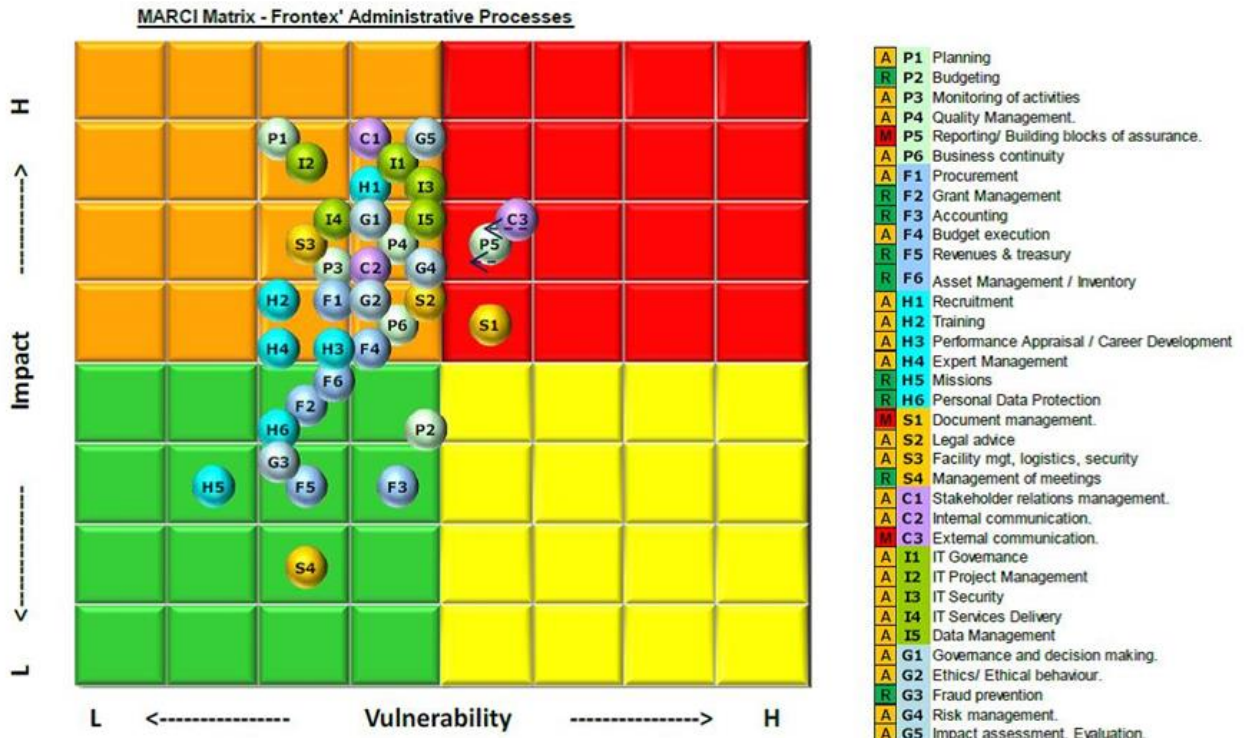
In accordance with Article 82(2) of the Frontex financial regulation, internal auditing at Frontex is performed by the European Commission's IAS.

By the end of 2017 no recommendations issued by the IAS in previous years and classified as 'critical' or 'very important' were 'open'. Seven other recommendations classified as 'important' were 'pending' (i.e. open), but five of them have a deadline later than the end of 2017 (2018 and 2019).

Nine (important) recommendations with a deadline for implementation before the end of 2017 were reported as being 'ready for review', meaning that the related implementation measures had been taken and they are awaiting final review by the IAS.

During 2017 the IAS performed a risk assessment of the agency's processes to define the 2017-2019 strategic audit plan. The on-site visit was performed by the auditors in February 2017, leading to conclusions on the status of risks.

FRONTEX Risk Map for 2017 - 2019



In the report issued on 5 September 2017 the results of the risk assessment were summarised in a matrix (the Frontex risk map). All the processes and sub-processes reviewed, both administrative and operational, were positioned in the matrix according to the perceived risk — both inherent and residual risks that remain if/when pertinent controls are in place.

The objective of the matrix's presentation is to map the processes according to their maturity in relation to risks and related controls. The processes positioned in the orange zone are perceived to be satisfactorily controlled and, either individually or combined with others, will likely be the proposed future audit topics to provide further assurance to management on the effective functioning of the controls. Processes in the red zone still need to be improved through more effective controls and their progress will be monitored annually. Processes in the green zone may be reviewed to identify possible simplification and efficiency improvements. Processes in the yellow zone should be assessed to determine whether the cumulative risks could have a more significant impact and should therefore be mitigated by specific measures.

The IAS concluded that Frontex needs to improve its existing controls or put in place additional controls (see table below) for the sub-processes that have been placed in the red quadrant of the risk map ('Enhance risk mitigation'). The objective is to improve the controls in all of these processes to a level of maturity that will enable Frontex to move them to the orange zone of the risk map ('Assurance').

The agency focused on implementing necessary measures to address the IAS observations and present all processes below as **ready for review**, with the following status.

Sub-processes identified by IAS as requiring further action to improve controls, based on review in February 2017	Status achieved in 2017
C3. External communications	Responding to the findings of the previous reviews and own assessments by the agency, the Media and Public Relations team has been established in the new organigram, directly subordinate to the Executive Director. The Media and Public Relations team has been staffed and its processes and functions have been further detailed.
O2. Vulnerability assessment	<p>The vulnerability assessment ⁽¹⁷⁾ methodology has been defined and documented and is fully operational. It includes three sub-processes:</p> <ul style="list-style-type: none"> • sub-process to assess readiness to face upcoming challenges; • sub-process to identify immediate consequences; • sub-process to assess contribution to the rapid-reaction pool. <p>The list of objective indicators has been identified and is being monitored. The first two sub-processes are fully operational. The third sub-process (contribution to the rapid-reaction pool) is intentionally being carried out for the first time only in 2018; the envisaged revision of the common vulnerability assessment methodology is a regular part of the roll-out.</p>
O4. Return and pre-return support activities (including cooperation with third countries)	<p>The phase-in (of Frontex)/phase-out (of the European integrated return management initiative and EU return liaison officers) is already being implemented gradually and is planned to be finalised at the end of the financial cycle in 2021.</p> <p>The outcome of the mapping exercise is expected to provide significant added value for an enhanced needs assessment. The compilation of Member States' responses has been finalised; targeted tailor-made actions have been in development since the fourth quarter of 2017 and will continue in 2018.</p>
P5.1. Reporting/building block of assurance	<p>The new risk-based corporate reporting process (including decision-making on risks) is being established. The decision on the updated Frontex ICF was adopted by the Management Board adoption in November. The process of establishing reasonable assurance has been streamlined to fully serve the new requirements as of the implementation of the 2018 annual work programme.</p> <p>The procedure applying to the management of exceptions and non-compliance events is ready for adoption at the beginning of 2018.</p>
S1. Document management system	The centralised document management system has been implemented. In course of 2018 the P/R drive-based systems will be gradually disabled and withdrawn from use.

Following the strategic audit plan for 2017, the IAS performed an audit on contract management. The audit focused on performance aspects for the most significant contracts assisting the agency in its aim of obtaining the best value for money from its contractual commitments.

The series of interviews were handled with the key staff involved in the procurement and inventory-management procedures and samples of the contracts were reviewed. At the time this report being was prepared no IAS conclusions on this topic were available.

(17) Vulnerability assessment is the evaluation of the Member States' preparedness to deal with current and even unforeseen events affecting border management at the national and EU levels.

5.3. Assessment of the effectiveness of the internal control system

For the assessment of the internal control system as of the end of 2017, a modified process, as adopted by the decision of the Executive Director of May 2017, was applied. By means of this decision, regular, structured internal control building blocks were established that provide regular management reports ⁽¹⁸⁾.

For each internal control requirement, **the level of control** and the **effectiveness of the control** are assessed.

The **level of control** is mainly determined by findings summarised in the regular reports of the internal control coordinator; these are discussed and accepted by the heads of units, directors of divisions, Deputy Executive Director and Executive Director at quarterly internal control management meetings. During the meetings the availability of evidence for the different internal control requirements (as identified in the guidelines on measuring the effectiveness of ICSs) is assessed.

The assessment of the **effectiveness of control** is based on the level of implementation of audit recommendations and improvement actions; the results of the risk assessment; the outcome of the self-assessment survey collected from all directors of divisions, heads of units and heads of offices; and the conclusions of the first internal control management meeting in 2018. Based on the individual assessments, an average is created.

The figure below provides a numerical summary of the results of the assessment of the internal controls as of the end of 2017 (a scale from 1 to 5 is used, in which 1 is low and 5 is high).

⁽¹⁸⁾ The following reports were issued in course of 2017.

- *Action plan for the improvement areas to be implemented in 2017.*
- *Internal Control Service strategic audit plan 2017-2019.*
- Corporate risk assessment report, issued in May 2017.
- Six internal control coordinator reports summarised in the year-end report of 2017 issued in January 2018.
- Four quarterly reports on the exceptions summarised in the annual report of 2017 issued in February 2018.
- Conclusions and action points of the three internal control management meetings.

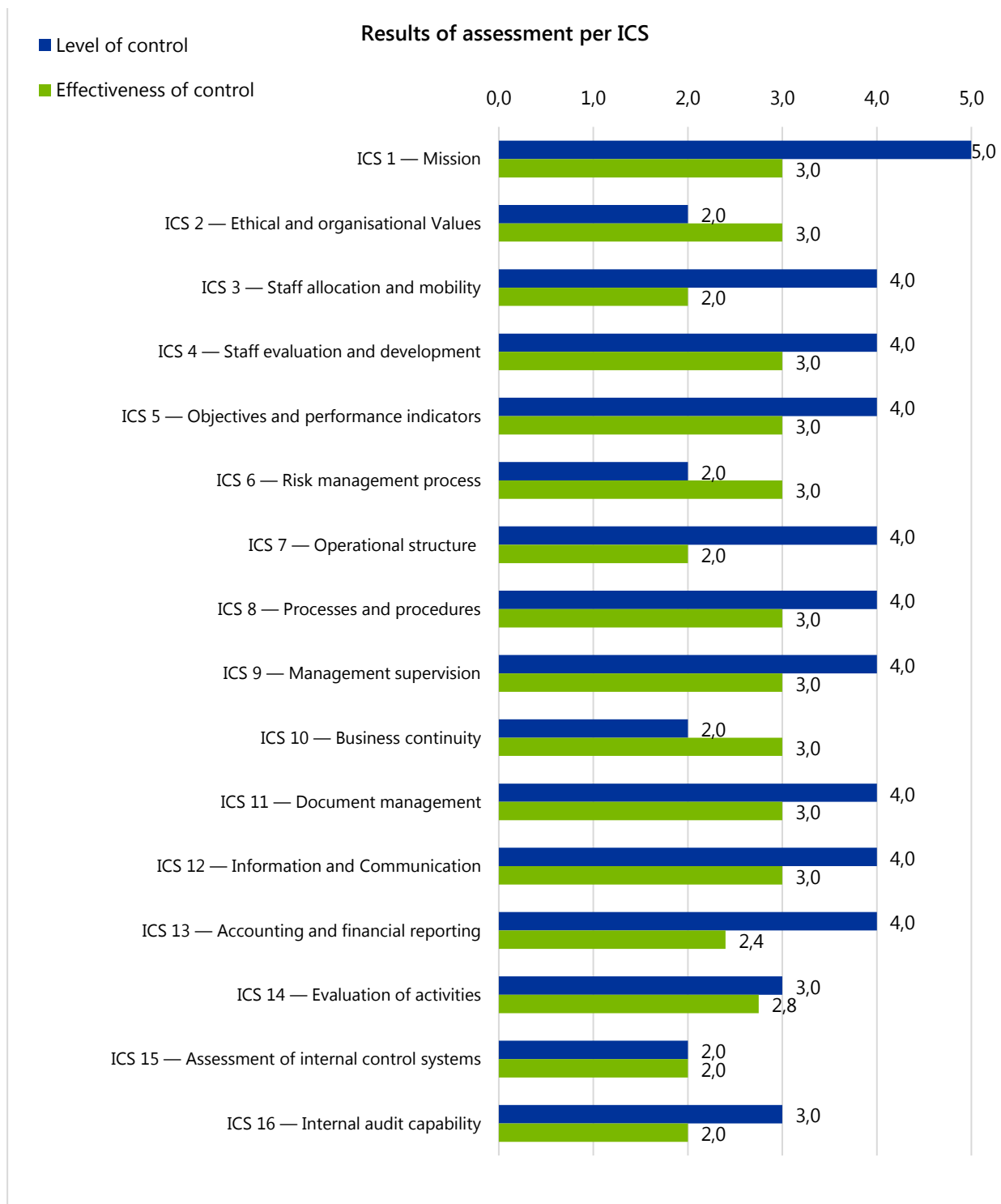


Figure 9.

The matrix below relates the level and the effectiveness of controls. This enables an assessment of the efficiency of the different controls.

A very high level of controls (i.e. a high level of documented control measures) might still be a weakness in the internal control system if those controls are not effective (i.e. recognised). Such a high level of control could instead create an obstacle to achieving process efficiency. It is therefore important to have an appropriate, balanced level of controls.

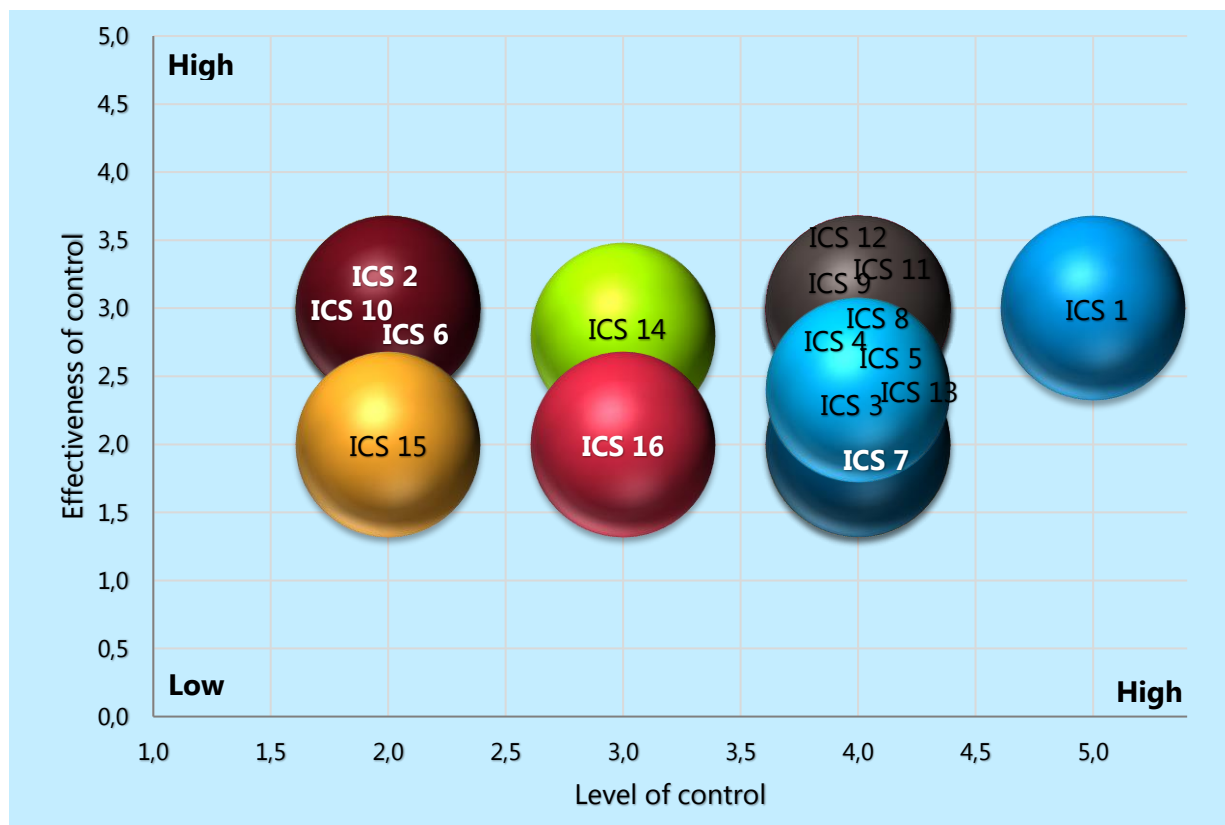


Figure 10. The level of effectiveness of the internal control system in 2017

Conclusions and areas for improvement

The average level of controls amounts to **3.4** and the level of effectiveness to **2.7**. As the result of the implementation of the revised ICF, the ambition of the agency is to increase both factors to **4.0**.

The most efficient controls are those with a reasonable (low) level of controls achieving a high level of effectiveness (e.g. ICS 2 and ICS 10).

The least efficient are those having a high level of controls but a low effectiveness (e.g. ICS 3, ICS 7 and ICS 13). ICS 1 is very effective, however it has the highest level of control measures.

An overall assessment of the controls in place shows that the controls related to ICS 6 — Risk management process and ICS 10 — Business continuity are mostly effective.

ICS 3 — Staff allocation and mobility and ICS 7 — Operational structure were assessed as requiring major improvements. Following the reorganisation of the Frontex structures adopted by the Management Board in June 2017, both areas are covered by development projects, which should increase the effectiveness of the controls.

5.4. Conclusions as regards assurance

Overall conclusion

Based on the internal control assessment process, the directors of divisions, who were in charge of risk management and internal control of the activities performed by the division under their managerial remit, confirmed that the state of internal control in their division during 2017 was duly reported, and the information provided and represented in Annex 4 to this report is, to the best of their knowledge, accurate and complete.

Following these statements, and in accordance with the outcome of the overall internal control assessment process for the year 2017, it can be concluded that the ICSs are functioning effectively. However, as described above, there are areas in which improvements are needed. This is especially important given that there will be a continued increase in both financial and human resources until 2020. The significant changes in the mandate of the agency will further impact Frontex's activities, its internal organisation and the way it interacts with Member States and other external stakeholders. It is anticipated that these changes will put a major strain on the internal control system, thus putting the focus on the revised ICF.

The information reported above stems from the results of internal control assessment processes, audits and monitoring, and is contained in the reports listed in footnote 18 above. This approach provides sufficient guarantees on the completeness and reliability of the information reported and provides comprehensive coverage of Frontex's budget.

In reviewing the elements supporting the assurance as described and the evidence as presented in this annual activity report some areas for improvement were identified. However, they do not rise to the level of a 'reservations'.

6. Declaration of assurance

I, the undersigned,

Executive Director of Frontex, the European Border and Coast Guard Agency,

In my capacity as authorising officer, declare that the information contained in this report gives a true and fair view (19).

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

This reasonable assurance is based on my own judgement, on the information at my disposal (including that provided by managers that reported to me) and on such work as the annual assessment of the internal control system, ex ante and ex post controls and the findings and observations of the Internal Audit Service and the European Court of Auditors for years prior to the year of this declaration.

I confirm that I am not aware of anything not reported here which could harm the interests of Frontex.

Although I have not specified any 'reservations', the attachment to this declaration specifies areas where significant improvements can be made to the internal control system.

Warsaw

[signed]

Fabrice Leggeri

(19) True and fair in this context means a reliable, complete and correct view on the state of affairs in the Agency.