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Delegations will find attached a **new** version of document COM(2011) 857 final.

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(correction d'une erreur dans le titre ainsi que deux fautes de grammaire dans le texte)

**REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE  
COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE  
COMMITTEE OF THE REGIONS**

**on the results achieved and on qualitative and quantitative aspects of implementation of  
the External Borders Fund for the period 2007-2009 (report submitted in accordance  
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**1. INTRODUCTION**

For the period 2007-2013 the European Union established the General Programme Solidarity and Management of Migration Flows with a total allocation of 4.032, 23 million Euros, as currently programmed. It consists of four Funds and its aim is a fair share of the responsibilities between Member States as concerns the financial burden arising from the introduction of an integrated management of the Union's external borders and from the implementation of common policies on asylum and immigration<sup>1</sup>.

One of the four Funds is the External Borders Fund<sup>2</sup>, established for the period 2007 – 2013 with a total envelope of 1.820 million Euros. This amount is supplemented by the contributions from the Schengen Associated States, Norway, Iceland, Switzerland and Lichtenstein, participating in the Fund as of 2010.

**Table 1: External Borders Fund - EU budget 2007-2013**

<b>Budget in '000 €</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013**</b>	<b>Total</b>
<b>EU budget</b>	170.000	169.500	185.500	207.500	253.500	349.100	481.200	1.816.300
<b>Contributions Associated States</b>	-	-	-	23.417*	16.262	21.018	28.971	88.668
<b>Total</b>	<b>170.000</b>	<b>169.500</b>	<b>185.500</b>	<b>230.917</b>	<b>268.762</b>	<b>370.118</b>	<b>510.171</b>	<b>1.904.968</b>

\* The amount includes the 2009 and 2010 contributions

\*\* The 2013 figures are estimates

The basic act establishing the Fund requires the Commission to submit an intermediate report on the results achieved and on qualitative and quantitative aspects of the implementation of the Fund<sup>3</sup>.

The report presents results achieved by the annual programmes 2007-2009 as collected on the basis of reports from Member States in the second half of 2010<sup>4</sup>, completed with information

<sup>1</sup> COM(2005)123 final

<sup>2</sup> Decision No 574/2007/EC, OJ L144, 6.6.2007, p.22

<sup>3</sup> Article 52(3)(b) of Decision No 574/2007/EC

<sup>4</sup> A compilation and the country reports are available at [http://ec.europa.eu/home-affairs/funding/borders/funding\\_borders\\_en.htm](http://ec.europa.eu/home-affairs/funding/borders/funding_borders_en.htm)

available with the Commission in the first quarter of 2011. These results are intermediate pending the approval of the final reports on the implementation of the programmes<sup>5</sup>.

The report also provided input in the reflection process on the future instruments.

## 2. THE PURPOSE AND SCOPE OF THE FUND

The general objective of the Fund is to help Schengen States comply with one of the key obligations under the Schengen acquis, namely to ensure efficient, high level and uniform controls at the external borders. In addition, it contributes to the development of the common visa policy while tackling irregular immigration on one hand, and facilitating legitimate travel to the Member States, on the other hand. Since all Schengen participating Member States benefit from the principle of free movement of persons, every Member State in the Schengen area has an interest in the effectiveness with which others control the external borders for which they are responsible. Consequently, a high level control of the external borders is the necessary corollary to the free movement of persons within the EU.

The External Borders Fund entered into force in the new geopolitical context which arose in the aftermath of the enlargement of the European Union in 2004 and with the decision to lift the internal borders and extend the Schengen area with 9 Member States in December 2007, which shifted the location of the external borders, suppressing part the external land borders (mainly in Germany and Austria) and introducing new physical external border to guard on behalf of the other Schengen States.

The External Borders Fund addresses the issues arising from this new context and puts in place a mechanism for sharing responsibility for border management among all participating Member States in accordance with the principle of solidarity.

Accordingly, the Fund contributes to achieving the key EU policy objectives in the area of border management and visa:

- achievement of efficient, high level and uniform controls at the external borders through reinforcement of the **integrated border management system**;
- support for the development, preparation, implementation, management and coordination of **large-scale IT systems**, needed for **effective border checks, migration control and visa procedures**, notably the second generation Schengen Information System (SIS II) and the Visa Information System (VIS), including their biometric aspects;
- further development of the **common visa policy**, to facilitate legitimate travel, tackle illegal immigration, fight against visa fraud and improve local consular cooperation.

In the period 2007-2009, 23 Member States participated in the Fund. The United Kingdom and Ireland do not participate in the Fund. In accordance with its Protocol, Denmark opted in the Fund. In the period 2007-2009, Bulgaria and Romania, on the basis of the Act of Accession to the EU, benefited from the Schengen Facility II (Schengen part of the Cash

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<sup>5</sup> Article 51 of the basic act

Flow and Schengen Facility), in preparation of these countries' joining the area without internal borders. The nature of expenditure under this Facility principally coincided with eligible expenditure under the Fund. Hence, Bulgaria and Romania began to participate in the Fund only after its expiry, i.e. as of 2010. Also, three Associated States, Norway, Iceland and Switzerland, take part in the Fund as of 2010 only.

The Fund is mainly implemented by the Member States<sup>6</sup>, in the **shared management method**. On the basis of EU strategic guidelines and in dialogue with the Commission, each beneficiary state developed a multi-annual programming strategy on the use of the resources allocated to them under the Fund. The strategy constitutes a framework for the implementation of actions through annual programmes. The annual programmes set out the measures to be implemented in the Member States, defining their purpose and scope, the beneficiaries, the expected results and the financial envelope. The annual programmes must be coherent with the strategy set out in the multiannual programme.

Actions implemented by Member States are co-financed by the Fund within the five priorities laid down in these EU guidelines<sup>7</sup>: (1) the gradual establishment of the common integrated border management system (infrastructure and equipment, border control); (2) national components of a European Surveillance system for the external borders and a permanent European Patrol network at the Southern maritime borders; (3) the issuing of visas and the tackling of illegal immigration (consular offices and consular cooperation); (4) IT systems required for the implementation of EU legal instruments (SIS, VIS) and (5) the effective and efficient application of EU acquis on external borders and visas (Schengen Borders Code, Visa Code, training, risk analysis, core curriculum).

The Fund's contribution to projects in Member States is set at 50 % of the total costs of an action and at 75 % for Member States covered by the Cohesion Fund and for actions reflecting specific priorities mentioned in the strategic guidelines.

As part of the programmes for Lithuania, support is provided to the implementation by Lithuania of the **Special Transit Scheme (STS)** for Russian Federation citizens travelling on EU territory to and from the Kaliningrad region. The STS provides support to compensate for foregone fees from transit fees and additional cost involved in implementing the scheme in accordance with Protocols of the Act of Accession into the EU and the specific priorities in the basic act. In the period 2007 -2010, each year 15 million was made available. In the period 2011-2013, 16 million is available each year. The Fund is the successor instrument to the Special Kaliningrad Transit Programme (2004-2006), which endowed Lithuania with 40 M€ to implement the scheme.

Besides the contribution to the national programmes, up to 6% of the Fund's available resources may be reserved for **Community Actions (CA)**, essentially to support visa policy and emergency situations at external borders. The projects are carried out in the direct management method and the Fund's contribution may amount to 90% of the total eligible costs of an action.

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<sup>6</sup> This term when used in general hereafter for this Fund applies to both Member States and Associated States

<sup>7</sup> OJ L233, 5.09.2007, p.3

In addition, up to 10 million € each year is available under the **Specific Actions (SA)** addressing weaknesses at strategic border crossing points. The Fund's contribution may not exceed 80% of the total eligible costs of an action. The measures are meant to complement the activities carried out under the national annual programmes. Whereas the programmes allow for more strategic interventions, the specific actions are reserved for needs arising at specific border sections identified in a risk analysis carried out by the Frontex Agency. The EU financial assistance is limited to a period of maximum 6 months.

### 3. THE INPUTS FROM THE UNION IN 2007 – 2009

#### 3.1. EU resources made available to Member States and matched national funding

The total envelope for the annual programme of each Member State is defined on the basis of specific and objective criteria which reflect the situation of the Member State with regard to the obligations undertaken on behalf of or for the overall benefit of the Union in the policy area concerned. To apply the criteria, quantitative data is used which reflects the efforts undertaken by each Member State such as the size of the external borders to be protected and the number of persons crossing them, number of consular offices and workload necessary for visa management<sup>8</sup>.

The resources available for the Fund are increasing every (see table 1). In the reporting period nearly 30% of the overall envelope for the Fund was made available for actions implemented under both shared and direct management, amounting to 525 M€.

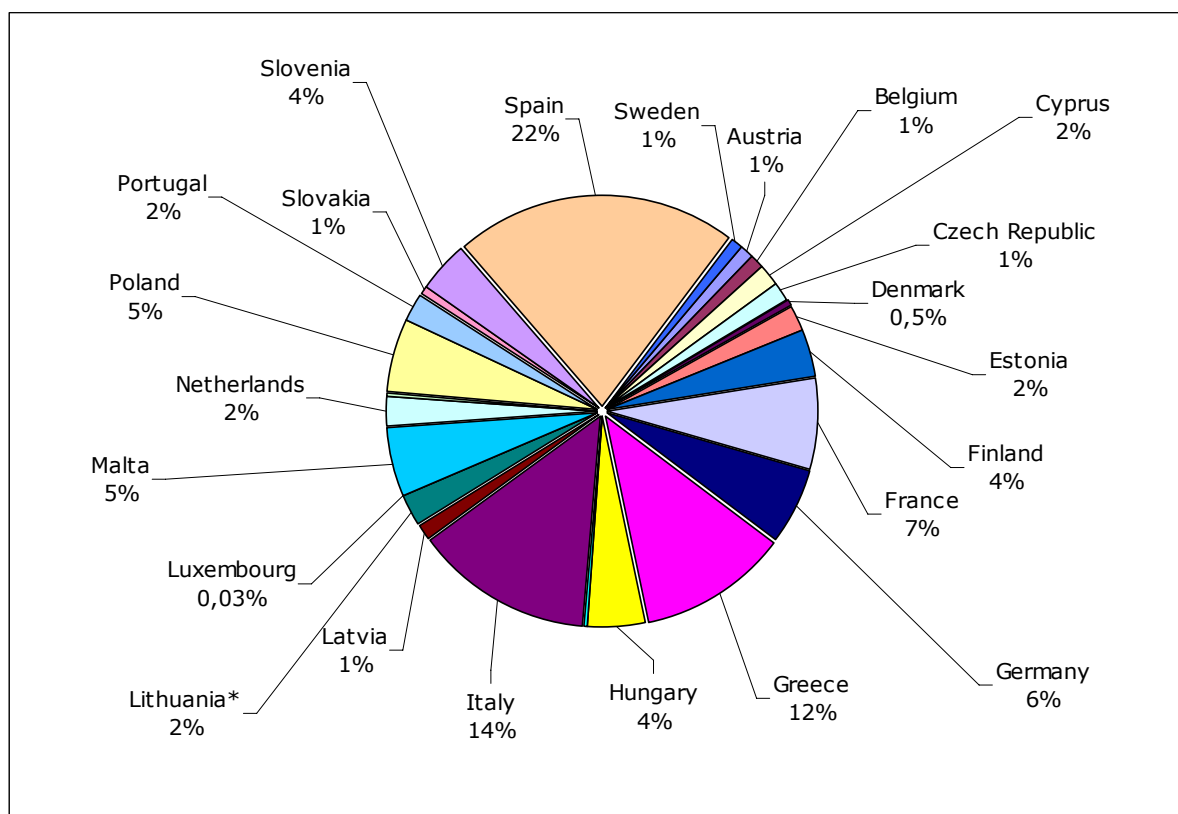
Table 2: EU budget EBF 2007-2009

EBF allocations in '000 €	2007	2008	2009
<b>Member States totals</b>	144.800	134.330	154.872
<b>Special Transit Scheme</b>	15.000	15.000	15.000
<b>Community Actions</b>	10.200	10.170	5.628
<b>Specific Actions</b>	0	10.000	10.000
<b>TOTAL</b>	170.000	169.500	185.500
<b>Total 2007-2009</b>	<b>525.000</b>		
% of total 2007-2013	28%		

For the first three years, 69 annual programmes were approved, committing EU resources of over 434 M€.

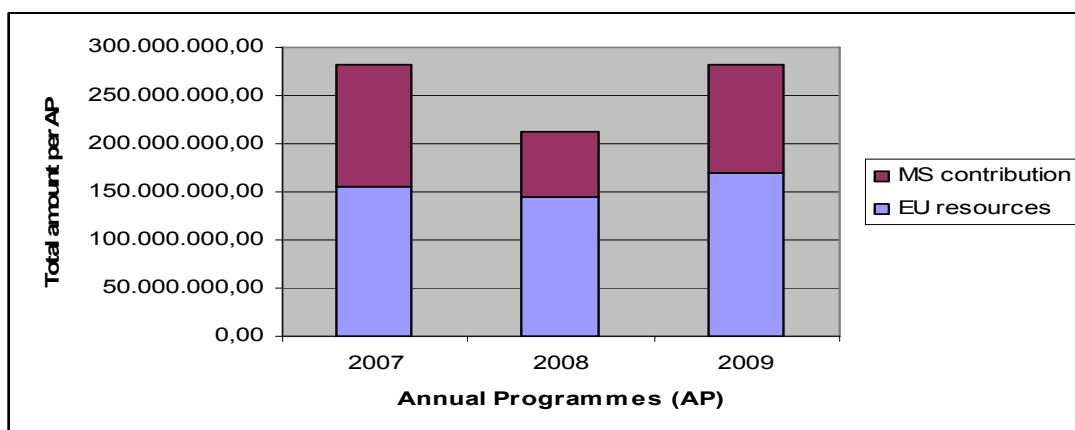
<sup>8</sup> For further information see COM (2011)448 and SEC (2011)0940 on the application of the criteria for distribution of resources among the Member States under the External Borders Fund, the European Fund for the Integration of third-country nationals and the European Return Fund

Graph 1: 2007-2009 EU resources for national programmes



- **Main beneficiaries** were **Spain** (94,4 M€), **Italy** (59,8 M€) and **Greece** (50,7 M€). Their aggregate allocation amounted to nearly 50% of the total for all participating Member States.
- If the amounts allocated for the **Special Transit Scheme** are taken into account, the overall allocation to **Lithuania** for the period 2007-2009 amounted to 55,4 M €, thus making Lithuania the third most important beneficiary of the Fund, before Greece.
- In terms of financial resources allocated, the following seven Member States received between 3% and 7% of the total 2007-2009 allocations and can be considered **medium range beneficiaries**: France (30,3 M€), Germany (24,5 M€), Poland (23,8 M€), Malta (22,8 M€), Hungary (19,4 M€), Finland (16,4 M€) and Slovenia (16,1 M€).
- The remainder of Member States received between 0,03% and 2% and may be classified as **small range beneficiaries**: Austria (4,5 M€), Belgium (5,2 M€), Cyprus (7,5 M€), Czech Republic (5,6 M €), Denmark (2,1 M€), Estonia (8,8 M€), Latvia (5,3 M€), Luxembourg (0,14 M€), The Netherlands (9,8 M€), Portugal (9,3 M€), Slovakia (3,4 M€) and Sweden (4,1 M€).

Graph 2: EU resources and matched national funding 2007-2009



For 2007, 2008 and 2009, Member States planned **matched funding** for respectively 125,9 M€, 68,3 million € and 111,7 M€. The resources allocated to technical assistance for the management of the Fund in the Member States amounted respectively to 6 M€, 6,5 M€ and 6,6 M€.

As for the spending rate as reported in the course of 2010, the overall consumption of the appropriations by the Member States for the first years has been high (around 90% for 2007 and 2008). The rate for 2009 is at 70% but reporting did not cover the entire implementation period. Several main beneficiary Member States, such as Spain, Lithuania, Malta, have consistently committed the entire allocation. For Italy and Greece there have been lower rates (90% and between 60-70%).

### 3.2. EU resources reserved for Community actions and Specific actions

13.591.710 € has been committed for the implementation of the Community Actions during the reporting period. This amount covers 14 projects on cooperation between Member States on immigration liaison officers and 4 on setting up common application centres in third countries. These actions were designed with a view to ensuring coordinated implementation of common visa policy at local level, while sharing responsibilities and pooling resources available. One example of improved collaboration in this area is the "Schengen House" project in Kinshasa by Belgium together with Portugal. This enabled resources to be shared resulting in a decrease in the costs of visa handling. Such projects facilitate and improve the implementation of European visa policy and pave the way for other Member States to direct their policies towards reaching the objectives of the Stockholm programme on the intensification of regional consular cooperation. They prevent the fraudulent issuing on visas and create momentum for moving to a new stage in the development of the common visa policy, while taking into account Member States' competences in this area.

Moreover, studies were carried out on concepts for border surveillance infrastructure, a secure communication network and a pre-frontier intelligence picture within the framework of a European Border Surveillance System (EUROSUR), cooperation between border guards and customs administrations working at the external borders of the EU and an EU Electronic System for Travel Authorization (ESTA).



In the period 2008-2009, 18.397.314 € was committed for Specific Actions co-financed at border sections in Italy, Greece, Malta and Spain indicated as at maximum risk in the Frontex assessments. The measures reinforce the capacities of Member States faced with increased migratory pressures. For example, in Italy, to decrease the pressure at maritime borders, *inter alia* multidisciplinary teams (including linguists and psychologists) and equipment were deployed in order to improve identification of migrants. In Greece, patrolling motorcycles were purchased to enhance the surveillance capacity of the Hellenic Coast Guard along the shores of the eastern Aegean Sea. Greece has also planned to implement a project aiming at establishment of an integrated surveillance system at a particular stretch of the border with Turkey.

#### **4. PREPARING IMPLEMENTATION IN THE MEMBER STATES**

##### **4.1. Launching the Fund**

The Commission adopted **implementing rules** for the Fund<sup>9</sup>, common to all four Funds, in order to ensure a harmonised application and establish common templates for programming and reporting. The rules set out selection procedures and criteria for eligibility of expenditure incurred under the Fund. Another important part of the guidance consisted in the preparation, in close cooperation with Member States, of a **manual on eligibility**, with practical examples and best practices on project management. Information sessions on the rules on eligibility of expenditure were organised and the manual was regularly updated. Further general guidance was provided at meetings of the "**SOLID Committee**" and in three **conferences** on the Funds (in 2008 on the Funds in general and in 2009 for audit authorities and on programming and evaluation).

##### **4.2. Putting in place assurances on the regularity and legality of spending**

While Member States are in charge of the management of the funds under the programmes, the Commission bears ultimate responsibility for the overall legal framework and for the implementation of the EU budget. This responsibility is exercised by delegating certain tasks to the Member States, subject to the necessary supervision and reporting. To that end, Member States are responsible for setting up a **management and control system** in accordance with the requirements set out in the basic act.

Member States designated a (1) Responsible Authority, responsible for the management of the programme, where appropriate supported by a delegated authority, (2) an Audit Authority, responsible for verifying the effective functioning of the management and control system and (3) a Certifying Authority in charge of certifying the declarations of expenditure before they are sent to the Commission. Jointly, these authorities are in charge of assuring sound financial management of the funds allocated to the Member State.

As a general rule, Member States have chosen to place the Responsible Authority and the Certifying Authority within one body and the Audit Authority in another body. This choice stems from the fact that the Fund, due to its scope and nature, is primarily implemented by public bodies which are often placed in the same entity as or under the aegis of those

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<sup>9</sup> Decision No 458/2008/EC, OJ L167, 27.06.2008, p.135

managing the Fund. In such cases, the Implementing Rules require that independence of the Audit Authority is reinforced: placing it outside constitutes best practice.

Usually Member States placed the Responsible Authority within the Ministry of the Interior (all MS except FR, EL and NL, DE, DK, LU and SE). 9 Member States have nominated an authority responsible exclusively for the implementation of the External Borders Fund and 14 Member States decided to establish an authority common for two or more Funds of the General Programme.

The descriptions of the systems were examined on compliance with the basic act before the first payments were made. From the examination of the descriptions, the system audits and the other available information on the implementation of the Fund, it emerges that most of the Member States have robust systems in place. "Unqualified opinions" were issued for 15 descriptions of the systems whereas 8 Member States received a "qualified opinion with limitations" and were invited to revise some parts of the description. The identified weaknesses were considered to have a limited impact. This concerned in particular the assurance of independence of the audit authority when the Fund was implemented in the "executing body method" (when characteristics of an action leave no choice as to who may implement it or because of a *de jure* or *de facto* monopoly of a potential beneficiary).

Moreover, between 2008 and 2010, system audits were carried out in 14 Member States. Most systems appeared to function adequately, but for some improvements were necessary. Member States were requested in particular to formalise the designation of authorities, to reinforce the documentation practices for project selection procedures and undertake timely signature of agreements with individual project beneficiaries.

A number of missions were carried out by the Commission in order to verify compliance and execution of programme objectives. Activities related to monitoring were effectively started in 2009. These activities have been further pursued in the subsequent years.

#### 4.3. Defining national strategies for using EU resources

In the multiannual programmes Member States defined the national situations in terms of institutional set-up, policies as well as national requirements and challenges for the future. This multiannual programming exercise helped to define in a systematic manner how to satisfy these requirements. It encouraged forward planning of multiannual investments at Member States level and brought together the key public authorities in a combined and integrated effort to identify the long and mid-term strategic goals.

Member States pointed out that in the context of constantly shifting migratory pressures and evolving technological and security demands, to adequately meet EU requirements for border control and visa management kept posing a challenge given the available national resources and structures. Bearing in mind these demands, the EU projects on two large scale IT systems and the need for compliance with new EU legislation in this area, the multiannual programmes identified the following objectives:

Priority	Key objectives / Amount scheduled / Member States concerned
1: gradual establishment of the common integrated	<ul style="list-style-type: none"> <li>enhancement of border control: modernisation of infrastructure, means of transport and equipment for checks</li> </ul>

<b>border management system</b>	<p>and surveillance</p> <ul style="list-style-type: none"> <li>• improvement of the coordination at national level and with other Member States through ICT systems enabling real time exchange of information</li> <li>• means of transport and equipment to be used for operational cooperation with Frontex</li> </ul>
	<p>Amount: 543.697.746,36 €</p> <p>All Member States concerned (23)</p>
<b>2: national components of a European Surveillance System for the external borders</b>	<ul style="list-style-type: none"> <li>• improvement of border surveillance capacities in terms of infrastructure and equipment</li> <li>• interlinking and integrating the existing communication systems into one comprehensive surveillance system</li> <li>• establishment of National Coordination Centres as the future nodes of the Eurosur network</li> </ul>
	<p>Amount: 797.829.115,38 €</p> <p>Member States concerned: BE, EE, FR, EL, HU, IT, LV, MT, NL, PL, PT, SI, ES, SE (14)</p>
<b>3: visas and tackling of illegal immigration</b>	<ul style="list-style-type: none"> <li>• improvements in the visa handling process: investments into infrastructure and equipment, in particular biometric data capturing devices, thus facilitating the visa examination process and increasing the effectiveness in the fight against abuse and misuse of visas</li> <li>• improved security in the consulates through investments into infrastructure and equipment</li> <li>• more efficient fight against documentary fraud by means of modern detection equipment and deployment of document advisers</li> <li>• improved consular cooperation with other MS, sharing and pooling of resources, including through the establishment of Common Application Centres</li> <li>• improved management of migratory flows of third country nationals into the Schengen area through deployment of Information Liaison Officers (ILO) and enhancement of the ILO network in cooperation with other MS</li> </ul>

	<p>Amount: 64.868.225,91 €</p> <p>Member States concerned: AT, BE, CY, CZ, DE, DK, EL, ES, FI, IT, LU, HU, MT, NL, PL, SE, SI (17)</p>
<p><b>4: IT systems in the field of external borders and visas</b></p>	<ul style="list-style-type: none"> <li>• development, testing and adjustments of the national part of the Visa Information System (NVIS) including installing a secure connection between the consular authorities, border crossing points and the central unit of the VIS</li> <li>• development of the transitory system SISone4all followed by testing and installation of the national part of the second generation Schengen Information System (NSIS II) and migration from SISI / SISone4all towards the SIS II</li> <li>• further development of systems for automatic transfer of passenger data</li> <li>• improvement of the coordination of the information flows through modern communication technology</li> </ul>
	<p>Amount: 191.379.999,30 €</p> <p>All Member States concerned (23)</p>
<p><b>5: effective and efficient application of EC acquis on external borders and visas</b></p>	<ul style="list-style-type: none"> <li>• training and seminars for border guards and consular officers to improve their operational capacity, expertise and knowledge on EU standards (Schengen Borders Code and the Visa Code) and best practices</li> <li>• exchange and/or secondment programmes</li> <li>• establishing networks for sharing information and experiences among the MS and development of new working methods</li> <li>• increased ability of border guards to execute border controls using new technology through innovative educational materials and methods, simulators etc.</li> <li>• more efficient assessment and management of migration flows through improved risk analysis</li> </ul>
	<p>Amount: 41.552.119,94 €</p> <p>Member States concerned: AT, BE, CY, CZ, DE, EE, EL, ES, FI, FR, IT, HU, LT, LU, LV, NL, PL, SE, SI (19)</p>

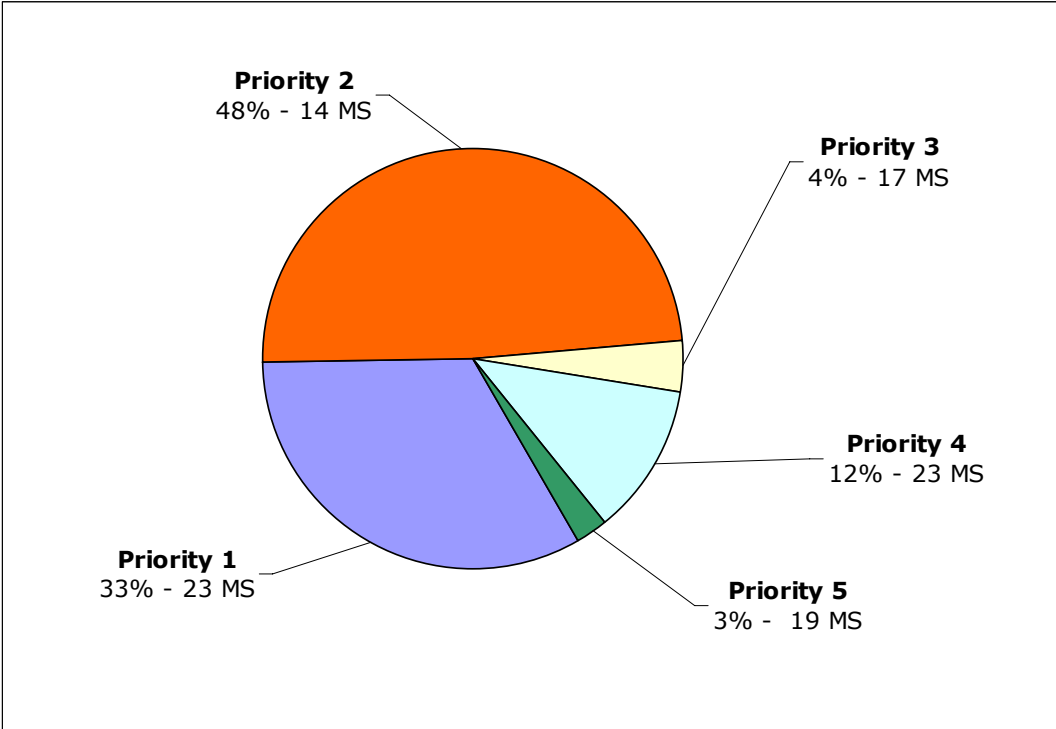
For the entire period of the Fund Member States envisage apportioning the highest amounts to reinforcing border control activities *per se* (priorities 1 and 2), covering 81% of the estimated

available appropriations. Considerable EU resources, however, are also being scheduled to realise the IT systems supporting these activities (priority 4).

The relevance of the priorities, irrespective of the allocated funds, can be measured by the number of Member States who chose to carry out actions under each of them:

- All Member States decided to implement activities under Priorities 1 and 4.
- Priorities 3 and 5, even though less significant in terms of the total amount, are still deemed as important as respectively 17 and 19 Member States envisage activities under those two priorities.
- Priority 2, which alone is planned to cover nearly half of the estimated funds, concerns initially Member States participating in the first stage of development of the EUROSUR, i.e. countries of the Mediterranean region and its Atlantic approaches and countries at the eastern external border of the European Union. Some other countries would join the system at a later stage. Only 14 Member States have foreseen activities under this priority in their multiannual strategies, some of which decided to schedule them for the later years.

Graph 3: Multiannual programming by priority



*Examples of strategic programming as presented in the multiannual programmes*

- **Spain**  
85% of the indicative 2007-2013 budget has been programmed for surveillance capability under priority 2. These investments cover mainly the deployment of the Integrated External Borders Surveillance System (SIVE) in the Canary and Balearic Islands, and Levante (the

eastern Mediterranean coastal region of Spain). Each SIVE deployment consists of several stations equipped with radar and optical sensors to detect and identify small boats (motor boats and small fishing boats) before they reach the coast. The general information gathered by each station is transmitted to and held centrally at a command and control centre. Thus necessary steps can be undertaken at an early stage to secure the maritime border and avoid incidents with tragic consequences.

- **France**

An important strategic objective for France is the enhancement of the maritime surveillance system "Spationav". The system of warning and information aims to provide maritime and territorial prefects but also all centres for coordination and surveillance of external borders with information on movements towards the coastline in nearly real time. The envisaged investments should cover the state-of-the-art equipment like high frequency radars, unmanned aerial and ground vehicles, geostationary satellites, sensors etc as well as development and interlinking of relevant IT tools. The most advanced stage of the development will include ensuring interoperability with the surveillance systems of other Member States

- **Italy**

Italy set as one of its main objectives enhancement of the efficiency and interoperability of the existing information systems for border management. Its communication network systems and structures will be enhanced and new tools developed. For instance the future Border Information System will facilitate front-line document checks by integrating traditional and electronic technologies for travel document reading.

- **Germany**

Given its geographical location (limited physical external borders), the added value of the German strategy lies in support for pre-frontier measures in third countries. The Fund will extend substantially the network of Immigration Liaison Officers and document and visa advisers in migrants' countries of origin tackling the documentary fraud as well as ensuring that compliance with the entry conditions into the Schengen area is verified already before the migrants arrive at the border.

- **Finland**

Since an operationally capable fleet of patrol boats is an essential element in maintaining credible border surveillance and fighting irregular migration, Finland defined the modernisation of this fleet as one of its key objectives under the Fund. All patrol boats will be replaced on the basis of a model fully adapted to the Baltic sea environment and the standards for Frontex joint operations. The boats will have new onboard surveillance technology

including heat-sensitive cameras, night-vision equipment and telecommunications solutions to make use of registers and situational awareness at sea.

- **Poland**

Following Poland's accession to the EU and the Schengen area, the borders with the Russian Federation, the Republic of Belarus and the Ukraine, as well as the Baltic Sea and international airports, became external borders of the European Union. The land border of ca. 1,185 km is one of the longest sections guarded by one Member State. 70% of the indicative 2007-2013 budget has been programmed for modernization of border infrastructure and upgrading of ICT systems necessary for border checks and surveillance at this border. This includes the modernization of existing premises and the construction of new Border Guard posts, the construction of new radio towers to streamline the communication systems, an area for border guard dogs, the construction of helicopter landing pads, the construction and alteration of road lanes etc.

- **Slovenia**

At the end of the "Balkan route", Slovenia is faced with human smuggling, illegal migration and other cross-border crimes. The Fund is used to build on the investments made with the Phare programme and the Schengen Facility for the effective control of the external border with Croatia. Investments include infrastructure at 20 border crossing points, means of transport and technical equipment such as stationary and mobile biometric passports and fingerprint scanners. Moreover, communication will be improved with the replacement of the existing analogue radio stations by a modern digital TETRA system.

## **5. IMPLEMENTATION OF 2007, 2008 AND 2009 PROGRAMMES**

This chapter presents and compares the facts and figures on the implementation of the 2007, 2008 and 2009 annual programmes as reported by the Member States in 2010. The overview is not based on results of projects completed and accounted for financially, as the 2007 and 2008 final reports are under examination and the 2009 annual programme is still ongoing, with final reports only due by 31 March 2012. Moreover, as the deadline for requests for revision of the actions in the 2009 annual programme was 31 March 2011, the overview figures on programmed actions may not correspond exactly with the actions actually implemented in the Member States.

### **5.1. The selection process and the main beneficiaries**

#### *5.1.1. Overall approach*

The Fund intervenes mostly in the areas where either de jure monopolies of national administrations exist or where security reasons exclude a possibility of an open call for proposals. Consequently, actions under the Fund are implemented predominantly by the "executing body method" in which the Responsible Authority decides to implement projects

alone or in association with other national administrative bodies due to their specific competences. Already during the preparation of the annual programmes, the Responsible Authorities identify the projects beneficiaries and actions to be carried out. Since the Fund is designed for various policy areas, engaging all relevant national actors at an early stage is essential for a balanced approach to the Fund's implementation.

#### *5.1.2. Selection procedures*

Selection procedures were followed to determine which actions should be taken up in the annual programmes, while preventing conflict of interest and abiding by the principle of value for money. The most common procedure consisted in organising calls for expression of interest addressed to potential beneficiaries and setting up inter-ministerial committees to steer the process. For example, in Hungary two-phased, closed calls for expression of interest were organised for each annual programme. In the first phase an invitation to submit a general project description was addressed directly to relevant national authorities, following which projects to be realised under the annual programmes were identified by an independent evaluation committee. After the adoption of the annual programme the selected beneficiaries were requested to present detailed project descriptions. A similar, two-phased approach was also followed by Poland. Lithuania identified the project beneficiaries at the stage of preparation of the multiannual programme and the selection of projects took place after the acceptance of the draft annual programme by the Commission. In Italy, in order to ensure participation of various public entities concerned, a Drafting Group was set up, composed of representatives of several national offices. The Drafting group, acting as a collegial body, analysed project proposals submitted by potential final beneficiaries and advised the Responsible Authority on the selection of actions. The model was also followed in countries with smaller allocations, such as Denmark, in which an inter-ministerial Steering Group participated in the projects' selection.

#### *5.1.3. Main beneficiaries*

Under the 2007-2009 annual programmes, the main project beneficiaries were usually specialised departments and/or agencies under the aegis of the Ministries of the Interior, such as border guard services, national police, IT and communications departments. In addition, projects were carried out by the consular services under the Ministries of Foreign Affairs.

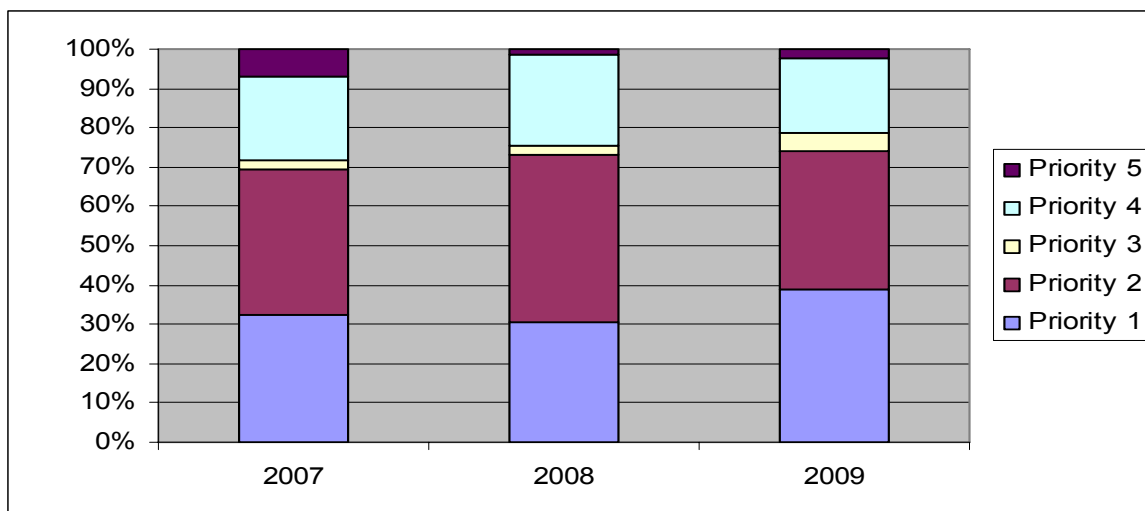
Depending on the national set-up, some Member States associated other public bodies with more specific competences such as the Federal Criminal Office in Germany (responsible for the SIS) or the Inland Waterways Authority in Lithuania in charge of the surveillance of the northern part of the Curonian lagoon bordering Russia.



## 5.2. Quantitative aspects of the implementation by Member States

### 5.2.1. The breakdown of resources by the five EU priorities

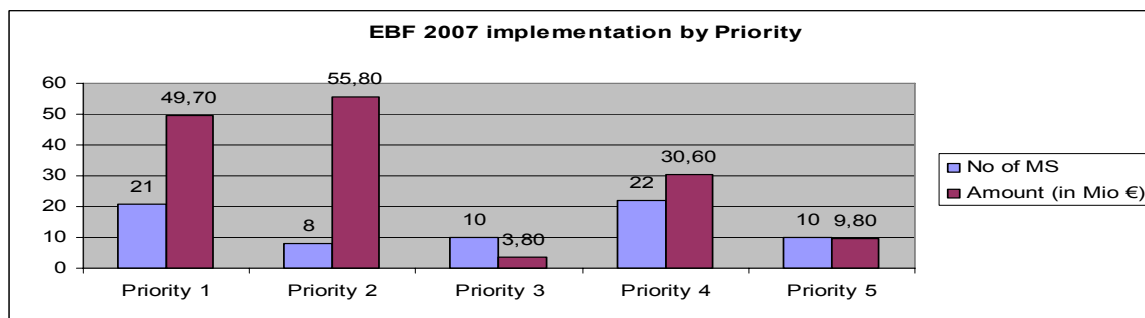
Graph 4: 2007, 2008 and 2009 EU resources by priority

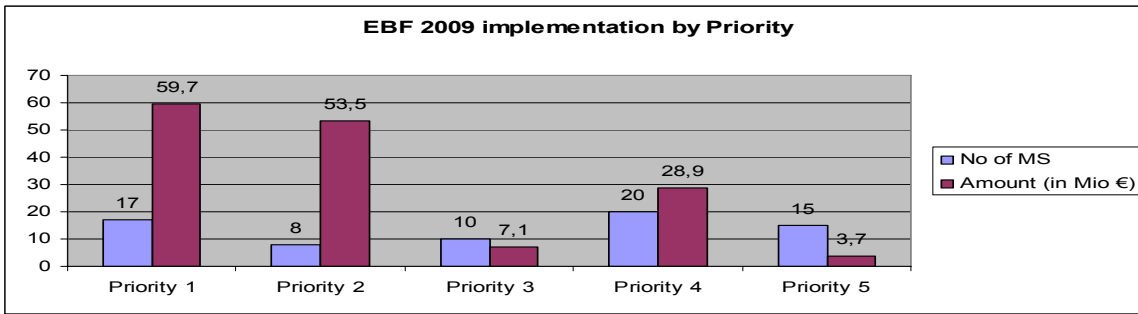
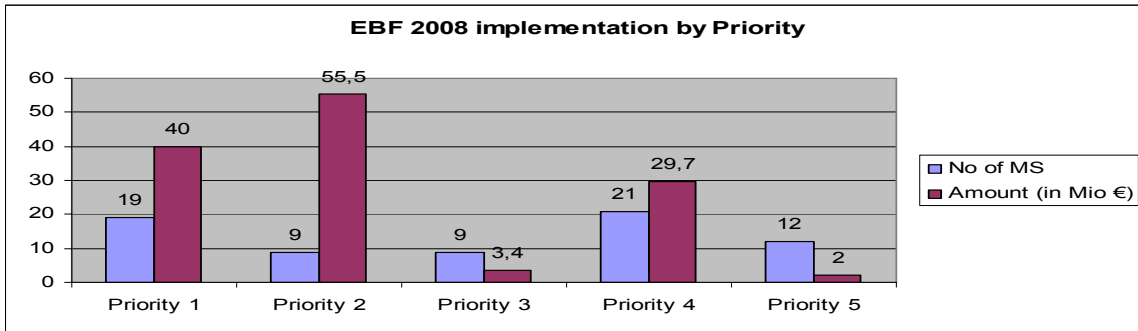


Priorities 1 and 2 covered 72% of the 2007-2009 EBF allocations, priority 4 21% of the available funds and priorities 3 and 5 respectively 3% and 4%.

In line with the multiannual programming logic of Member States, the choice of activities towards which the funds were allocated in the first years of the implementation has been primordially determined by national needs related to integrated border management, surveillance capabilities and VIS and SIS II (priorities 1, 2 and 4). However, in the course of the lifecycle of the Fund, a growing emphasis is being put on actions in support of the visa issuing process (priority 3). This trend continues also under the subsequent programming years 2010 through 2011. Over the years different Member States carried out measures related to the risk analysis, training for border guards and consular services as well as promotional campaigns and dissemination of information realised under priority 5, even though the allocated resources were marginal overall and decreasing in the initial period of the Funds' implementation.

Graph 5: 2007-2009 - Member States' choices by priority under each of the annual programmes





Across the annual programmes 2007-2009 priorities 1, 2 and 4 maintained a similar level of importance in terms of both the allocated amount and the number of Member States carrying out actions. This is due to the fact that it concerns mostly investments which by their nature require multiannual projects. Hence, selecting such projects under one of the annual programmes has, to some extent, determined the choices under subsequent annual programmes.

The number of Member States carrying out actions under priority 3 remained almost unchanged, with little variety among them. This may be partially explained by the institutional setup and a strategic framework in the concerned countries. Such projects require close cooperation with another body, usually the Ministry of Foreign Affairs. In some countries the partnership is well developed and enables smooth cooperation, whereas in other countries it seems to be less evident. Some Member States decided to commit for the visa related procedures exclusively national means.

Priority 5 is given an increasing overall importance as evidenced in the growing number of the Member States.

In the reporting period, all Member States carried out actions related to IT systems necessary in the fields of management of external borders and visas (Priority 4) and all Member States except DK and LU executed measures aiming at the gradual establishment of the integrated border management (Priority 1). Actions reinforcing the surveillance capacity and building towards the establishment of the EUROSUR (Priority 2) were realised by 10 Member States, namely EL, ES, FR, HU, MT, IT, LT, PT, SE, SI. 13 Member States devoted part of their programmes to measures linked with visa issuing procedures (Priority 3): AT, BE, CY, CZ, DE, EL, ES, FI, HU, NL, PL, SI, SE and 15 carried out training and/or dissemination activities (Priority 5): all except CY, DK, EE, LU, MT, NL, PT, SE.

In terms of variations over time, the share of the total budget has remained stable for all priorities during all programming years except priority 3, for which the allocated amounts

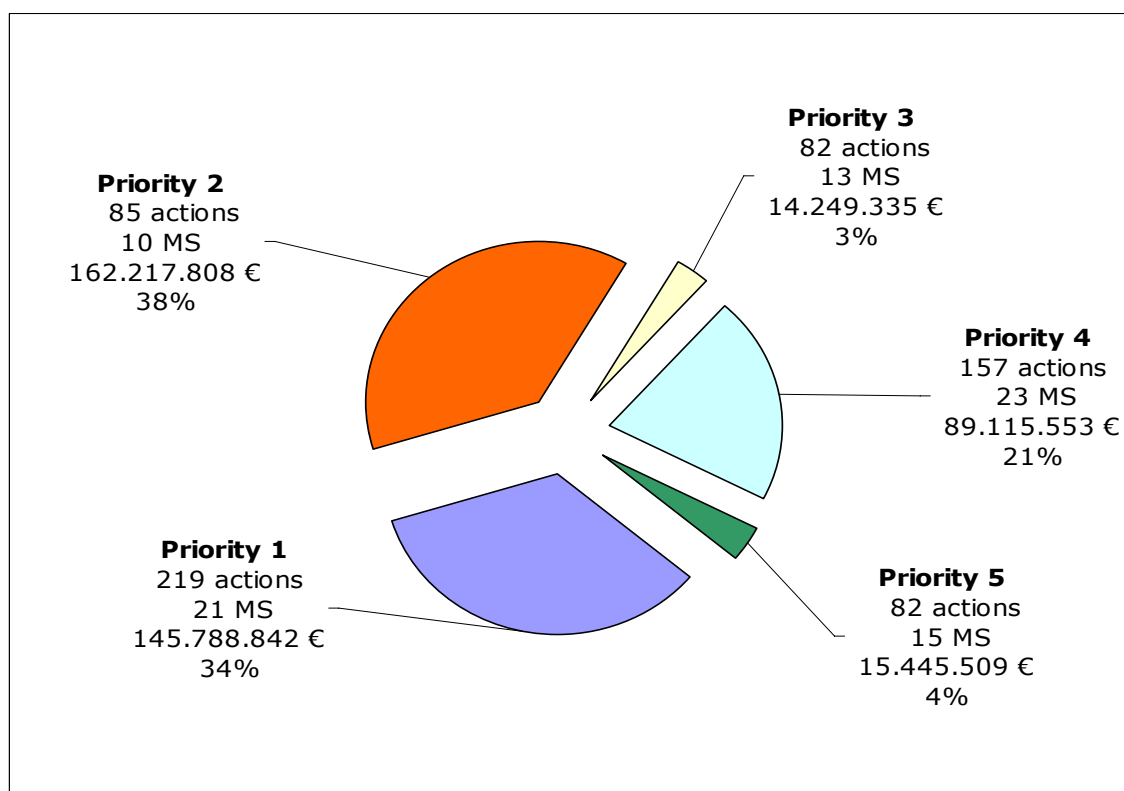
increase remarkably as of 2009, and priority 5, for which the allocated amount was particularly high in 2007. The last may be partly explained with an increased need for training by the services concerned during the Fund's launching phase.

### 5.2.2. Number of actions

Table 3: 207-2009 - number of actions by priority

	Priority 1	Priority 2	Priority 3	Priority 4	Priority 5	Total 2007-2009
2007	76	27	32	57	25	217
2008	78	35	18	48	26	205
2009	65	23	32	52	31	203
<b>Total</b>	<b>219</b>	<b>85</b>	<b>82</b>	<b>157</b>	<b>82</b>	<b>625</b>

Graph 6: 2007-2009 - distribution of (EU) resources and actions by priority under the Fund



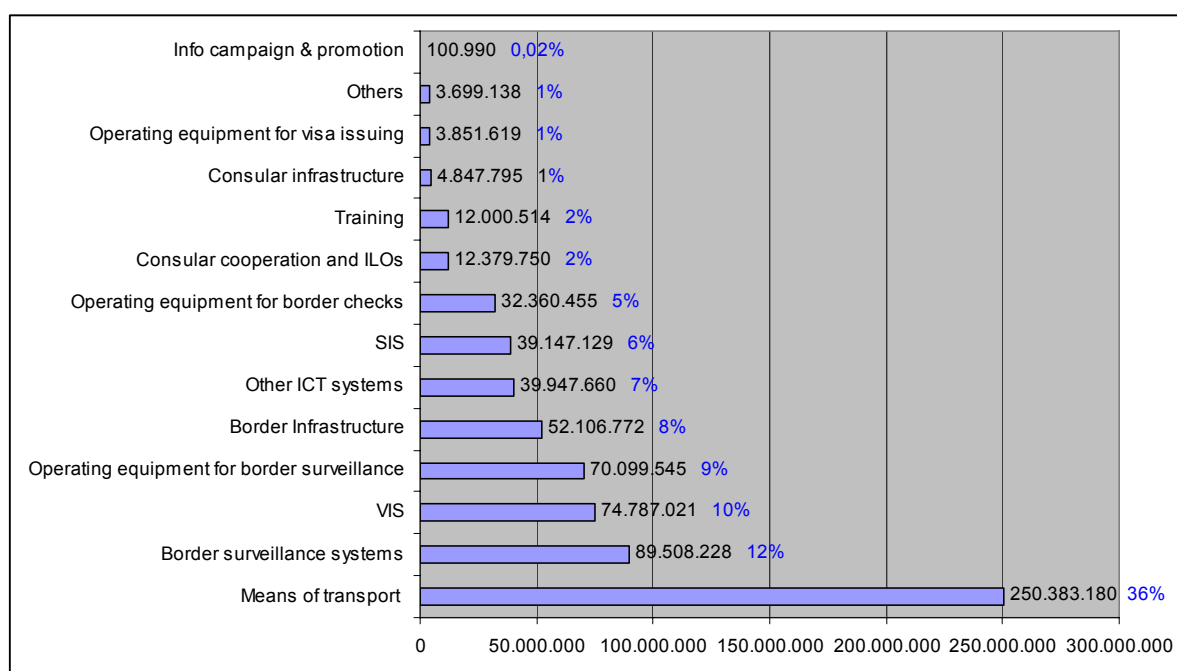
In terms of number of actions implemented priority 1 and priority 4 are dominating, with a similar average cost per action of about 600.000€. Priorities 3 and 5 are characterized by the same number of actions implemented at the average costs of about 180.000€. Actions implemented under priority 2 required an average allocation of 2.000.000€.

### 5.3. Qualitative aspects of the implementation by Member States

#### 5.3.1. The categories of actions identified under the Fund - typology

The actions supported by the Fund differ from the ones under the other Funds of the General Programme in that they concern predominantly tangible investments rather than operations and "soft" measures like counselling, training etc. Hence, the Commission developed an analytical tool for investments carried out under the Fund based on the generated output. It enables a classification of actions under each priority. For Priority 1, two sub-categories of actions were identified, i.e. actions related to checks (at border crossing points) and actions related to surveillance (along the border line). For each sub-category, the following categories were defined by the type of the produced output: infrastructure, means of transport, operating equipment and IT systems. Substantially the same pattern has been followed for priority 2. Under priority 3 actions were qualified either as infrastructure, equipment, IT systems or as consular cooperation or deployment of ILOs. Priority 4 covers investments related to the SIS, the VIS and other relevant IT systems. Finally, for priority 5 training and risk-analysis were the main categories identified supplemented by information campaigns and other activities.

Graph 7: 2007-2009 - distribution of funds (EU contribution and national resources) by outputs



- In the first years of the Fund's implementation **nearly half of the resources were used to enhance border surveillance capacity** (investments into various means of transport 36%, followed by border surveillance systems 12% and equipment for border surveillance 9%).
- **A quarter of resources went to IT systems** (VIS 10%, SIS 6% and other IT systems 7%).
- **Less than a fifth was used for the reinforcement of border crossing points** (border infrastructure 8%, operating equipment for checks at border crossing points 5% and ICT systems for checks at border crossing points 4%).

### 5.3.2. *Examples of outputs achieved*

- The acquisition of means of transport concerned mostly vehicles for border surveillance – helicopters for air patrolling, vessels for the surveillance of maritime borders and land-based vehicles for land borders. Cyprus availed itself of the available resources to significantly increase its surveillance capacity: 2 helicopters, 2 medium sized patrol boats and 40 land vehicles were purchased under the 2007-2009 programmes. Helicopters were also procured by Estonia, Finland and Spain. Malta replaced the existing vessels with 4 new patrolling boats with an increased capacity of sea patrolling in terms of time, equipment and crew. Greece invested into a number of patrol passenger vehicles as well as two-wheeled patrol motorcycles to be deployed for patrolling of the roads in the border areas. Patrol vessels were also purchased by Germany, Finland, Spain and Estonia. Finland procured in addition hovercrafts, ice vehicles and boats capable of operating in ice conditions. Spain purchased fixed-wing aircrafts for maritime surveillance. Hungary procured mobile floating platforms for shallow draft petrol boats to be deployed on the Hungarian – Ukrainian river border Tisza.

A marginal share of the means of transport was purchased for deployment at border crossing points to reinforce effective checks. This refers for instance to acquisition of a vehicle equipped with special thermo-vision devices for patrolling the Prague Ruzyně international airport perimeter programmed by the Czech Republic or special terrain vehicles purchased by Slovakia for close cooperation of border guards and customs officers performing border checks.

- Border surveillance systems: investments into national components of the European Surveillance System by France, Spain and Malta (see below).
- The categories VIS and SIS encompass investments into hardware, software, databases development, adaptation and maintenance of national databases, interlinking and testing as well as equipment necessary to capture relevant data for those two systems (including biometrics). Denmark devoted the majority of its programmes to the Visa Information System whereas the programmes of Luxembourg support exclusively expenditure linked to the Schengen Information System. All Member States, to greater or smaller extent, used the Fund to increase their readiness for participation in those two systems.
- Operating equipment for border surveillance: purchase of thermal cameras, night vision and long distance goggles (Greece), the navalisation of helicopters including their equipping with rescue winches, heat imaging devices and additional searchlights (Germany), the acquisition of radar sensor equipment and modernisation of image transfer connection (Finland), equipping patrolling boats and helicopters with state-of-the art optronic systems for maritime border surveillance (Spain).
- Border infrastructure: investments at the airports and land border crossing points. Germany supported a project at the border crossing point in Hamburg ("Cruise Centre") as well as invested into development of separate checking lanes and appropriate signposting at the airport Nuremberg. France created a special waiting zone for unaccompanied minors at the Roissy airport.

- ICT systems other than the VIS and SIS: projects related to processing of data in air and maritime traffic, development of a system for registration and transfer of passengers' data in air transport (Germany), development of IT applications for management of data concerning third-country nationals not admitted to enter the Schengen territory (France).
- Operating equipment for border checks: equipment related to the introduction of automated border controls and devices for document reading to ensure effective identity verification (see below). In addition, Czech Republic, Finland, France, Germany, Greece, Hungary, Italy and Spain inter alia purchased modern equipment for document verification allowing for smooth checks at the borders as well as contributing to fight against forged and falsified documents.
- In the reporting period consular cooperation and Immigration Liaison Officers (ILOs) included only actions consisting in the deployment of ILO's, border guard liaison officers and document advisers in third countries carried out by Belgium, Finland and Germany.
- Consular infrastructure: actions aiming at increase of security at the consular offices by adaptation of existing infrastructure, installation of visa counters, security doors and bullet-proof document-passing windows (Austria, Hungary, Czech Republic) and improvement of the visa handling process through purchase of operating equipment, software and hardware (Austria, Finland, Hungary, Czech Republic, Spain).
- Moreover, several training sessions and seminars for border guards and consular staff, ranging from trainings on the use of particular equipment and software, to workshops on the Schengen acquis and documentary fraud and to work-related language training, were organised by Austria, Belgium, Czech Republic, Germany, Greece, Hungary, Finland, France, Italy, Latvia, Lithuania, Poland, Slovakia, Slovenia and Spain.

### 5.3.3. *Examples of actions implemented in specific areas of the Fund's intervention*

#### **A. Document security and fight against document fraud**

The fight against document fraud is a constant concern for European Union in particular in the field of identity and travel documents. Both the Schengen Borders Code and the Visa Code require the Member States to check the authenticity of the identity and travel documents that are used in order to cross the external border or to apply for a visa.

Moreover, according to Council Regulation (EC) N° 377/2004 on the creation of an immigration liaison officers network the collection and exchange of information on counterfeit and forged identity and travel documents is one of the tasks assigned to immigration liaison officers posted abroad.

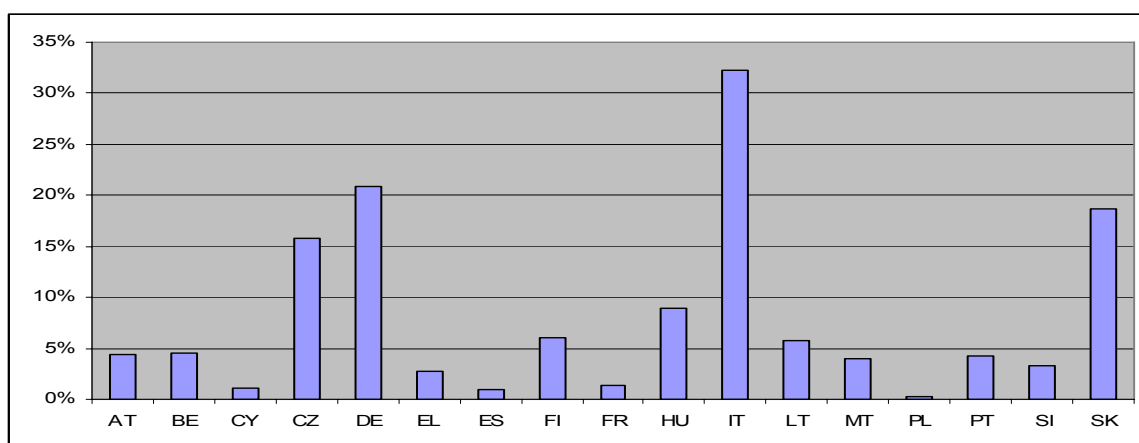
A European Image Archiving System (FADO) has been set up by a Joint Action adopted by the Council on 3 December 1998 for the purpose of exchanging, by computerised means information which the Member States possess concerning genuine and false documents. Member States have been invited to use extensively this system by the Council Conclusions

of 5 and 6 June 2008.

The External Borders Fund supported Member States in their efforts to fight the use of false and falsified identity and travel documents. In the period 2007-2009, 17 out of 23 Member States carried out actions relating to this objective, committing 8,7% of the total EBF resources for this period.

Among countries with the most significant share of their budgets dedicated to combating document fraud were Italy (32%), Germany (21%), Slovak Republic (19%) and Czech Republic (16%). Hungary, Finland, Lithuania, Belgium, Austria, Portugal and Malta dedicated between 4% and 10% of their annual allocations to such measures.

Graph 8: 2007-2009 - Budget allocation on document fraud actions as share of total EBF allocation



With 18 actions concerning document fraud across all three programme years, Germany had the largest number of actions in this area. In Italy, the comparatively larger budget share was concentrated on much fewer actions – four actions across 2007-2009. The Czech budget share was divided between six actions – two for each of the programme years – and the Slovak efforts on the fight against document fraud were comprised by only two actions for one of which a relatively large share of its comparatively small allocation was used.

The following types of actions aimed at early detection of fraudulent documents, thus preventing and/or detecting irregular entry into the Schengen area:

- **procurement of equipment** for border guards and consulates. The devices used by border guards during the first and second line controls serve verification of travel documents authenticity. For example, Germany equipped airports with document-testing technology enabling the checking of optical and electronic security features as well as the biometric-supported security features. The equipment deployed in consulates for visa issuing procedure consists of devices such as biometric data capturing devices like fingerprint scanners.
- **training** of consular and border control personnel in detecting false or falsified documents. France dedicated measures to training across all three programmes, educating personnel at border crossing points in identifying falsified travel documents and in the use of technical equipment for the detection of document fraud. Finland incorporated training on the detection of forged documents in the general training on immigration issues for consular staff. Germany trained border police

officers in the quick detection of document fraud as well as educating document advisors furthering their competences in communication and intercultural relations.

- deployment of **document advisors** – or **ALOs** (air liaison officers) and immigration liaison officers, **ILOs**. For example, in Belgium, Germany and Finland, document advisors and liaison officers were consulted on and involved in training in recognising falsified documents and passing on information in relation to document fraud for decision-makers and employees at consulates in third countries, airline employees, and border control authorities. Furthermore, efforts were deployed towards improving the strategic and operational collaboration between authorities and border police in the respective Member States and those in other Member States and third countries, developing the liaison officers' network.
- developing the use of and enhancing the input into **FADO** (False and Authentic Documents Online), a web-based tool facilitating the exchange of information between Member States on detected document fraud. BE, DE and PT have used EBF funds for the development or further expansion of national information and verification systems for checking the validity of travel documents, connected with FADO. In ES and LT actions have been devoted to connecting national contact points and relevant authorities to the FADO system. Besides the selected Member States, four others (CZ, HU, MT and SK) have also carried out actions concerning the development of databases and information systems to be connected to the FADO system, and the general use of FADO in the fight against document fraud.

## B. Visa Information System

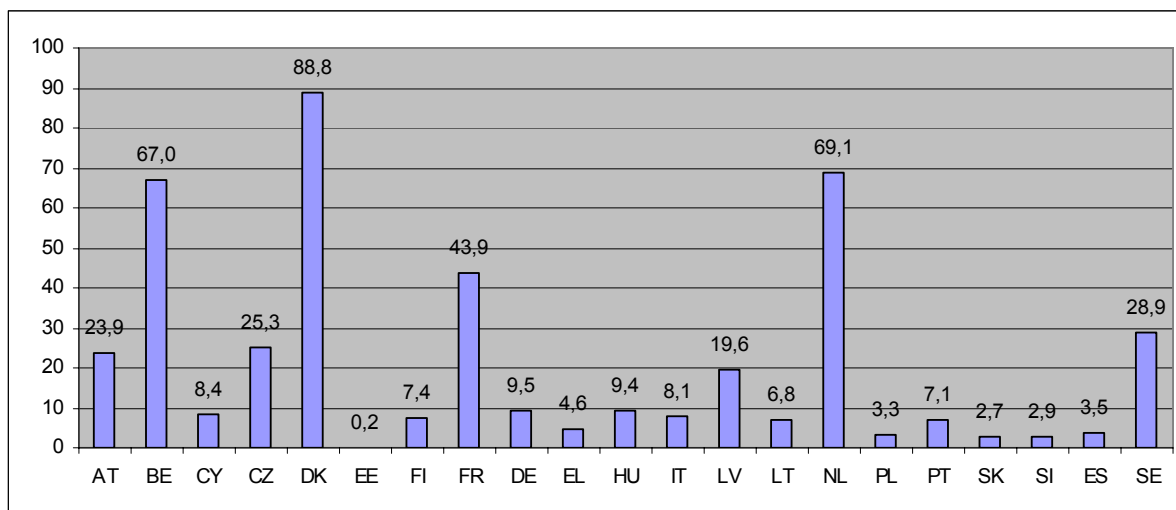
The Visa Information System (VIS) is a system for the exchange of visa data between Schengen States and thus primarily an instrument to support the common visa policy. It will also facilitate checks at the external borders and within the Member States as well as the application of the Dublin-Regulation determining the Member State responsible for examining an asylum application. The VIS is a European central database, which will be connected to the national systems of the Member States to enable their visa, border, and other competent authorities to enter and consult data on visa applications and the decisions taken thereon. Council Decision 2004/512/EC establishing the VIS defined its architecture and gave the Commission the mandate to develop the VIS on the technical level, whereas the national systems were to be adapted and developed by the Member States. The VIS is based on a centralised architecture and consists of a central information system, an interface in each Member State which shall provide the connection to the relevant central national authority of the respective Member State, and the communication infrastructure between the central visa information System and the national interfaces. Regulation 767/2008 of the European Parliament and of the Council defines the legal framework for the functioning of the VIS.

The VIS started operations on 11 October 2011. The first three regions where the VIS will be deployed are North Africa, then the Near East and then the Gulf region. Furthermore, a communication network to enable secure exchange of data between consulates should be developed.



In order to help Member States developing their national visa systems and to fulfil the VIS requirements as part of the common visa policy the Fund provided 75% of financial support for VIS related actions. Member States invested nearly 49 M € in VIS related actions, equal to 10% of the total EBF budget for this period. All Member States but Slovenia and Luxembourg carried out actions on VIS roll out under their 2007-2009 Annual Programmes.

Graph 9: 2007-2009 - % of EBF budget<sup>10</sup> allocated to VIS related actions



Denmark, the Netherlands and Belgium allocated the largest share of their budgets to actions supporting the preparation for the VIS roll out. Denmark dedicated all actions but one of the annual programmes 2007-2009 and committed nearly 90% of the total EBF funds for these actions. Estonia, with a share of 0,2%, spent the smallest share of funds on VIS related actions compared to the total budget.

The following actions were supported:

- Actions dedicated to the **national databases** sought to establish an interface for communication with the central system (AT), to establish the technical connection with the CVIS (NL), to create new or adapt the existing national applications (such as the VISION application in AT, VISABIO in FR, BELVIS in BE, NET-VIS in EL), to develop and test software necessary for the VIS connection (CY, DE, DK, FI, FR, SE) and to establish a VIS operational centre (DK).
- Actions aiming at support to **connection of the consulates** included purchase of hardware and software (IT), reinstallation and upgrading of visa workstations and relevant software at all diplomatic and consular authorities (AT, SE), purchase of a fingerprint processing systems and biometric data capturing devices (AT, BE, CZ, FI, FR, NL, PL, ES, SI), extension of the network of diplomatic and consular posts for the collection of biometric data (BE) and training of personnel (FI, NL, SE).
- Actions supporting the **connection of border crossing points** focused on purchase of equipment for data verification (such as stationary and mobile devices to check

<sup>10</sup> Figures include Technical Assistance

fingerprints) and biometric data capturing devices for visa issuing (BE, DE, FI, FR, HU, NL, PL) as well as training of staff (PL).

- Finland carried out preparations for the **replacement of the VISION protocol with the VIS Mail** communication network, including the preparation of a SMTP mail server infrastructure, analysis and development and testing of the national VIS-MAIL application. Also Spain invested into development of a secure communication system VIS-MAIL.

### C. European Border Surveillance System

The European Border Surveillance System (EUROSUR) will establish an information sharing and cooperation mechanism enabling a collaboration of border control authorities and Frontex at tactical, operational and strategic level. As of 2013 EUROSUR should provide Member States located at the eastern and southern external borders with the operational and technical framework for improving their situational awareness and reaction capability. Firstly, the existing surveillance systems at Member States' level should be interlinked into a single national system, then common tools and applications at EU level will be developed and a 24/7 secure information sharing environment created. The backbone of the system constitute National Coordination Centres, streamlining the activities of all national authorities carrying out border surveillance.

Conceived as "system of the systems", the EUROSUR will allow for a close to real-time exchange of data on the situation at the borders and hence contribute to the most adequate, efficient and coordinated response.

The Fund achieved tangible results in supporting Member States' efforts to reinforce their maritime surveillance capacity in the run-up to a common European surveillance system in the Mediterranean and its Atlantic approaches. Under the programming period 2007-2009, under priority 2, Italy spent 86%, Spain 85%, Malta 64% and France 26%, Portugal 15%, Greece and Slovenia 2% of their allocations to reinforce their surveillance capacity and, through these efforts, building up of the national components of the European Surveillance System (EUROSUR), equivalent to a total of nearly 168 M €. This amounted to about 32 % of the Fund in this period. In addition, Cyprus and Greece made pursued important investments linked with enhancement of maritime border surveillance under priority 1.

While the majority of the Member States concerned treated the aspect of coastal border surveillance as an integrated part of the general reinforcement of the external border surveillance, France and Spain have adopted what may be termed a "regional approach", establishing a comprehensive border surveillance system. The Spanish SIVE (Integrated External Surveillance System) has been created, particularly aiming at prevention of irregular entry of persons and goods through the Spanish coast. In France, the system for external border surveillance, SPATIONAV, provides the framework for all activities and actions related to maritime border control. Whereas the set up of the SIVE commenced prior to the 2007 programme, the establishment of the French system was initiated with the 2007 programme and has so far undergone three development and expansion phases, one under each successive programme.

The remaining Member States bordering the Mediterranean (CY, EL, IT, MT, PT, SI) also targeted maritime border surveillance but do not have (yet) in place specific systems.

Measures implemented by Member States under priority 2, with specific aim of Eurosur in mind, included:

- further development of the **Integrated External Surveillance System (SIVE) in Spain**, with authorities highlighting the potential for leveraged benefits in undertaking integrated border surveillance, especially in the Strait of Gibraltar and off the Canary and Balearic Island coasts. Each SIVE deployment consists of several stations equipped with radar and optical sensors to detect and identify small boats (motor boats and small fishing boats) before they reach the coast. The general information gathered by each station is transmitted to and held centrally at a command and control centre which coordinates the operations by land, sea and air units. In addition to support for the surveillance system, the Fund was used to purchase two fixed-wing aircraft for maritime patrol and fight against irregular immigration (overall cost 24 M€), several helicopters and boats of different type and size and land vehicles. Spain has allocated a total of nearly 80 M€ under the 2007-2009 annual programmes to this key objective. According to the Spanish authorities, the support of the Fund was crucial in order to quickly implement this system following the migratory crisis in 2006. Four years after the start of the implementation of the SIVE, the migratory pressure on the maritime Border of Spain strongly decreased;
- development of the coastal network for detection, identification and tracking of vessels, **SPATIONAV in France**. The existing system has been gradually reinforced under the 2007-2009 programmes by extending the area it covers and improving the detection capacity, through purchase of state-of-the-art equipment like high frequency radars, detection equipment on lighthouses and investments into data connection systems. France has allocated 10 M€ under the 2007-2009 annual programmes to the improvement of "Spationav";
- improvement of **the coastal guard maritime traffic system in Italy**, complemented with satellite equipment and infrared surveillance systems installed on vessels. Among the main investments made there were: improvement of satellite communications capability at ground anchor station; enhancement of the Coastal Search Radar Network for the coverage of the central– northern Adriatic; western Liguria and western Sardinia in order to ensure a clear maritime situational awareness thanks to the view of the radar and the thermal cameras images; supply of all the territorial and frontier police offices with a common, shared, operating software; creation of a common, shared platform offering the same effective instruments and simplifying the end-user practical approach and installation of satellite communications systems and their integration onboard Navy Off Shore Patrol Vessels (OPVs) involved in maritime operations. Italy has allocated 47 M€ under the 2007-2009 programmes to these actions;
- a new **interoperable communication system** for the Armed Forces entrusted with maritime surveillance **in Malta**, completed with the introduction of four new vessels with an increased capacity of sea patrolling in terms of time, equipment and crew. Malta's allocation to the support for the development of the European surveillance system came to 17 M€ under the 2007-2009 programmes;

- establishment of a **National Coordination Centre** (the Dolga vas trilateral centre) by **Slovenia** for the co-operation of national authorities implementing external border control duties (detection, identification and intervention). Slovenia budgeted over 100.000 € for this purpose. Hungary and Austria collaborate in this project.

On the other hand, measures implemented under priority 1, also aimed at enhancement of maritime surveillance in the Mediterranean, included:

- a significant increase of the surveillance capacity in **Cyprus** thanks to purchase of two helicopters and two medium sized patrol boats equipped with fixed and transportable observation systems to be mounted on the patrolling boats for an overall amount of 5,4 M€;
- enhancement of the border surveillance capacity in **Greece** through acquisition of various means of transport (e.g. a helicopter, costal patrol vessels) and equipment (e.g. night vision and long distance goggles). For these investments Greece programmed nearly 30 M€.

#### **D. Automated Border Control Systems**

Based on the current legislation, border checks of EU citizens can be automated, provided that they hold an e-passport, which stores biometric data of its holder (facial image and, as of 2009, fingerprints). Some Member States have already implemented such automated border control (ABC) systems. The ABC process starts with passport scanning. The passport reader technically checks its physical security features, reads the Machine Readable Zone (MRZ) and verifies the authenticity of the document. A live facial image (or fingerprints) of the traveller is then compared to the one stored in the chip (or sometimes in the database) to verify the identity of the traveller. Random checks are carried out against the SIS and national databases. If the match is successful and the travel document is found to be genuine, the automated gate opens and the traveller can enter the territory of the Member States; if not, the traveller is referred to a manual check. Border authorities monitor the whole process including the matching of the facial image - they can monitor several gates at once. The system has many advantages, such as enhanced security, gain of resources, fluent border crossing and facilitated entry of travellers.

In the future, Registered Traveller Programmes (RTP) would allow extending this process to third-country nationals. Currently thorough border check requires border guards to interview a traveller and manually stamp the travel document. The aim would be to facilitate border crossings of the Schengen external border for frequent, pre-vetted and pre-screened third-country travellers, while ensuring overall coherence of EU border policy. Third-country nationals having access to the RTP would be able to use ABC facilities whenever available at the Schengen border crossing point.

The Fund contributed to implementation of innovative projects on the development, testing and putting into operation of Automated Border Control (ABC) systems at airports allowing for checks on certain categories of travellers, mainly EU-citizens holding an e-passport, aiming at conducting automatic verification of travel document, fingerprints, facial image or iris recognition without intervention from border guards who only monitor the process.

In the period 2007–2009 about 5,5 M€ was used to carry out pilot projects, testing and installation of the necessary equipment for automated border control in Germany, Finland, France, the Netherlands, Portugal and Hungary:

- **Finland** carried out a market test on the implementation of automatic border checks in 2007, which was followed up by a pilot project, initiated in July 2008, concerning automatic border checks on EU/EEA/SCH citizens carrying the new biometric travel documents at Helsinki-Vantaa Airport. The EBF co-financing for the market test and pilot projects came to 82.528 €. At the time of reporting, there were three ABC gates in the Helsinki-Vantaa airport. Based on the experience gained from the pilot phase, the system was planned to be taken into operational use and potentially extended to all major external land border crossing points. Fifteen additional gates for the Helsinki-Vantaa airport and three gates for the port of Helsinki were planned to be purchased at a later stage.
- **France** carried out the “**SAS PARAFES**”-project consisting of procurement of SAS (e-gates) and implementation of the PARAFES system for the automatic check of personal documents of passengers arriving at French airports from outside the EU. Prior to this project, the Ministry for the Interior had been piloting a programme called PEGASE concerned with the collection and storage of fingerprints of a number of travellers who volunteered with the prospect of achieving fast track passage through the external border controls of the Schengen area. With the implementation of the PARAFES system, these frequent travellers would be able to pass through the e-gates (SAS) carrying out their border checks automatically by scanning first their passport and then fingerprints. The PARAFES then compares the information to the data stored in the central database, allowing the passenger to pass through the border upon recognition. The financial prospect for the entire project is a total of 2.300.000 € for the procurement, implementation and equipment of 17 SAS.
- **Portugal** carried out a project on Automatic Identification of Passengers Holding Travelling Documents (RAPID) with the aim to make the control of persons at borders more rapid, secure and effective. An innovative system for automated border controls on all adult holders of electronic passports within the EU Schengen area was developed. More specifically, the project involved the purchase of 78 so-called VBeGates – automated border gates equipped to check travellers holding biometric travel documents. In March 2007, 10 e-gate terminals were procured for the airport in Faro, and in July the same year, an additional 68 terminals were ordered for the airports of Lisboa, Funchal, Porto, Lajes, Ponta Delgada and Porto Santo. The overall cost of the project was 3,5 M€ with a contribution from the EBF of over 2 M€.
- The **Netherlands** carried out a project which concerned the acquisition, testing and introduction of equipment and programming for automated border control systems at Schiphol Airport and ultimately at all air- and seaports in the Netherlands. In EBF contribution to the programme set-up is about 180.000 €. The EBF funding is partly used to define an ABC vision for the Netherlands.
- From 2004 to 2007, **Germany** carried out a pilot project on the use of automated biometric border control on passengers at the Frankfurt/Main airport, based on iris-scan. Given the positive results of the pilot project, it was decided to continue and develop further the use of ABC at German airports in Frankfurt and Munich with

support from the EBF. The costs of the ABC-project in the period 2007-2009 amounted to over 700.000 € and covered among others the procurement of four automated border control gates.

- **Hungary** carried out a study to assess the feasibility of implementing an e-gate system at Ferihegy International Airport in Budapest. Through the visit to and study of existing e-gate systems in the EU (i.e. Lisbon, Helsinki and Frankfurt), Hungarian experts were to assess the possibilities for implementing a similar system. The feasibility study would feed into a pilot project for the establishment of such an ABC system – at Ferihegy airport to begin with and potentially at all Hungarian international airports in the long run. 14.400 € was assigned for this project from the Hungarian Fund's allocation.

#### **E. Schengen Information System (SIS II)**

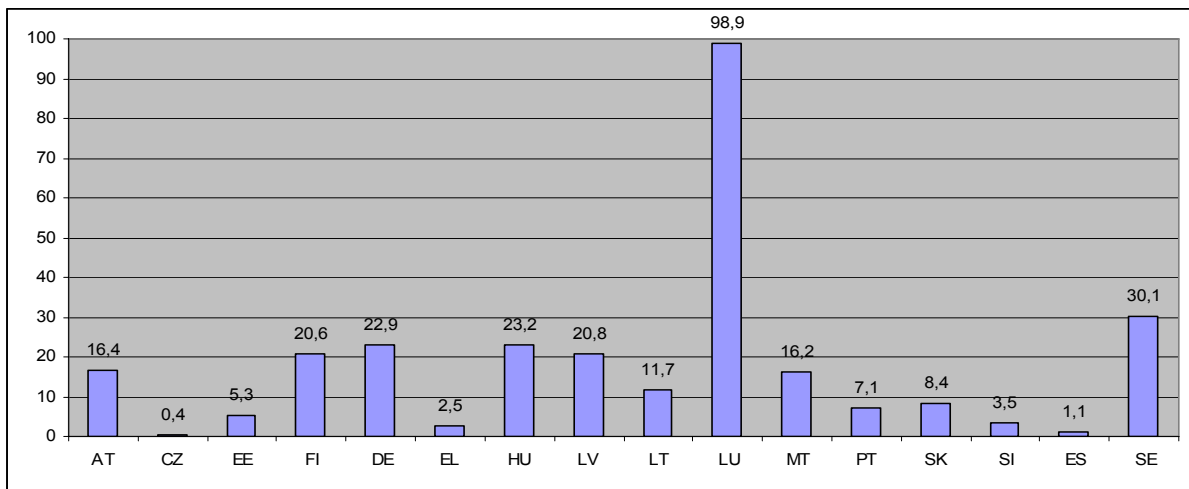
The Schengen Information system (SIS) is a system that allows competent authorities in the Member States, through an automatic query procedure, to access alerts regarding persons and property. It is thus a vital feature in managing the fields of security, freedom and justice for the Schengen area without internal borders. It was established following the Schengen Convention 1990 for the implementation of the 1985 Schengen agreement and became operational in 1995. Since one of its main uses concerns checks at the EU external borders, it contributes to the implementation of the provisions on the free movement of persons. The system consists of a national systems (N.SIS) located in each of the Member States and a central system (C.SIS) gathering all the data of national databases.

The establishment of the second generation Schengen Information System (SIS II) which replaces the system's previous generation, is necessary to allow integration of new Member States joining the Schengen area as well as to introduce new technical functionalities. Council Decision 2001/886/JHA and Council Regulation No 2424/2001 of 6 December 2001 on the development of the second generation Schengen Information System lay the legal foundations for the Schengen Information System II. They state that the Schengen Information System, created pursuant to Title IV of the Schengen Agreement of 1990, has been replaced by SIS II.

The External Borders Fund supports Member States in preparation of the national parts of the SIS II in view of the entry into operation of the whole system, expected in 2013.

In 2007-2009 sixteen Member States (AT, CZ, EE, FI, DE, EL, HU, LV, LT, LU, MT, PT, SK, SI, ES, SE) carried out actions related to the SIS, committing a total of 25,5 M € equal to 5,5% of the total EBF allocation for this period.

**Graph 10: 2007-2009 - % of EBF budget<sup>11</sup> allocated to SIS related actions**



In Luxembourg, the smallest beneficiary, the available funds were used exclusively to implement SIS-related projects. Other Member States with a significant allocation to the SIS were Finland, Germany, Hungary, Latvia and Sweden, who committed more than 20% of their allocation from the Fund to this objective.

Actions supported by Member States were focused on acquisition and adjustment of the necessary hardware and software (AT, DE, EL, HU, LU, LV, SI), development of new applications for the national authorities concerned (SE), improvements within the existing national systems and preparation for the migration towards SIS II (AT, DE, EE, EL, ES, FI, HU), the development of the SISone4all as the transitory stage before joining the SIS II (HU, SI, SK) and subsequent migration to SIS II (LT, LU, MT, SK), adaptation of the SIRENE workflow system (AT, EE, ES, HU, MT), the tests to prepare for migration to SIS II and connecting the national systems with the C.SIS (AT, SI), workshops and training for personnel (CZ, EL).

## 6. OVERALL PRELIMINARY ASSESSMENT ON THE IMPLEMENTATION

### 6.1. Assessment by the Member States

#### 6.1.1. The results achieved

Most of the Member States gave a positive overall assessment of the results of the actions co-financed by the Fund, classifying the possibilities for projects under the Fund as effective and useful. The Fund is appreciated for its important contribution to Member States' efforts in the fields of integrated border management, implementation of common visa policy and large scale IT systems and has helped alleviate the impact of constraints imposed on state budgets in these areas due to the unfavourable economic situation. Member States stress that given the austerity measures taken by the national budgetary authorities some activities would not have been implemented or would not have been carried out in a timely manner if it were not for the co-financing provided by the Fund.

<sup>11</sup> Figures include Technical Assistance

In particular, Member States value the possibility of co-financing **innovative projects such as the implementation of state-of-the-art technology** (notably mobile and fixed devices for border checks and border surveillance, Automated Border Control systems) and enhancing Member States' monitoring and reacting capabilities at the external air, sea and land borders (CCTV-systems, means of transport, interoperable communication systems). These measures have led to **more cost-effective management of passenger flows without decreasing security**.

#### *6.1.2. The challenges encountered during the implementation*

Whereas most Member States were satisfied with the results achieved with the Fund's contribution, many highlighted the challenges encountered during the implementation and suggested simplification of the regulatory framework.

Firstly, the first two years were characterised by some degree of uncertainty and delays in the adoption of the regulatory framework and the annual programmes. For most Member States the 2007 and 2008 programmes were approved at the end of 2008, which shortened the timeframe for implementation of the projects. Secondly, the rules governing the eligibility of expenditure were deemed complex and cumbersome. Furthermore, given that programmes are conceived annually but the actions may be realised within 2,5 years, the implementation period of one annual programme overlaps with the drafting of the subsequent annual programme and the reporting on the preceding one. In addition, if a revision of a programme was needed, a modified document had to be drafted and submitted by a given deadline. Member States found it strenuous to meet the requirements while deploying the available resources to perform various planning, reporting and management tasks on several programmes simultaneously. The organisation of these coinciding obligations was perceived as demanding and requiring a significant workload within a limited timeframe.

Besides the initial delays and difficulties, the main challenge to a timely execution of actions under this Fund is stemming from procurement procedures. The tendering procedures in question require an advanced planning as well as internal consultations with and in some cases consent of other relevant public bodies. Procedures usually consist of several stages and national legal framework may require additional steps. The final outcome may be unsatisfactory or there may be a need to suspend, postpone, cancel or change the scope of the project. Several Member States were faced with such difficulties with a potentially serious negative impact on the budget consumption. In some cases, difficulties arose after the procurement procedure and were due to delays and other timing issues related to delivery and verification of equipment and services from external contractors (abroad). In a few cases it turned out at a later stage that the implementation costs were either lower or higher than expected or that ineligible costs were identified during implementation.

For countries not applying the euro, the financial and economic factors impacting on the exchange rate led to modifications of the initially foreseen budgets.

In the light of these constraints, Member States resorted consistently to the possibility to revise the annual programmes in order to secure a more optimal absorption of the funds. In the reporting period, 15 Member States (AT, BE, CY, DE, EL, ES, FI, FR, HU, LT, LV, PL, PT, SE, SI) submitted a total of 43 requests for revision of the 2007-2009 annual programmes, out of which 39 necessitated a formal decision by the Commission (8 for the 2007, 14 for the 2008 and 17 for the 2009 annual programmes).



Revising the annual programmes enabled Member States to adjust their programming to changing situations taking into account unexpected developments and the encountered challenges. It did, however, increase the administrative work load.

Perhaps more than other spending programmes, this Fund, being implemented essentially in the executing body method by a limited number of public bodies, is giving Member States more flexibility in adapting programmes by replacing some actions with other ongoing projects, also relevant for the national strategies defined in the multiannual programmes.

To mitigate the challenges, the Commission initiated three revisions of the Implementing Rules resulting in extension of the eligibility period and major simplifications of the eligibility rules. These initiatives were undertaken in collaboration with the Member States who confirmed that the changes would bring about improvements in the management and execution of the actions by enabling a satisfactory implementation of numerous projects.

## **6.2. Assessment by the Commission on the achievements of the Fund**

Having reviewed the reports from Member States, and also taking into account other information, including from monitoring missions, the Commission finds that, despite starting difficulties and some specific issues with the rules and implementation, the Fund lived up to its objectives. For 2007-2009 it clearly fulfilled its purpose as a specific vehicle to channel EU aid to boost investments at borders and in consulates in the interest of the Schengen area as a whole. As illustrated in section 5.3.3, the Fund **actively leveraged important EU policy initiatives and projects. As such, it contributed significantly to furthering integrated border management and the use of new technologies to facilitate legitimate travel. Besides the development of the Schengen Information Systems and the Visa Information System, the Fund supported pilot projects on the introduction of automated border controls and preparation for the registered travellers' programme.** Thanks to the financial contribution of the Fund to these measures, even if relatively small, valuable experiences were gained through the development of such innovative systems which will be an important input for the Commission in the further preparations of the 'smart borders concept' for the future, notably with regard to making it possible to use them also for third-country nationals. In that respect, Member States are encouraged to include fingerprint readers in their ABC projects, in order to make them future-proof in relation to the EES and RTP (Smart Borders initiative). The Fund proved also very useful to boost, in a very short period of time, investments in vulnerable areas, such as the Mediterranean.

It has helped improving the management of the EU external borders, fighting against irregular migration as well as enhanced Member States cooperation, as testified by the following results:

- Firstly, thanks to the investments in national communication systems, border crossing infrastructure, state-of-the-art operating equipment for border checks and surveillance, means of transport and training for border guards, Member States benefited from significant technical improvements at the external border and at border crossing points, resulting in increased safety at EU external borders, more effective border traffic control and improved coordination between the various law enforcement authorities at national level. Thus, the Fund has contributed to the national **efforts to handling efficiently the external borders and in particular to fighting illegal entry into the Schengen area, completing past investments**

**(Schengen Facility)** and **strengthening further the** integrated border management system of the EU.

- Secondly, under the 2007-2009 annual programmes Member States purchased and upgraded the necessary equipment for the VIS and SIS II, enabling a smooth connection of the national platforms to the central systems. Given that all participating Member States must be ready with development of their national systems, in order for these European projects to function properly as a whole, the Fund, as a long term framework for complementing national funding, has proven to be of vital importance for the implementation these common IT projects.
- Lastly, Member States made use of the additional resources provided by the Fund for measures to improve the visa handling process by investing in modern technology equipment (including biometric capture devices) and strengthening the security of consular offices. These measures had contributed to swifter processing of visa applications, enhancement in the quality of services and an equal and fair treatment of visa applicants.

Part of the success of the Fund is due to its specific character. The Fund is characterised by a **limited scope** and concerns activities implemented at the physical external borders or in relation to visa issuance. This excludes many measures undertaken by Member States in the framework of the four-tier border management such as activities inside the Schengen territory (patrolling activities inside the country, checks on persons outside of the border crossing points). Similarly, activities aiming at migration control, improvement of maritime security and traffic management and general airport security do not fall within the Fund's scope. While this allows the Fund to target and avoid fragmentation of resources, it does imply the necessity to verify carefully the envisaged actions in order to ensure compliance with its specific scope.

In the same vein, the equipment, means of transport and IT systems purchased with the Funds' contribution can often be deployed for **multiple purposes** (such as border checks on goods, fight against smuggling of goods and environmental crimes, search and rescue actions at sea). Given the limited scope of the Fund, apportionment is necessary in many cases, which necessitates development of additional statistics and complicates management of the actions. In short, such management and control activities will remain a necessary corollary of a spending programme of this nature. This can be further complicated due to the organisational set-up in Member States when, for instance, border guards are part of the police force and/or also carry out other functions (including customs-related).

## 7. CONCLUDING REMARKS

### 7.1. Recommendations for the remainder of the multiannual period

This report is based on the first three programming years, with final reports available for one annual programme only. Its submission is timed to assist the European Parliament and the Council with the preparation for the next multiannual financial framework and not to provide a comprehensive and final evaluation.

The results of these three years are not necessarily representative. The first annual programmes were drafted and implemented under considerable time pressure with little

previous experience with similar instruments. Nearly 30% of the Funds were made available for this period and the remaining 70% will be allocated to the subsequent four annual programmes.

#### *7.1.1. A more strategic use of the Funds*

The 2010 programming exercise went much swifter. With the experiences gained in this first phase, and capitalising on the changes in the implementing rules as well as on the significant increases of the annual allocations, Member States are set to make the best use of funds in the period 2010-2013. To this end, as of 2011, Member States were invited to develop a programming of actions specifically targeted to the achievement of a number of key strategic objectives, in line with the principle in the basic act that the Commission and the Member States ensure that assistance from the Fund and the Member States is consistent with the activities, policies and priorities of the Union. The overall aim is to underscore the coherence with the most important common priorities of the EU as established in the Stockholm Programme, essential for the successful management of migratory flows in the Schengen area as a whole.

Consequently, Member States have been invited to **concentrate resources under the Fund on the investments needed into the following five strategic objectives:**

1. realising the SIS II;
2. the VIS roll-out at consulates and border crossing points;
3. consular cooperation between Member States;
4. building up the European Surveillance System;
5. and introducing new technologies supporting smoother border crossings, notably the automated border control systems.

The Fund's appropriations for 2011 were directed primarily towards meeting the EU requirements in these areas and this approach will be reinforced for the 2012-2013 period.

#### *7.1.2. Reinforcing the strategic approach through adequate multiannual forward planning*

The Fund, conceived as a capacity building instrument, essentially seeks to co-finance purchase, upgrading, development, installation and renovation of infrastructure, IT systems, equipment and means of transport. Capacity building actions principally target **long-term measures**, which, as a general rule, do not display features typical for projects implemented within a limited time frame. **Member States could explore more extensively the possibilities to set up multiannual projects**, in accordance with the regulatory framework, thus reducing also the incidence of selection processes and establishing a stable financial multiannual planning.

#### *7.1.3. Complementing capacity building with operational support, where necessary*

Actions aiming to maintain equipment or run (surveillance) operations *per se* were not introduced in the annual programmes. Those activities in principle form part of **routine activities** at Member States' level.

However, the Commission recognises that once the above five strategic objectives and remaining national capacity building objectives are adequately met, resources under the Fund could also be directed to support an effective continued use of past investments made with EU resources. Thus, future actions could also finance maintenance, repairs and upgrades in relation to investments made under previous annual programmes of the Fund or, for some countries, the Schengen Facility. This is also possible in case of emergencies. Such actions would also underpin the philosophy that Member States securing external borders are providing a public service in the interest of and on behalf of other Member States.

## **7.2. Preparing for the first ex-post evaluation (2012)**

The next milestone for the Fund is the ex-post evaluation report for 2007-2010. According to the basic act the Commission report is due by 31 December 2012.

The preparations for this exercise are ongoing. Unfortunately, Member States cannot reasonably be expected to report on the outputs of the 2010 annual programme by 30 June 2012, as indicated in the basic act, since the eligibility period for 2010 runs till the second half of 2012. In order to provide complete data on 2010, Member States will be asked to submit their contributions by end October 2012 instead.

To build upon this intermediate report, the ex-post evaluation for 2007-2010 could present a more comprehensive picture of the Fund's intervention at national and EU level as regards outputs, results and its overall impact on the development of border management and visa policy in Member States. To that end, its overall aim would be as follows:

- To identify the results arising from the outputs of the Fund for the management of migration flows at borders and in consulates, i.e. the degree to which EU investments in infrastructure, equipment, means of transport, IT systems and training contributed to strengthening the overall capacity to carry out border crossing checks, surveillance, pre-entry checks and visa issuing procedures in Member States;
- To distinguish clearly the results achieved for the organisation of the public tasks of border control and visa policy, on the one hand, and for the entry into the EU of travellers and visa applicants, on the other;
- To assess the degree to which the Fund's intervention contributed to the prevention of irregular entry and stay through each national border and visa management system, taking into account the strategy established in the multi-annual programme, specific national targets identified and the evolution of migratory flows affecting the system;
- To assess the extent to which the Fund's intervention contributed to the application of EU law, including the Schengen borders Code and the Visa Code, as well the development of specific EU projects such as the VIS and the SIS II; and
- Finally, to measure the values obtained in relation to the share of EU allocations under the Fund to the overall national (financial and other) inputs and to identify any other relevant factors having had an impact on the intervention.