

Sofia, 3 May 2018

**2017**

**Consolidated Annual Activity Report**

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### Acronyms and abbreviations

AFIS	Automatic Fingerprints Information System	EUSR/CEOS	EU Staff Regulations / Conditions of Employment of other Servants of the EU
AP	Analysis Projects	FBI	Federal Bureau of Intelligence
ARO	Asset Recovery Office	FIU	Financial Intelligence Units
ATM	Automated Teller Machines	HLEG	High-level expert group on information systems and interoperability
CA	Contract Agent	HOS	Horizontal Operational Services
CBCC	Cross Border Crime Checks	HR	Human Resources
CEPOL	European Union Agency for Law Enforcement Training	IAC	Internal Audit Capability
CFN	Computer Forensic Network	IAM	Identity and Access Management
CMR	Cross Match Report	iARMS	Illicit Arms Records and tracing Management System
COSI	Standing committee for the EU internal security	IAS	Internal Audit Service
CSDP	Common Security and Defence Policy	ICT	Information and Communications Technology
CTPB	Counter-Terrorism Programme Board	IDMC	Integrated Data Management Concept
DAPIX	Working Party on Information Exchange and Data Protection	IP	Intellectual Property
DPF	Data Protection Function	ISF	Internal Security Fund
EAS	Europol Analysis System	ISIS	Islamic State
EASO	European Asylum Support Office	J-CAT	Joint Cybercrime Action Taskforce
ECA	European Court of Auditors	JOT MARE	Joint Operational Team MARE
ECTC	European Counter Terrorism Centre	JPSG	Joint Parliamentary Scrutiny Group
ECTEG	European Cybercrime Training and Education Group	MSPP	Multiannual Staff Policy Plan
EDPS	European Data Protection Supervisor	OAP	Operational Action Plans
EEAS	European External Action Service	OAR	Operational Analysis Report
EES	Entry-Exit System	PCCC	Police and Customs Coordination Centres
EIS	Europol Information System	PNR	Passenger Name Record
EMPACT	European Multidisciplinary Platform against Criminal Threats	QUEST	Querying Europol's systems
EMSA	European Maritime Safety Agency	RAP	Rules of Application
EMSC	European Migration Smuggling Centre	SIENA	Secure Information Exchange Network Application
EPE	Europol Platform for Experts	SIS	Schengen Information System
ESOCC	European Serious Organised Crime Centre	SNE	Seconded National Expert
ETIAS	European Travel Information and Authorisation System	SOC	Serious Organized Crime
EU INT CEN	European Union Intelligence and Situation Centre	SPD	Single Programming Document
EU IRU	EU Internet Referral Unit	TA	Temporary Agent
EUBAM	EU Border Assistance Mission in Libya	TFTP	Terrorist Finance Tracking Programme
EUIPO	EU Intellectual Property Office	TSC	Terrorist Screening Centre
EUNAVFOR MED	European Union Naval Force Mediterranean	UFED	Universal Forensic Extraction Device
EURODAC	European Dactyloscopy	UMF	Universal Messaging Format
EUROGENDFOR	European Gendarmerie Force	US CBP	U.S. Customs and Border Protection
		UMF	Universal Messaging Format
		US CBP	U.S. Customs and Border Protection

### Management Board's analysis and assessment

The Management Board takes note of the Consolidated Annual Activity Report (CAAR) for the financial year 2017, submitted by the Executive Director of Europol in accordance with Article 16(5)(g) of the Europol Regulation and Article 47 of the Financial Regulation applicable to Europol.

In analysing and assessing the CAAR 2017, the MB makes the following observations:

- The report contains a comprehensive and thorough account of the activities carried out by Europol in implementing its mandate during 2017. The report also provides a detailed overview of the results achieved in relation to the objectives and Key Performance Indicators (KPIs) set in the Work Programme 2017, against the framework of the Europol Strategy 2016-2020, as well as relevant resource management information and reporting on audit activities, including the related overall follow-on activities.
- The Europol Regulation (ER) became applicable in May 2017, enhancing Europol's mandate in order to effectively counter continuously evolving threats from cross-border crimes and terrorism across the EU and beyond. In particular, the Integrated Data Management Concept (IDMC) improves Europol's ability to act as the EU information hub in the fight against terrorism, serious organised and cybercrime. Furthermore, the ER also provided increased data protection safeguards as well as democratic control and parliamentary oversight through the establishment of the Joint Parliamentary Scrutiny Group (JPSG).
- The MB notes the ever-increasing demand for Europol's products and services and welcomes the positive feedback from Member States and cooperation partners about the operational and analytical support provided by Europol to their competent authorities. The budgetary authority granted Europol 45 additional establishment plan posts in 2017, and in July 2017, Europol received a grant of 2,2 Million Euro from the European Commission to support operational on-the-spot activities, especially for secondary security checks in migration hotspots.
- The MB also recognises the following achievements and developments, which underline Europol's prominent role as the EU information hub and leading operational support centre across the EU Justice and Home Affairs (JHA) area:
  - o Over 1,000,000 messages were exchanged by Member States, Third Parties and Europol through SIENA (+15% compared to 2016), representing a more than double increase of communication volume over the last 4 years; over 66,000 new cases were initiated in 2017 (+42% compared to 2016);
  - o The use of the EIS reached an all-time peak by the end of 2017, represented by the number of objects stored (1,062,236, +168% compared to 2016) and of searches (2,478,825, +72% against 2016), by far exceeding forecast results, due to continued communication activities and a systematic use of the EIS in business processes across Member States' competent authorities;
  - o A 24/7 service within Europol's Operational Centre became fully operational in 2017; the overall number of operations supported by Europol in EU Member States and beyond increased by 42% compared to 2016 (1,496 vs. 1,056), with very high satisfaction rates for the services delivered in serious and organised crime, as well as in cybercrime and counter terrorism;
  - o The ECTC supported 439 operations and produced 917 operational reports, representing a more than threefold increase (127 operations and 268

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operational reports in 2016), coordinated 16 Action Days and financially supported 17 operational meetings. The EU Internet Referral Unit (IRU) continued to operate as an integral component of the ECTC, with almost 25,000 items of internet content assessed for referral (+19.3% compared to 2016) and subsequent removal by online service providers (with a high success rate of 79%), complemented by 5 dedicated Referral Action Days (RADs) to coordinate the take down of accounts and websites across multiple networks;

- In the area of Serious and Organised Crime (SOC), Europol supported 769 operations (+16% compared to 2016), coordinated 56 Action Days and organised and financially supported 296 operational meetings (+50% compared to 2016). The number of operational reports related to the SOC area more than doubled to 3,730 (compared to 1,388 in 2016);
- Regarding the European Migrant Smuggling Centre (EMSC), 2,149 man-days of on-the-spot support were provided (well above the target of 1,440), both to migration hotspots and the EU Regional Task force (RTF), 158 operations (+84% compared to 2016) were supported, together with 77 operational meetings organised with financial support (+45% compared to 2016). In total, the EMSC delivered more than 1,300 operational reports in 2017, a more than threefold increase compared to 368 in 2016;
- In the area of cybercrime (EC3), Europol supported 180 operations (slightly above the 2016 level), coordinated 33 Actions Days, and organised and financially supported 42 operational meetings. More than 12,000 operational reports were produced in 2017, thus a more than five times increase compared to 2016. EC3 received the 2017 SC Magazine Editor's Choice Award for the 'No More Ransom' initiative.
- Europol deployed a total of 339 Mobile Offices – 268 short-term, 38 long-term and 33 permanent – to enable an agile handling of operational information and cross-checking on-the-spot (+53% compared to 2016);
- The use of the public EU Most Wanted List (EU MWL) increased further in the course of 2017, with 1,573 unique website visitors on average per day and 15 overall arrests, including 4 arrests, following leads from the EU MWL website. The pro-active engagement of the public was also acknowledged by the European Excellence Award granted to Europol;
- Europol intensively cooperated, among others, with Eurojust, Frontex, EEAS, EU NAVFOR, CEPOL, EUIPO, the European Commission, customs authorities, INTERPOL, priority third countries, including the United States, and the private sector;
- Europol is perceived by its users as a professional organisation, demonstrating the trust of EU Member States and cooperation partners in the successful delivery of the Europol Values: Service, Integrity, Accountability, Initiative and Teamwork.

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- The MB also notes, with respect to the overall implementation of the Work Programme 2017, that:
  - o Europol was awarded with the European People's Party (EPP) Merit Award for its exceptional work in helping to protect European security interests;
  - o Europol's results in 2017 were very satisfactory, with 78% performance targets achieved and good progress concerning 80% of the goals and objectives in the Work Programme 2017;
  - o Europol delivered an ethics package, including awareness sessions to uphold high governance standards;
  - o Europol continued to accomplish outstanding financial and human resource implementation figures, with a commitment rate of 99.8% (as in 2016), a payment rate of 89% (close to the level in 2016 with 91%), with 90.9% implementation of carry-forwards (+6.4% points compared to 2016) and a vacancy rate of 0.0% by the end of the year, as in 2016;
- In 2017, Europol was granted discharge for the 2015 budget and responded to the comments of the European Court of Auditors, the internal auditor and other assurance providers addressing areas for improvement; 97% of all audit recommendations graded as critical/very important were addressed.
- The MB also takes note of the efforts to improve key operational, financial and human resources aspects mentioned in the CAAR and recommends Europol to continue this work, particularly with regard to:
  - o Keeping the focus on operational analysis and first-line response speed including the processing of contributions, while maintaining proactive support to high-profile investigations on cybercrime, serious and organised crime, and terrorism, for all three areas pose a continuous threat to the internal security of the EU;
  - o Streamlining the processes for analysis projects, including the deployment of the new Europol Analysis System (EAS), and designing a new ICT architecture for realising, to their full potential, the benefits that may be derived from the Integrated Data Management Concept (IDMC) foreseen in the ER as well as the EU policy objective for inter-operability between EU information systems;
  - o Maintaining the overall outstanding financial management levels achieved, including high delivery levels for the ICT-related budget;
  - o Implementing the recommendations made by Europol's assurance providers and the European Data Protection Supervisor (EDPS);
  - o Keeping up the high level of governance standards, including a dedicated response to the enhanced parliamentary oversight arrangements involving the JPSG.

The Management Board notes that the Executive Director has no critical issues to report which would affect the presentation of the annual accounts for the financial year 2017 to the discharge authority.

Furthermore, it considers that during 2017 Europol continued delivering, effectively and efficiently, the expected products and services to the competent law enforcement authorities of Member States and cooperation partners, and expresses its recognition to the Executive Director, Mr Rob Wainwright, for his excellent leadership of Europol throughout nine years of service.

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The Management Board attaches this assessment to the CAAR for submission to the European Parliament, the Council, the European Commission, the European Court of Auditors (ECA), national parliaments and the JPSG, in accordance with Articles 11(1)(c) and 51(3)(d) of the ER, and Article 47(2) of the Financial Regulation applicable to Europol.



Priit Pärkna  
Chairperson

### Executive Summary

#### Implementation of strategic goals and objectives

- Europol's progress against implementing the actions contained in the 2017 Work Programme was assessed at 80%, compared to 76% in 2016.
- Regarding the targets set for the performance indicators, 78% of them were achieved. This compares to 86% of the targets achieved in 2016.
- Overall, it can be concluded that Europol's results in 2017 were very satisfactory both in terms of implementing the planned actions and achieving the performance targets set.

#### Key Operational Activities and Achievements

- The first-line speed of response to MS/TP significantly improved in 2017 (by 9.3 days), almost reaching the set target. Although the number of accepted contributions to be processed by Europol increased by 4% and set a new annual record from 2016, it was 7% below the number of contributions forecasted. This allowed for the backlog of operational contributions to considerably decrease and Europol managed to reach the related target. The hit rate in 2017 was 10.2 or 7,372 CMR/hit notifications for the number of accepted contributions.
- In the area of Serious and Organised Crime (SOC), Europol supported 769 operations, coordinated 56 Action Days and organised and financially supported 296 operational meetings. The number of operational reports related to the SOC area significantly increased to 3,730, compared to 1,388 last year. The satisfaction with Europol's operational support in this area was rated 8.9, above the target set at 8.5.
- Regarding the European Migrant Smuggling Centre (EMSC), launched in February 2016, 158 operations were supported together with 77 operational meetings organised and financially supported. In total, the EMSC delivered more than 1,300 operational reports in 2017.
- In the area of cybercrime (EC3), Europol supported 180 operations, coordinated 33 Actions Days and organised and financially supported 42 operational meetings. EC3 produced more than 12,000 operational reports in 2017. The satisfaction with Europol's operational support in this area was rated 8.9. EC3 received the 2017 SC Magazine Editor's Choice Award for the *No More Ransom* initiative.
- The European Counter Terrorism Centre (ECTC), launched in January 2016, supported 439 operations, coordinated 16 Action Days and financially supported 17 operational meetings. The ECTC produced 917 operational reports in 2017.
- The EU IRU assessed almost 25,000 contents related to terrorism and violent extremism, 97% of which were referred for removal. From all the referrals made, 79% were successfully removed.
- Financial intelligence is systematically taken into account in the operations supported by Europol. Additionally, the Analytical Projects in the Horizontal Operational Support directly supported 100 operations and a total of 484 operational reports were produced related to financial intelligence in 2017.
- In terms of strategic analysis, Europol produced a total 250 thematic analysis reports and 44 strategic analysis reports.

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- Europol intensively cooperated, among others, with INTERPOL, the United States, Eurojust, Frontex, EEAS, EU NAVFOR, CEPOL, EUIPO, European Commission, priority Third Countries and the private sector. 535 operational cases supported by Europol involved TP and cooperation partners and almost 130,000 SIENA messages were exchanged with TPs, representing an increase of 35% compared to the previous year.
- Europol received the European Excellence Award for the EU Most Wanted campaign and was awarded with the European People's Party (EPP) Merit Award for its exceptional work protecting Europe.

### Europol's Core Systems

- The availability of core systems reached an average of 99.8% and ensured almost uninterrupted access to their users. 79.5% of the core systems projects' milestones were delivered during the year which is above the target set at 75%.
- More than 1 million SIENA messages were exchanged and more than 66,000 SIENA cases were initiated in 2017, representing an increase of 15% and 42%, respectively, compared to 2016. Usage of UMF structured data moved up from 8% to 11% in 2017. Changes in SIENA were implemented, in line with the requirements in the Europol Regulation.
- EIS figures set new records: more than 1 million objects (+168%) and almost 2.5 Million searches (+72%). The area of counter-terrorism experienced the most important increase in terms of number of objects in the EIS. More than 5,300 CBCC related to persons were triggered in EIS, compared to 946 in the previous year.
- After the successful insourcing of the Europol Analysis System (EAS), migration of counter-terrorism data was completed and all the analysts in the area were trained and using the system by the end of the year. During the summer period staff from all the other crime areas were trained. In December, *read access* to the new EAS was given to the rest of users (Front Office, ESOC, EC3 and HOS) and work continued to fully deploy the new system to all users. The system was temporarily accredited.
- EPE had, at the end of the year, almost 10,000 user accounts and 50 active platforms, with 30% of active users.
- The implementation of the Integrated Data Management Concept (IDMC) and all the necessary arrangements, including changes to the data processing systems, proceeded according to the agreed deadlines and were performed before the entry into force of the Europol Regulation in May.
- Europol contributed to the EU Justice and Home Affairs (JHA) interoperability and information exchange architecture and was actively involved in the discussions affecting different border management systems like SIS, ETIAS, PNR or EES.

### Financial and Human resources

- Europol's budget for 2017 was € 114.6M, compared to € 102.2M in 2016. The commitment rate reached 99.8%, in line with 2016's figure. The payment rate was 89.0% which is 2 points below the previous year. The implementation of the € 9.2M carry forward from 2016 to 2017 was 90.9% which is considerably higher than in 2016.
- The vacancy rate was 0.0%, which is below the 2% target ceiling set.
- The turnover rate was 9.7%, which is below the target ceiling of 15% and last year's result (14.2%)

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- Gender balance (32% of all staff are female) and MS representation are at a similar level as in 2016 and 2015.

### Internal Control and Risk Management

- The European Parliament granted discharge for the implementation of the budget for the financial year 2015.
- Europol received positive audit opinions from the European Court of Auditors (ECA) on the implementation of the Delegation Agreement, the Hotspot Grant Agreement and the provisional annual accounts for 2016.
- No critical or very important audit recommendations issued by the ECA, the IAS or the Ombudsman were pending to be implemented.
- In 2017, the IAC performed several audit engagements, concerning the missions' administration process, Europol's strategic analysis products, the EU IRU, ICT project planning, management and change and access rights to ABAC. The IAC also performed the ISO audit of the Forensic Lab.
- The IAS performed a risk assessment on Europol's governance, administrative and support process areas in May 2017. None of the reviewed process areas were identified by the IAS as "Enhance risk mitigation" and four audit topics (HR Management, IT Security, Contract Management, Anti-Fraud strategy and Ethics) were identified and included in the IAS Strategic Audit Plan 2018-2020. In June 2017, the final IAS audit report on procurement was released, containing 3 recommendations graded as important.
- The DPF facilitated the transition between the former supervisory authority (JSB) and the new (EDPS) with the entry into force of the Europol Regulation and continued working on reviewing the compliance of Europol's processing operations with the applicable legal regime.
- The first official preliminary inspection of the EDPS to Europol took place in December 2017.
- Risk management activities performed in 2017 mainly concerned the implementation of the Europol Regulation, the IDMC, the new EAS and those related to the increased volume of information for cross-checking and analysis, together with Europol's enlarged mandate.

### Introduction

Guided by the Europol Strategy 2016-2020 and through the implementation of the Annual Work Programmes, Europol provides a wide range of operational and strategic products and services to national law enforcement agencies in order to support them in their fight against serious organised crime, cybercrime and terrorism. The Europol Strategy and the Annual Work Programmes are accompanied by a set of performance indicators directly linked to the achievement of the multi-annual strategic objectives and annual work programme objectives. All these performance indicators and their targets are reviewed annually to ensure that they adequately measure the progress and impact of Europol's work and still constitute challenging but achievable objectives.

This report covers the period from **1 January 2017 to 31 December 2017** and presents the progress made to achieve the objectives deriving from the Europol Strategy and the 2017 Annual Work Programme<sup>1</sup>. An overview of the budget implementation and human resources management, audit and risk management activities and the efficiency and effectiveness of the internal control system are also included in this report.

The Consolidated Annual Activity Report (CAAR) has been prepared following the template provided by the Commission<sup>2</sup> and it is submitted on behalf of the Executive Director of Europol to the Management Board for adoption, in accordance with article 16 (5)(g) of the Europol Regulation and article 47 of the Financial Regulation applicable to Europol.

According to article 11 (1)(c) of the Europol Regulation, this report shall be adopted by the Management Board and shall be sent by 1 July 2018 to the European Parliament, the Council, the Commission, the Court of Auditors and the national parliaments. Europol shall transmit the consolidated annual activity report to the Joint Parliamentary Supervisory Group (JPSG) in accordance with article 51 (3)(d) of the Europol Regulation.

### ***Europol's mission***

Europol is the European Union's Agency for Law Enforcement Cooperation whose main goal is to help achieve a safer Europe for the benefit of all EU citizens by supporting law enforcement authorities through the exchange and analysis of criminal intelligence. Europol's mission is to support the Member States in preventing and combating all forms of serious international and organised crime and terrorism.

Europol, with its headquarters in The Hague (Netherlands), works closely with law enforcement agencies in the 28 EU Member States and in other non-EU partner states.

The agency uses its unique information capabilities and the expertise of its staff to identify and track the most dangerous criminal and terrorist networks in Europe. Law enforcement authorities in the EU rely on this intelligence work and the services of Europol's operational coordination centre and secure information network. This has led to the disruption of many criminal and terrorist networks, to the arrest of thousands of dangerous criminals, to the recovery of millions of euro in criminal

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<sup>1</sup> Included in Europol's Single Programming Document (SPD) 2017-2019

<sup>2</sup> Communication from the Commission on the guidelines for programming document for decentralised agencies and the template for the Consolidated Annual Activity Report for decentralised agencies, 16 Dec 2014, C(2014) 9641 final

proceeds, and to the saving from harm of hundreds of victims, including children trafficked for sexual exploitation. Europol also acts as a major centre of expertise in key areas of law enforcement and as a European centre for strategic intelligence on organised crime.

### Methodology

The CAAR provides an assessment of the progress made to achieve the multi-annual strategic goals and objectives defined in the Europol Strategy and the work programme objectives contained in the 2017 Work Programme.

For each of the strategic and work programme objectives, a series of actions are identified to be implemented during the year, accompanied by indicators to measure the related performance. Europol regularly monitors the implementation status of all these actions and the achievement of the targets for the performance indicators to assess the overall progress made and to take corrective actions when needed.

Achieving a progress of 100% in the context of this report would imply that all the actions were completed and all the performance targets were met. However, as in any other organisation, to allow for unplanned changes in priorities and resources, when progress made is assessed at 75% or above it can be considered that the organisation has achieved a very satisfactory performance.

In Part I of the CAAR, the progress made in each of the strategic goals and objectives is presented using coloured graphic symbols as follows:

-  Means good progress is made (more than 75%). Progress can be considered as very satisfactory.
-  Means some progress is made (between 60% and 75%). Progress can be considered as satisfactory but could be improved.
-  Means limited progress is made (below 60%). Progress should be improved and corrective actions should be defined and put in place.

The full assessment of the agency's performance, does not only focus on the progress made in implementing the agreed actions but also on the achievement of the targets set for all the performance indicators defined in the 2017 Work Programme.

For this reason, the tables in [sections 1.1](#) and [1.2](#) contain both figures separately: % of progress made in implementing the defined actions and % of indicators for which the targets are achieved.

## **Part I. Progress made against Europol’s strategic goals and objectives**

The **Europol Strategy 2016-2020 is the framework** for the strategic goals and objectives that guide the Annual Work Programme. Europol’s current strategy pursues **three strategic goals**:

Goal 1: Europol will be the EU criminal information hub, providing information sharing capabilities to law enforcement authorities in the MS
Goal 2: Europol will provide the most effective operational support and expertise to MS investigations by developing and employing a comprehensive portfolio of services
Goal 3: Europol will be an efficient organisation with effective governance arrangements and a positive reputation

A total of **nine strategic objectives** have been defined to support the achievement of the three strategic goals above:

1.1. Develop the necessary ICT capabilities to maximise the exchange and availability of criminal information
1.2. Provide effective and immediate first-line information exchange
1.3. Strategically enhance partnerships with cooperation partners
2.1. Support MS investigations in the area of SOC
2.2. Support MS investigations in the area of cybercrime
2.3. Enhance cooperation in the area of counter-terrorism
2.4. Develop and manage high quality analytical support and an evolving portfolio of cross-cutting operational capabilities
3.1. Ensure effective, efficient and accountable management of Europol's resources
3.2. Promote the added value and achievements of EU law enforcement cooperation to stakeholders and EU citizens

In the upcoming points, a **summary of the progress made** against these strategic goals and objectives will be presented. More detailed and descriptive information follows in [section 1.4](#) of this report that covers the main achievements and activities performed in 2017 for each of the 2017 Work Programme objectives.

### **1.1. Strategic goals**

The progress made and the performance achieved for each of the three strategic goals (SG) is shown in the table below:

Strategic Goal	% Actions showing good progress	% indicators achieving targets
1.- EU criminal information hub	77%	78%
2.- Operational support and expertise	82%	78%
3.- Efficient organisation	75%	79%
<b>TOTAL</b>	<b>80%</b>	<b>78%</b>

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In terms of completing the actions<sup>3</sup> described in the **2017 Work Programme**, good progress was observed for the three strategic goals in Europol's Strategy. More progress was achieved for the strategic goals related to operational support matters (SG 2), followed by the information exchange (SG 1) and then by the support/administrative matters (SG 3). Overall, for **80% of the planned actions good progress was made**, compared to 76% in 2016.

Regarding Europol's results against the targets defined for the performance indicators, it can be concluded that **78% of the targets were achieved** in 2017. A total of 69 indicators were assessed against their agreed targets, including all the corporate KPIs. Performance across the different strategic objectives is quite similar and above 75% in all cases.

### 1.2. Strategic objectives

The progress made and the performance achieved for each of the nine strategic objectives (SO) is shown in the table below:

Strategic Objective	% Actions showing good progress	% indicators achieving targets
1.1.- Develop ICT capabilities	72%	90%
1.2.- Effective first-line information exchange	92%	50%
1.3.- Enhance partnership with cooperation partners	90%	100%
2.1.- Support MS investigations in the SOC area	93%	67%
2.2.- Support MS investigations in the area of cybercrime	86%	100%
2.3.- Support MS investigations in the area of CT	81%	78%
2.4.- Analytical and cross-cutting operational support	72%	70%
3.1.- Effective management of Europol's resources	72%	75%
3.2.- Promote added value of EU law enforcement cooperation	90%	100%
<b>TOTAL</b>	<b>80%</b>	<b>78%</b>

**Progress** made by Europol towards completing the actions defined for the different strategic objectives ranged from 72% to 93%. More progress was made to implement the actions related to a more effective first-line information exchange (SO 1.2) and supporting MS investigations in the area of serious and organised crime (SO 2.1). On the other end, less progress was made in implementing the actions linked to the effective management of Europol's resources (SO 3.1), the cross-cutting and analytical operational support (SO 2.4) and developing ICT capabilities (SO 1.1), although even in these cases progress achieved was above 70%. For six out of the nine strategic objectives, progress made was above 75%.

In terms of the **performance indicators**, improvement is mostly needed in the areas of effective information exchange (SO 1.2), in the area of SOC (SO 2.1) and in the cross-cutting operational support (SO 2.4). For six out of nine strategic objectives more than 75% of the targets were met.

Detailed information on the progress made towards the achievement of the objectives described in the 2017 Work Programme, including the areas with limited progress, can be found in [section 1.4](#) of this report.

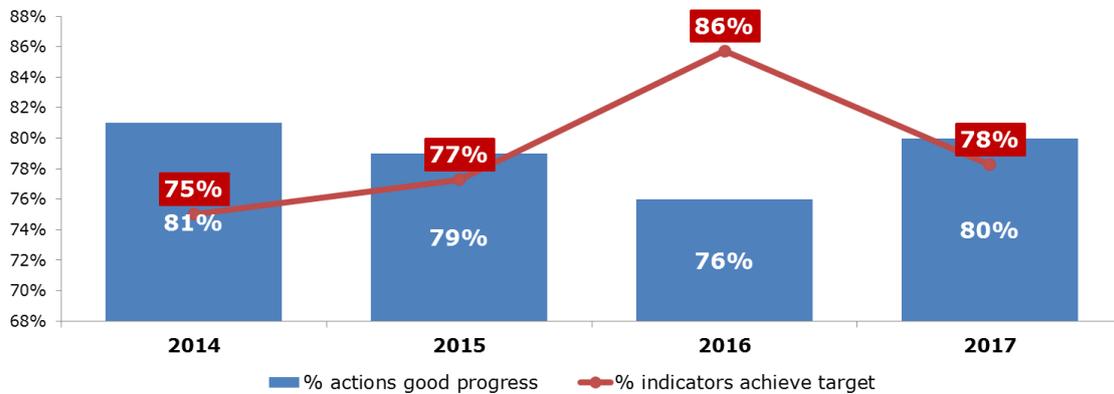
<sup>3</sup> A total of 140 actions were included in the 2017 Work Programme.

### 1.3. Overall assessment of the progress achieved

In 2017, the progress made against the strategic goals and objectives in the Europol Strategy 2016-2020 was assessed at 80%, compared to 76% in 2016. It can be concluded that the **overall implementation of the planned actions**, as described in the 2017 Work Programme, **was very satisfactory**, being 4 points above than last year.

Europol also achieved **very satisfactory results in terms of its performance indicators**, with 78% of the targets set achieved. In contrast, this is 8 points below last year's result. It must be noted, however, than in 2016 only 35 KPIs were included in this assessment, compared to 33 KPIs and 36 other performance indicators as described in the 2017 Work Programme. This, certainly, ensures that the assessment of Europol's performance is broader and fairer.

The following graph, which confirms the excellent results achieved in 2017, shows the progress made at strategic level during the last years.



1.4. Main achievements in 2017 and Work Programme progress

 **Goal 1: Europol will be the EU criminal information hub, providing information sharing capabilities to law enforcement authorities in the MS**

 **Strategic Objective 1.1. Develop the necessary ICT capabilities to maximise the exchange and availability of criminal information**

PERFORMANCE INDICATORS	RESULT 2016	RESULT 2017	TARGET 2017
Operational Stability - Uptime of Core Systems	99.8%	99.8% 	98.0%
Core business project delivery (% of milestones achieved for projects that entail a core business component)	90.0%	79.5% 	75.0%
Number of organisational sub entities SIENA mailboxes in MS and TP connected to SIENA	757	1,100 	-
Number of Designated Competent Authorities connected to EIS	-	-	-
Number of SIENA messages exchanged	869,858	1,005,610 	970,000
Number of SIENA cases initiated	46,437	66,113 	50,000
% of all SIENA messages received by Europol containing structured data	8.0%	11.0% 	8.0%
% of MS individual EIS targets achieved (MS)	27.0%	27.0% 	30.0%
Number of person objects in the EIS	103,796	162,376 	115,000
Number of objects in the EIS (MS+Europol)	395,357	1,062,236 	415,000
Number of EIS searches	1,436,838	2,478,825 	1,605,000
Number of MS EIS data loaders	17	16 	-
Cross-border crime checks (CBCC) related to persons	946	5,337 	-
Number of active expert platforms on the EPE	50	50 	-
Number of EPE user accounts	9,083	13,342 	-
% of active users on the EPE	16.0%	30.5% 	20.0%

The **availability of the core systems**<sup>4</sup> is critical to ensure that all competent authorities in the MS have uninterrupted access to the different information systems of Europol. During 2017, it reached an average of 99.8%, which is well above the set target of 98.0%.

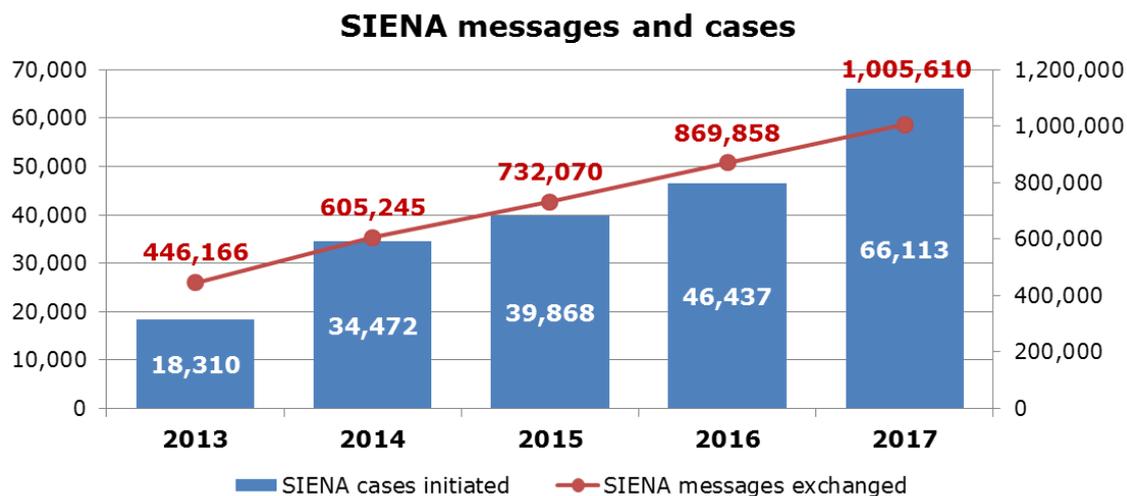
In terms of **core systems project delivery**, 79.5% of the planned milestones were completed, when the target set was 75%. This can be considered as a very satisfactory result taking into account, in particular, that the ICT budget was overbooked by € 1M.

Regarding the use of **SIENA**, more than 1 million **messages** were exchanged in 2017, above the set target of 970,000 messages and representing an increase of 15% compared to last year. Also the number of **SIENA cases** initiated was well above the target, reaching more than 66,000 cases when the target was 50,000 cases and representing an increase of 43% compared to 2016. 84% of the SIENA cases were initiated by MS, 11% by TP and 5% by Europol. This is in line with last

<sup>4</sup> Refers to SIENA, EIS, EPE, EAS, IAM, Good

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year's distribution. Out of these SIENA cases, 46% corresponded to cases initiated by the Police and Customs Cooperation Centres<sup>5</sup> (**PCCC**). In total, 1,100 **organisational sub-entities** (mailboxes) in the MS and TP were connected to SIENA at the end of 2017.



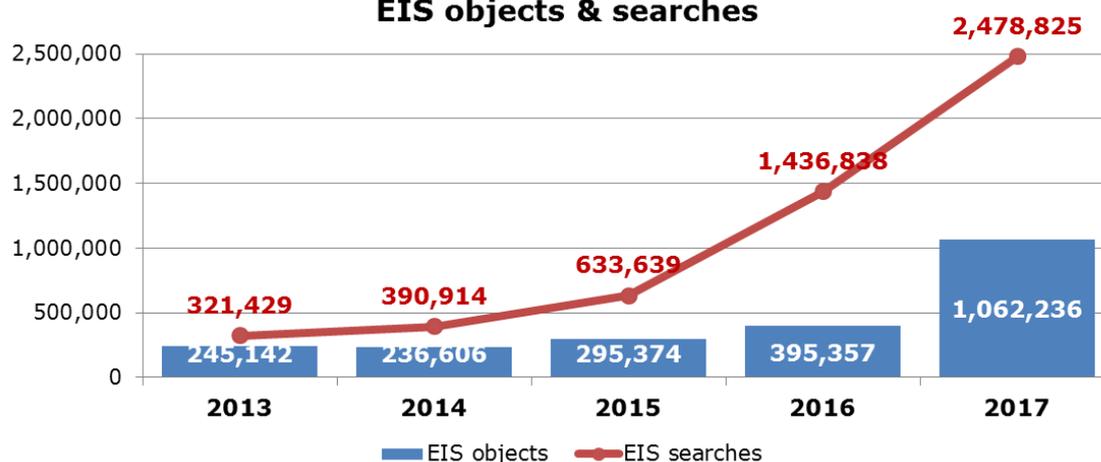
The percentage of messages received by Europol containing **UMF structured data** moved from 8% at the end of 2016 to 11% at the end of 2017. Despite this positive trend, only 2% of the messages sent by Europol contained UMF data, which is in line with 2016's performance.

Regarding the use of **EIS**, both the number of **objects** (1,062,236, +169%) and **searches** (2,478,825, +73%) increased immensely compared to last year and were well above the targets set. A total of 162,376 **person objects** were available in the EIS at the end of 2017 and 5,337 **CBCC related to persons** were triggered during the year, compared to 946 in 2016. 11,465 CBCC in total were triggered in 2017 and this certainly reflects the overall increased activity and use of the EIS. A total of 16 EIS **dataloaders** were installed at the end of 2017, 13 of which in use in the MS. The number of **EIS users** continued to grow (13,342 at the end of 2017), increasing by 47% during the year. Only 27% of the **MS' targets** (on objects, persons and searches) were achieved in 2017, compared to a target of 30%. If the usage of EIS by the MS continues with the current trend it will be very difficult to achieve the target of 36% set for 2018. The countries with the highest number of objects were Germany, Belgium and Finland. Finland and Sweden were the countries performing the highest number of searches in the EIS.

<sup>5</sup> Out of 59 PCCC in Europe, 9 are connected to SIENA: Heerlen (BE, DE, NL), Basel (DE, CH), Canfranc (ES, FR), Chiasso (IT, CH), Dolga (AT, SI), Kehl (DE, FR), Passau (AT, DE), Tournai-Doornik (BE, FR) and Thoerl-Maglern (AT, DE, SI)

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### EIS objects & searches



4,113 new users were authorised into the **EPE** in 2017, totalling 13,342 **user accounts**. On average, 31% of the users in the EPE were active compared to only 16% last year. The number of **active platforms** remained stable (50), with six platforms closed and another six opened during the year.



**Work Programme Objective A.1.1 – Implement the new information management strategy with a focus on automation and modernising data systems architecture and interoperability**

The implementation of the **Integrated Data Management Concept (IDMC)**, as prescribed by the Europol Regulation, proceeded according to the agreed deadlines. The required technical adjustments to the affected data processing systems (including SIENA, EAS, EIS, etc.) and the development and delivery of relevant training and awareness materials to guide the transition to the new information management were all implemented before the deadline of 1 May, day on which the Europol Regulation entered into force. The IDMC guidelines were revised and endorsed by the Management Board, following the positive advice from the EDPS. The main affected processes were reviewed to ensure alignment with the changes introduced by the IDMC, including a new framework for the opening and closing of **Operational Analysis Projects**. Significant work to review the **catalogue of products and services** was also performed during 2017 to ensure coherence with the IDMC. Regarding the development of a single interface giving access to multiple data repositories ([QUEST](#), see in WPO A.1.2), work is still on-going.

Europol actively participated in all the meetings of the **interoperability and information exchange architecture** group and was explicitly mentioned in relation to all the relevant developments and information sharing initiatives, like SIS, ETIAS or PNR. The work of the High-level expert group on information systems and interoperability (HLEG) and the DAPIX working party resulted in a proposal for a regulation establishing a framework for interoperability between EU information systems which will certainly affect Europol.

Important progress was made at political level regarding **border management initiatives such as EES and ETIAS**. Europol's efforts focused on ensuring that its role and perspective were taken into account. In parallel, Europol actively engaged with MS and FRONTEX in order to anticipate and prepare for the forthcoming processing of **travel-related information**.



**Work Programme Objective A.1.2. Continue improving operational systems and tools along MS needs and by applying innovative solutions.**

Version 3.1 of **SIENA** was released at the end of April, including all the necessary adjustments required by the Europol Regulation (e.g. purpose of processing the information provided, updating crime areas, renaming AP mailboxes). User acceptance testing of SIENA v3.2, which included the “accept/reject” functionality for a more efficient handling of information flow, was completed before the end of the year. At the same time, significant progress was made regarding SIENA v4.0. The platform for the SIENA **web services** was completely tested and the data migration in pre-production was completed. Unfortunately, the usability improvements (user interface, address book, etc.) couldn’t be implemented as planned.

All the necessary changes in the **EIS**, following the entry into force of the Europol Regulation, were completed in April. That included the addition of new types of crimes and enhanced protection measures for minors. The objects in the EIS more than doubled, particularly in the second quarter following the upload of information provided by the FBI TSC and the Netherlands. As a result of this, the number of CBCCs significantly increased in 2017 compared to last year. On the other hand, some issues concerning the performance of EIS were exposed during the upload of information. To swiftly improve the performance of the EIS Europol executed several upgrades of infrastructure and implemented two new releases. Although some major improvements were achieved, further work is still required and planned to continue in 2018.

The **QUEST** search web-service was deployed and ready for the Member States to test. At the end of 2017, 5 MS had tested QUEST and 1 MS was connected to QUEST in production. The QUEST Use and Management Policy was endorsed and the Governance Concept discussed at the UMF3 governance plenary meeting. The MB endorsed the accreditation request for QUEST for a period of five years and the QUEST notification documentation was submitted to the EDPS. Depending on the outcome of EDPS’s opinion, QUEST is planned to go live in Q1 2018.

In terms of new **Europol Analysis System (EAS)**, the migration of counter-terrorism data was completed and all the analysts in the CT area were trained and using the new EAS already in 2017. The decommissioning of the previous analysis system containing CT data was completed. During the summer period all the relevant staff were adequately trained, using both e-learning and in-classroom trainings. In December, *read access* to the new EAS was given to the rest of users (Front Office, ESOC, EC3 and HOS) and work continued to fully deploy the new system to all users and, subsequently, to proceed to decommission the old analysis system.

Regarding the **EU IRU** and particularly the developments affecting the **Internet Referral Management (IRMa)** tool, the required hardware and licenses were procured. However, the testing of the solution and connection of 2 MS to it in production was delayed. This was mainly due to the interconnection with another initiative (**Internet Facing Operational Environment**), also delayed compared to the initial planning.

The **EPE** continued to be a useful and frequently consulted platform for the law enforcement experts with an increasing number of active users. The work to improve the user directory started in 2017 but its delivery depends on the upgrade to the new version of EPE, which was delayed to 2018.

Other developments in this area are summarised below:

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- Schengen Information System (**SIS**) **II**: the batch search functionality was installed at the end of 2016. The efficiency of the process had a positive impact on the ability of Europol to utilise the system in supporting operations, with searches moving from 630 in 2016 to 21,951 from 1 January until 11 September 2017.
- Visa Information System (**VIS**): final connection to VIS is dependent on EU-LISA development (deprioritised due to budget constraints) and can have an effect on the interoperability package. Europol's developments in this respect were completed.
- **Eurodac**: Europol will start with the technical part once the Eurodac Regulation is in force. Europol kept frequent contact with EU-LISA at working level in this respect. Europol performed checks against Eurodac via the Dutch National Access Point.
- Automated Data Exchange Platform (**ADEP**): the project was approved for ISF funding. A meeting of the Business and Organisational Working Group took place at Europol in March and it was agreed that Europol will support the project as a non-formal (not beneficiary) partner. Europol established the ADEP Test Network but, up until the end of 2017, none of the 7 MS participating in the pilot was connected to it.
- Automated Fingerprint Identification System (**AFIS**): the new solution was implemented and information migrated from the old solution. However, the cost benefit analysis to further integrate this system with EAS and EIS was not performed.
- **Face recognition**: after successful experimentation at Europol, a first version of the software was deployed and, at the end of 2017, more than 750k images were ingested in the Computer Forensic Network (CFN). This solution was successfully used in operational cases in 2017.
- Searching and cross-matching: the report on the **private matching algorithm** was completed. The **Universal Search Engine** (USE) engine was upgraded to version 2.3, including improved usability and data consistency, and additional data sources were ingested (e.g. SOC analytical data).
- **Virtual Command Post** (VCP): The acquisition of the selected solution, compliant with all the business requirements, was delayed to 2018, as agreed by the Project Board.
- **Automated Translation Services**: the current solution in place was deployed to the operational network and the CFN. Integration with the new EAS is expected to take place in 2018.
- **Natural Language Processing**: text and entity extraction were implemented, together with the proof of concept for the text classification.
- **Data Normalisation Services** (DNS): little progress made, due to unclear business need.

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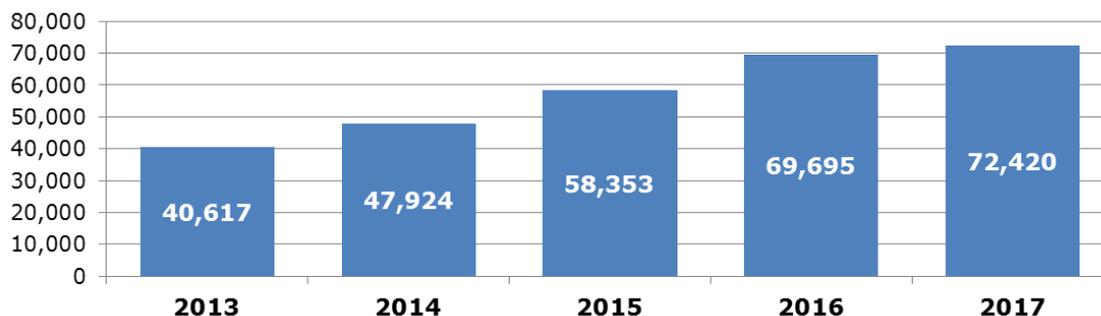


### Strategic Objective 1.2. Provide effective and immediate first-line information exchange

PERFORMANCE INDICATORS	RESULT 2016	RESULT 2017	TARGET 2017
Speed of first-line response to MS requests (days)	27.5	18.2	15.0
Accepted contributions to be processed	69,695	72,420	77,300
Operational Information Backlog (number of operational contributions pending processing)	10,096	5,102	6,500
% of total SIENA messages exchanged (by Europol) outside of office hours	6%	6%	10%
Hit rate (Number of cross match reports and simple answers per 100 accepted contributions)	6.7	10.2	5.5
Number of Mobile office deployments	221	339	200

In 2017, Europol received 72,420 **operational contributions to be processed**. This represents an increase of only 4% compared to last year (19% from 2015 to 2016) and it is below the target number of contributions to be processed, set at 77,300. The number of contributions to be processed was particularly high in the first quarter (>20k) but slightly went down to an average of 17k per quarter in the other three quarters. This could be partially attributed to the removal of a reminder in SIENA to share information with Europol, which may have led in higher sharing of information in the past of however, lower relevance. The below-expected number of contributions received was, however, beneficial for the processing of pending contributions (**operational backlog**), which decreased from above 10,000 pending contributions at the beginning of the year to just above 5,100 at the end of 2017. Despite the progress made, Europol will continue to work towards reducing the backlog to the maximum extent.

### Accepted contributions (to be processed)



Apart from processing information, the Operational Centre also contributed by providing support to other AP operational cases and delivering 2,231 **operational reports** during the year. Of those, 305 CMR, 1,924 SIENA hit notifications and 2 OAR. The overall **hit rate**<sup>6</sup> in 2017 was 10.2 (or 7,372 CMR/hit notifications for a total of 72,420 accepted contributions to be processed) which is significantly higher than last and previous years.

<sup>6</sup> Cross-match reports and SIENA hit notifications per 100 accepted contributions to be processed.



**Work Programme Objective A.2.1. Increase speed and quality of first-line response as well as remote support to operational actions on the spot by providing an efficient 24/7 front office.**

The **speed of first-line response to SIENA requests** significantly improved in 2017 and, on average, it took 18.2 days for a message to be replied by Europol's first-line. The average time was 30.2 days in the first quarter and went down to 11.3 and 12.1 in the third and fourth quarters, respectively. The average time to reply is directly affected by the number of old requests being replied and as the backlog downsizes, the average times go down too. Looking at this indicator from a different perspective, in Q4 2017 Europol managed to reply to 75% of the SIENA requests in max. 7.1 days. The target for this indicator was almost met in 2017 and it is expected that Europol will continue to make this average time shorter in 2018. In terms of monitoring the **quality of first-line response**, no additional measures were taken during the year.

The **24/7 Front Office**, established by the end of 2016, was fully operative in the first semester of 2017. All the staff in the 24/7 Front Office were trained in the new analysis system (EAS) to ensure business continuity before the upcoming closure of the current data processing tool. Duty officers and data specialists were recruited as planned. As described above, the additional resources in the Front Office combined with a lower number of contributions to be processed resulted in a reduced number of backlog messages and a faster time of response to SIENA requests. Only 6% of the **SIENA messages** were exchanged (sent or received) by Europol **outside office hours**, which is below the set target of 10%. Setting up the 24/7 front office was expected to contribute to further increasing the percentage of SIENA messages exchanged outside office hours.

Regarding the feasibility study to host an international police coordination centre for the **UEFA 2020**, Europol participated in the two meetings of the Working Group established by the Council to prepare the UEFA 2020 that took place in February and May, respectively. A study visit to Europol by the representatives of the National Football Information Points took place in the fourth quarter to start the preparatory work.

In order to be better prepared in case of operational emergencies and terrorist attacks within the EU, the draft procedure for initiating **immediate actions and crisis response mechanisms**, developed and used for the Berlin attacks in December 2016, was further improved and turned into an operational corporate process.

During 2017, Europol deployed a total of 339 **Mobile Offices** – 268 short-term, 38 long-term and 33 permanent – to enable an agile handling of operational information and cross-checking on-the-spot. This represents an increase of 53% compared to last year.

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	<b>Strategic Objective 1.3. Strategically enhance partnerships with cooperation partners</b>
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PERFORMANCE INDICATORS	RESULT 2016	RESULT 2017	TARGET 2017
SIENA messages exchanged by third parties (TP)	95,043	128,250 	111,000
Operations supported by Europol involving cooperation partners	385	535 	370
Operations supported by Europol involving private partners	43	49 	-
New associations of TP to Focal Points	37	10 	-

The number of **SIENA messages exchanged with Third Parties**<sup>7</sup> was 128,250 (almost 13% of the total) and is above the set target of 111,000 (or 11,5% of the total SIENA messages forecasted), representing an increase of around 35% compared to last year.

535 **operational cases that involved TP** were supported by Europol during 2017, compared to only 385 during last year. However, from a total of 1,496 operations supported by Europol in 2017, this represents 35% which is comparable to the performance achieved in 2016.

10 new **associations of TPs to different Analytical Projects** took place in 2017 (none in the second half of the year, due to the new legal framework). This translates into 89% of TPs with an operational agreement being associated to, at least, one AP.

In 2017, Europol supported a total of 47 operations where **Eurojust** was involved and 10 operations where **Frontex** was involved.

8 new **strategic partnerships** were signed between Europol and the private sector in 2017. It must be noted that due to the new legal framework, the procedure to sign these agreements went under revision. Europol supported 49 operations in which **private partners** were involved.

	<b>Work Programme Objective A.2.2. Implement an effective cooperation process with partners on the basis of new provisions in the Europol Regulation.</b>
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In the context of the new External Strategy, the guidelines for the implementation of **Europol's external relations** with EU bodies, third countries and international organisations were discussed at the Management Board (MB) Working Group (WG) before their adoption by the MB on 1 May. The list of priority partners and the model cooperation agreement were discussed at the MB WG and finally endorsed by the MB in December.

The operational agreement with **Denmark**, following their opt-out of the Europol Regulation, was signed in April. The MB adopted the administrative arrangement regulating the operational agreement between Europol and Denmark. As a result of this agreement, an amending budget was prepared and approved and the contribution paid in the fourth quarter. Four Danish speaking SNE were recruited, two of which were deployed to a dedicated Europol office in Copenhagen. On the other hand, negotiations on the future relation between Europol and the **United**

<sup>7</sup> Denmark is counted as a Third Party as of the second quarter in 2017.

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**Kingdom** (UK) did not start yet, waiting for the EU Commission's confirmation that the process can be initiated.

The cooperation agreements with **Ukraine** and **Georgia** were finalised and signed. In April 2017, Europol and **Brazil** signed a *strategic* cooperation agreement to expand cooperation to combat cross-border criminal activities. The agreement enabled both partners to work on some key areas such as migrant smuggling, cybercrime, drug trafficking, asset recovery, money laundering, organised property crime and trafficking in human beings.

Europol's proposal to set up a **liaison office in Brussels** to reinforce the relationship with the EU Institutions was discussed at the MB WG meeting in September and was endorsed by the MB in October.

## Europol Public Information



**Goal 2: Europol will provide the most effective operational support and expertise to MS investigations by developing and employing a comprehensive portfolio of services**



**Strategic Objective 2.1. Support MS investigations in the area of SOC**

PERFORMANCE INDICATORS	RESULT 2016	RESULT 2017	TARGET 2017
Operational reports delivered related to SOC	1,388	3,730 	1,275
Operations supported related to SOC	664	769 	600
Satisfaction with operational support and analysis in the area of SOC	8.8	8.9 	8.5
Operations supported by EMSC	86	158 	-
SIENA messages exchanged related to irregular migration	18,711	19,290 	22,650
On-the-spot support deployed related to EMSC (days)	3,217	2,149 	1,400
Volume of content assessed by IRU related to irregular migration	172	693 	1,000
% of decisions for referral by the EU IRU related to irregular migration	90%	81% 	75%
% of successful referrals by EU IRU related to irregular migration	88%	78% 	80%
Operations supported related to (online) trafficking of firearms	66	77 	-
Joint operations with third parties to detect smuggling of firearms	-	9 	3
Operations supported related to Counterfeiting	29	29 	-

Europol provided **operational support** to 769 operations related to the area of Serious and Organised crime (SOC) in 2017. Organised Property Crime (193 operations), followed by Drugs (173) and Facilitation of Illegal Immigration (96) were the crime areas where Europol provided the most operational support. The **satisfaction with the operational and analytical support**, measured and monitored via regular feedback provided by the lead investigators and experts, was very high and rated 8.9, which is above the target of 8.5 and above last year's satisfaction level. A total of 102 investigators involved in 56 eligible operations provided feedback to gather these results.

During this period, Europol also coordinated 56 **Action Days** related to SOC and organised and financially supported 296 **operational meetings**.

In terms of **operational contributions** related to SOC, Europol accepted almost 46,000 to be processed. A total of 3,730 **operational reports** related to this crime area were produced by Europol's analysts, which is well above the target set for this period. More in detail, 3,555 CMR and hit notifications (1,242 in 2016), 106 OAR (120 in 2016) and 99 other operational reports (26 in 2016) were produced. The significant increase in the number of operational reports (+168%) can mainly be explained by the large number of cross-match report and SIENA hit notifications. The number of other operational reports significantly increased while the number of OAR dropped.

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### ***Work Programme Objective A.3.1. Support the preparation and the initiation of the next EU Policy Cycle 2017-2021.***

The Serious and Organised Crime Threat Assessment (**SOCTA**) 2017 was produced based on a reviewed methodology and delivered and presented in March. Later in May, Europol presented the findings of this report at the INTERPOL European Conference in Vienna. An online survey about the SOCTA was launched to collect feedback in order to make any necessary adjustments in the SOCTA mid-term review in 2019 and SOCTA 2021. COSI decided to use the executive version of the SOCTA and the newly identified priorities as the input for the preparation of the Multi Annual Strategic Plans (**MASP**) for 2018-2021.

An assessment of the **Analysis Projects portfolio** and its clustering started at the end of 2017 to ensure alignment with the newly identified priorities.

The standard Operating Procedures for the selection of **High Value Targets** (HVT) and the establishment of **Operational Task Forces** (OTF) was approved and put in practice with pilot cases for organised property crime, cigarette smuggling and drugs. The EMSC created OTF Western Balkans to target five HVT.

Europol continued to promote the **cooperation with third countries in the EU Policy Cycle** and it is now a strategic goal. Based on the EMPACT Terms of Reference, third countries were invited to the drafting of the 2018 Operational Action Plans (**OAP**), after consultation with the drivers. The positive effect of the work done in this regard can be perceived in the number of actions in the OAPs that involve third countries and the increased regional approach beyond the EU borders.



### ***Work Programme Objective A.3.2. Step up the coordination of cross-border investigations with the support of EU agencies in particular within the EMPACT priorities.***

Cooperation between Europol and **Eurojust** developed further in 2017. At the end of 2017, Eurojust was associated to all APs in the ESOCC. Eurojust was involved in 47 operational cases supported by Europol and was invited to the newly established Programme Board for the implementation of Europol's strategy to strengthen drug trafficking investigations. Eurojust was invited to numerous operational meetings organised by Europol and, reciprocally, Europol invited to numerous coordination meetings at Eurojust.

The implementation of the **grant agreement with EUIPO** was finalised at the end of November. Among the activities performed by means of this grant agreement: the Europol-EUIPO 2017 Situation Report on Counterfeiting and Piracy in the EU the annual Europol Intellectual Property Crime Conference, UFED training, IP crime awareness video, purchase of servers, strategic meeting with UK Police Intellectual Property crime unit, IP crime prevention materials, etc. The implementation of a new grant for 2018 was signed and already started in December 2017.

Europol also closely cooperated with **other EU Agencies and organisations** such as: Frontex, EUNAVFOR MED, EEAS/CSDP, EUROGENDFOR, EMSA, SatGen, EASO and EU INTCEN.

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**Work Programme Objective A.3.3. Fully establish the European Migrant Smuggling Centre (EMSC) as the EU coordination point for inter-agency cooperation on smuggling.**

Europol published in February the **EMSC's one year activity report** to capture the main achievements and findings after the centre was set up in 2016.

The EMSC provided permanently available **on-the-spot support to MS** via the Europol Mobile Investigation Support Teams (**EMIST**) and the Europol Mobile Analysis Teams (**EMAST**) to ensure immediate translation and submission of information to Europol for cross-matching and further analysis. Permanent support was provided by EMSC staff in Catania (Italy) and in Piraeus (Greece) as well as regular deployments to the **Joint Operational Office** to Poland and to Italy based on MS' request. In total, the EMSC deployed 2,149 man-days during the year, which is well above the target of 1,400 man-days.

The EMSC was also highly involved in the set-up of an **Information Clearing House**. Discussions on the matter were held with Frontex, EUROGENDFOR, EUNAVFOR MED, EEAS and INTERPOL. Liaison officers from EUNAVFOR MED and INTERPOL were appointed for cooperation in this initiative. EUROGENDFOR expressed interest in becoming part of it too and relevant training was planned. The first operational products were disseminated to operational partners.

**Eurojust** and the EMSC participated in numerous coordination and operational meetings and a contact point for EMSC was appointed at Eurojust.

Cooperation between the EMSC and **Frontex** was mostly related to the further development of the PeDRA project and the increasing exchange of maritime intelligence. With regards to the latter, the agreement with AFIC (African Frontex Intelligence Community) in order to discuss with African countries about operational cases in the region must be noted.

The EMSC continued supporting **INTERPOL** in the implementation of the Immigration Specialised Operational Networks (ISON) project.

The EMSC also cooperated with EASO (JAD Dragon), EMSA and SatCEN (new cooperation avenues being explored) and INTCEN (possibilities to share information). Numerous cooperation initiatives with **third countries** were also performed in 2017: US ICE and US CBP officers deployed at EMSC, deployment to EUBAM Lybia, EUCAP Sahel Niger mission, visit to Ukraine, participation in Western Balkan videoconferences, etc.

In terms of **financial investigations related to migrant smuggling**, Europol drafted a roadmap that was submitted to the EU Commission for assessment. The EMSC disseminated to MS thematic analysis reports on financial flows and was reinforced with a dedicated financial analyst from the operational centre. The EMSC supported CEPOL in various seminars regarding this topic and participated in implementing the EU Action Plan on Financial Investigations. Also, the EMSC became increasingly involved in **FIU.net** by drafting a list of High Value Targets (HVT) to be further investigated within the 23 FIUs.

In 2017, 15,960 **contributions related to migration** were accepted and 19,290 **SIENA messages related to migration** were exchanged – 4,916 of which exchanged with third parties. The number of SIENA messages related to migration increased by 3% compared to 2016 but was 17% below the target.

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Other important achievements of the EMSC refer to:

- 158 operations supported – 42 involving third parties
- 474 CMR + 772 Hit notifications delivered
- 54 operational analysis reports produced
- 50 monitoring reports on migration
- 18 Investigation Initiation documents produced by JOT MARE
- 77 operational meetings organised and financially supported by the EMSC

Additionally, the **EU IRU** assessed 693 contents found on the Internet **related to migration** with 81% of the contents referred for removal and 78% of successful removals. It must be noted that the volume of the contents assessed significantly dropped in the second quarter (5 contributions assessed only) but notably increased in the fourth quarter (425). At the end of the year, the target set at 1,000 contents to be assessed couldn't be met. Also, the percentage of successful referrals was slightly below the target of 80%.



**Work Programme Objective A.3.4. Increase Europol's analytical capabilities and cooperation with third parties in regards to trafficking of firearms and explosives.**

AP Weapons and Explosives participated in the Customs Cooperation Working Party (**CCWP**) Experts' meeting in Brussels and deployed an analyst to a Joint Customs Operation in April in order to obtain a **better outreach towards the MS customs authorities** and to promote the exchange of information regarding trafficking of firearms and explosives.

A meeting with the Lebanese authorities took place in June and was attended by representatives from AP Weapons and Explosives together with experts from several MS, EU Commission and EEAS, with the purpose to intensify **cooperation with MENA countries**.

Two major operations were coordinated by AP Weapons & Explosives in this context, including Joint Action Days, development of risk indicators, mobile office deployments and seizing hundreds of firearms and thousands of rounds of ammunition, leading to the arrest of numerous criminals. Europol was also involved in a high-level operational case where more than 10,000 firearms were identified and seized. A Mobile Office was deployed during the course of this Action Day and Europol is trying to **establish potential links to terrorism**. An Early Warning notification, triggered by an article in an ISIS online magazine, was circulated to all MS. In 2017, AP Weapons and Explosives supported 77 **operational cases**, 28 of which involved third parties. In 2017, AP Weapons & Explosives accepted 1,827 **contributions** and produced 230 **operational reports** and 8 reports of strategic or thematic nature.

In order to allow interoperability between the **EIS, iARMS and SIS**, a new version of the **UMF** was released and included a new model for the firearm entity with the aim to standardise the way information on firearms is queried. In this respect, it is expected that QUEST will make use of the latest version of UMF to query firearms in the EIS.

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	<b>Strategic Objective 2.2. Support MS investigations in the area of cybercrime</b>
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PERFORMANCE INDICATORS	RESULT 2016	RESULT 2017	TARGET 2017
Operational reports produced related to cybercrime	2,220	12,256 	2,000
Operations supported related to cybercrime	175	180 	140
Satisfaction with operational support (incl. analysis) in the area of cybercrime	8.5	8.9 	8.5
Number of forensic jobs performed by EC3	-	1,664 	100
Number of files submitted to EMAS by MS	219,763	372,586 	50,000
Number of malicious files identified through EMAS	141,932	153,581 	25,000
Number of new series in ICSE with IVAS	106	37 	100
Victim identification related intelligence packages	-	13 	10
Number of prevention campaigns organised	-	7 	5
Number of forensic examinations on printed materials (e.g. euro banknotes, brand labels, documents, etc.)	9	29 	-
Number of Europol Forensic Lab deployments on the spot by the EC3 Lab	41	11 	-
Number of on the spot mobile device examination kit deployments in all crime areas	251	80 	-
Number of MoU or other cooperation agreements concluded with private sector	12	3 	-

Europol's cybercrime centre (EC3) provided **operational support** to 180 operations, which is slightly above the number of operations supported in 2016 and above the target set for 2017. The **satisfaction with the operational and analytical support** provided, measured and monitored via regular feedback collected from the lead investigators and experts involved, was very high, at 8.9 when the target was set at 8.5. Feedback was collected from 113 investigators involved in 42 eligible operations.

In 2017, Europol coordinated 33 **Action Days** related to cybercrime and organised and financially supported 42 **operational meetings**. A total of 12,256 **operational reports** were produced by the analysts in EC3, which is well above the target set for the end of the year. In more detail, 825 CMR and hit notifications, 176 OAR and 11,255 other operational reports. It must be noted that 11,197 reports (intelligence packages) were produced in the context of one operation coordinated by AP Cyborg, targeting a counter virus service.

	<b>Work Programme Objective A.4.1. Improve information exchange and processing in the cybercrime area.</b>
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6,609 **operational contributions** related to cybercrime were accepted to be processed in 2017. In order to facilitate the processing of large and varied data sets, Europol completed a review of different solutions. The blueprint for a **blockchain analysis tool** was prepared in the third quarter and the tool was procured by the end of the year. Implementation was foreseen in 2018.

The **Europol Malware Analysis System** (EMAS) was delivered in 2015 and Europol committed to improve it during 2017, by exploring new and enhanced functionalities. Two additional engines for the system were procured and internal development of high-impact functionalities was completed. A total of 372,586 suspicious files were submitted by MS to the EMAS with 153,581 (or 41%) identified as malicious.

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44,288 **NCMEC intelligence packages** were produced and distributed during the year.

Following a review and assessment of the **J-CAT** concept, the MB decided to extend its mandate indefinitely. Also, the engagement of EC3 with key partners (Advisory Groups and MoU partners) was assessed in the third quarter, leading to some changes in the membership of the advisory groups. The process to sign **Memorandums of Understanding** (MoU) was put on hold and under revision, following the entry into force of the Europol Regulation.

The EC3 at Europol worked closely with cybercrime units in affected countries and with key industry partners to provide operational support and to coordinate international efforts to mitigate the threat and help victims of the **WannaCry attacks** in May 2017.

The further development of the Image and Video Analysis Solution (**IVAS**) was de-scoped from the 2017 ICT Work Plan.



**Work Programme Objective A.4.2. Improve the support provided to MS' cybercrime investigations including forensic services.**

During 2017, Europol performed 1,664 **forensic jobs**, compared to a target of only 100. This is due to the growing number of requests received from MS/TP to support both cybercrime and non-cybercrime cases. These requests were diligently dealt with by the Digital Lab, the Document Lab, Cyber Intelligence teams and the different Analytical Projects, surpassing by far the initially planned workload.

The **decryption platform** was used in 28 occasions, achieving successful results 9 times. Regarding the evolution of the currently existing platform, an assessment was done in the first half of the year. The procurement of the selected supercomputing capability and solution was completed before the end of the year although the implementation was delayed to 2018.

In total, 824 **technical investigations on printing devices** and 29 **forensic examinations** on printed materials were performed by the EC3. The **Europol Forensic Lab** was deployed on-the-spot 11 times and the **mobile device extraction kit** (UFED) in 80 occasions.

On the other hand, progress made by Europol to **engage with key cyber intelligence centres and cyber operational international taskforces** was limited because of the lack of resources. A visit to the Cyber Defence Alliance (CDA) was organised in the third quarter and it was agreed not to deploy EC3 staff until the situation is reviewed in 2018. In the fourth quarter, Europol attended the International Cybercrime Coordination Operational Summit in order to engage with the International Cybercrime Coordination Cell (IC4).



**Work Programme Objective A.4.3. Serve as the collective voice of European cybercrime investigators to address common challenges in a unified manner.**

The **Forensic Expert Forum** was successfully organised by Europol and took place in June 2017. The aim of the event was to align the needs of digital forensic tools from the law enforcement perspective with the capabilities of industry and academia to develop those tools, particularly under the **Horizon 2020** (H2020) programme funded by the EU Commission. EC3 worked towards the identification of the key R&D projects, ensuring that they lead to tangible results useful for investigators and

## Europol Public Information

experts. In 2017, EC3 supported the following projects under the H2020, all of them linked to the development of technical and forensic tools to respond to cybercrime:

- *Checkcard (PCF Chip)*: analytical software to extract relevant data from international chip-based payment cards.
- *Titanium*: tools and techniques to investigate virtual currency transactions in Darknet markets.
- *Mnemonic*: analysis platform for threat intelligence based on machine learning and automation, enabling the identification of cyber-attacks and their methodology.
- *ACCEPT*: to support the strategic control of the level and rate of growth of cybercrime.
- *ASGARD*: to develop software tools for law enforcement agencies.

The **ENISA-Europol Internet of Things Conference** was successfully organised at Europol headquarters in October and brought together more than 250 participants from the private sector and law enforcement to discuss the security implications of the subject.

Europol continued to raise awareness on the need for **IP and DNS WHOIS** accuracy in several meetings with the Réseaux of IP Européens (RIPE) and the Internet Corporation for Assigned Names and Numbers (ICANN). Europol further discussed with the ICANN community its position paper of the **Next Generation Registration Directory Services** (NGRDS), granting access to WHOIS information to the law enforcement agencies while in full compliance with the General Data Protection Regulation (GDPR). The Internet Governance (IG) was included in the 2018 OAP Cyber-attacks, securing training and mentoring programmes to increase law enforcement influence.

The “Blueprint on handling large-scale cyber incidents at EU level” was officially published in September. Linked to this, the **Emergency Response Protocol** (ERP) to ensure a coordinated response from Europol in case of a major cyber-attack was discussed at COSI. DG CONNECT and EC3 met to discuss further collaboration in the matter and a visit to Europol was planned for 2018.



**Work Programme Objective A.4.4. Pool European cybercrime expertise to boost up strategic analysis and to support MS in capacity building, prevention and awareness raising.**

The **i-OCTA 2017** was released in the third quarter of 2017. In order to systematically evaluate the **quality and impact of the strategic products** produced by the EC3 and adjust them in accordance with the feedback provided, an online assessment of the i-OCTA 2017 was performed. The feedback collected will be used to make the necessary adjustments to the i-OCTA 2018. In addition to this, the relevant advisory groups were frequently consulted by EC3.

In 2017, Europol reviewed the **Training Competency Framework**, CEPOL’s training needs and the **Training Governance Model** and submitted them to the European Cybercrime Training and Education Group (ECTEG). A meeting between EC3, CEPOL, ECTEG and EU Commission was planned in January 2018 to discuss the adoption of the Training Governance Model and, subsequently, present it to COSI.

Europol organised the third edition of the Europol Training Course on **Payment Card Fraud Forensics and Investigations** at the Spanish National Police Academy in Ávila, Spain. The training focused on the forensic examination of skimming devices,

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payment card and ATM malware forensics, as well as investigative techniques to target criminal networks responsible for international payment fraud incidents. There were a total of 62 participants from law enforcement representing 29 countries, including 22 EU Member States and 7 third countries such as Switzerland, Colombia and Turkey.

The first **IMPACT Crypto Currencies Workshop** was organised at Europol's headquarters in February. The two-day operational and tactical workshop focused on enabling investigators and analysts to improve their investigative skills when dealing with crimes such as ransomware or extortion notes, and improving the way in which Europol can support such investigations through the national law enforcement authorities.

Numerous **prevention campaigns and awareness materials** were produced by EC3 in 2017: No More Ransom (EC3 received the 2017 SC Magazine Editor's Choice Award for this initiative), Trace an object – Stop Child Abuse, Global Airport Action Day, Online Child Sexual Coercion and Extortion Prevention, e-Commerce, WannaCry, Ransomware infographics, European Money Mule Action (EMMA), EC3 trend report on ATM, Safe online shopping in Christmas, European Cyber Security Month (ECSM), Petya/NotPetya, EU Open Day, Social Media Day, Data Protection Day, and several videos, trailers, comics and visual materials. Additionally, the annual **Cybercrime Prevention Forum** meeting was successfully held in April.

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	<b>Strategic Objective 2.3. Enhance cooperation in the area of counter-terrorism</b>
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PERFORMANCE INDICATORS	RESULT 2016	RESULT 2017	TARGET 2017
Operational reports produced related to CT	268	917 	145
Operations supported related to CT	127	439 	65
Satisfaction with operational support and analysis in the area of CT	-	8.2	-
Number of EU MS/TP CT units connected to SIENA	46	46 	-
Number of EU MS CT units connected to EIS	20	20 	-
SIENA messages exchanged by CT units	12,208	44,467 	17,900
Number of accepted contributions related to CT	5,593	6,167 	6,750
Number of EIS objects related to CT	15,525	564,248 	26,750
Number of foreign fighters and facilitators in EIS	7,884	-	-
Number of MS and TP contributing terrorism and foreign fighters related objects in EIS	28	37 	-
Number of referrals for secondary security checks in hot spots	666	1,421 	-
Number of persons referred for secondary security checks	4,823	9,898 	-
Number of hits resulting from secondary security checks	39	83 	-
Volume of content assessed by IRU related to terrorism and violent extremism	20,950	24,997 	20,000
% of decisions for referral by EU IRU related to terrorism and violent extremism	96%	97% 	78%
% of successful referrals by EU IRU of suspicious internet content related to terrorism and violent extremism	90%	79% 	88%
Number of TFTP Art. 10 EU Requests for TFTP searches	122	130 	50
Number of TFTP Art. 4 US Requests to obtain data from Designated Providers	12	12 	-
Number of TFTP Art. 9 Spontaneous provision of information by the US	10	11 	-

Regarding the **EIS objects related to terrorism**, the total number of objects has experienced a huge increase, mainly due to the massive upload of data from the Federal Bureau of Investigation (FBI) **Terrorist Screening Centre (TSC)**. More than 564,000 objects related to terrorism (most of them aliases) were available in the EIS at the end of 2017 while at the beginning of the year there were only 15,525.

The number of **SIENA messages exchanged by CT units** has made a significant jump from 12,208 at the end of 2016 to 44,467 at the end of 2017 and it is now well above the set target.

The number of **accepted contributions related to terrorism** in 2017 was 6,167 which is 10% higher than in 2016 but still falling short of the targeted level. The number of contributions received was particularly low in the third and fourth quarters of the year. Europol will continue to closely monitor this trend since information exchange will be one of the five prioritised areas in the CT activity plan for 2018, as agreed by the CTPB.

Satisfaction with operational support in the area of terrorism was 8.2, slightly below the target of 8.5. During 2017, 439 **operations** were supported by Europol in the area of counter-terrorism, which is quite high above the set target for the year. The same is true for the number of **operational reports** (470 CMR & hit notifications,

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45 OAR, 135 financial intelligence reports and 267 other operational reports), totalling 917. 16 Action Days related to CT were coordinated in 2017 and 17 operational meetings financially supported by ECTC.

In terms of **TFTP**, 130 EU requests for search (art. 10), 12 US requests for search (art. 4) and 11 spontaneous provisions of information by the US (art. 9) occurred throughout the year. All three figures show a stable performance with a slight increase compared to 2016.



**Work Programme Objective A.5.1. Complete the establishment and promote the use of SIENA as a central communication tool to enable the exchange of operational and strategic crime-related information amongst Member States, Europol and third party cooperation partners in respect to terrorism.**

The number of **SIENA messages exchanged** by CT units grew significantly in 2017 reaching 44,467 by the end of the year which is an increase of more than 260% compared to 2016. On the other hand only 17% of these messages were shared with Europol which is less than the 21% share in the previous year. A total of 5,341 **SIENA cases were initiated related to terrorism** (8.1% of the total) compared to 3,700 cases initiated in 2016. There were no new **CT units** connected to SIENA in 2017 and the number remained at 46. **Training** in SIENA to the law enforcement community continued to be delivered on a regular basis.

Under the **Internal Security Fund** (ISF) 2016 Annual Work Programme, a direct action grant of € 1.3M was awarded to a consortium of MS with the aim to support the connection of CT units from 13 MS to SIENA at EU Confidential level. The National Police Service of Ireland (as the leader) and Europol jointly prepared the proposal and the project started in September. Despite this, at the end of 2017, no SIENA mailboxes were configured to EU Confidential (i.e. no EU Confidential SIENA messages exchanged)

Europol is also ensuring that the communication tool being developed by Germany, accredited up to **EU Secret for CT-related** matters, and SIENA keep their total complementarity. However, Europol is not involved in the development of the tool as such.



**Work Programme Objective A.5.2. Complete the establishment and promote the use of the Europol Information System (EIS) as a EU central information and intelligence database in respect to terrorism.**

Important amounts of data from the FBI TSC were uploaded into the EIS, resulting in a huge increase in the number of objects related to terrorism. However, technical improvements affecting the speed of the EIS were identified in the context of this massive upload of data and had to be tackled as a matter of urgency.

Although the number of **CT units connected to the EIS** remained unchanged (20), the **number of contributors** of persons linked to terrorism in the EIS increased. In total, 22 Member States and 15 Third Parties contributed (via the Europol Operational Centre) to this data. Specific efforts were invested towards enhanced information sharing with the Western Balkan countries as a result of which all countries made available lists with Foreign Terrorist Fighters (FTF) to be shared via EIS on a hit-no-hit basis and with the possibility for MS to obtain full FTFs lists on a bilateral basis. In addition, three new MS inserted FTF data in EIS – Hungary, Romania and Slovenia.

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The total amount of **EIS objects related to terrorism** amounted to 564,248. There were 46,063 persons linked to terrorism in the EIS, while in 2016 there were 8,485. This is an increase of 442% compared with the situation at the beginning of 2017. Virtually all persons linked to terrorism in the EIS are assumed to be “foreign fighters” or their facilitators or supporters.

With this significant increase, terrorism became the biggest crime area in the EIS with terrorism related data covering 53.1% of all objects.

As a result of the data uploaded, 3,810 **CBCCs on person objects related to terrorism** were triggered throughout the year. By the end of 2017, 16 **dataloaders** were installed and no additional installations were performed during the year.

**Training** in the EIS to the law enforcement community continued to be delivered on a regular basis.



**Work Programme Objective A.5.3. Further develop Europol capabilities for operational support in the area of counter-terrorism in response to the increasing connectivity of the EU counter-terrorism community and increasing number of joint actions.**

The **24/7 Front Office** service at Europol handled CT-related information with high priority, ensuring direct daily contact with the ECTC. This resulted in an efficient processing of CT-related contributions and a drop in the number of contributions pending processing (879 at the end of the year compared to 1,199 at the beginning). Additionally, a 24/7 on-call officer service was activated in case of emergencies or whenever expertise in this area was required.

In order to reinforce the governance of the ECTC, the set-up of a **Counter-Terrorism Programme Board** (CTPB) was formally endorsed by the Heads of CT at a meeting that took place in February. Organised by Germany's Federal Criminal Police Office (BKA) and Europol, almost 100 participants gathered in Berlin at the Ministry of Foreign Affairs to consider means by which to enhance the coordination of European police efforts to fight terrorism. The main task of the CTPB is to prioritise and ensure the implementation of the approved operational activities. The first meeting occurred in April where it was agreed that the United Kingdom would chair the CTPB, assisted by Europol. A second meeting with those countries which volunteered to lead specific actions took place on 22 November to discuss and plan the guidelines to the prioritised actions.

The ECTC continued working towards an **enhanced cooperation and establishing new partnerships with third countries**. In this respect, the ECTC supported **CEPOL** in their project on CT capacity building in the MENA countries. Study visits at Europol HQ were organised for Jordanian and Tunisian CT officials.

Cooperation with the **EEAS** was also intense, particularly with their network of CT Liaison Officers. A number of the EEAS' regional security officers visited Europol, while the ECTC participated in a EU-Alegria CT dialogue meeting, the annual meeting of Heads of Arab CT services and in the EEAS-promoted EU/Turkey CT dialogue in Ankara.

The ECTC also supported the **Western Balkans** (WB) Counter Terrorism Initiative (CTI) and WB CT partners were encouraged to share and update their Foreign Terrorist Fighters data through different channels. Strategic cooperation with the partners in the region was framed within the CTI Integrated Plan of Actions 2018-2020.

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Europol took part in the **India**-EU Counter-Terrorism dialogue on 30 August. A joint commitment was achieved on exploring opportunities to develop concrete cooperation between Europol and its Indian counterparts, namely regarding the sharing of best practices, countering online threat of radicalisation and engagement in capacity building activities.

Additionally, **cooperation with US** materialised with the upload of the FBI TSC data into the EIS and the use of 105 unidentified fingerprints shared by the FBI that were cross-checked with AFIS and Eurodac, via the Dutch NAP.

In total, 23,882 **SIENA messages related to terrorism were exchanged by Third Parties** (TP) and 1,040 contributions were accepted coming from TP. At the end of the year, 22 TP were sending contributions related to terrorism and 15 TP were contributing objects related to terrorism in the **EIS**.

With regards to the **secondary security checks at the Hotspots**, Europol had organised, by the end of 2017, deployments for no less than 10,069 man-days. This was achieved by means of 84<sup>8</sup> **Guest Officers** being stationed at 10 different Hotspots (5 in Greece and 5 in Italy). 1,421 referrals were received in SIENA during this period, and checks were performed on 9,896 persons, 1,242 documents and 10,388 means of communication, resulting in 83 hits.

In January 2017 Europol's Management Board decided to evaluate the implementation of the **Guest Officers** (GO) concept. The Evaluation Team, composed of 7 MS, the European Commission and Europol, prepared 19 recommendations and overall concluded that the secondary security checks at the EU external borders should be continued and the presence of GOs where and when needed, taking into account available resources, should be ensured. The recommendations were endorsed by the MB and Europol was invited to follow up on the identified issues by developing an action plan. Europol's request for a third grant for the deployment of Guest Officers in the Hotspots under the ISF – Police emergency assistance funds was, however, rejected. This decision puts at risk the continuation of this activity and Europol was exploring other ways of funding (e.g. amending budget) at the end of 2017.

Concerning the extended mandate of Europol covering **genocide, war crimes and crimes against the humanity**, the new Analysis Project - AP CIC (Core International Crimes) became fully operational as of 1 December and was ready to receive contributions. So far 8 MS and 5 TP expressed their interest in associating with AP CIC.

Finally, the 10<sup>th</sup> edition of the yearly **EU Terrorism Situation and Trend Report** (TE-SAT) was published in June 2017, providing a concise overview of the nature of terrorism that the EU faced in 2016.



**Work Programme Objective A.5.4. Increase the volume and quality of Internet referrals, other operational and strategic support services related to terrorism and violent extremism.**

The **EU IRU** assessed a total of 24,997 contents related to terrorism and violent extremism (almost 20% more compared to 2016), 97% of which were referred for removal. From all the referrals made, 79% were successfully removed which is lower than the year before and below the set target and is due to a shift of the EU IRU work towards smaller online service providers with less experience and capacity to respond

<sup>8</sup> 28 experienced GO were redeployed to various hotspots according to operational needs.

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to referral requests. In this respect, the EU IRU organised regular conference calls with online platforms (large and small). So far, it is still not possible to monitor the time needed by the different platforms to remove the content after receiving Europol's request.

**167 operations were supported by the EU IRU** which is a substantial increase compared to the 48 operations supported in 2016. **192 operational reports** were produced which represents a growth of 60%. Additionally, the EU IRU produced 61 strategic and thematic reports of different nature and successfully organised 5 **Referral Action Days** in order to take down or refer accounts and websites across multiple networks.

The EU IRU continues to engage with major **Online Service Providers (OSP)** and smaller platforms through visits, workshops, roundtables, regular conference calls, videoconferences and bilateral meetings to improve the referral process, defining common criteria for assessment. The EU IRU participated in the **EU Internet Forum** and followed up on the implementation of actions of the EU Internet Forum Action plan to combat terrorist online content. The EU IRU supported DG HOME in establishing a Matrix of Indicators to measure the progress made by the EU IRU in achieving its key objectives.

The development of the **hashing database**, allowing a streamlined detection and removal of terrorist propaganda and extremist contents, is constantly being monitored by the EU IRU.

The EU IRU also launched the **SIRIUS project**, which consists of developing a platform available to law enforcement authorities to support Internet-based investigations. Deployed in a closed and secured environment, this platform will centralise knowledge on Internet investigative techniques and will detail how to retrieve publicly available information directly from OSPs, and provide guidance on how to obtain relevant non-public information (e.g. judicial request). The platform will also include a repository for the collaborative development of tools to support Internet investigations. The project was launched in October at Europol's headquarters, involving more than 100 professionals from 30 countries and more than 60 different organisations, including law enforcement, government authorities in MS and TP and representatives from the main online platforms. In this context, a € 1M grant application was approved by the EU Commission for 2018.

Europol hosted the first high-level **Conference on Online Terrorist Propaganda** in April, with over 150 participants including members of the ECTC Advisory Group on Terrorist Propaganda, representatives of the European Commission and the EU Council, academia and law enforcement practitioners from Europe and the US.



**Work Programme Objective A.5.5. Establish Europol as a recognised partner in the Passenger Name Records (PNR) network.**

With regards to the **Passenger Name Record (PNR)**, Europol's ambition is to ensure a comprehensive support to the MS by means of hit management, processing of data and insertion into Europol's databases and by ensuring a Single Point of Contact (SPOC) in terms of travel data. As of September there is a dedicated team (TFTIN<sup>9</sup>) established to further develop Europol's travel intelligence capabilities by taking into account also all the developments concerning **ETIAS, EES** and the **Advanced Passenger Information (API)** Centres. Limited progress was made towards the

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<sup>9</sup> Tasforce Travel Intelligence

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development of a technical capability for cross-matching PNR data and for the creation and maintenance of an **EU PNR Watch List**.

The SPOC SIENA mailbox continued to be used. At the end of 2017, the number of MS with operational **Passenger Information Units** (PIU) and a dedicated SIENA mailbox raised to seven (Austria, Bulgaria, Finland, Hungary Romania, Slovenia and United Kingdom) and a small **operational pilot** was conducted within the framework of the **Passenger Name Record Data Exchange Project (PNRDEP)**. In the context of this project, two expert meetings were supported by Europol with the purpose to test SIENA as a communication tool for PNR information exchange. Final report and version of the comparative study on potential PNR communication tools were issued and the project was administratively closed in October.

The European Commission awarded a full ISF-Police grant to the PIU.Net project proposal. The project started on 1 November 2017 and is again supported by Europol. In preparation of a business requirement workshop, a coordination meeting between the PIU.Net (NL) team and Europol took place in December.

The **EPE platform** created for PNR-related matters continues to be used by the PNR community, counting more than 100 active members.

Regarding the exchange of PNR data by means of the current **EU-TP PNR agreement**, an operational pilot on THB was conducted with Finland involving a request for information from the United States and Australia. Also, information from the US CBP was requested and received to support an operational case linked to a CT investigation. The operational use and processing of PNR and other travel data were also tackled during a 5-day visit of Europol to US CBP and NYPD in December. The EU Council authorised negotiations in view of concluding the Canada- EU PNR agreement for the transfer and use of PNR data.

Europol actively supports the **Informal Working Group on PNR (IWG-PNR)** by hosting its Secretariat. The WG met in three occasions and engaged in discussions on aligning priorities, roles and processes.

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	<b>Strategic Objective 2.4. Develop and manage high quality analytical support and an evolving portfolio of cross-cutting operational capabilities</b>
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PERFORMANCE INDICATORS	RESULT 2016	RESULT 2017	TARGET 2017
Number of strategic analysis reports	100	44 	12
Number of thematic analysis reports	-	250 	35
Number of Action Days	82	113 	13
Number of Joint Action days	2	7 	2
% of operational actions in the Operational Action Plans	50%	50% 	80%
% of the allocated budget within the OAPs funding operational actions	50%	78% 	60%
Operations supported with financial intelligence products/services	45	100 	40
Number of operational reports related to financial intelligence	164	484 	140
Satisfaction of participants with training provided by Europol to MS	8.9	8.1 	8.5
Training activities for MS/TP	124	133 	-
Satisfaction with operational support and analysis in the area of financial intelligence	8.8	8.2 	8.5

**Financial intelligence** is systematically taken into account in the operations supported by Europol. The Analytical Projects under the Horizontal Operational Support (HOS), namely AP Sustrans and AP Asset Recovery, supported 100 **operations in the area of financial intelligence**, compared to only 45 during last year. The satisfaction with the operational support and analysis in the area of financial intelligence was 8.2, which is slightly below the target but can be considered as very satisfactory.

In addition, 484 **operational reports related to financial intelligence** were delivered and Europol also produced 44 **strategic analysis reports** and 250 **thematic analysis reports** during this period.

Europol coordinated 7 Joint Action Days with a total of 21 operational actions and 113 Action Days.

In total 16 **EMPACT grants** were awarded in 2017 with 78% of the allocated budget within OAPs funding operational actions. 48 **EMPACT meetings** were organised and financially supported by Europol.

Europol staff delivered 133 **training activities**, which include workshops, classroom training, webinars and other types of training, to more than 5,600 participants from MS and TP. Evaluation of the satisfaction with these training activities still remains very limited and only 8 training courses were evaluated (119 respondents with an average satisfaction of 81%).

	<b>Work Programme Objective A.6.1. Improve quality and relevance of operational analysis.</b>
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In total, 332 **operational analysis reports** (OAR) were produced in 2017, compared to 493 in the year before. This difference can be mainly attributed to the higher number of OAR produced by AP Twins and AP Travellers (incl. Task Force Fraternité) in 2016, which accounted for 286 reports. The user **satisfaction with Europol's operational analysis** was rated at 8.7 by means of the operational feedback surveys

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sent to investigators on a quarterly basis. A total of 78 investigators involved in 61 prioritised cases rated the level of satisfaction with Europol's operational analysis.

Europol conducted relevant work to develop and implement a **blueprint of the future analytical capabilities** required in the organisation, in line with Europol's vision on analysis. In close cooperation with the ICT architects and following IDMC's implementation, progress was made in this respect and also to define relevant **quality criteria** for the operational analysis products.

In addition, discussions were initiated with the MS to establish a working group on best practices in intelligence and analysis at Europol where, together with the MS and TP, steps towards common standards and understanding on different aspects of the intelligence and analysis can be made. The HENU's supported the idea and the work is expected to commence in 2018, depending on budget availability.

With regards to the establishment of a **centre of excellence on specialised techniques** (e.g. on geographical analysis, social network analysis, quality and standards), little progress was made due to lack of resources. The launching of a working group on best practices in intelligence and analysis, as mentioned above, is expected to contribute to this end in 2018.

Also because of lack of resources, the organisation of an **Analytical Conference** for Member States was cancelled.

As a part of their induction programme, all the new analysts were trained to ensure alignment of practices. Work to consolidate the processes with the IDMC was extensive and relevant **training** materials were updated, including the Operational Information Management (OIM) course. Two Operational Intelligence Analysis Training (OIAT) courses provided input on clear and effective writing of operational analysis reports and two other courses trained staff on the delivery of financial analysis.



**Work Programme Objective A.6.2. Improve the efficiency and the operational focus of the financial support of actions within the EMPACT framework.**

Europol contributed to the Council conclusions for the **EU Policy Cycle 2018-2021** adopted in March 2017. Additionally, all the **recommendations from the evaluation of the previous Policy Cycle were addressed** and new templates and Terms of Reference (ToR) were defined. In the second half of the year, Europol focused its work on the design of an improved monitoring and reporting system for the new EU Policy Cycle.

In order to put in place a more **flexible funding mechanism** to financially support MS' actions, in line with the Europol Regulation and the Financial Regulation, Europol defined a new scheme including two different mechanisms: high and low value grants. While the high value grants follow the standard procedure for call for proposals, the low value grants take advantage of an open-ended, fast-track procedure introduced in order to enable quick support to MS' ad-hoc actions of purely operational character. Europol also updated the Guide for Applicants, revising the eligibility criteria for the funding of EMPACT related actions, ensuring that greater support is provided to operational activities. The thresholds for operational support costs were removed.

In total 10 high-value and 6 low-value **grants** were awarded in 2017. 78% of the allocated budget within OAPs funded operational actions which is substantially higher than the set target of 60%. However, the percentage of operational actions in the

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OAPs for 2017, as prepared by MS, remained at 50% only - the same level as for 2016 - and below the target of 80%.

48 **EMPACT meetings** were organised and financially supported by Europol.

The payment rate for the **EMPACT Delegation Agreement** was 89% at the end of the year.



**Work Programme Objective A.6.3. Build up Europol capabilities to carry out European policing tasks and actions tailored to Member States' needs.**

Along with the implementation of the Guest Officers concept, which offered extensive on-the-spot support to the affected MS, Europol supported MS policing actions with in total 339 deployments of **Mobile Offices** of various durations (268 short-term, 38 long-term and 33 permanent).

The new fingerprint cross checking solution (**AFIS**) was implemented and migration of information from the existing database was completed. Activities are on-going to address security and audit logging requirements.

Important progress was made with regards to the **face recognition** tool - multiple releases were deployed to allow for images and video ingestion and improvements of functionalities.

Important security issues related to the implementation of the **European Tracking Solution** (ETS) were identified and addressed in cooperation with the Swedish National Police. The contract for the ETS installation was being prepared together with the data protection impact assessment for EDPS.

Europol continued to provide unique services in the area of **special tactics**, like the **High Risk Informant Database** (HRIDB). It was examined whether the HRIDB de-confliction format could be replaced by another system, however the implications of using a new codification requires further discussion at the next expert group meeting in Q1 2018. In 2017, Europol supported 12 operations that involved the use of special tactics and two more SIENA accounts in special tactics networks were opened.

With regards to the implementation of a **Virtual Command Post (VCP)** user experience sessions took place in October in view of presenting user feedback and commercial information to the Project Board. The procurement and implementation was, however, delayed to 2018.

Since the launch of the **EU Most Wanted List** (EU MWL) in 2016 the number of users has steadily grown. At the end of 2017, the website accounted for an average of 1,573 unique visitors per day, with 56 fugitives published on average, 15 fugitives arrested and 4 arrests following leads from the EU MWL website.

Europol also explored the development of a new **platform for missing children and missing persons**. In February, the Working Party on Information Exchange and Data Protection (DAPIX) endorsed the proposal to establish an expert platform for that purpose. Due to a change in responsibility at the driver's side no further action was initiated before the end of the year.

Europol continued exploring throughout the year possibilities for closer affiliation with the **ATLAS Network**. An ATLAS EPE on the operational network was created for the exchange of relevant expertise and, at the end of 2017, three MS had established connection. The 38 ATLAS Special Intervention Units (SIU) agreed to also pursue connection to SIENA, ensuring that the applicable rules for exchanging and

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processing data are respected. Europol prepared a table top exercise to test and demonstrate its support capabilities regarding communication and coordination towards the ATLAS commanders but the event had to be postponed to Q1 2018.



**Work Programme Objective A.6.4. Enhance coordination of intelligence driven targeted operations and live information exchange at Europol headquarters.**

In 2017, Europol coordinated 7 **Joint Action Days** with a total of 21 operational actions supported. 132 operational reports were produced in the framework of these Joint Action Days. **Operation Dragon** is the fourth<sup>10</sup> in a series of JADs covered by the 2014 - 2017 EU Policy Cycle targeting serious international and organised crime.

In total, the JADs led to 604 new cases/investigations, 1,133 arrests and the seizure of 136 firearms, 7,095 rounds ammunition, 267 kg Cocaine, 19 kg of amphetamines, 1.7 kg of MDMA, 327 tablets of XTC, 271 vehicles and 2.44 million cigarettes. 1,191 human trafficking victims were identified, as well as 104 document fraud cases.

Additionally, Europol coordinated 113 **Action Days** and supported 61 **Joint Investigation Teams** (JITs).

In order to create a sustainable environment for the coordination and prioritisation of operations, Europol continued in the first half of the year with the development of an interim **Case Management System**. At the end of 2017 the use of the system was, however, limited to a few AP only.



**Work Programme Objective A.6.5. Further improve EU wide cooperation in combating criminal finance and money laundering.**

In 2017 4,908 operational **contributions** were accepted by AP Sustrans and AP Asset Recovery which represents an increase of 18% compared to the previous year. 484 **operational reports** related to financial intelligence were produced and the number of supported **operational cases** more than doubled – from 45 in 2016 to 100 in 2017.

In order to **increase the cooperation between FIUs and Europol** by means of the FIU.net, Europol visited the FIUs of several countries (e.g. Belgium, Finland, Luxembourg, Malta, etc) and delivered relevant presentations. The FIU.net User Manual was finalised and published on EPE and in FIU.net.

The Norway connection to FIU.net was technically finalised and the SLA with the new FIU Germany was signed. After the organisation of AP Sustrans awareness raising sessions in MS and the reception of the first test contributions from Cyprus and Slovak FIUs in Q1, the two countries became among the regular contributors of suspicious transaction reports.

In total, 7 FIUs agreed to participate in the pilot project for **matching EMPACT and FIU** data. On the basis of data received from 7 APs, three high-value target filters were created - on natural persons, legal entities and IBANs. The matching with the FIU data resulted in 40 hits.

At the end of the year, 15,878 **requests** and 29,178 **cross border reports were exchanged via FIU.net**. However, following the outcome of the report on private matching, the quality of operation of FIU.net turned out lower than anticipated. The Project Board made the decision to enhance the current solution within the originally

<sup>10</sup> Following Archimedes (2014), Blue Amber (2015) and Ciconia Alba (2016)

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allocated resources, while a working group with FIUs will be set up to elaborate on the way forward.

Europol delivered 5 external **training courses** and supported 11 CEPOL courses and webinars on Financial Investigations, Money Laundering and Asset Recovery, and financial investigations under the EMPACT priorities.

An **Anti-corruption** conference took place on 6-7 December with 39 participants from MS and TP. AP Asset Recovery supported 4 **ARO peer reviews** in Ireland, Estonia, Germany and Sweden.

Europol and the **Institute of International Finance** launched a high-level forum for the law enforcement and banking sectors to improve the interconnection between the two sectors in mitigating the threats from financial crime, money laundering, terrorist financing and cybercrime. Leading global financial services institutions joined the forum and attended its first meeting in June at Europol's headquarters.

Finally, for the **EU funded projects** related to financial intelligence, money laundering or asset recovery, for which Europol hosts the Secretariat:

- Anti-Money Laundering Operational Network (AMON): the Steering Group meeting in May was funded by Europol, due to the lack of funds available from the ISF. EU funding was, however, obtained for 2018 and 2019 via a direct grant.
- Camden Asset Recovery Inter-Agency Network (CARIN): ISF funds were available for 2017-2018 and four Steering Group meetings were organised throughout the year. The CARIN Secretariat attended a TAIEX<sup>11</sup> event in Israel and explored possible cooperation.
- Regional Asset Recovery Networks: The Europol Criminal Assets Bureau (ECAB) attended a meeting for the launch of a new regional network (ARIN-CARIB). The Assembly was hosted by Europol in the third quarter of the year.

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<sup>11</sup> Technical Assistance and Information Exchange instrument of the European Commission

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### Goal 3: Europol will be an efficient organisation with effective governance arrangements and a positive reputation



#### Strategic Objective 3.1. Ensure effective, efficient and accountable management of Europol's resources

PERFORMANCE INDICATORS	RESULT 2016	RESULT 2017	TARGET 2017
Administrative ICT project delivery	90.0%	78.0% ✓	75.0%
Uptime of administrative systems	99.8%	98.8% ✓	99.0%
Commitment Rate Europol Budget	100%	100% ✓	95%
Payment Rate Europol Budget	91%	89% !	93%
Accrual rate of carry overs	45.0%	27.0% ✗	60.0%
Budget Outturn rate	1.7%	0.9% ✓	5.0%
% Late Payments	7%	21% ✗	10%
Vacancy rate	0.0%	0.0% ✓	2.0%
Sickness rate	1.2%	-	3.5%
Turnover rate	14.2%	9.7% ✓	15.0%
% of pending critical/very important audit recommendations addressed	83%	97% ✓	90%
% of Work Programme objectives implementation	75%	80% ✓	80%
% Staff Engagement (via Staff Survey)	55.0%	63% ✓	55%

In general terms, Europol's **budget implementation** in 2017 can be considered as very successful. With a **commitment rate** of 99.8% (same as in 2016, target 95%) and a **budget outturn** of 0.9% (1.7% in 2016, target 5%), Europol could only achieve a **payment rate** of 89%, which is slightly lower than in 2016 and below the target of 93%. Regrettably after the successful results in 2016, the % of **late payments** went up to 21% and didn't meet the target set at 10%. The challenging target for the **accrual rate** couldn't be met and went down from 45% in 2016 to 27% this year. More detailed information on the budget implementation can be found in [section 2.2](#) of this report.

At the end of 2017, the **vacancy rate** was 0.0%, when the target ceiling is set at 2%. It is relevant to mention that Europol received a net increase of 45 establishment posts that were fully covered during the year. Due to a recurrent problem in the system used by the outsourced medical service to register the **sick leaves**, this rate couldn't be provided on time. The **turnover rate** was 9.7% and well below the target ceiling of 15%. More details on human resources management can be found in [section 2.3](#) of this report.

Regarding the **delivery of non-operational projects** by ICT, 78% of the milestones defined and agreed for 2017 were achieved. This performance is above the target, set at 75% but still below last year's performance. The **availability of non-operational systems** in 2017 was 98.8%, above the target set at 98% but also below last year's performance. It must be noted that 2016 was an outstanding year in terms of ICT delivery.

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**Work Programme Objective A.7.1. Continue the implementation of the new Europol Regulation and introduce new innovative approaches to exploit all opportunities provided by the new legal framework.**

Europol reviewed the main **processes impacted** by the entry into force of the Europol Regulation, mainly **linked to the IDMC** (intake, operational analysis, thematic analysis, Analysis Project portfolio management, case prioritisation, strategic analysis, cross checking and hit management, etc.)

The Management Board adopted in May the new **Financial Regulation** applicable to Europol, the **Implementing Rules on Grants** and the **Euro-counterfeiting rules**. However, the update of the financial model in light of the new provisions under the Europol Regulation, in particular the new Financial Regulation, was postponed to 2018 due to resource constraints.

The **new Europol security rules/policies** were presented during the Security Committee Meeting in March and were approved by the MB in May. The **accreditation policy** was reviewed in line with the IDMC and discussed with the Security Committee.

The Data Protection Function supported the transition between the former (JSB) and incoming (EDPS) **data protection supervisor** with a formal hand-over in April. The EDPS visited Europol several times in 2017 but the first preliminary inspection took place in December.

The proceedings of the European Parliament for the constitution of the **Joint Parliamentary Scrutiny Group** (JPSG) were regularly monitored by Europol. In October, the MB agreed to invite the Chairs of the European Parliament's LIBE Committee and of the delegation of the Parliament of Estonia to the JPSG to share their views on the parliamentary scrutiny of Europol at the Management Board meeting in December. The JPSG was consulted on Europol's multi-annual programming 2018-2020 before its adoption by the MB in November 2017.



**Work Programme Objective A.7.2. Further improve Europol's risk and compliance management, performance reporting and document management processes.**

Europol approved an **Anti-Fraud Strategy** early in 2017 and the implementation of the 12 actions of the Action Plan for 2017 progressed as planned, mainly in the second half of the year.

Regarding the implementation of pending **critical or very important audit recommendations**, the situation at the end of 2017 can be summarised as follows:

- No critical or very important audit recommendations issued by the **ECA**, the **IAS** or the **Ombudsman** were pending.
- Concerning the audit recommendations issued by the **IAC**, a total of 18 audit recommendations graded as critical or very important were intended for implementation in 2017, according to the agreed action plans. Out of these, 17 (or 94%) were implemented in due time. 21 recommendations were reprioritised and concerned missions administration, contract management and identification of sensitive functions, among others.

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- 16 recommendations were issued by the **EDPS** regarding the IDMC, which were all addressed by means of the new MB decisions on the topic. The EDPS considered them implemented as of December 2017.

All the audit recommendations from the audits performed by the IAC, EDPS and DPF were inserted in a local database and were regularly monitored by Europol. The replacement of the local database by a **corporate risk management tool**, however, had to be postponed to 2018. Regarding the IAC audit recommendations, Europol performed an internal review and re-assessed their implementation status.

The definition of the requirements and architectural design for a **corporate performance management system** was completed but further steps towards implementation remain unclear, due to budget constraints.

A business case for an **electronic workflow solution** and relevant use cases, including a reference to 45 documents that were suitable for electronic approval, was prepared in the first half of 2017, followed by market analysis. The architectural design, however, was postponed to 2018. Software for form management was installed and implemented. Market research was conducted for the implementation of **electronic signatures**. The business and ICT requirements were validated.

The **Business Continuity Risk and Impact Assessment** was completed, reviewed and approved by the key stakeholders, pending presentation to the Directorate of Europol early in 2018. Additionally, the **Business Continuity Policy** was updated. During 2017, Europol made progress in implementing the actions to address the issues identified during the **Crisis Management** (CM) exercise in 2016. Due to force majeure, the CM exercise couldn't be conducted in 2017. Also, the revision of the **Disaster Recovery** / Business Continuity Management concept had to be postponed.

In terms of ICT tools for procurement, the **e-submission** module of e-prior was implemented in 2017 and relevant training provided.



### ***Work Programme Objective A.7.3 Further improve Europol's HR and finance management.***

An external contractor conducted a **360 degree assessment** of Europol's Senior Management in the first quarter of 2017. Individual feedback to each of the managers involved in the exercise was provided by the contractor. However, the presentation of the group reports and its communication to staff was postponed to the first quarter in 2018, due to other business priorities.

In October 2017, a **staff survey** was conducted by means of a framework contract signed with a total of 29 EU Agencies. Almost 600 staff members were invited to participate, achieving a response rate of 70% (49% in the previous one). The results of the survey indicated an overall engagement index of 63% which is 8 percentage-points higher than in the previous survey in 2014. For all the 12 dimensions evaluated, the results were higher than in 2014.

An internal survey on the use of **IRIS** (Europol's intranet) was conducted in the second quarter of the year, with very high levels of participation and satisfaction. All the findings will be used to further improve the quality of the information in IRIS, ensuring it is a relevant internal communication tool.

Regarding the implementation of the **job architecture framework**, 98.5% of the job descriptions were updated and provided to the individual staff members.

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In terms of the future HR system, connection with **Sysper 2** was established in July. Nonetheless, most of the relevant modules will progressively be implemented, starting in 2018 and continuing in 2019.

Discussion with the EU Commission on implementing provision for the **engagement and use of TA2f staff** were still on-going and Europol continued to explore possible avenues to resolve the open points. It is planned that the draft MB decision on this matter is submitted at the MB meeting in May 2018. Discussions on the implementing rules for **teleworking** were on-going too.

The mission expenditure process was completely reviewed and streamlined, following an audit performed by the IAC during the year.

Europol and **Eurojust** met on several occasions to discuss on the possibility to **share services**, following the move of Eurojust headquarters to the close vicinity of Europol in the second half of the year. Some of the envisaged services include HR, security, facilities, budget, finance and procurement, information management or legal services.

Due to resource limitations, the HR business partner model and integrated service delivery initiative couldn't be implemented. Also, limited progress was made in introducing improved **knowledge management**, expanding the **e-recruitment tool** to restricted posts or establishing a tool for **digitalisation and storage of personal files** of staff.



**Work Programme Objective A.7.4 Further rationalise the management and use of Europol's facilities including the building and improve the eco-friendliness of the organisation.**

The implementation of the **Strategic Housing Roadmap** progressed as planned and the work for the quick wins (23 additional workplaces) was completed. The tender to select the Design Team for the Mid-Term Housing Solution was finalised and, at the end of 2017, the selected consortium already had started the work to transform the Programme of Requirements (PoR) into the new office concept. This includes the new meeting and training rooms but also the catering facilities.

At the same time, Europol and the Host State explored the possibilities to find a **temporary satellite building**, with a capacity of around 300 workplaces, in the vicinity of the current headquarters. The selected temporary accommodation should be available in Q1 2019 and be used by Europol for a maximum of five years.

The growth prognosis for Europol was updated for the period 2018-2031 and showed that an **additional permanent building will be required as of 2023**. The document for the Council and Parliament providing detailed information on the new housing needs, in line with article 88 of the Financial Regulation, will be ready in the first quarter of 2018.

Regarding the implementation of an **environmental management programme**, based on the EU Eco-Management and Audit Scheme (**EMAS**), the joint Europol-Eurojust tender was successfully finalised and a first specific contract formalised in December. The contractor already started work for the implementation of an Energy Monitoring System (EMS) and the first environmental performance reports (based on EMAS) drafted and presented. Relevant training on ISO 14001 was provided to the concerned staff (incl. from Eurojust) in the third quarter. Europol participated in the EU Greening Network meeting, with a leading role in the network.

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The joint Europol-Host State tender for the upgrade of the **Audio Visual (AV) facilities and conference environment** was completed and the contract was signed. After a kick-off meeting with the contractor in December, it was agreed that the project will start in the first quarter of 2018 and will run until the end of 2018. The project was presented to the main stakeholders and communication to all staff will follow in 2018.

The optimisation of the **Facility Management Information System (FMIS)** progressed as planned and new functionalities were successfully added. Facility assets are managed and recorded in the FMIS database. In order to simplify the move requests, handled in paper, new electronic workflows were designed and implemented via FMIS. The solution will be available in Q1 2018.

The requirements for a **Conference Management tool** were gathered in 2017 and the provision of a suitable tool is expected in 2018, in order to simplify the complex booking process for users.



**Strategic Objective 3.2. Promote the added value and achievements of EU law enforcement cooperation to stakeholders and EU citizens**

PERFORMANCE INDICATORS	RESULT 2016	RESULT 2017	TARGET 2017
% Satisfaction with Europol's image (via User Survey)	77.8%	77.8% ✓	76.1%
Appearance of Europol in the media	130,000	138,000 ✓	80,000

The **Europol User Survey 2016** was conducted in the third quarter of 2016. However, the final report and presentation of the results were delivered in the first quarter of 2017 with the highest ever performance in the history of this survey. Europol improved its performance in each of the seven dimensions evaluated and satisfaction with the agency's image from 76.1% to 77.8%.



**Work Programme Objective A.7.5. Further implement marketing and public relations strategies around Europol's mission and operational successes of EU police cooperation.**

Europol was awarded with the **European People's Party (EPP) Merit Award** for its exceptional work protecting Europe. Europol's Executive Director received the award from the President of the EPP and the President of the European Commission. In March 2017, Europol received the **European Excellence Award** for the EU Most Wanted campaign launched in 2016.

Europol appeared 138,000 times **in the media** (incl. written press, TV, radio, etc.) in 2017 and accounted for almost 62,000 followers in Twitter.

**Europol's website** was further improved. The website was upgraded to the new data protection standards jointly developed with the DPF. Numerous functionalities were added during the year: the website supports automated translations (one-click solution), web analytics and the search engine were optimised, a new section with interviews and videos to promote Europol's internships was created, etc.

The **Most Wanted Objects** project and **Stop Child Sex Abuse** (Sextortion) campaign were successfully implemented, achieving excellent results. Also, the summer Most Wanted campaign launched on social media delivered successful results.

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Europol tested the option to include interactive **info-graphics** for its flagship publications: SOCTA (static info-graphics produced in 2017), i-OCTA and TE-SAT. Other **innovative communication tools** tested by Europol in 2017 include Instagram stories, the use of paid contents in social media (incl. promotion of ICT vacancies and awareness campaigns) or live-streaming of Europol's reports and events via Facebook live. The **evaluation of the social media platforms** was concluded in 2017.

Europol evaluated the impact and format of the **Road Shows to MS** and concluded that they should not be abandoned, but reduced. A **Communicators Conference** was successfully organised in November with the goal to better evaluate the MS' needs and tailor-made solutions for them in the future. The feedback gathered will be used for the new stakeholder relation management concept, planned to be ready by the end of Q2 2018. Europol is currently evaluating the possibilities to acquire/develop a **Customer Relationship Management (CRM)** tool.

In the context of the **EU Open Day** held in Brussels, Europol was present with two information points: one shared with DG Home in the Commission and the other in the EU Council. Thousands of visitors wanted to know more about Europol's work, showing high interest in diverse publications like the recently published SOCTA.

The 2016-2017<sup>12</sup> **Europol Annual Review** was prepared and presented to the MB in May.

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<sup>12</sup> Including the achievements of Europol in the first four months of 2017, until the entry into force of the Europol Regulation.

### Part II. Management

#### 2.1. Management Board

The Management Board (MB) constitutes, along with the Executive Director, the administrative and management structure of Europol in accordance with Article 9 of the Europol Regulation. It is the **Agency's primary governance instrument** and its most important stakeholder environment. It ensures strategic guidance, oversees the implementation of Europol's tasks and performs other functions as mandated by the Europol Regulation. It comprises one representative of each Member State<sup>13</sup> and one of the European Commission. As a general rule, it takes decisions by simple majority, with each member having one vote.

During 2017, the MB met four times, while its Working Groups on Corporate matters and ICT held five and two meetings, respectively. **The meeting which marked the applicability of the Europol Regulation was held on 1 May 2017 in Valletta, Malta**, and was opened by the Maltese Minister for Home Affairs and National Security. The newly established MB Complaints Committee met on two occasions to review three cases and the MB ad hoc Committee for the Selection of the Executive Director met twice to shortlist and interview candidates, and draw up a duly reasoned report for the attention of the MB.

The **Commissioner for the Security Union**, Sir Julian King, participated in the MB meeting on 31 January 2017 to discuss the state of the Security Union and Europol's reinforced role in view of the new Regulation.

The Europol Regulation became applicable as of 1 May 2017, effectively increasing the number and relevance of Europol's stakeholders. To account for the new stakeholder environment, the MB invited the **European Data Protection Supervisor** to its meeting on 3 October 2017 and the Chairperson attended the constituent meeting of the **Joint Parliamentary Scrutiny Group** on 9-10 October 2017. The monitoring of the lawfulness of data processing carried out by Europol as well as of the Agency's activities in fulfilling its mission, including as regards the impact of those activities on the fundamental rights and freedoms of natural persons, further enhance Europol's accountability and transparency as a law enforcement cooperation Agency.

In 2017 the MB reviewed *inter alia* the following matters:

- **Corporate:** implementation of the Europol Regulation, including the review and adoption of acts and instruments required to give effect to the new legal framework as well as the decision on the continued validity of relevant internal rules and measures adopted under the Europol Council Decision. This included work on the Integrated Data Management concept and guidelines, as well as decisions concerning: the establishment of an Internal Audit Capability (IAC), implementing rules concerning the Data Protection Officer (DPO), the appointment of the Accounting Officer, the DPO and the Head of the IAC, the guidelines for relations with third partners, the Financial Regulation applicable to Europol, the implementing rules on grants and the delegation of powers conferred by the Staff Regulations on the appointing authority and by the Conditions of Employment of other Servants of the EU on the authority empowered to conclude contracts of employment to the Executive Director, the rules on conflicts of

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<sup>13</sup> Denmark maintains observer status

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- interest of MB members and a series of transparency measures applicable to the MB, the MB decision on the internal language arrangements, and the IAC Charter.
- **Operational:** throughout 2017, the MB reviewed Europol's operational activities with a particular focus on terrorism issues and migrant smuggling, including the deployment of Europol guest officers to EU designated Hotspots to carry out secondary security controls. The MB also endorsed the projected deployment of liaison officers in the Western Balkans, the indefinite extension of the Joint Cybercrime Action Taskforce and the placement of a Eurojust liaison officer within Europol's European Counter Terrorism Centre (ECTC).
  - **Cooperation with Third Parties/Agencies:** the MB discussed the future status of Denmark as an EU Member State which does not take part in the Europol Regulation and adopted a cooperation agreement with Denmark, endorsed the update on the memoranda of understating with private parties and endorsed the proposed list of Europol's priority partners.
  - **Budget and planning:** the MB adopted the Agency's Programming Document 2018-2020 and Budget 2018, and began work on the draft Programming Document 2019-2021.
  - **Human Resources:** the MB adopted the MB Rules for the selection, extension of the term of office and removal from office of the Executive Director and Deputy Executive Directors, adopted the vacancy notice for the recruitment of the Executive Director, established the relevant Selection Committee and, upon receipt of the Committee's duly reasoned report, drew up and submitted to the Council a reasoned MB opinion on the appointment of the Executive Director, selected the MB Secretary, established the MB Complaints Committee and adopted the relevant Guidelines for its internal functioning, preliminarily adopted the MB decision on the appraisal of the Executive Director and Deputy Executive Directors and adopted the MB Decision for the setting up a Staff Committee.
  - **Systems:** accredited the new Europol Analysis System and the QUEST system for a period of five years.

## 2.2. Budgetary and Financial management

### 2.2.1. Revenue

The revenue of Europol was almost fully covered by the Community subsidy which **amounts to € 114.62M**, including € 1.6M related to the subsidy for the European School.

During the year three amendments to the external assigned revenue were adopted and fully cashed, amounting to € 4.61M.

- A new grant agreement between **EUIPO** and Europol was signed in December 2017. This grant, amounting to € 950,000, is being used by the European Serious Organised Crime Centre, Intellectual Property Crime Coordinated Coalition (IPC3) to implement the activities related to online infringements of intellectual property rights and online financial payment systems.
- The Agreement between the Kingdom of **Denmark** and Europol was signed in April 2017 with the purpose to establish cooperative relations as a consequence of the new Europol Regulation, which Denmark did not ratify. Denmark's financial contribution to Europol for the budget year 217 was calculated at € 1,455,171.
- A new agreement to award a **second grant for secondary security checks** at the Hotspots, was signed in July 2017. The total amount of the grant was € 2,205,935.

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Additionally, € 155K previously paid out as pre-financing to Member States was reimbursed to Europol as part of external assigned revenue related to the Delegation Agreement on EMPACT. The outstanding amount of € 246 was not cashed by the end of the year and will be carried over.

During 2017 an amount of € 296K was cashed as internal assigned revenue. This revenue is linked to expenditure budget items that will be re-used for future expenditure in 2018. Outstanding recovery orders amounting to € 240K are carried over to 2018 for further cashing.

The next table shows the overview of the revenue at the end of the year:

Item	Fund source	Heading	Budget 2017	Established Revenue	Cashed Revenue 2018	Outstanding amount
9000	IC1	Regular subsidy from the Community	113,009,613	113,009,613	113,009,613	-
9001	IC1	Subsidy for European School	1,614,000	1,614,000	1,614,000	-
9200	IC41	Other internal generated revenue carried over from previous year		65,910	65,910	-
9200	IC4	Other internal generated revenue established in the current year		469,801	230,151	239,650
9010	IR11	Other subsidies and grants carried over from previous year		92,593	92,593	-
9010	IR1	Other subsidies and grants established in the current year	3,155,936	3,219,429	3,219,183	246
9101	IR1	Contribution Denmark	1,455,171	1,455,171	1,455,171	-
9200	IR1	Other revenue established in the current year		9,590	9,590	-
<b>Total revenue</b>			<b>119,234,720</b>	<b>119,936,108</b>	<b>119,696,212</b>	<b>239,896</b>

The cash balance at the end of 2017 was € 15M. This excluded the Europol Pension Fund surplus amounting to € 3.3M at the end of December, which was integrated into the Europol accounts in 2017.

### 2.2.2. Expenditure

The commitment implementation rate at the end of December was 99.7%. The payment rate was 89% which is 2% lower compared to last year due to, among other reasons, the late receipt and implementation of the funding from Denmark and the late transfers of part of the remaining funds for EMPACT to other operational areas where only the commitments and not the payments could still be implemented in 2017.

The next table shows the budget implementation per Budget Title at the end of the year 2017:

Title	Budget (a)	Commitments (b)	Payments (c)	Comm Rate (b/a)	Paym Rate (c/a)	Carry forward to 2018 (b-c)	Lapsed Budget (a-b)
T1 - STAFF	71,928,663	71,864,946	71,102,013	99.9%	98.9%	762,933	63,717
T2 - OTHER ADMINISTRATIVE EXPENDITURE	9,824,450	9,782,622	7,102,154	99.6%	72.3%	2,680,469	41,828
T3 - OPERATIONAL ACTIVITIES	32,870,500	32,655,720	23,823,055	99.3%	72.5%	8,832,664	214,780
<b>Total all Titles</b>	<b>114,623,613</b>	<b>114,303,288</b>	<b>102,027,222</b>	<b>99.7%</b>	<b>89.0%</b>	<b>12,276,066</b>	<b>320,325</b>

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### Title 1 – Staff related expenditure

The implementation rate of commitments for Title 1 was 99.9% and the payment rate came to 98.9%. The amending budget from the Denmark agreement (€ 1.46M) and internal assigned revenue carried forward from 2016 (€ 509K) were also used to cover salary expenditure.

The budget was fully committed and 1.1% of the budget under Title 1 is carried forward to 2018 mainly for staff expenditure (e.g. recruitments, medical and training expenses) and expenditure related to facilities (e.g. catering, move services, audiovisual support and consultancy services).

### Title 2 – Other administrative expenditure

The implementation rate for commitments for Title 2 came to 99.6% and the payment rate came to 72.3%.

An amount of € 2.68M is carried forward, representing 27.3% of the budget under Title 2. Out of the carried forward amount, 78.9% is for facilities related expenditure, 14.5% for administrative ICT and the remaining 6.6% is for other governance expenditure.

### Title 3 – Operational activities

The overall commitment implementation rate under Title 3 came to 99.3% and the payment rate was 72.5%.

An amount of € 8.8M is carried forward, representing 27% of the budget under Title 3. Out of the carried forward amount, 85% relates to the operational information and telecommunication costs. The remaining 15% relates to the other operational activities.

### **2.2.3. Budget Implementation of assigned revenue and expenditure**

Fund source	Heading	Budget (a)	Comms (b)	Payments (c)	Comm Rate (b/a)	Paym Rate (c/a)
C4	Internal assigned revenue cashed in 2017	294,111	<i>Foreseen to be implemented in 2018</i>			
C5	Internal assigned revenue carried over	1,021,765	1,021,765	1,021,765	100%	100%
R0	Europol Pension Fund	4,740,777	1,589,627	1,463,960	34%	31%
R0	Delegation Agreement	3,074,929	2,513,432	1,148,367	82%	37%
R0	GRANT 2016 HOTSPOT	395,969	395,969	395,969	100%	100%
R0	GRANT 2017 HOTSPOT	2,205,936	2,205,936	2,182,506	100%	99%
R0	EUIPO grants	1,667,107	1,500,533	712,972	90%	43%
R0	Denmark Contribution	1,455,171	1,450,000	1,450,000	99%	99%
<b>Total</b>		<b>14,855,764</b>	<b>10,677,261</b>	<b>8,375,540</b>	<b>72%</b>	<b>56%</b>

**C4 – Internal assigned revenue cashed in 2017:** during the year 2017 an overall amount of € 294K was established and cashed. Out of this total, 60% of funds, amounting to € 175K were recovered from ICT related refunds. These funds will be carried over and will be implemented in 2018.

**C5 – Internal assigned revenue carried over:** amounting to € 1M and fully implemented during 2017.

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**R0 – External assigned revenue:** amounting to € 13.5M and related to five different agreements. The implementation of four already started before 2017 and continued in 2017:

- € 4.7M was carried forward from 2016 for the further implementation of the Europol Pension Fund surplus after the Fund's closure. € 1.5M was paid and the remainder, amounting to € 3.3M, has been carried over to 2018.
- € 2.9M was carried forward from 2016 for a delegation agreement which entrusts Europol with support tasks during a portion of the policy cycle 2015-2017 concerning EMPACT activities (European Multidisciplinary Platform against Criminal Threats). In addition, an amount of € 155K previously paid out as pre-financing to Member States was reimbursed to Europol. By the end of the year, € 1.15M was paid and € 1.9M has been carried over to 2018 for the final closure of the delegation agreement.
- In 2016 a grant agreement from the ISF Police 2015 emergency fund for secondary security checks at Hotspots was received and the remaining open budget of € 396K was carried forward to 2017. The grant was fully implemented and closed. In 2017 a second grant for Hotspots was received amounting to € 2.2M. All funds were committed and only a small amount of € 23K has been carried over to 2018 to cover for the final payments.
- An amount of € 717K carried forward from 2016 and a new grant agreement of € 950K was signed in 2017 with the European Union Intellectual Property Office for the fight against Intellectual Property Rights infringements. Under Chapter 37 90% of budget was implemented.
- Following the agreement between Europol and Denmark, the contribution from Denmark, amounting to € 1.46M, was received. Almost the full amount was used in 2017 and the remaining balance will (after review and settlement) be reduced from future contributions in line with the contractual provisions.

### **2.2.4. Carry forward from 2016**

The final implementation rate of the carry forward is **90.9%** and considerably higher than last year (+6.4 % points) and among the best in the history of Europol although the KPI (95%) was not achieved.

The carry forward from 2016 came to a total of € 9.2M to cover existing commitments. A total of € 835K was not used and is thus incorporated in the final budget outturn.

- € 59K relates to Title 1, which is 10% of the carried forward under Title 1
- € 125K relates to Title 2, which is 3.4% of the carried forward under Title 2
- € 651K relates to Title 3, which is 13.2% of the carried forward under Title 3

### **2.2.5. Budget Outturn**

The overall budgetary outturn for the financial year 2017 came to almost € 1.2M. This includes the following:

- € 320K - not committed budget from 2017. The majority of the un-used budget is within operational activities in Title 3 and includes the amount of € 177K for EMPACT grants
- € 835K – not used commitment appropriations carried forward from 2016 to 2017
- € 3.6K – gain of exchange rate differences.

### **2.2.6. Budget Transfers**

Throughout the year, a total of 64 transfers were made for a total amount of almost € 7M (or 6.1% of the budget). Overall, the budget under Title 1 (+€ 127K) and Title 2 (+€ 373K) was increased by transfers from Title 3 (-€ 500K).

In addition, amending budgets for external assigned revenue totalling to € 4.6M were added of which € 1.5M was added to Title 1 and € 3.1M to Title 3.

The budget for 2017 was drawn up without margins and contingencies. Therefore, all departments were encouraged to identify opportunities to reduce costs for their planned activities by applying efficiency savings or re-prioritising in order to support the salary increase (+1.5%) and the weighting coefficient increase for the Netherlands from 108% to 108.3% to be implemented at the end of the year.

In addition some adjustments have been necessary due to the relatively late cashing of funds received related to the agreement with Denmark. Towards the end of the year, and partially as a consequence of the low implementation of the budget for EMPACT to support Member States via grants, some additional opportunities for re-prioritisation arose, in particular for needs in the areas of facilities and ICT.

### **2.2.7. Accrual rate**

The accrual rate in 2017 dropped to 27% (compared to 45% in 2016), with € 3.3M accrual (amount of products/services already delivered in 2017 but not yet paid) and a total carry forward of € 12.2M. The target for the accrual was set at 60%, which has proved to be extremely challenging and never achieved in the past years.

In 2017, Europol had an exceptional year with new sources of revenue and new activities implemented for the first time via the regular budget and through grants. This, together with the general need for caution due to the late decision on the salary adjustment (only known in the last quarter), led to some delays in implementation and resulted in an increased number of transfers. Consequently, this had a large (negative) impact on the accrual rate for the carry forward from 2017 to 2018.

### **2.2.8. Late payments**

The percentage of late payments in 2017 notably increased from 7.2% last year to 20.6%, which is well above the set target of 10%. The percentage of late payments was particularly high in the second and fourth quarters, due to the increased workload and limited available human resources.

Europol made a total of almost 11,000 payments, 19% more than in 2015. The average number of days to pay moved from 16.7 in 2016 to 22.6 in 2017.

In 2017, a total of 2,201 euros were paid to cover interest costs related to late payments. In order to reduce the risk to incur interest for late payments, high value invoices were prioritised. It is expected that the situation will improve in 2018 by increasing the staff resources and by reviewing the process related to invoice payment.

### **2.2.9. Procurement**

Pursuant to Article 53 RAP, each authorising officer by delegation must draw up a list of the negotiated procedures under Article 134(1)(a) to (f) RAP, i.e. negotiated procedures without publication of a contract notice and, if the trend shows an increase of this type of procedures, to report on measures taken to reverse such a

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trend. Pursuant to Article 66(9) of the Financial Regulation (FR), the report on negotiated procedures shall be annexed to the summary of the Annual Activity Report.

In addition, Article 124(2) RAP stipulates that the negotiated procedures under Articles 134(1)(g) (building contracts) and (i) (contracts to be declared secret) RAP shall be annexed to the summary of the Annual Activity Report.

The other grounds of negotiated procedures under Article 134(1)(h)(j)(k)(l)(m) are subject to separate publication (i.e. publication in the Annual List of Contractors on Europol's website) together with the low value and middle value negotiated procedures.

All other types of procedures above the EU thresholds (open, restricted, competitive procedure with negotiation, competitive dialogue) are individually published in the Official Journal of the EU.

The total number of procedures under Article 134(1)(a) to (f) RAP remain relatively low and comparable to the last two years. The list of negotiated procedures falling under the scope of this report is included below:

**Article 134(1)(a) RAP:** Where tenders which are irregular or unacceptable, by reference in particular to the selection or award criteria, are submitted in response to an open or restricted procedure, or a competitive dialogue.

Subject of the tender	Procedure Ref.	Maximum Value	Contractor
Postal services	1722/C5/N	€ 165,000	Koninklijke Post NL
Content, glass and vehicle insurance services	1727/C5/N	€ 264,000	Achmea Schadeverzekeringen NV

**Article 134(1)(b) RAP:** Where the works, supplies or services provided only by a particular economic operator for technical reasons or for reasons connected with the protection of exclusive rights.

Subject of the tender	Procedure Ref.	Maximum Value	Contractor
Privium Member Card services	1714/C5/N	€ 18,000	Schiphol Nederland BV

**Article 134(1)(c) RAP:** For reasons of extreme urgency brought by events unforeseeable by the contracting authority.

Subject of the tender	Procedure Ref.	Maximum Value	Contractor
Small IT equipment and consumables, forensics, audio-visual items and related services – budget ceiling increase	1718/C1/N	€ 300,000	Protinus IT BV

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Article 134(1)(g) RAP: For building contracts, after prospection of the local market		
Subject of the tender	Procedure Ref.	Maximum Value (out of max duration of 2 years)
Accommodations for Hotspots in various locations in Italy and Greece	1729/C5/N – Catania (7 contracts)	€ 237,606
	1730/C5/N – Agrigento (1 contract)	€ 107,989
	1731/C5/N – Taranto (1 contract)	€ 77,380
	1732/C5/N – Pozzallo (1 contract)	€ 100,805
	1733/C5/N – Trapani (1 contract)	€ 98,178
	1735/C5/N – Chios (1 contract)	€ 113,880
	1736/C5/N – Kos (1 contract)	€ 84,680
	1737/C5/N – Leros (1 contract)	€ 50,779
	1738/C5/N – Lesbos (1 contract)	€ 65,372
	1739/C5/N – Samos (1 contract)	€ 94,900
	1740/C5/N – Piraeus (1 contract)	€ 43,800

Article 134(1)(i) RAP: For contracts declared secret or for contracts whose performance must be accompanied by special security measures			
Subject of the tender	Procedure Ref.	Maximum Value	Contractor
2 Training locations for EC3 specialised Training Courses	1702/O/N	€ 53,000	Landesamt für Ausbildung, Fortbildung und Personalangelegenheiten der Polizei NRW (LAFP)
	1702/O/N/PCF	€ 23,000	Fundacion Policia Espanola

Pursuant to Article 103(3) FR<sup>14</sup>, the names of the contractors for the procedure under Article 134(1)(g) are withheld from publication given that this information could lead to the potential identification of the temporary accommodation of the guest officers in the Hotspots.

### 2.3. Human Resources management

#### 2.3.1. Staff figures and Establishment Plan

The 2017 Establishment Plan had a total number of 550 TA posts. Compared to the Establishment Plan for 2016 (505 TA posts) this was a combined result of a reduction of 9 TAs following Commission instructions (1% reduction per year and 1% to create a pool for redeployment) and an addition of 54 TAs in line with the adopted 2017 budget.

On 31 December 2017, the total number of **staff employed by Europol** was 695: 535 staff in Establishment Plan posts, 159 Contract Agents and 1 Local staff. The

<sup>14</sup> Publication of certain information on a contract award may be withheld where its release would impede law enforcement or otherwise by contrary to the public interest, would harm the legitimate commercial interest of economic operators or might prejudice fair competition between them.

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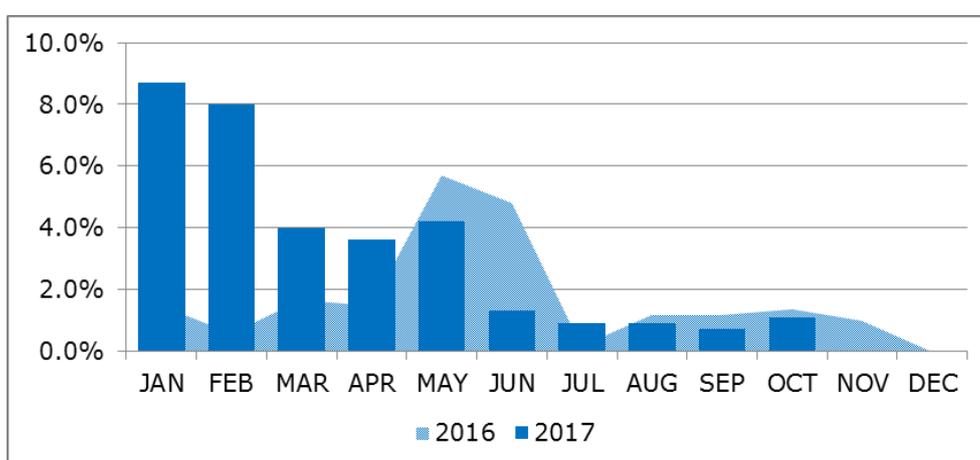
number of **non-Europol staff** (Seconded Experts, Liaison Officers and staff of Liaison Bureaux, Trainees and Contractors) was 508.

In 2017, the transition from the Europol Staff Regulations to the EUSR/CEOS was completed with the transfer of three out of four remaining local staff, while the fourth one transferred on January 1<sup>st</sup> 2018, which will bring considerable administrative benefits and financial savings.

During 2017, 148 **new staff** started work at Europol (110 Temporary agents and 38 Contract Agents), while 66 **staff left** the organisation (38 Temporary Agents and 28 Contract Agents).

### 2.3.2. Vacancy rate

The vacancy rate at the end of the year was **0%** (535 of 550 posts were on post and 15 offer letters were sent), while the target was a vacancy rate of maximum 2% at the end of the year.



### 2.3.3. Gender representation

At the end of 2017, female staff made up 32% of all personnel and occupied 28% of established (TA) posts filled. Female staff occupied 14% of Senior Specialist / Senior Analyst positions (i.e. 19 of 138 staff in these posts). The percentage of female staff members in Head of Unit and equivalent or higher positions was 6% (two staff members).

The aspect of equal opportunities for women and men is emphasized by Europol in all the vacancy notices. This is also highlighted in the Europol Recruitment Guidelines, published on Europol's website. Women, in particular in the law enforcement sector, are encouraged to apply for posts at Europol.

### 2.3.4. Member States representation

The countries with the largest representation are the Netherlands, Spain, Italy, Romania, Greece, Germany, France, Poland, the United Kingdom and Belgium.

Comparing Europol's staff nationality share to the EU MS population share, Germany, the United Kingdom, France, Italy and Poland are still underrepresented<sup>15</sup> and the Netherlands, Greece, Romania, Spain and Belgium are overrepresented.

Detailed graphs can be found in [Annex II-d](#).

<sup>15</sup> With a gap  $\geq 2\%$  when comparing the population share in Europol and in the EU

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### **2.3.5. Annual Assessment and reclassification**

The annual appraisal exercise 2017 was launched on 18 January 2017 and closed on 8 June 2017 with a completion rate of 71%.

The 2017 Europol reclassification exercise was launched through an Administrative Notice published on 16 June 2017, following the closure of the annual assessment 2017.

The budgetary limit for the reclassification exercise 2017 was set at a maximum of 15% of eligible Temporary Agent staff and 20% of eligible Contract Agent staff, taking into account reclassification targets per grade (on average over 5 years) defined in Annex IB of the EUSR, the Staff Establishment Plan and the financial resources available. The exercise was completed by the end of the year and the total number of staff reclassified was 45 (23 AD, 1 AST and 21 CA) which is 6% of the staff population.

## **2.4. Internal Audit management**

### **2.4.1. Internal Audit Capability (IAC)**

On 1 May 2017, following the application of the Europol Regulation and pursuant to its Art. 11(1) (n), the Management Board established the Internal Audit Capability (IAC) at Europol as the legal successor of Europol's Internal Audit Function (IAF). The function and role of the IAC is enshrined in Art. 84 of the Financial Regulation applicable to Europol and further defined in the IAC Charter.

In accordance with the IAC Work programme for 2017, the IAC performed the following audit engagements:

- Audit engagement on the **missions' administration process**: this engagement was identified as a process of high risk probability during a risk assessment conducted jointly by the Accounting Officer, the Internal Control Coordinator and the IAC on the systems laid down by the Authorising Officer to supply or justify accounting information. While the audit concluded that overall the controls in place to manage the missions' administration process are adequately designed, the IAC identified areas where controls could be further strengthened, resulting in 14 recommendations (10 rated as very important and 4 as important).
- Audit engagement on the **strategic analysis products and their alignment with the EU policy cycle**: Europol's strategic analysis support was one of the processes identified in the coordinated risk assessment on Europol's core processes that was performed in 2013 and had been included in the IAF Strategic Audit Plan 2014-2016. The objective of the engagement was to assess the efficiency and effectiveness of the strategic analysis process, including planning, elaboration (data collection, storage and processing), quality control and evaluation, management of resources (human, financial, infrastructure, IT) and the alignment of strategic analysis products to the priorities of the EU policy cycle. The IAC observed a number of strengths in the audited area but also opportunities for improvements and, in this respect, issued 9 recommendations (1 rated as critical, 2 as very important, 5 as important and 1 as desirable).
- Audit engagement on the **new operational support capabilities/ EU Internet Referral Unit (EU IRU)**: the purpose of this audit engagement was to provide reasonable assurance on the adequacy and effectiveness of the internal controls within the EU IRU, pertaining to the activities undertaken for achieving its core tasks as established at its inception. The IAC identified a number of strengths

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that could serve as best practices if and when new capabilities are established at Europol. Some areas for improvement were also identified and 9 recommendations were issued (1 rated as critical, 6 as important and 2 as desirable), 3 of which concern cross-organisational issues identified by the IAC in the context of previous audit engagements. Overall, the outcome of this exercise resulted in a positive assessment of Europol's approach to efficiently and timely establish its new operational support capabilities.

- Audit engagement on the **Information Communication Technology (ICT) project planning, management and change:** the purpose of this audit engagement was to provide reasonable assurance on the adequacy of the internal controls within ICT to plan and manage ICT projects as well as manage ICT external contractors regarding their personnel security screening and access rights to ICT systems, and within the Capabilities Directorate Business Product Management (CDBPM) in managing ICT systems in line with the business needs of end users in Member States and third parties. The IAC observed several strengths in the audited area and also some opportunities for improvements. In this respect, 12 recommendations were issued (4 rated as very important, 7 as important and 1 as desirable).
- **Validation of user access rights granted in ABAC:** in accordance with the internal rules on the implementation of the general budget of the EU, the European Commission requested the Executive Director to validate that the user access rights granted in the ABAC (Accrual Based Accounting) system are in line with the delegations entrusted to the staff under his responsibility. The objectives of this audit were to assess whether the processes of managing ABAC users is performed at Europol in compliance with the applicable regulatory framework, and to verify whether the existing controls assure that access to ABAC is managed at Europol in an efficient and effective way. The IAC observed that the nomination of financial actors and their access rights granted in ABAC were adequately controlled and that there were no significant internal control weaknesses. 5 recommendations were issued (4 important and 1 desirable). No critical combinations of transactions leading to a potential violation of the segregation of duty principle were found.
- **ISO 17020:2012 audit of the Europol Forensic Laboratory:** the IAC performs an audit of the Europol Forensics Laboratory on an annual basis, in accordance with the requirements of the International Standard (ISO) 17020:2012 (Conformity assessment – Requirements for the operation of various types of bodies performing inspection). The objectives of the audit are to determine whether the activities in the Laboratory are in conformity with 17020:2012, and whether the Laboratory's Quality Management System (QMS) is adequately maintained. Non-conformities were not identified and one observation concerning training of personnel which qualifies as opportunity for improvement was identified and relevant recommendations issued.

The assessment of the **implementation of the Europol Regulation** and the **follow up exercise on past recommendations issued by the IAC (2010-2016)** which were initiated in the last quarter of 2017 will be finalised in the first quarter of 2018. The IAC participated, in an advisory capacity, in the **evaluation of the Guest Officers concept** jointly performed by Europol and interested Member States, which was concluded in November.

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Finally, the IAC facilitated the risk assessment carried out by the Internal Audit Service of the Commission on Europol's governance, administrative and support process areas.

### **2.4.2. Data Protection Function (DPF)**

The entry into force of the **Europol Regulation** (ER) reinforced the already robust data protection regime, applicable to Europol's activities under the old ECD regime. Additionally, under the new Regulation, Europol has a legal obligation to apply **Regulation 45/2001** to all non-operational personal data such as staff and/or administrative data.

In practical terms, the ER redefined the agency's processing architecture with a particular emphasis on "privacy by design". The **taskforce set up in 2016 for the implementation of the ER** continued its work also in the course of 2017. The DPF was an official member of this taskforce and provided advice on sensitive key topics for the future development of systems and data processing such as the IDMC (Integrated Data Management Concept), the EU IRU, the ETS project, private parties' cooperation, etc. As a result of this, the DPF was regularly involved in planning data processes from the very beginning. In that way, the DPF did not only provide ex-post monitoring, but actively participated in the development of the systems, the execution of on-going operations and the training of staff members.

The entry into force of the ER also meant the transfer of external data protection supervision to the new supervisor, on 1 May 2017. The DPF, hence, served as **contact point for both, the incoming (EDPS) as well as the outgoing (JSB) supervisory authority** in order to ensure a smooth transition. This included eight meetings between EDPS and DPF in order to prepare the incoming supervisory authority for its new task. Furthermore, the DPF facilitated one annual inspection by each of the two external supervisory bodies.

During 2017, the DPF continued working on reviewing the **compliance of Europol's processing operations** with the applicable legal regime. This included compliance checks in the area of Guest Officers data processing activities, the processing of information in the new EAS, EU IRU processing activities, access to SIENA, supervision of the data diode transactions between the operational and the corporate networks, data protection implications of the housing situation at Europol, receipt of personal data from private parties, handling of hidden hit notifications, TFTP related data processing operations, among others. The assurance activities with regards to the deployment of Europol Guest Officers in the Hotspots as well as regarding data processing in the new EAS resulted in formal compliance check reports and included 11 recommendations, graded as very important and to be implemented in 2018.

In addition, the DPF regularly takes care of **data subjects' requests** (Art. 36 requests). Article 36 ER grants the right to any data subject, at reasonable intervals, to obtain information on whether personal data relating to him/her are processed by Europol. In 2017, 325 requests were handled representing an increase of 27% compared to 2016. These requests resulted in seven full hits and eight partial hits with Europol databases.

The DPF has also provided advice and participated in the **development and deployment of the Unified Audit Solution** (UAS), which currently gathers the audit logs generated by the EAS, EIS, SIENA, the Index Function (IxF) and the Unified Search Engine (USE).

Furthermore, the DPF has established the in-house process leading to **prior consultation pursuant to Article 39 ER** which stipulates that any new type of

processing operations that involve special categories of data as referred to in Article 30(2) ER and/or use new technologies, mechanisms or procedures shall be subject to prior consultation to the EDPS. The first types of new processing operations, namely QUEST, ETS and Member States' remote access to IRMa, were assessed by the EDPS in the second half of 2017. The DPF created a register for processing operations falling within the ambit of this provision, together with a data protection impact assessment (DPIA) template.

**Europol's Data Protection Experts Network (EDEN)**, launched in January 2015, continued to be maintained and updated by the DPF. This platform was created to facilitate the communication between law enforcement data protection experts. The number of active users has continuously grown since its inception and EDEN had more than 340 users at the end of 2017.

## 2.5. External Audit management

### 2.5.1. Internal Audit Service (IAS)

In May 2017, the IAS, supported by the IAC and relevant Europol staff, performed a **risk assessment**, covering Europol's entire organisation's process landscape (core, support, management and improvement processes). None of the 36 reviewed process areas<sup>16</sup> was graded in the category "Enhance risk mitigation". In the previous risk assessment exercise, performed by the IAS in 2015, 15 process areas were included in this category.

On the basis of the risk assessment performed in 2017, the Europol MB endorsed the IAS **Strategic Internal Audit Plan (SIAP) 2018 – 2020** in October 2017. The following audit topics were identified in the strategic audit planning, in the following order:

- HR Management
- ICT Security
- Contract management
- Anti-fraud strategy and ethics as a reserve topic

HR Management and IT Security were initially selected as audit topics for 2018, and, as part of the updated IAS audit approach for EU agencies, the topic of ethics was added to the scope of the audit on HR Management – planned for April 2018.

The final audit report on the audit performed in October 2016 on procurement was submitted to Europol on 1 June 2017, containing three recommendations graded as important. An action plan was prepared and subsequently accepted by the IAS at the end of July 2017.

From an overall perspective there are 7 **pending recommendations**, graded as important, all of which stem from the last audits performed on stakeholder management and procurement.

Europol considers 3 of the 7 recommendations (2 recommendations from the audit on stakeholder management and 1 recommendation from the procurement audit) as implemented. A formal review of the status of the recommendations is expected to be performed by the IAS in 2018.

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<sup>16</sup> 36 process areas in total, clustered into the following 7 groups: (1) Performance management, (2) Financial management, (3) Human resources management, (4) support activities, (5) Relation management and communication, (6) Corporate information technology and (7) Governance

### 2.5.2. European Court of Auditors (ECA)

The audit activities performed by the ECA, supported by an external audit contractor as described in Article 107 of the Financial Regulation (FR) applicable to Europol, concerning the **annual accounts of Europol for 2016** and the related implementation of the Delegation Agreement (DA) and the Hotspots Grant Agreement were carried out in the first half of 2017.

Next to an extensive review of the relevant documentation, **three audit assignments were performed at Europol**, during which the financial transactions (commitments and payments, including Europol's budget administration, carry-forwards and accounting), procurement activities and the related internal control framework were scrutinised.

**Europol received positive audit opinions on the implementation of the Delegation Agreement, the Hotspots Grant Agreement and the provisional annual accounts.** The corresponding preliminary observations of the ECA for the report to the discharge authority on the provisional annual accounts were adopted by the ECA on 16 May 2017.

On 30 June 2017, the Europol MB adopted the opinion on the final annual accounts for 2016, which were submitted to the ECA, the European Commission's Accounting Officer, the discharge authority (Council and the European Parliament), and the national parliaments.

The ECA's assurance statement comprises a **positive opinion in relation to the reliability of the accounts, as well as the legality and regularity of the financial transactions underlying the 2016 annual accounts.**

At the end of January 2018, the ECA conducted the **regular financial audit** for the financial year 2017, in relation to the aspects of **regularity** and **legality** of the financial transactions, following a desk review of a sample of payment and procurement transactions.

The aspect of the **reliability of the information** provided in the provisional accounts will be scrutinised by an external auditor in **March 2018**, as provided for in Article 107 of the Financial Regulation (FR) applicable to Europol.

In parallel, the implementation of **the Delegation Agreement** entrusted to Europol by the European Commission for providing financial support regarding the implementation of the EU policy cycle 2014-2017 for EMPACT activities will be subject, additionally, to two **external audits**:

- The first one concerning the **closure of the financial year 2017** (by 15 March 2018)
- The second one in relation to the **completion of the DA as a whole** (by 30 June 2018), considering that the implementation of the DA financed activities will take until the end of June 2018.

It is expected that also Europol's implementation of the **second grant for Hotspots** to provide the required funds for Europol's migration Hotspots related activities, will be scrutinised by an **external auditor**.

All of the related external audit activities and the related findings will subsequently be reviewed by the ECA, with a view to expressing a formal opinion on the closure of the financial year 2017 by 1 June 2018, for the final accounts to be issued by 1 July 2018, including an opinion of the MB on the final accounts, as per the regular process set out in the FR applicable to Europol.

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### 2.5.3. European Data Protection Supervisor (EDPS)

2017 marks the year in which the Europol Regulation (ER) became applicable, including the transfer of the external data protection supervision from the Joint Supervisory Body (JSB) to the EDPS.

The DPF organised numerous preparatory sessions with the EDPS in the first four months of 2017. Moreover, in order to further facilitate the work of the new supervisory authority, the DPF also visited the EDPS in Brussels and provided a number of information sessions.

The first official **visit of the EDPS to Europol** took place on 15 and 16 May 2017. The aim of this visit was to have an exchange of views and pave the way for future cooperation, but also to have a demonstration of Europol's data processing environments (SIENA, EIS, and EAS) and the Unified Audit Solution (UAS) used by the DPF to monitor data processing activities on an on-going basis. In addition, the EDPS received a briefing on the role and functioning of Europol's specialised centres (EC3, ECTC and ESOCC). Furthermore, a particular interest in the role and functioning of the EU Internet Referral Unit (EU IRU) was shown during that visit.

The first official **preliminary inspection of the EDPS to Europol** took place in December 2017. The scope of the preliminary inspection was divided in two parts: legal and technical. In the context of the legal part, the inspection took into account the whole "data lifecycle" of operational processes at Europol. More specifically, the focus was on: (1) Data intake by the Front Office; (2) Data processing in the context of two Operational Analysis Projects (OAPs): OAP Migrant Smuggling and OAP Heroin; (3) Data quality and data review/destruction. In addition, checks were performed to verify compliance with the provisions of Regulation 45/2001 in the context of Unified Audit System (UAS). The technical part of the inspection focused on the following aspects: (1) Europol's Information security management; (2) Check on the application logs of UAS; (3) Retention of data in Europol's systems.

As envisaged, the EDPS will continue to visit Europol every two months.

### 2.6. Follow up of recommendations and action plans for audits

In 2017, Europol responded diligently to the audit findings of the different assurance providers. **No critical or very important audit findings were pending in relation to the ECA or the IAS.** Further follow-on actions, concerning the IAC and DPF recommendations, are on-going.

The previous outstanding ECA audit comment on the **reduction of authorised payment exceptions was considered completed by the ECA** in the report on the 2016 annual accounts<sup>17</sup>, given a decrease below the overall materiality threshold of 2% by the end of 2016. In 2017, the value represented 1.8% and was for a consecutive year below materiality threshold.

There was one comment from the 2016 financial year audit performed by the ECA, not affecting the assurance statement on the 2016 annual accounts, calling for a **reduction of administrative expenditure carried forward** to the subsequent financial year. Europol responded to the comment and indicated that efforts to ensure efficient and compliant budget implementation will continue, especially concerning carry-forwards in relation to administrative expenditure. Due to the work regarding

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<sup>17</sup> ECA report on the annual accounts of the European Police Office for the financial year 2016, together with the Office's reply, Official Journal of the European Union (OJEU), C 417/223 – C417/227, Europol file 899451

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Europol's headquarters being performed under the authority of the Host State as an external party, the handling of building related costs is expected to spread across financial years also in future. This is due to the inherent administrative set-up, for Europol to receive the related invoices after the Host State has liaised with respective contractors at national level.

By the end of the financial year 2017, a reduced carry-forward of M 2.68€ (or 27% of Title's II budget) concerning administrative expenditure was observed, representing a decrease of the related expenditure by M 0.82€ compared to the situation at the end of 2016.

In relation to recommendations issued by the **IAS**, 3 of the overall 7 pending recommendations, graded as important, from the audits on stakeholder management and procurement are considered implemented by Europol (see section 2.5.1).

The **IAC** issued 38<sup>18</sup> new recommendations in 2017. Significant progress was made in closing the IAC recommendations from previous years. The IAC formal assessment of the implementation of past recommendations issued by the IAC (2010-2016) is expected to be completed in Q1 2018.

Overall, **good progress was noted in relation to the follow-up of IAC audit recommendations**. Regarding the critical or very important audit recommendations issued by the IAC and agreed for implementation in 2017, 94% or 17 out of 18 recommendations were implemented.

Notwithstanding formal assessment by the IAC, the implementation rates for all the recommendations of the IAC audit reports are assessed by Europol as follows:

- **75% for audits issued in 2015** or 9 out of 12 recommendations;
- **82% for audits issued in 2016** or 92 out of 112 recommendations, including a stock taking exercise of all previous recommendations for the period between 2010-2014;
- **42% for audits issued in 2017** or 16 out of 38 recommendations. Regarding the remaining 22 recommendations, 12 are related to the missions' administration process audit and are planned for implementation in 2018, given the on-going work to implement the new guide to missions and authorised travel.

While **no critical IAC recommendations are pending implementation**, Europol will continue to address the recommendations of the IAC as part of the regular business planning of the organisation.

### 2.7. Follow up of observations from the discharge authority

In May 2017, Europol was formally notified that **the European Parliament (EP) had granted discharge** to the Executive Director of Europol with respect to the **implementation of the budget for the financial year 2015**.

The current discharge proceedings in relation to the financial year 2016 are well underway, following positive audit opinions on the implementation of the Delegation Agreement, the Hotspots Grant Agreement and the report of the European Court of Auditors on the annual accounts for the financial year 2016 - published in December 2017.

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<sup>18</sup> The report on ICT planning was issued by the IAC on 18 January 2018 and, therefore, the recommendations are not included in the 2017 figures. The opportunity for improvement issued for the Europol Forensic Laboratory is counted as a recommendation.

## **Europol Public Information**

In November 2017, Europol provided an update to the European Parliament (EP) concerning the follow-on actions taken by Europol in relation to the EP's discharge decision taken in April 2017 for the financial year 2015, in line with previous reporting to the MB.

In response to 3 general questionnaires (addressed to all EU agencies) and, in addition, Europol-specific questions from the Standing Committee on Budgetary Control (CONT) of the EP, Europol explained the response of the Agency concerning the observations of the ECA on the financial year 2016, the status of Europol's response to the resolution of the EP (accompanying the discharge decision taken in April 2017) and provided further information on horizontal governance, as well as Europol specific topics.

On 22 January 2018, the first hearing of the CONT Committee of the EP for the 2016 discharge proceedings was held. No issues were raised in relation to Europol prior to this meeting. The discharge decision by the EP is expected in April 2018.

In relation to the financial year 2017, the ECA conducted the regular financial audit at Europol from 22 January to 26 January 2018 in relation to the aspects of regularity and legality of the financial transactions for 2017, as described in section 2.5.2.

### Part III. Assessment of the effectiveness of the internal control systems

#### 3.1. Critical risks in the Programming Document 2017-2019

For the year 2017, a list of 5 critical<sup>19</sup> threats and opportunities was provided in Annex VIII of the Programming Document 2017-2019. Among this list of threats and opportunities, the following risk descriptions materialised:

- **Europol was approached by various stakeholders** (including the political level) **to contribute to and take on new tasks** (e.g. concerning EES, ETIAS, PNR etc.) while new activities initiated in 2016, especially the establishment of the 24/7 operational service capability, Europol's on-the-spot deployments for secondary security checks in Greece and Italy, and the activities for the implementation of the new Europol Regulation were still being consolidated in the organisational set-up.
- **Strained availability of operational resources** at Europol, in particular in view of continuously increasing information flow, negatively affected the capability to effectively and efficiently process and analyse contributions from MS and TP.
- **Tight human resources levels, especially in ICT**, resulted in the **re-prioritisation of relevant core systems developments**, the full Integrated Data Management Concept implementation and other projects, causing Europol to expand **outsourcing of business delivery** (outsourced ICT services further increased to 55 FTEs in 2017 compared to 42 FTEs at the end of 2016), with the increased risk profile that this implies.

#### 3.2. Risk Management

In 2017, risk management activities at Europol focused on addressing audit requirements from Europol's internal (IAC) and external audit activities (Delegation Agreement and Hotspots Grant Agreement, ECA) as well as **enhanced security and data protection requirements**, in particular in light of the new governance provisions under the Europol Regulation which became applicable in May 2017.

Mitigation activities also concerned the risks affecting the **core business objectives** set for the 2017 Work Programme, in particular in relation to the further development and management of high quality analytical support and an evolving portfolio of cross-cutting operational capabilities. Enhanced cooperation in the area of counter terrorism was achieved by promoting a shared vision statement across EU Member States, as well as pro-active support from the EU Counter Terrorism Coordinator and the European Commission.

Europol's 2017 corporate risk profile was characterised by:

- Key change endeavours and their governance, as well as assimilability of change, including the **implementation of the new Europol Regulation** which became applicable in May 2017. The change required from fast-evolving operational requirements together with the knock-on effects from the new tasks carried forward from 2016 had an organisation-wide impact, particularly affecting the ICT work plan but also the availability of staff in the Operations Directorate.

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<sup>19</sup> 3 threats and 2 opportunities with severe impact and high probability were identified, see Europol Programming Document 2017-2019, pages 82 - 87

## Europol Public Information

- Additionally, the **in-sourcing of the EAS** in 2016 continued to impact the ICT planning in 2017.
- **Integrated Data Management Concept** (IDMC) deriving from the new Europol Regulation: The required maintenance of the **ever-changing ICT architecture landscape** has an impact on the operational data model and processes for the years to come.
  - Budget and human resources challenges: Considering the additional staff granted in 2016 for the establishment of the ECTC and the on-the-spot deployment of guest officers for secondary security checks through the Hotspots Grant Agreement (GA), the **workforce to support the core business in infrastructure areas is under continuous pressure** in order to achieve a high-level implementation of business delivery and assigned budget. In addition, by the end of 2017, the required budget for the continuation of the deployment of guest officers was not certain for 2018.
  - The risk of an overall impact on Europol's reputation: Reduction of Europol's support responsiveness due to an **enlarged mandate** and **increased volume of information for cross-checking and analysis**.

### 3.3. Compliance and effectiveness of Internal Control Standards

The Internal Control Standards (ICS) were adopted by the Europol Management Board (MB) in 2011. The implementation of the ICS focuses on continuously refining processes and identifying key internal controls which need further development/review in order to ensure proper process implementation and reduction of the risks related to process performance. The Internal Audit Capability (IAC) is a key stakeholder in this endeavour, next to the quality and process management capability.

In 2016, the IAC carried out a review of the implementation of the ICS at Europol and issued 40 recommendations of which 20 were graded as very important and only one considered critical. The critical recommendation was related to the adoption of the **Europol Anti-Fraud strategy** that was prepared by Europol and endorsed by the MB on 31 January 2017. To address the recommendations, Europol also updated its **code of conduct** and developed further other key documentation (e.g. an essence statement for each of the five Europol Values, guidance on handling of gift items, conflict of interest management and whistle-blowing) related to upholding highest standards of ethical behaviour. Awareness sessions on the key aspects of the **Europol ethics package** were held across the organisation. Additionally, an e-learning module for newcomers and all staff was developed and will be rolled-out in February 2018.

From the 40 recommendations issued with the report on the review and assessment of the implementation of the Internal Control Standards (ICS) at Europol, 5 are remaining for implementation and are prioritised for implementation in 2018.

**Europol continuously monitors progress made for the implementation of the recommendations** made by all of Europol's assurance providers. A report containing the details on the implementation of all recommendations issued by the IAC was provided to the MB.

The European Commission has revised the Internal Control Standards (ICS), by issuing a new reference model, referred to as the **Internal Control Framework (ICF)**, in April 2017. The ICF consists of 5 internal control components, clustering 17 related principles to guide good governance practice. The ICF is based on the COSO

## **Europol Public Information**

2013 Internal Control - Integrated Framework Principles which are an integral part of Europol's current governance arrangements and the related Process Landscape.

Europol is participating in the quality and management working group of the Performance Development Network (PDN) of EU agencies, with a view to exchange best practices concerning a tailored implementation of the ICF. Against this background, and in light of a new Executive Director arriving in 2018, the MB will be provided with a proposal to adopt a Europol specific ICF model for replacing the current ICS framework, by the end of 2018.

## Part IV. Management assurance

### 4.1. Review of the elements supporting assurance

Europol's building **blocks of assurance** are founded on 6 key elements:

1. A **strong financial model**, with: (a) up-to-date appointment authorisations of financial actors, (b) a charter for authorising officers which promotes transparency and informed decision-making, (c) a central financial verification function, outside the organisational set-up of decentralised budget holders and (d) clear guidance to all staff on the expected behaviour (Code of Conduct etc.).
2. A robust **planning and performance measurement capability** at corporate level, covering all aspects of Europol's delivery, including core business performance and the related stakeholder management, with regular reporting and management supervision at Directorate level.
3. A **central contact point** for ensuring that the guidance by **external assurance providers** (in particular the ECA and the IAS) and the discharge authority are communicated and followed up within the organisation.
4. A **Data Protection Function** (DPF) which upholds the highest standards of data protection, in particular in view of Europol's role as a law enforcement agency, alongside the **Europol Security Committee** in terms of information security assurance.
5. An experienced **Accounting Officer**, supported by a team of 2 staff members, who is functionally independent to perform the respective duties foreseen by the Financial Regulation (FR) applicable to Europol.
6. An **Internal Audit Capability** (IAC) which provides an additional element of assurance to the Authorising Officer (AO) of Europol over the entire year.

Europol's overall assessment is that **Europol's building blocks of assurance provide sufficient input for the Executive Director's statement of assurance** as contained in this consolidated activity report.

### 4.2. Reservations

No issues requiring a reservation were identified by the end of the financial year 2017.

## Part V. Declaration of Assurance

I, the undersigned, Executive Director of Europol,

In my capacity as Authorising Officer (AO) for the organisation, as defined in the Financial Regulation (FR) applicable to Europol,

- Declare that the information contained in this report gives a true and fair view.<sup>20</sup>
- State that I have reasonable assurance that the resources assigned to the activities described in this report have been used for their intended purpose and in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions.

This reasonable assurance is based on my own judgement and on the information at my disposal, such as the results of self-assessment, performance monitoring including financial verification controls, the work of the Internal Audit Service (IAS), the Internal Audit Capability (IAC) of Europol and the reporting of the European Court of Auditors (ECA), including for years prior to the year of this declaration.

Confirm that I am not aware of anything not reported here which could harm the interests of Europol.

I hereby certify that the information provided in the present Consolidated Annual Activity Report (CAAR) and in its annexes of Europol for the financial year 2017, is, to the best of my knowledge, accurate and complete.



Rob Wainwright  
Executive Director

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<sup>20</sup> True and fair in this context means a reliable, complete and correct view of the state of affairs in Europol

## Europol Public Information

### Annex I. Key Performance Indicators

GOAL	STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	RESULT 2016	RESULT 2017	TARGET 2017
Goal 1: Europol will be the EU criminal information hub, providing information sharing capabilities to law enforcement authorities in the MS	1.1. Develop the necessary ICT capabilities to maximise the exchange and availability of criminal information	Operational Stability - Uptime of Core Systems	99.8%	99.8%	98.0%
		Core business project delivery (% of milestones achieved for projects that entail a core business component)	90.0%	79.5%	75.0%
		Number of SIENA messages exchanged	869,858	1,005,610	970,000
		Number of SIENA cases initiated	46,437	66,113	50,000
		Number of objects in the EIS (MS+Europol)	395,357	1,062,236	415,000
		Number of EIS searches	1,436,838	2,478,825	1,605,000
		% of all SIENA messages received by Europol containing structured data	8%	11%	8%
	1.2. Provide effective and immediate first-line information exchange	Speed of first-line response to MS requests (days)	27.5	18.2	15.0
		Accepted contributions to be processed	69,695	72,420	77,300
		Operational Information Backlog (number of operational contributions pending processing)	10,096	5,102	6,500
	1.3. Strategically enhance partnerships with cooperation partners	SIENA messages exchanged by third parties (TP)	95,043	128,250	111,000
		Operations supported by Europol involving cooperation partners	385	535	370

## Europol Public Information

GOAL	STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	RESULT 2016	RESULT 2017	TARGET 2017
Goal 2: Europol will provide the most effective operational support and expertise to MS investigations by developing and employing a comprehensive portfolio of services	2.1. Support MS investigations in the area of SOC	Satisfaction with operational support and analysis in the area of SOC	8.8	8.9	8.5
		Operations supported related to SOC	664	769	600
		Operational reports delivered related to SOC	1,388	3,730	1,275
		SIENA messages exchanged related to irregular migration	18,711	19,290	22,650
		On-the-spot support deployed related to EMSC (days)	3,217	2,149	1,400
	2.2. Support MS investigations in the area of cybercrime	Satisfaction with operational support (incl. analysis) in the area of cybercrime	8.5	8.9	8.5
		Operations supported related to cybercrime	175	180	140
		Operational reports produced related to cybercrime	2,220	12,256	2,000
	2.3. Enhance cooperation in the area of counter-terrorism	Number of accepted contributions related to CT	5,593	6,167	6,750
		Number of EIS objects related to CT	15,525	564,248	26,750
		Operations supported related to CT	127	439	65
		Operational reports produced related to CT	268	917	145
		SIENA messages exchanged by CT units	12,208	44,467	17,900
		% of decisions for referral by EU IRU related to terrorism and violent extremism	96%	97%	78%
		% of successful referrals by EU IRU of suspicious internet content related to terrorism and violent extremism	90%	79%	88%
	2.4. Develop and manage high quality analytical support and an evolving portfolio of cross-cutting operational capabilities	Operations supported with financial intelligence products/services	45	100	40

## Europol Public Information

GOAL	STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	RESULT 2016	RESULT 2017	TARGET 2017
Goal 3: Europol will be an efficient organisation with effective governance arrangements and a positive reputation	3.1. Ensure effective, efficient and accountable management of Europol's resources	Budget Outturn rate	1.66%	0.90%	5.00%
		Vacancy rate	0.0%	0.0%	2.0%
		Sickness rate	1.2%	-	3.5%
		Turnover rate	14.2%	9.7%	15.0%
		% of pending critical/very important audit recommendations addressed	83%	97%	90%
	3.2. Promote the added value and achievements of EU law enforcement cooperation to stakeholders and EU citizens	% Satisfaction with Europol's image (via User Survey)	77.8%	77.8	76.1

## Annex II. Establishment Plan and Human Resources Management

### Annex II-a. Establishment Plan

#### Temporary Agents

Grade	Establishment Plan 2017	Posts filled 31/12/2017 <sup>21</sup>	Posts vacant <sup>22</sup>	TOTAL <sup>23</sup>
AD 15	1	1	0	1
AD 14	1	1	0	1
AD 13	5	2	0	2
AD 12	11	6	0	6
AD 11	17	11	0	11
AD 10	30	10	0	10
AD 09	61	37	0	37
AD 08	97	75	0	75
AD 07	126	119	0	119
AD 06	139	247	0	247
AD 05	29	12	0	12
AST 08	2	0	0	0
AST 07	5	3	0	3
AST 06	6	4	0	4
AST 05	8	7	0	7
AST 04	8	10	0	10
AST 03	3	1	0	1
AST 02	1	4	0	4
<b>TOTAL</b>	<b>550</b>	<b>550</b>	<b>0</b>	<b>550</b>

#### Contract Agents and Local Staff

LS + CA	Posts filled 31.12.2017
Local Staff	1
CA FGIV 16	2
CA FGIV 15	1
CA FGIV 14	20
CA FGIV 13	7
CA FGIII 12	2
CA FGIII 11	22
CA FGIII 10	25
CA FGIII 9	30
CA FGIII 8	16
CA FGII 7	1
CA FGII 6	4
CA FGII 5	29
CA FGII 4	0
CA FGI 1	0
<b>TOTAL<sup>24</sup></b>	<b>160</b>

<sup>21</sup> Offer letters sent counted as posts filled. Includes 15 vacant posts for which selections have been completed and offer letters have been sent.

<sup>22</sup> Vacant posts are shown in the grade allocated to the vacancy or the grade allocated to the previous post holder in cases when decision on recruitment has not been made yet.

<sup>23</sup> Discrepancies between the grades in the Establishment Plan and the grades actually filled result from the general approach to replace those staff members that leave in lower (entry) grades.

<sup>24</sup> Planned maximum of 165 annual average FTEs

## Europol Public Information

### **Annex II-b. Information on the entry level for each type of post**

Key functions	Type of contract (official, TA or CA)	Function group, grade of recruitment <sup>25</sup>
<b>Core Functions</b>		
Level 1 Manager (Executive Director & Deputy Executive Director) incl. Head of Directorate	TA	AD14 - AD 15
Level 2 Managers Head of Department (eq. HoU)	TA	AD9 – AD11
Senior Specialist/Senior Analyst (eq. Senior officer)	TA	AD7
Specialist/Analyst (eq. Officer)	TA	AD6
<b>Support Functions</b>		
Head of Administration (level 2 above)	TA	AD11
Head of Finance (level 2 above)	No post at Europol	Notional AD9
Head of HR (level 2 above)	No post at Europol	Notional AD9
Head of Communications (level 2 above)	TA	AD9
Head of IT (level 2 above)	TA	AD11
Senior Specialist	TA	AD7
Specialist (incl. web editor)	TA	AD6, AST4
Admin Assistant or equivalent	TA/CA	AST2 / FGII
<b>Special functions</b>		
Data Protection Officer	TA	AD9
Accounting officer	TA	AD9
Internal Auditor	TA	AD11
Management Board Secretary	TA	AD11

<sup>25</sup> Please note function group and grade represents likely grade at appointment. With the transition, Europol has staff occupying higher graded posts. Functions identified within Europol as close as possible given that there is no adequate definition of functions provided with the MSPP or following guidelines. Junior officer, senior/junior assistant, secretary, mail clerk, secretary to the Executive Director are not a recognised position at Europol. There is no equivalent.

## Europol Public Information

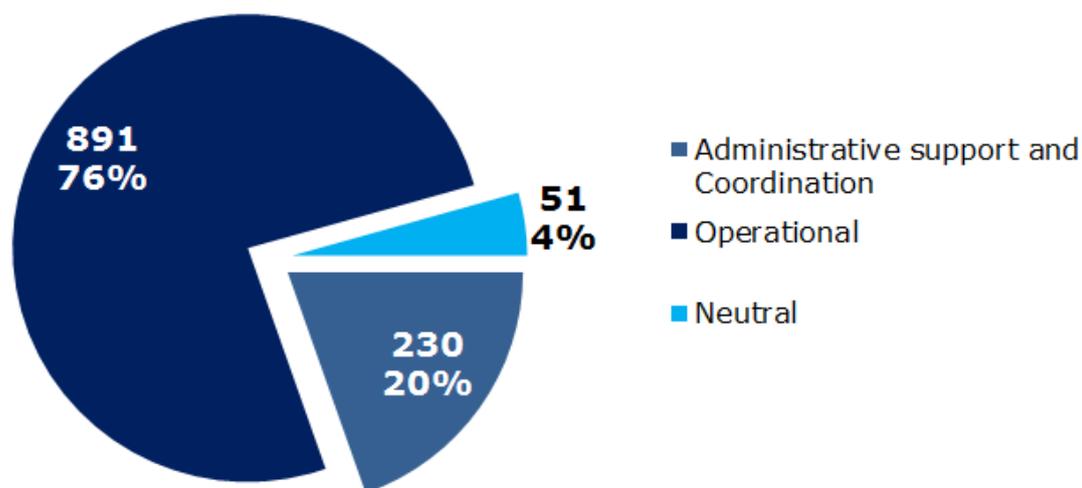
### Annex II-c. Benchmarking exercise

Europol continues to strive towards being a **more operational agency**. In 2017, the results of the job screening exercise show a small increase in the percentage of operational jobs and small decreases in the percentages for neutral and administrative/coordination jobs.

The job screening exercise was performed in December 2017, according to the guidelines defined by the EU Agencies Network and based on all people working at Europol's premises on 15 December 2017<sup>26</sup>. This not only includes Temporary Agents, Contract Agents and SNEs but also Europol Liaison Officers, trainees and external service providers based at Europol's premises.

Compared to 2016, **the operational jobs have increased by 1.6 points** to 76%. On the other hand, the jobs dealing with administrative support and coordination have decreased by 1.3 points, to 19.6%. Neutral jobs have decreased by 0.3 points to 4.4%.

Job Type category	2016 Jobs	2016 (%)	2017 Jobs	2017 (%)	Δ 2017
<b>Administrative support and Coordination</b>	<b>227</b>	<b>21%</b>	<b>230</b>	<b>20%</b>	<b>-1.3%</b>
Administrative support	164	15%	166	14%	-1.0%
Coordination	63	6%	64	5%	-0.3%
<b>Operational</b>	<b>808</b>	<b>74%</b>	<b>891</b>	<b>76%</b>	<b>1.6%</b>
General Operational	591	54%	668	57%	2.5%
Programme Management	193	18%	200	17%	-0.7%
Top level Operational Coordination	24	2%	23	2%	-0.2%
<b>Neutral</b>	<b>50</b>	<b>5%</b>	<b>51</b>	<b>4%</b>	<b>-0.3%</b>
Finance	50	5%	51	4%	-0.3%
	<b>1085</b>		<b>1172</b>		

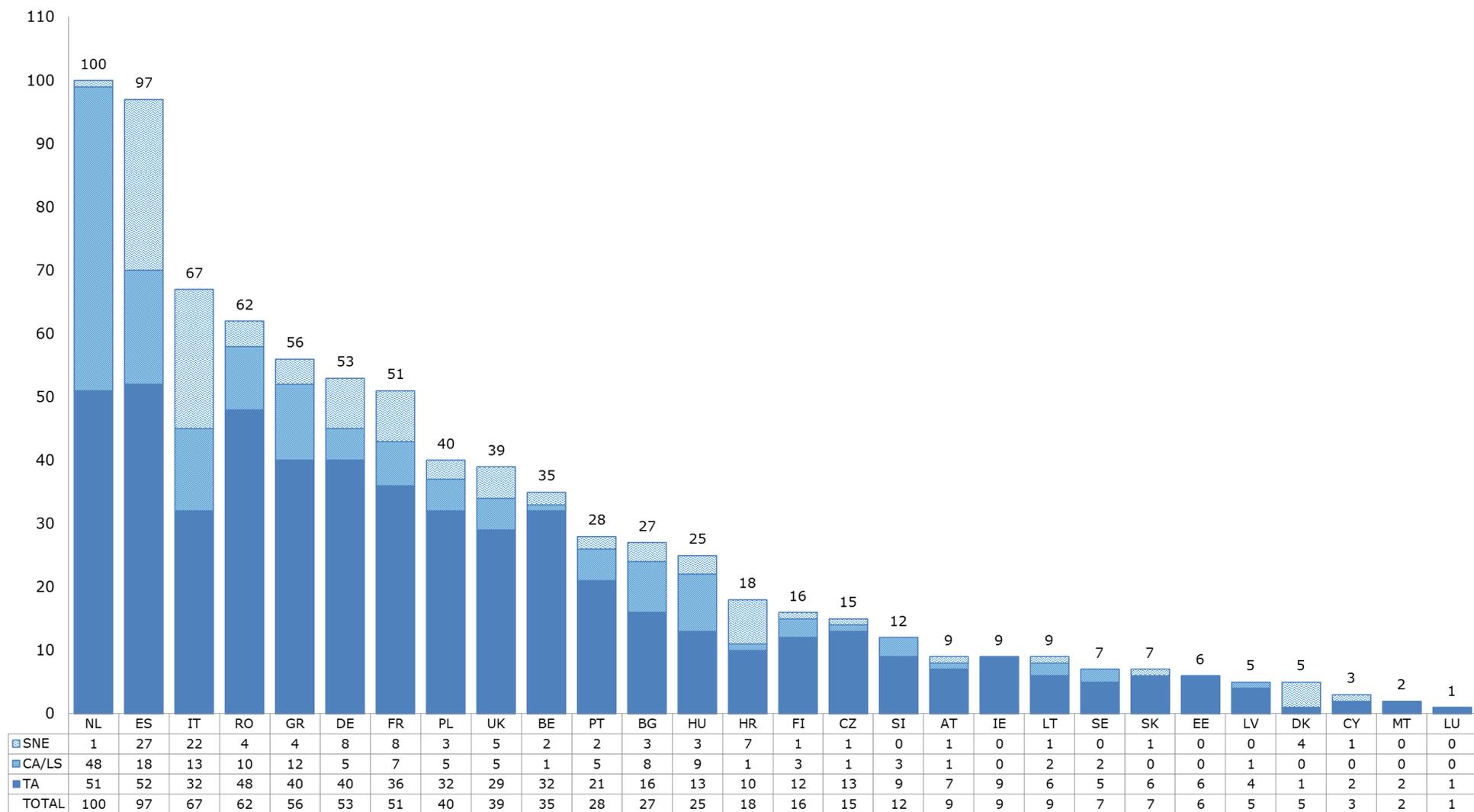


<sup>26</sup> Other staff figures provided in this report, particularly under section 2.3, refer to staff figures on 31/12/2017.  
Consolidated Annual Activity Report 2017

## Europol Public Information

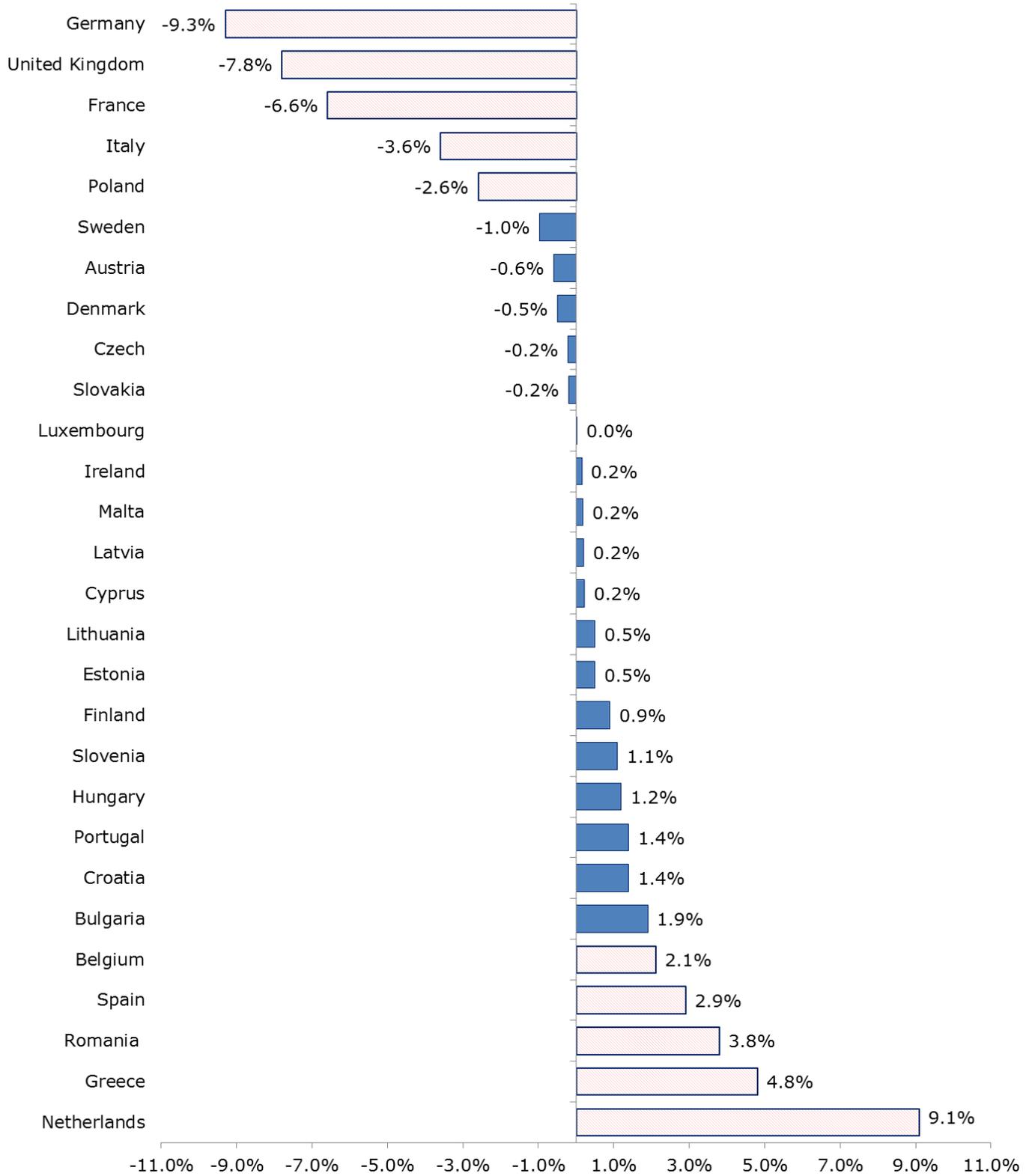
### Annex II-d. Member States representation at Europol

A - Europol staff (in post) per nationality and type of contract



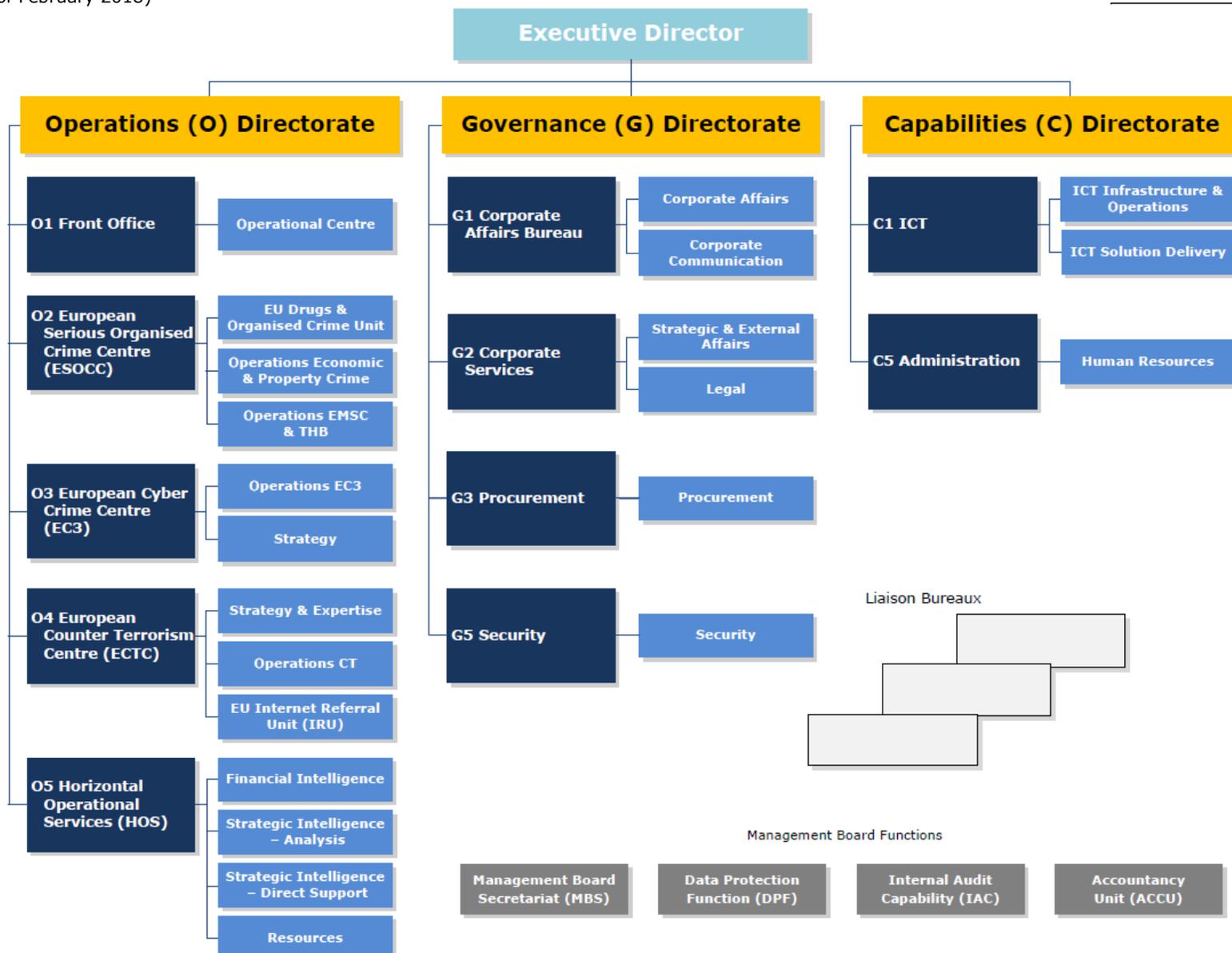
## Europol Public Information

B- Europol staff (in post) vs. EU population share per country



**Annex III. Organisational Chart**

(as of February 2018)



**Annex IV. Provisional Accounts**

**BALANCE SHEET**

<b>ASSETS</b>	<b>31.12.2017</b>	<b>31.12.2016</b>
<b>NON-CURRENT ASSETS</b>	<b>32,973,656</b>	<b>30,944,341</b>
<b>Intangible fixed assets</b>	<b>9,921,077</b>	<b>6,123,084</b>
Computer software	3,041,037	2,515,170
Under construction	6,880,040	3,607,914
<b>Tangible fixed assets</b>	<b>23,045,664</b>	<b>24,814,342</b>
Land and buildings	8,570,688	9,107,301
Plant and equipment	301,034	225,022
Computer hardware	6,769,321	7,229,783
Furniture and vehicles	1,964,693	2,173,885
Other fixtures and fittings	4,202,676	4,959,048
Assets under financial lease	1,237,252	1,119,302
<b>Non-current receivables and recoverables</b>	<b>6,915</b>	<b>6,915</b>
Long-term receivables	6,915	6,915
<b>CURRENT ASSETS</b>	<b>26,164,705</b>	<b>26,446,612</b>
<b>Short-term pre-financing</b>	<b>1,956,699</b>	<b>2,163,072</b>
Short-term pre-financing	8,492,261	5,706,737
Accrued charges on pre-financing	-6,535,562	-3,543,666
<b>Short-term Receivables</b>	<b>5,336,876</b>	<b>4,542,379</b>
Current receivables	1,404,619	1,570,987
Sundry receivables	325,619	171,754
Other receivables: Accrued income	43,379	27,052
Deferred charges	3,563,199	2,770,746
Receivables with consolidated EU entities	60	1,840
<b>Cash and cash equivalents</b>	<b>18,871,130</b>	<b>19,741,161</b>
<b>TOTAL ASSETS</b>	<b>59,138,361</b>	<b>57,390,952</b>
<b>NON-CURRENT LIABILITIES</b>	<b>4,877,110</b>	<b>6,107,885</b>
Pensions and other employee benefits	3,330,986	4,781,961
Provisions for risks and charges	-	-
Other liabilities	1,546,124	1,325,924
<b>CURRENT LIABILITIES</b>	<b>10,295,769</b>	<b>14,042,283</b>
Provisions for risks and charges	17,000	31,000
Financial liabilities	379,101	393,121
<b>Payables</b>	<b>9,899,668</b>	<b>13,618,162</b>
Current payables	11,175	55,103
Sundry payables	397,367	248,482
Other payables: Accrued charges	4,264,937	4,833,426
Deferred income	30,668	18,620
Accrued charges with consolidated EU entities	365	9,484
Accounts payable with consolidated EU entities	5,195,157	8,453,048
<b>NET ASSETS</b>	<b>43,965,482</b>	<b>37,240,785</b>
Accumulated surplus/deficit	37,240,973	33,348,838
Economic result of the year	6,724,509	3,891,947
<b>TOTAL LIABILITIES</b>	<b>59,138,361</b>	<b>57,390,952</b>

**STATEMENT OF FINANCIAL PERFORMANCE**

	<b>31.12.2017</b>	<b>31.12.2016</b>
<b>REVENUE</b>	<b>120,482,149</b>	<b>104,898,310</b>
Non-exchange revenue		
European Union Contribution <sup>27</sup>	118,471,957	103,781,320
Other non-exchange revenue	1,794,500	468,751
Exchange revenue	215,692	648,239
<b>EXPENDITURE</b>	<b>-110,134,680</b>	<b>-101,006,363</b>
Operational expenditure	-24,314,409	-18,513,052
Administrative expenditure:	-89,433,601	-82,493,311
Staff	-65,105,595	-60,549,356
Fixed asset-related	-7,802,243	-8,108,199
Other	-16,525,764	-13,827,385
Financial expenditure	-9,629	-8,371
<b>SURPLUS/DEFICIT FROM ORDINARY ACTIVITIES</b>	<b>6,724,509</b>	<b>3,891,947</b>
Extraordinary gains	-	-
Extraordinary losses	-	-
<b>SURPLUS/DEFICIT FROM EXTRAORDINARY ITEMS</b>		-
<b>ECONOMIC RESULT OF THE YEAR</b>	<b>6,724,509</b>	<b>3,891,947</b>

1. <sup>27</sup> Includes the Delegation Agreement and Hotspot Grant Agreement.

## Europol Public Information

### CASH FLOW STATEMENT

	<b>31.12.2017</b>	<b>31.12.2016</b>
Economic result of the year	6,724,509	3,891,947
<b>Operational activities</b>		
Amortisation (intangible fixed assets)	1,090,467	1,596,489
Depreciation (tangible fixed assets)	6,685,193	6,496,410
Increase (-)/Decrease in provisions for risks and charges	-14,000	-15,399
Increase (-)/Decrease in short-term pre-financing	206,372	-58,954
Increase (-)/Decrease in short-term receivables	-796,277	-2,234,598
Increase (-)/Decrease in receivables related to consolidated EU entities	1,781	-1,464
Increase(-)/Decrease in other long-term liabilities	220,200	714,811
Increase (-)/Decrease in accounts payable	-460,604	-976,687
Increase (-)/Decrease in liabilities related to consolidated EU entities	-3,257,891	1,795,324
Other non-cash movements	-13,831	408,966
<b>Net cash-flow from operational activities</b>	<b>10,385,920</b>	<b>11,616,846</b>
<b>Investing activities</b>		
Increase (-) of tangible and intangible fixed assets	-10,498,104	-12,598,824
Proceeds from tangible and intangible fixed assets	693,128	15,290
<b>Net cash-flow from investing activities</b>	<b>-9,804,976</b>	<b>-12,583,534</b>
<b>Increase/decrease (-) in pension and employee benefits liability</b>	<b>-1,450,975</b>	<b>4,781,961</b>
Net increase/decrease (-) in cash and cash equivalents	-870,031	3,815,273
Cash and cash equivalents at the beginning of the year	19,741,161	15,925,888
<b>Cash and cash equivalents at year-end</b>	<b>18,871,130</b>	<b>19,741,161</b>

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**STATEMENT OF CHANGES IN NET ASSETS**

	Accumulated Surplus/ Deficit	Economic result of the year	Net Assets (Total)
<b>Balance as at 31 December 2016</b>	<b>33,348,838</b>	<b>3,892,135</b>	<b>37,240,973</b>
Changes in accounting policies	-	-	-
<b>Balance as at 1 January 2017</b>	<b>33,348,838</b>	<b>3,892,135</b>	<b>37,240,973</b>
Allocation of the economic result of previous year	3,892,135	-3,892,135	-
Economic result of the year 2017	-	6,724,509	6,724,509
<b>Balance as at 31 December 2017</b>	<b>37,240,973</b>	<b>6,724,509</b>	<b>43,965,482</b>

**RECONCILIATION BETWEEN STATEMENT OF FINANCIAL  
PERFORMANCE AND BUDGET RESULT**

<b>Description</b>	<b>Amount</b>
Economic result (Statement of Financial Performance) 2017	6,724,509
Accruals/deferrals 2017	251,387
Accruals/deferrals reversed from 2016	-648,704
Adjustment for 2016 carry forward appropriations assigned revenue	9,783,165
Adjustment to employee benefit liability	-1,450,975
Cancellation of unused payment appropriations from 2016	834,972
Cashed balance sheet recovery orders issued in 2017	155,840
Cashed recovery orders issued before 2017	69,045
Depreciation and amortisation of fixed assets	7,775,666
Fixed asset acquisitions (excluding unpaid amounts at 31.12.2017)	-4,568,260
Fixed asset corrections	-96,933
Internally-generated fixed assets <sup>28</sup>	-4,837,751
Open pre-financing paid in 2017	-2,799,159
Open pre-financing received in 2017	2,132,323
Other general ledger corrections	563
Payment appropriations carried forward to 2018	-18,756,290
Payments 2017 in Statement of Financial Performance 2016	-71,910
Payments made from carry forward 2016	8,359,503
Pre-financing received in 2016 and cleared in 2017	-1,500,000
Provisions (impact of the year)	-14,000
Uncashed recovery orders issued in 2017	-240,385
Unpaid invoices at 31.12.2017	29,890
Value reductions (impact of the year)	26,395
<b>Total = Budget result 2017</b>	<b>1,158,893</b>

2. <sup>28</sup> This is the total amount capitalised in 2017 and considered under construction (including disposals).

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### BUDGET RESULT 2017

	2017	2016
<b>REVENUE</b>		
Union contribution, cashed	114,623,613	102,242,000
Other revenue, cashed	5,072,599	15,148,869
<b>TOTAL REVENUE (a)</b>	<b>119,696,212</b>	<b>117,390,869</b>
<b>EXPENDITURE</b>		
<b>Budget Title 1: Staff</b>		
Payments current year	74,525,051	69,943,099
Appropriations carried over to next year	4,063,911	5,830,731
<b>Budget Title 2: Administrative</b>		
Payments current year	7,182,780	5,473,394
Appropriations carried over to next year	2,804,849	3,736,630
<b>Budget Title 3: Operational</b>		
Payments current year	28,694,930	27,420,493
Appropriations carried over to next year	11,887,530	9,410,279
<b>TOTAL EXPENDITURE (b)</b>	<b>129,159,052</b>	<b>121,814,627</b>
<b>RESULT FOR THE FINANCIAL YEAR BEFORE SPECIAL ITEMS (a-b)</b>	<b>(9,462,840)</b>	<b>(4,423,758)</b>
Cancellation of unused payment appropriations carried over from the previous year	834,972	1,612,811
Adjustment for carry-over from the previous year – assigned revenue	9,783,165	4,677,757
Exchange rate differences	3,595	1,439
<b>BUDGET RESULT 2017</b>	<b>1,158,893</b>	<b>1,868,249</b>

## Annex V. Main decisions of the Management Board

### Meeting 31 January - 1 February 2017

- **MB Decision on the delegation of powers conferred by the Staff Regulations on the appointing authority and by the Conditions of Employment of other Servants of the EU on the authority empowered to conclude contracts of employment to the Executive Director:** The MB preliminarily endorsed a draft decision foreseeing the establishment of a Complaints Committee composed of three MB members.
- **Europol anti-fraud strategy:** The MB adopted the Europol Anti-Fraud Strategy.
- **Internal language arrangements of Europol:** The MB adopted the Decision on internal language arrangements of Europol.
- **Selection of MB Secretary:** The MB endorsed the proposal of the Chairperson concerning the vacancy notice for the post of MB Secretary.
- **Cooperation with the EU CPN:** The MB endorsed the proposal to sign a Memorandum of Understanding with the European Crime Prevention Network.

### Meeting 1 May 2017

- **IDMC Guidelines:** The MB provisionally adopted the Decision adopting guidelines for the processing of information in accordance with Article 18 of the Europol Regulation.
- **Decision on the delegation of powers conferred by the Staff Regulations on appointing authority and by the Conditions of Employment of other Servants of the EU on the authority empowered to conclude contracts of employment to the Executive Director:** The MB decided to establish a Complaints Committee to act on behalf of the Board in cases where the decision contested by staff had been taken at the level of the Executive Director. The MB further decided that the composition of the Complaints Committee would reflect that of the trio-Presidency and be chaired by the MB Deputy Chairperson.
- **Decision establishing an Internal Audit Capability:** The MB adopted the decision establishing the Internal Audit Capability in accordance with Article 11(1)(n) of the Regulation.
- **Implementing rules concerning the Data Protection Officer:** The MB adopted the implementing rules concerning the DPO in accordance with Article 41(10) of the Regulation.
- **Decisions on the appointment of the Accounting Officer, the Data Protection Officer and the Head of the Internal Audit Capability:** The MB adopted the decisions on the appointment of the Accounting Officer, the DPO and the Head of the Internal Audit Capability.
- **MB Rules for the selection, extension of the term of office and removal from office of the Executive Director and Deputy Executive Directors:** The MB adopted the relevant rules.
- **Vacancy notice for the recruitment of the Executive Director:** The MB adopted the vacancy notice.
- **Appointment of the MB Secretary:** The MB appointed its Secretary.
- **Guidelines for relations with third partners:** The MB adopted the Guidelines for relations with 3<sup>rd</sup> partners.
- **Financial Regulation applicable to Europol:** The MB adopted the Financial Regulation.

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- **Implementing rules on grants:** The MB adopted the implementing rules on grants.
- **Guidelines on financial support against euro counterfeiting and open-ended restricted call:** The MB adopted the Guidelines on financial support against euro counterfeiting and open-ended restricted call.
- **Update of the Guidelines for financial support for meetings of the Operations Department at Europol:** The MB adopted the revised Guidelines for financial support for meetings of the Operations Department at Europol.
- **Europol Security Rules:** The MB adopted the Europol Security Rules in accordance with Article 67 of the Regulation.
- **Rules on the conflict of interest of MB members:** The MB adopted Rules for the prevention and management of conflicts of interest in respect of its members, including in relation to their declaration of interests, in accordance with Article 11(1)(f) of the Regulation.
- **Consolidated Annual Activity Report 2016,** including a draft MB analysis and assessment: The MB adopted the Consolidated Annual Activity Report (CAAR) 2016 and drew up the Board's analysis and assessment.
- **Recruitment of the Executive Director:** The MB adopted the relevant vacancy notice and selected through drawing of lots Croatia, the Czech Republic, Greece, Latvia, Lithuania and Portugal to assign a representative to serve as member of the Selection Committee together with a representative from the Commission.
- **IAC Charter:** The MB adopted the Charter of the Internal Audit Capability (IAC) in accordance with Article 84(1)(a) of the Financial Regulation applicable to Europol.
- **Deployment of liaison officers in the Western Balkans:** The MB endorsed the proposal for a deployment of liaison officers to Albania, Bosnia and Herzegovina, and Serbia for a period of two years.
- **Accreditation of the new Europol Analysis System:** The MB accredited the new Europol Analysis System (EAS) for Interim Approval to Operate for 12 months.

### Meeting 3-4 October 2017

- **Transparency provisions for the MB - Article 65 of the Europol Regulation:** The MB endorsed the proposals concerning the list of MB members, the declarations of interest and CVs of MB members, the summaries of the outcome of MB meetings and the publication of relevant MB decisions, and invited the MB Secretariat to implement these transparency measures by 15 December so as to meet the requirements of the Europol Regulation and the recommendations of the European Parliament.
- **Complaints Committee Guidelines:** The MB adopted the Complaints Committee Guidelines.
- **Recruitment of the Executive Director:** The MB adopted a reasoned opinion to be forwarded to the Council with a view to the appointment of Europol's Executive Director in accordance with Article 54 of the Europol Regulation.
- **MB Decision on the appraisal of the Executive Director and Deputy Executive Directors:** The MB preliminarily adopted a Decision on the appraisal of the Executive Director and Deputy Executive Directors and submitted it to the European Commission in accordance with the procedure foreseen in Article 110(2) of the EU Staff Regulations. The MB adopted the template for the annual appraisal report for senior managers, including the Executive Director's key performance indicators, and for the probationary appraisal report for senior managers.
- **IAC audit manual and mutual expectations document:** The MB endorsed the IAC Audit Manual and the Mutual Expectations Document.

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- **Prior consultation on new types of processing operations:** The MB endorsed the questionnaire presented by the DPO as the means to effect the prior consultation with the EDPS foreseen in Article 39 of the Europol Regulation.
- **J-CAT – 2-year review:** The MB decided to extend the mandate of the Joint Cybercrime Action Taskforce indefinitely.
- **Placement of a Eurojust liaison officer within Europol’s ECTC:** The MB authorised Europol to sign an agreement on the temporary placement of a Eurojust representative within Europol’s ECTC.
- **Cooperation with Denmark:** The MB adopted the implementing arrangement regulating the technical and practical details of the Operational and Strategic Agreement with Denmark.
- **Update on memoranda of understanding with private parties:** The MB endorsed Europol’s proposal to continue signing Memoranda of Understanding (MoU) with private parties on the understanding that such MoUs would be non-legally binding and would contain no provisions on the exchange of personal data or classified information.

## Meeting 13 December 2017

- **IDMC Guidelines:** In accordance with Article 11(1)(q) of the Europol Regulation and after consulting the EDPS, the MB adopted the final version of the guidelines for the processing of information in accordance with Article 18 of the Europol Regulation.
- **MB Decision concerning the Europol posts that can be filled only by staff from the competent authorities:** The MB adopted the Decision concerning the Europol posts that can be filled only by staff from the competent authorities.
- **MB Decision on the non-application of the Commission Decision on the maximum duration for the recourse to non-permanent staff in the Commission services, according to the Commission Model Decision:** The MB adopted the Decision on the non-application of the Commission Decision on the maximum duration for the recourse to non-permanent staff in the Commission services, according to the Commission Model Decision.
- **MB Decision setting up a staff committee:** The MB adopted a Decision setting Europol’s Staff Committee.
- **Internal Audit Capability (IAC) Work Programme for 2018:** The MB adopted the IAC Work Programme for 2018.
- **Final Budget 2018:** The MB adopted the final budget of Europol for 2018, including the staff Establishment Plan 2018, in accordance with Articles 11(1)(b) and 58(8) of the Europol Regulation.
- **Amending Budget 2017:** The MB adopted the amending budget 2017 in accordance with Article 34 of the Europol Financial Regulation.
- **Accreditation of the QUEST system:** The MB endorsed the accreditation request of the QUEST system for a period of five years.
- **Guest Officers concept – Report of the evaluation team:** The MB endorsed the recommendations formulated by the Evaluation Team including the proposed responsibilities, in particular to continue the secondary security checks at the EU external borders and to ensure the presence of Guest Officers where and when needed, taking into account available resources.
- **Europol’s priority partners:** The MB endorsed the proposed list of Europol’s priority partners requesting that a declaration on behalf of the Board be included in the list,

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whereby: '*Operational cooperation between Europol and Kosovo<sup>29</sup> is without prejudice to Member States' positions on status and does not constitute recognition of Kosovo as an independent State, nor does it constitute recognition by individual Member States in that capacity where they have not previously taken such a step.*' <sup>30</sup>

### **Written Procedures**

#### **January-February 2017**

- The MB adopted the Programming Document 2017-2019.
- The MB adopted the preliminary draft Programming Document 2018-2020 and the Draft Estimate of Revenue and Expenditure 2018.

#### **February-May 2017**

- The MB decided on the transmission of the draft Agreement on Operational and Strategic Cooperation between Denmark and Europol.
- Upon consultation by the Council, the MB issued a positive opinion on the draft Council Implementing Decision approving the conclusion of the Agreement on Operational and Strategic Cooperation between Denmark Europol.

#### **May-October 2017**

- The MB endorsed the Guest Officers Concept evaluation mandate.
- The MB drew up its opinion on Europol's annual accounts 2016.
- The MB assigned a representative to participate in the Selection Committees concerning restricted posts during the second semester of 2016.
- The MB adopted the revised version of the Europol Review 2016.
- The MB adopted the Amending Budget 2017 for Hotspots Grant II.
- The MB adopted the revised version of the IAC Charter.
- The MB adopted the Amending Budget 2017 with Denmark's contribution.

#### **October-December 2017**

- The MB adopted the Programming Document 2018-2020.

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<sup>29</sup> This designation is without prejudice to positions on status and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo Declaration of Independence.

<sup>30</sup> Language based on the Declaration contained in Council Decision (EU) 2015/1988, adopted by the 28 EU Member States on 22 October 2015.