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2014 Consolidated Annual Activity Report

EUROPOL

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Acronyms and abbreviations

AFIS	Automatic Fingerprint Information System	HENU	Heads of National Units
ARIN-AP	Asset Recovery Informal Network for Asian Pacific	IAF	Internal Audit Function
ARIN-EA	Asset Recovery Informal Network for East Africa	IAS	Internal Audit Service
ARIN-SA	Asset Recovery Informal Network for South Africa	ICT	Information and Communications Technology
ARIN-WA	Asset Recovery Informal Network for West Africa	IRT	Incident Response Team
AWF	Analysis Work Files	JAD	Joint Action Days
BA	Business Area	J-CAT	Joint Cybercrime Action Taskforce
CARIN	Camden Asset Recovery Inter-Agency Network	JOT	Joint Operation Team
CBCC	Cross Border Crime Checks	JSB	Joint Supervisory Board
CI	Cyber Intelligence	KPI	Key Performance Indicators
COSI	Standing Committee on Operational Cooperation on Internal Security	MENA	Middle East and North Africa
CSPD	Common Security and Defence Policy	MB	Management Board
CT	Counter Terrorism	MDCCI	Multi Disciplinary Centre for Cyber Innovation
DA	Delegation Agreement	MoU	Memorandum of Understanding
DPO	Data Protection Office	MS	Member State
EC3	Europol Centre for Cybercrime	NEC	National EMPACT Coordinators
ECA	European Court of Auditors	OAP	Operational Action Plans
ECB	European Central Bank	OLAF	European Anti-Fraud Office
ECD	Europol Council Decision	OPC	Organised Property Crime
ECAB	Europol Criminal Assets Bureau	PCCC	Police Customs Cooperation Centre
ECIM	European Criminal Intelligence Model	RRAG	Red de la Recuperación de Activos de GAFISUD (Latin American Asset Recovery Informal Network)
EEAS	European External Action Service	SIENA	Secure Information Exchange Network Application
EIS	Europol Information System	SOC	Serious Organized Crime
EMCDDA	European Monitoring Centre for Drugs and Drug Addiction	SIS	Schengen Information System
EMPACT	European Multidisciplinary Platform against Criminal Threats	SOCTA	Serious Organized Crime Threat Assessment
ENISA	European Network and Information Security Agency	SPACE	Secure Platform for Accredited Cybercrime Experts
ENU	Europol National Unit	TFTP	Terrorist Finance Tracking Programme
EPCC	European Police Chiefs Convention	TP	Third Parties
EPE	Europol Platform for Experts	UMF	Universal Messaging Format
EPICC	Euroregional Police Information and Cooperation Centre	UNODC	United Nations Office on Drugs and Crime
EPPO	European Public Prosecutor Office	USE	Unified Search Engine
ESU	EMPACT Support Unit	US ATF	US Bureau of Alcohol, Tobacco, Firearms and Explosives
ETS	European Tracking Solution	US DoT	US Department of Treasury
FIU	Financial Intelligence Units	US FDA	US Food and Drug Administration
FP	Focal Point	US ICE	US Immigration and Customs Enforcement
		US NCIS	US Naval Criminal Investigative Service
		USSS	US Secret Service

Management Board's analysis and assessment

The Management Board (MB) takes note of the Consolidated Annual Activity Report (CAAR) for the financial year 2014 submitted by the Authorising Officer in accordance with Article 47 of the Financial Regulation (FR) applicable to Europol.

In analysing and assessing the CAAR 2014, the MB has made the following observations:

- The report contains a comprehensive and thorough account of the activities carried out by Europol in implementing its mandate during 2014. The report also provides a detailed overview of the results achieved in relation to the objectives set in the Work Programme 2014, as well as relevant resource management information.
- The MB notes the continued growth in the 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. This takes place against stable staffing levels, underlining Europol's efforts to achieve higher resource efficiency.
- The MB also notes the following core business achievements, which confirm Europol's role as the EU criminal information hub and leading operational support centre across the EU Justice and Home Affairs area:
 - Over 369,000 operational messages received by Member States, Third Parties and Europol through the Secure Information Exchange Network Application – SIENA (20% increase compared to 2013)¹; over 20,000 SIENA cases initiated (13% increase);
 - Over 360,000 searches were performed by Member States in the Europol Information System (20% increase);
 - Support was provided to 630 single operations, including high-profile investigations, relating to Europol's priority areas through: over 2,100 cross-match reports and 1,978 operational analysis reports produced; about 150 on-the-spot mobile support deployments in 36 countries; about 270 operational meetings financially supported by Europol;
 - An innovative cooperation framework for Member States and operational partners to strengthen intelligence exchanges and cross-border investigations in the area of cybercrime through the establishment of the Joint Cybercrime Action Taskforce (J-CAT);
 - Continued high levels of user satisfaction, which encourages Europol to continue focussing on product quality and service delivery; growing public awareness of Europol's involvement in international investigations with over 32,000 media articles referring to Europol, especially in connection with Operation Archimedes;
- A detailed assessment of the overall implementation of the Work Programme 2014 indicates that:
 - Europol made good progress concerning 81% of the Work Programme 2014 objectives (83% in 2013);
 - The overall budget commitment implementation rate exceeded 99% with an overall payment rate of 93%, constituting the best budget implementation since 2010;

¹ Excluding data exchange through the Euro-regional Police Information and Cooperation Centre (EPICC) in Heerlen (NL, BE, DE) and the Police Customs Cooperation Centre (PCCC) in Basel (DE, CH)

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- Europol responded diligently to the comments of the European Court of Auditors and other auditing recommendations.

- The MB also takes note of efforts to improve key operational, financial and human resource aspects mentioned in the CAAR and encourages Europol to continue this work, particularly with regard to:
 - Further developing operational analysis and enhancing support to relevant high-profile investigations on serious and organised crime posing a threat to the EU internal security.
 - The streamlining of workflows into the Analysis Work Files and the future establishment of the new Europol Analysis System in order to improve analysis outputs, including reporting and monitoring, in the context of a steady increase of operational contributions from Member States and cooperation partners.
 - Maintaining financial management levels already achieved, while improving implementation rates of carry forwards and keeping high delivery levels for the ICT budget.
 - Implementing the funds granted under the Delegation Agreement (DA) at appropriate levels, with a view to financing operational activities of Member States in line with EMPACT priorities.

- The MB underscores the importance of the additional tasks recently entrusted to Europol by the European Council and the Justice and Home Affairs Council, in particular concerning the increased threat from terrorism, which call for an appropriate level of resources.

- Finally, the MB is aware of possible developments in Europol's mandate and activities in connection with the future Europol Regulation and the European Agenda on Security, recently presented by the Commission.

The Management Board notes that the Director has no reservations or critical issues to report which would affect the presentation of the annual accounts for the financial year 2014 to the discharge authority.

The Management Board considers that Europol is effectively and efficiently delivering the expected products and services to the competent law enforcement authorities of Member States and cooperation partners.

The Management Board attaches this analysis and assessment to the CAAR for submission to the European Parliament, the Council, the European Court of Auditors and the Commission in accordance with Article 47(2) of the FR applicable to Europol.



Gennaro Capoluongo

Chairperson of the Management Board

Executive Summary

Europol Strategy (2010-2014) and Europol Work Programme 2014 implementation

- o Progress made in the implementation of the Europol Strategy is measured by assessing the performance of the 27 KPIs and 21 work programme objectives for 2014.
- o For all the strategic goals and 92% of the strategic objectives, good progress was made in 2014.
- o For 75% of the KPIs, the annual targets have been achieved. For an additional 20% of the KPIs, targets have not been achieved but results have improved from 2013.
- o For 81% of the work programme objectives good progress was achieved (i.e. the set targets were achieved and/or results have been delivered according to plan)
- o Excellent progress was made to achieve strategic objectives concerning the delivery of unique operational support services, enhanced coordination of operational action in the EU and the provision of expertise and quality training. For these strategic objectives, all the related KPIs were achieved and related Work Programme objectives made good progress.

Key Achievements of 2014

- o In response to an increasing demand, Europol increased the delivery of operational products (+72%) and services (+35%) both in quantity² and quality³ (+2.5 points) to support a growing proportion of high profile and EMPACT related operations.
- o Operation Archimedes, with more than 300 law enforcement officers based at Europol, was the largest operation ever coordinated in Europe. Taking place in September, 24/7 for 9 days, resulted in more than 1,000 arrests, seizure of fake documents, cocaine and heroin among others.
- o Europol used its real-time operational support capabilities to coordinate and support other large scale intelligence led operations involving joint actions across the EU targeting key crime hotspots and top targets.
- o Higher user satisfaction with Europol in general (+2.8 points) and also with the products and services delivered. Users have consistently increased their loyalty towards Europol and are more satisfied with the quality of the products and services as well as the value offered by Europol. This has improved Europol's image perceived by users. User survey results were the highest ever.
- o In order to anticipate criminal threats for the future, Europol organised the European Police Chiefs Convention (EPCC) - gathering more than 300 high-level officials – and the Serious Organised Crime Futures Forum.
- o Europol signed a new operational cooperation agreement with Albania and Serbia and new cooperation agreements with Moldova and Montenegro.

² **Operational products** include cross match reports, analysis reports and other operational reports whereas **Operational services** take into account the number of Mobile Office deployments, on-the-spot forensic labs, Operational and EMPACT meetings and euro-counterfeiting investigations.

³ Satisfaction with the quality of products and services is measured through 2014 User Survey (0-100)

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Negotiations with Bosnia and Herzegovina were finalised.

- Europol expanded cooperation with the European Central Bank (ECB) and a draft operational agreement with Frontex was approved. Eurojust will have a representative joining EC3 to enhance cooperation. Cooperation with EEAS and OLAF was also strengthened.
- Europol signed a Memorandum of Understanding (MoU) with UEFA to exchange information on match fixing.
- Europol stepped up its efforts (incl. financial) and increased the level of support to the implementation of the EU Policy Cycle while the EMPACT priorities and Operational Action Plans increased in scale (+115% of on-going actions at the end of the year) and complexity.
- An EMPACT Delegation Agreement was signed with the EU Commission, enabling Europol to provide funding to financially support the actions under the EU Policy Cycle .
- The 2014 Internet Organised Crime Threat Assessment (IOCTA) report was produced.
- Good progress was made with the formal integration of the FIU.net into Europol.
- In 2014, EC3 concluded 17 Memoranda of Understanding (MoU) with the private sector, under observance of data protection principles.

Core Systems

- Increased number of SIENA cases initiated (+13%), SIENA messages received (+20%) and exchanged (+33%)
- Increased number of SIENA users (+12%) and competent authorities (+27%) connected to it.
- New updated handling codes were implemented in SIENA.
- Europol Information System (EIS) has never contained more data than in 2014 with a peak of over 259,000 objects and 78,000 suspected criminals in Q3. A higher number (+9%) of Cross Border Crime Checks (CBCCs) were performed, indicating an increased quality of the information inserted in EIS with a record number of searches during 2014 (+21%)
- The Universal Message Format (UMF2) project was successfully finalised and the closure report accepted by the Commission and rated as excellent.
- Procedural guidelines were developed to facilitate more effective sharing of information & intelligence on 'Foreign Fighters' phenomenon via EIS (e.g. tagging of 'Foreign Fighters'). The first contributions were received at the end of 2014.
- EPE number of accounts (+37%) and usage of the platform (+40%) have notably increased. The number of unique visitors accessing EPE per month has followed a positive trend from the beginning of the year, surpassing for the first time 1,000 visitors per month.
- Key initiatives like SISII, Unified Search Engine and SIENA multi-lingual have been delivered according to plan.
- Availability of core systems was well above target, consistently above 99%.

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Financial and Human resources

- The implementation of commitment appropriations improved to 99.7% (target 95%)
- The overall payment rate increased to 93% (target 90%)
- The budgetary outturn was 2.76% or 2.6 M€, achieving the target of less than 5% or € 4.69 M.
- The carry forward was reduced from € 9.4 M to € 5.7 M.
- The accrual rate was improved from 41% in 2013 to 45% in 2014.
- The vacancy rate at the end of 2014 was of only 2.2% or 10 posts, of which 9 were to be cut as of January 2015. Taking this into account, the vacancy rate would have been of only 0.2%.
- A staff survey was conducted in 2014. A Leadership and Management Development Programme was launched following the outcome of this survey.
- The first Europol reclassification exercise took place in 2014. The total number of staff reclassified was 93 (17% of the staff population)
- Europol completed for the first time the benchmarking exercise resulting in 72% of the staff in operational posts.

Internal Control and Risk Management

- 86% of all audit recommendations graded as critical/very important had been addressed in 2014.
- The IAS carried out an assurance audit on recruitment and the audit report confirmed the robustness of Europol's recruitment process applied.
- The ECA published its observations on the annual accounts for the financial year 2013 stating that they can be considered reliable, legal and regular in all material aspects.
- The JSB visited Europol in March for the annual inspection, issuing ten recommendations in October, four of which were addressed before the end of the year. All pending recommendations from previous years, except one, have been addressed. An extraordinary inspection was conducted in September to check Europol's data processing activities, concluding that Europol has sufficient procedural measures in place.

Recent developments – 2015 Outlook

The CAAR covers the year 2014; however, at the date of its release (Q2 2015), it would not be complete without a brief mention to important recent developments in the area of counter terrorism which, in the aftermath of the terrorist attacks in early 2015, has become an area of increasing priority in the EU. Re-confirming the need for increased cooperation and expressing its broad support to Europol's ongoing work in the field of CT, on 12 March 2015 the JHA Council agreed that building on the Check-the-Web project, Europol will develop an EU Internet Referral Unit (EU IRU), expanding on existing expertise to provide a mechanism to identify and take down extremist internet material. The EU IRU is another important step further to those taken in 2014 (e.g. setup of FP Travellers) to ensure better cooperation in the fight against terrorism.

Introduction

Europol's mission

Europol is the European Union's law enforcement agency 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 crime and terrorism.

Europol headquarters are in The Hague (Netherlands) where more than 850 people work closely with law enforcement agencies in the 28 EU Member States and in other non-EU partner states such as Australia, Canada, the USA and Norway.

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

In 2013, the European Commission decided to establish the European Cybercrime Centre (EC3) at Europol. The Centre has become the focal point in the EU's fight against cybercrime, contributing to faster reactions in the event of online crimes. EC3 supports Member States and the European Union's institutions in building operational and analytical capacity for investigations and cooperation with international partners in the pursuit of an EU free from cybercrime.

Consolidated Annual Activity Report

This consolidated annual activity report is submitted on behalf of the authorising officer of Europol on the duties and activities performed in 2014. It is presented in accordance with Article 47 of the Financial Regulation applicable to Europol⁴, which stipulates that the authorising officer shall report to the management board on the performance of his/her duties in a form of a consolidated annual activity report.

This report covers the period from 1 January 2014 to 31 December 2014 and presents the progress made against the annual targets set for the Key Performance Indicators (KPI) linked to Europol's Strategy (2010-2014) and the implementation of the 2014 Work Programme objectives. It has been prepared, following the template provided by the Commission⁵ and developed by the EU Agencies Network – Performance Development Network (PDN) for the preparation of the Consolidated Annual Activity Report (CAAR).

Furthermore, this document provides an overview of budget implementation, human resources, risk management activities, efficiency and effectiveness of the internal control system and audit results. An analysis and assessment of the CAAR

⁴ Decision of the Europol Management Board on the adoption of the Financial Regulation applicable to Europol, Europol file no. 701427v3, published on the website of Europol, 10 January 2014

⁵ 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

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is made by the Management Board. All building blocks of assurance are also included in the relevant parts of the report.

Part I. Achievements of 2014

This part of the annual activity report describes the main activities and projects implemented by Europol in 2014, as well as the achieved results.

Section 1.1. covers the progress made by Europol against its multi-annual strategy (2010-2014) by assessing the performance of both KPIs and Work Programme (WP) objectives at strategic goal and strategic objective level. Section 1.2 presents Europol's progress made against WP objectives set for 2014, describing the main outcomes and results achieved.

1.1. Progress against Strategy in 2014

The Europol Strategy 2010-2014 consists of the following **four goals**:

Goal 1: Europol will function as the principal EU support centre for law enforcement operations

Goal 2: Europol will become the EU criminal information hub

Goal 3: Europol will expand its capabilities as an EU centre for law enforcement expertise

Goal 4: Europol will grow as a modern, efficient organisation with the best resources, effective governance arrangements and a positive reputation

At a lower level, a total of **13 strategic objectives** link to these four strategic goals:

1.1. Delivery of unique operational support services

1.2. Enhance coordination of operational action in the EU

1.3. More effective cooperation with external partners

2.1. Lead development of ECIM

2.2. Improve analysis capability

2.3. Strengthen information management capabilities

3.1. Pioneer new techniques

3.2. Strengthen position of Europol as a platform for specialist areas

3.3. Provide expertise and quality training

4.1. Strengthen Europol's accountability arrangements

4.2. Strengthen ICT and business alignment

4.3. Improve the management of Europol's human and financial resources

4.4. Build a strong Europol culture and a positive external image

To monitor the progress made against strategic goals and objectives in the Europol Strategy 2010-2014, a number of KPIs and work programme objectives have been established. KPIs are set to measure progress against the strategy on a multi-annual basis whereas work programme objectives are set for each planning year.

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For 2014, a total of 27⁶ KPIs and 21 Work Programme objectives were established and regularly reported and assessed in order to monitor the implementation of the Strategy.

Strategic Goals

The following table shows the number of KPIs and Work Programme (WP) objectives per goal, according to the assessment of their performance:

GOAL ▾	Good Progress		Some Progress		Little or no progress	
	KPI	WP	KPI	WP	KPI	WP
1	4	7	1			
2	4	5		1		1
3	2	3	1			
4	5	2	2	1	1	1
TOTAL	15	17	4	2	1	2

An overall assessment per goal can be made taking into account a consolidated assessment of performance of both KPIs and WP objectives together. The table below shows the number of objectives (WP or KPIs) that have achieved good progress, some progress or little/no progress during 2014. The last column represents the overall assessment of performance (0-100%) taking into account the different levels of performance for the different goals.

GOAL ▾	Good Progress	Some Progress	Little or no progress	Overall Assessment
1	92%	8%	0%	
2	82%	9%	9%	
3	83%	17%	0%	
4	58%	25%	17%	
TOTAL	78%	15%	7%	

This table shows that for **all four strategic goals**, **good progress was achieved** overall. More progress was made in Goal 1 (EU operational support centre), closely followed by Goal 3 (EU law enforcement expertise). On the other hand, Goal 4 (Europol as a modern/efficient organization) achieved the lowest progress, although still reaching a satisfactory level. Overall:

- 78% of the KPIs and WP objectives achieved good progress.
- 15% of the KPIs and WP objectives showed some progress.
- 7% of the KPIs and WP objectives showed little or no progress.

Strategic Objectives

The same analysis can be made at strategic objective level. By taking into account the assessment of performance for both KPIs and WP objectives, the progress against each strategic objective can be assessed. The following table shows the number of KPIs and WP objectives per strategic objective and their assessment:

⁶ For seven of the KPIs a performance assessment is not available

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SO	Good Progress		Some Progress		Little or no progress	
	KPI	WP	KPI	WP	KPI	WP
1.1.	3	3				
1.2.		2				
1.3.	1	2	1			
2.1.		1				
2.2.	1	3				1
2.3.	3	1		1		
3.1.		1				
3.2.	1	1	1			
3.3.	1	1				
4.1.		1	1			
4.2.	1			1	1	
4.3.	2	1	1			
4.4.	2					1
TOTAL	15	17	4	2	1	2

Similarly to what was previously presented for strategic goals, combining both KPIs and WP objectives an overall assessment of performance can be made for each of the 13 strategic objectives. For **12 of the 13 strategic objectives (92%) good progress was achieved**. This is shown in the following table:

SO	Good Progress	Some Progress	Little or no progress	Overall Assessment
1.1.	100%	0%	0%	
1.2.	100%	0%	0%	
1.3.	75%	25%	0%	
2.1.	100%	0%	0%	
2.2.	80%	0%	20%	
2.3.	80%	20%	0%	
3.1.	100%	0%	0%	
3.2.	67%	33%	0%	
3.3.	100%	0%	0%	
4.1.	50%	50%	0%	
4.2.	33%	33%	33%	
4.3.	75%	25%	0%	
4.4.	67%	0%	33%	
TOTAL	78%	15%	7%	

- Strategic objectives 1.1. (unique operational support services), 1.2. (operational coordination), 2.1. (development of ECIM), 3.1. (new techniques) and 3.3. (expertise and training) achieved the best results as all the related KPIs and WP objectives showed good progress.
- Strategic objectives 1.3. (cooperation with external partners), 2.2. (Analysis capabilities), 2.3. (Information management), 3.2 (Platform for Specialists), 4.1. (Accountability), 4.3. (Human and Financial Resources) and 4.4. (Europol culture and positive image) also achieved good progress although for some of the related KPIs and/or WP objectives only some progress was made.
- Strategic objective 4.2. (ICT and business alignment) only achieved some progress overall (thus, displayed in orange) as a combination of the results of the KPIs and WP objectives related to it. This was mainly caused by the delivery of ICT projects and programmes, where only 46% (56% in 2013) were delivered according to plan compared to a target of 75%.

For further details on the list of 2014 Key Performance Indicators and their results, please refer to [Annex I-a](#).

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Work programme objectives are covered in section 1.2. of this document.

1.2. Progress against the Work Programme 2014

Europol's work programme 2014 contains the main objectives to be achieved during the year, in line with the strategic goals and objectives defined for the Strategy 2010-2014. A total of **21 work programme objectives** were defined to assess Europol's work in 2014.

Work programme objectives are assessed based on the implementation of the planned activities and projects.

The table below shows all the work programme objectives and an assessment of the progress achieved for each:

WP Objectives	Good Progress	Some Progress	Little or no progress
1.1.1 Provide operational support services tailored to EU Policy Cycle priorities and key regions	✔		
1.1.2 Initiate a growing number of high-profile international operations	✔		
1.1.3 Identify high-value targets for all 2014 Operational Action Plans	✔		
1.2.1 Utilise Europol's real-time operational support capabilities to support the coordination of simultaneous Member State investigative measures	✔		
1.2.2 Promote the capacities of the Europol National Units and the Liaison Bureaux in coordinating operational action	✔		
1.3.1 Conclude cooperation agreements with remaining Balkan countries and progress with negotiations with new countries on the Council list	✔		
1.3.2 Cooperate effectively with Eurojust, Frontex, OLAF and EEAS based on synergies and complementarity	✔		
2.1.1 Monitor the implementation and evolution of the European Criminal Intelligence Model as a concept for tackling serious international and organised crime	✔		
2.2.1 Deliver enhancements to the new Europol Analysis System			✘
2.2.2 Develop crime analysis as a discipline amongst Europol's workforce, thereby strengthening Europol's analytical capability	✔		
2.2.3 Use financial intelligence to identify links between different crime areas or investigations in multiple Member States	✔		
2.2.4 Build a comprehensive picture of internal security threats in the EU incorporating future-forecasting and scenario management techniques	✔		
2.3.1 Enhance existing information exchange systems with new toolsets for supporting investigations directly	✔		
2.3.2 Optimise data handling systems and work processes to ensure maximum exploitation of information with available resources		🟡	
3.1.1 Collect, assess and disseminate innovative technical and legal best practices in law enforcement and serious and organised crime prevention	✔		
3.2.1 Share and develop expertise in specialist areas, including cybercrime, counter terrorism and euro counterfeiting	✔		
3.3.1 Deliver strategic and operational analysis training to the law enforcement community, cybercrime training to competent MS authorities and awareness briefings to the private sector	✔		
4.1.1 Implement the Europol Regulation	✔		
4.2.1 Develop ICT solutions supporting a modern, efficient and effective administration		🟡	
4.3.1 Implement additional resource management processes and tools	✔		
4.4.1 Develop an alumni network in the Member State law enforcement community			✘
TOTAL	17	2	2

81% 10% 10%

- For 81% of the work programme objectives good progress was achieved during 2014.
- For two work programme objectives only some progress was achieved, namely ICT project delivery (4.2.1.) and data handling systems (2.3.2.).
- For two work programme objectives there was little/no progress. One of them, 2.2.1. was affected by delays in the development of the EAS, The other objective (4.4.1) related to the development of the alumni network, which was postponed in 2014.

In the next sections of the report, the progress on each work programme objective will be presented following a top-down approach i.e. starting at the highest level of strategic goals through to the strategic objectives and subsequently to the work programme objectives.

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Goal 1 - Europol will function as the principal EU support centre for law enforcement operations



Strategic Objective 1.1 – Ensure effective delivery of a unique set of operational support services

KEY PERFORMANCE INDICATOR (KPI)	2013	2014		
		TARGET	RESULT	
i- User satisfaction with operational support (incl. operational analysis reports)	8.4	8.5	8.5	
ii- Number of operations and high profile operations supported by Europol	684	-	632	
iii- Number of operational analysis reports delivered	209	230	446	
iv- Hit rate: number of cross match reports per 100 accepted contributions	4.1	4.2	4.5	
v- Number of organised criminal groups disrupted (HQ/MS)	-	-	-	

For most of the KPIs related to this strategic objective the target was achieved or exceeded. User satisfaction with operational support reached the target of 8.5 which represents almost a 2% increase compared to last year (8.4). The end of 2014 result is based on 62 operations surveyed and feedback received from 55 respondents. In the course of 2014 Europol supported 632 unique operations including high profile operations. Most of these operations were supported during several months or even the whole year. On average 343 operations were supported at any given quarter. Around 80% of the operations supported by Europol relate to one of the EMPACT priorities. The number of operational analysis reports⁷ almost doubled the target (+113% from 2013) and the hit rate increased to 4.5 which indicates that the quality of the contributions is improving. The number of organised criminal groups disrupted with Europol support will be measured as of 2015 following the implementation of the OAPs 2015 targeting the identified high value targets.



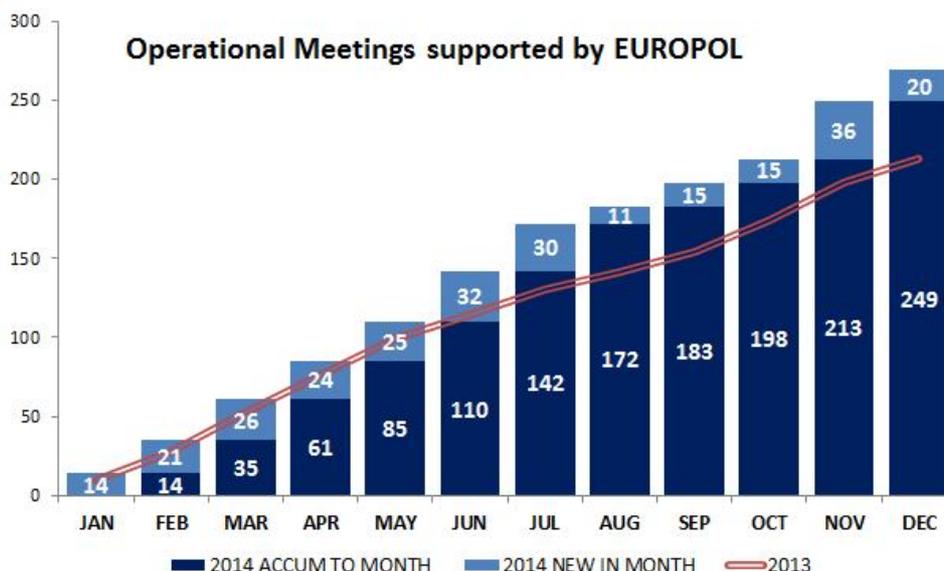
Work Programme Objective 1.1.1 – Provide operational support services tailored to EU Policy Cycle priorities and key regions

In 2014, a total of 2,101 cross match reports, 1,978 operational analysis reports and 1,538 other operational reports were produced by the different Focal Points. The Mobile Office was deployed 146 times in 36 different countries to provide on the spot cross checking and analytical support. The mobile device examination kits were used 105 times and 586 mobile devices were examined.

Europol financially supported 269 operational meetings in EMPACT (88%) and other crime areas (12%) with a total amount of € 721,599. 71% of these meetings took place at Europol Headquarters and the remaining 29% in other countries (Member State or Third Partner).

⁷ In total 1,978 operational analysis reports were produced in 2014. These include 1,532 operational analysis reports delivered in the context of two investigations against online child sexual abuse which are not expected to be produced on a recurrent basis.

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Some other important operational support products and services delivered in 2014 can be found in the following table:

Type of support	2014
Number of on the spot deployments of mobile device examination kits by all O Dept BAs	105
Number of deployments at Europol HQ of mobile device examination kits by all O Dept BAs	3
Number of on the spot Europol Forensic Lab deployments by EC3	51
Number of technical investigations on printing devices	786
Number of forensic examination on printed materials (e.g. euro banknotes, brand labels, identification documents,..)	75
Number of data storage devices examined by EC3 Forensic Lab	200
Number of mobile devices examined	586
Number of print and mint shops dismantled supported by EC3 Forensic Lab	14
Number of print and mint shops dismantled supported by FP Soya	10
Volume of data processed within the Forensic IT Environment (FITE)	106.3 TB
Number of malware examined in the Malware Analysis Tool	Analysed: 804,264 Malicious: 703,542
Number of times the decryption platform was used	35

FP Soya supported 29 euro counterfeiting investigations with a total financial contribution of € 139,177. In these investigations, more than 25 suspects were arrested, four illegal print shops were dismantled and over 78 million counterfeit Euros were seized. In almost all the investigations where financial support was requested (93%), Europol managed to assess and approve the support within three days.

AWF SOC restructured the Focal Points and created clusters in line with the new EU priorities for the fight against organised crime between 2014 and 2017. Also four new Focal Points were established in 2014: FP Travellers, FP Firearms, FP sports Corruption and FP Asset Recovery.

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Based on article 10 of the Terrorist Finance Tracking Programme (TFTP), Europol sent 65 EU requests for TFTP searches which generated 3,626 intelligence leads. Nine TFTP operational meetings were held during 2014 with a good representation of the different Member States as well as other organisations such as Eurojust, US Treasury or UK Revenue and Customs.

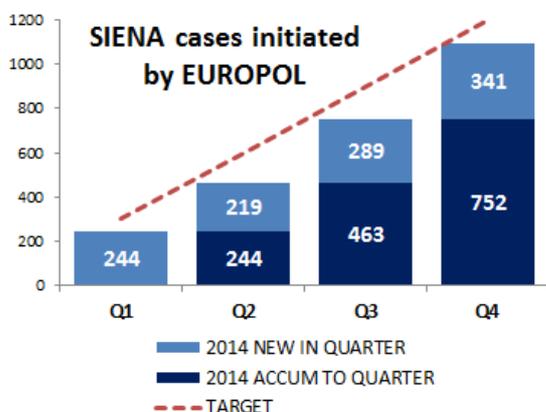
Europol reviewed and updated its catalogue of operational and strategic products and services which was disseminated to the national law enforcement agencies.



Work Programme Objective 1.1.2 – Initiate a growing number of high-profile international operations

In 2014, a total of 96 Early Warning Notifications were disseminated, including 42 Cyberbits, an intelligence notification on “Hacked Team”, 12 monthly Terrorism Modus Operandi Monitor Bulletins, 18 Terrorism related Intelligence Notifications and 23 SCAN notices (covering facilitation of illegal immigration, synthetic drugs, cocaine trafficking, organised property crime, trafficking in human beings, financial crime).

EC3 established an information flow process in cooperation with the U.S. Immigration and Customs Enforcement (ICE). Reports from the NCMEC⁸ on child sexual exploitation are sent to EC3 by ICE. Following cross-checking and analysis of the data EC3 sends an intelligence package to the concerned Member States. Around 5000 of such intelligence packages have been produced since November 2013.



1,093 SIENA cases were initiated by Europol in 2014, an increase of 13% compared to 2013 (968).

A meeting in May 2014 established the European Financial Cybercrime Coalition (EU-FCC) and was attended by representatives of banks and law enforcement authorities to bring cybercrime cases forward. As a result of the meeting, four new cases were initiated.

Following the initiative of EC3 and the FBI a European Union Joint Cybercrime Action Task Force (J-CAT) was set up as a cooperation framework of Member States and Operational Cooperation Partners to bring together cyber intelligence with a view to proactively prioritise, prepare and launch cross-border investigations on cybercriminal acts. The J-CAT Terms of Engagement were drafted in Q2 2014 and the task force officially began its activities from 1 September 2014, based at Europol HQ. All EU MS and Third Parties with operational agreements with Europol can participate in the J-CAT. Around 15 operations supported by EC3 were initiated by the J-CAT.

In the area of facilitated illegal immigration preparatory work was undertaken to host the Joint Operation Team (JOT) MARE at Europol within the framework of Focal

⁸ Industry reports child abuse material encountered online to the CyberTipline of the United States National Centre for Missing and Exploited Children (NCMEC)

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Point Checkpoint and to officially launch it in Q1 2015. The team consists of national and Europol resources and will coordinate intelligence-driven action against the facilitators of illegal immigration with the aim to disrupt the organised crime groups behind this phenomenon.



Work Programme Objective 1.1.3 – Identify high-value targets for all 2014 Operational Action Plans

In the context of the project *Bad Boys* and following the contributions of 23 countries, 2,190 identified serious crime top target offenders/suspects were stored in the EIS at the end of 2014. Based on this database and the methodological guidelines for the Member States to select the high value targets, a list of “EU Top Targets” was established for a number of EMPACT priorities which will be discussed via the 2015 Operational Action Plans.

Similarly at the end of 2014 3,734 identified offenders/suspects of child sexual abuse or production, possession and sharing of child pornography were stored in the EIS in the context of project *Raven*. 23 EU MS and Third Partners either contribute with child sexual offender data to the EIS or support the initiative.



Strategic Objective 1.2: Enhance the coordination of operational action in the EU

KEY PERFORMANCE INDICATOR (KPI)	2013	2014	
		TARGET	RESULT
Number of operations initiated by Europol (ECD art. 7)	0	-	0

Article 7 of the ECD has not been used since it entered into force, as this would require a formal procedure and should only be considered as a last resort. As of 2015 the number of operational meetings organised and financially supported by Europol and the number of Joint Actions coordinated or supported by Europol will be reported as indicators of Europol’s operational coordination capability in view of becoming the principal EU support centre for law enforcement operations.



Work Programme Objective 1.2.1 – Utilise Europol’s real-time operational support capabilities to support the coordination of simultaneous Member State investigative measures

In April law enforcement agencies from across the world, supported by the European Cybercrime Centre (EC3) at Europol, joined forces with the airline, travel and credit card industries, Frontex, Eurojust and Interpol in the largest ever attack upon online fraud and illegal immigration. This joint action took place at 68 airports in 32 countries worldwide. Europol coordinated and supported the Airline fraud Action day from the operational centre at Europol’s headquarters and deployed specialists and equipment to locations across Europe to identify suspicious airline ticket transactions resulting from the use of fake or stolen credit cards via the

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Internet. During the operation more than 265 suspicious transactions were reported. 113 individuals were detained and 70 were arrested.

In September, 300 law enforcement officers from 34 countries joined forces in the Operation Archimedes coordinated and supported by Europol. The operation focussed on disrupting the activities of the most threatening criminal groups and top targets active in key crime hotspots across the EU in a series of actions in hundreds of locations, with the cooperation of Eurojust, Frontex and Interpol. 30 children were saved from trafficking; other important results of Operation Archimedes included the arrest of 1,027 individuals and the seizure of 599 kg of cocaine, 200 kg of heroin and 1.3 tonnes of cannabis. Europol played a central role in coordinating and directing the overall operation from a 24/7 operational coordination centre in The Hague. Europol specialists together with their liaison officer colleagues, coordinated the exchange of information and intelligence between national law enforcement authorities, international partners and Europol, while Europol analysts processed the information and produced real-time reporting to those engaged in interventions and operational activity in the field. Europol officers were also deployed on the spot in various locations, with the Europol mobile office which gave them direct, secure access to Europol's centralised databases and analysis tools. This vast operational activity provided many leads which in turn directed further investigations and arrests.

Europol provided real-time operational support from its Operational Rooms and the Multi-Disciplinary Centre for Cyber Innovation (MDCCI) for several other operations and joint action days including the Global Airline Action Day in November.

In Q3 the MDCCI was transformed into office space for the Joint Cybercrime Action Taskforce (J-CAT).

To enhance cooperation with other coordination centres, an agreement was reached with the Maritime Analysis and Operation Centre - Narcotic (MAOC-N) to appoint a travelling Europol liaison officer to the HQ in Lisbon. Europol attended the MAOC-N Executive Board Meeting in Lisbon in May and an officer was seconded to MAOC-N for a period of two weeks in November to assess the operational cooperation and the functionality of the SIENA link. Europol also attended a joint debriefing conference alongside MAOC-N in December.

Europol participated in the Centre de Coordination de la Lutte Anti-drogue's (CeCLAD) annual meeting in June and will continue its contacts with CeCLAD via the French Counter Drugs office (OCRTIS) in the normal course of operational activity following the decision to integrate CeCLAD into OCRTIS as a single national entity.

Also cooperation with the Baltic Sea Task Force (BSTF) evolved as planned specifically in the crime areas of firearms, synthetic drugs and mobile organised crime groups. A stakeholder map was developed for the North East and South East regions, describing in detail the planned tasks and delivered activities. The BSTF regional strategy for 2015-2016 foresees continuous BSTF alignment with Europol.

Europol was also involved in a practical operational cooperation exercise organised by the Police Cooperation Convention for Southeast Europe (PCCSEE) in November 2014.

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Work Programme Objective 1.2.2 – Promote the capacities of the Europol National Units and the Liaison Bureaux in coordinating operational action

The support of initiatives to improve the set-up and work of ENUs (e.g. promote and support the identification and sharing of best practice in organising the work of an ENU, take part in renewed discussions on an “Ideal Model for ENUs”, support ENU performance reviews) was de-prioritised due to resource constraints.⁹

Nevertheless Europol supported the Head of National Units (HENUs) in various workshops and working groups which addressed important aspects of the functioning of the National Units, like a better use of SIENA in MS and TP or the provision of data by MS to the EIS - in line with the recommendations of the JSB.

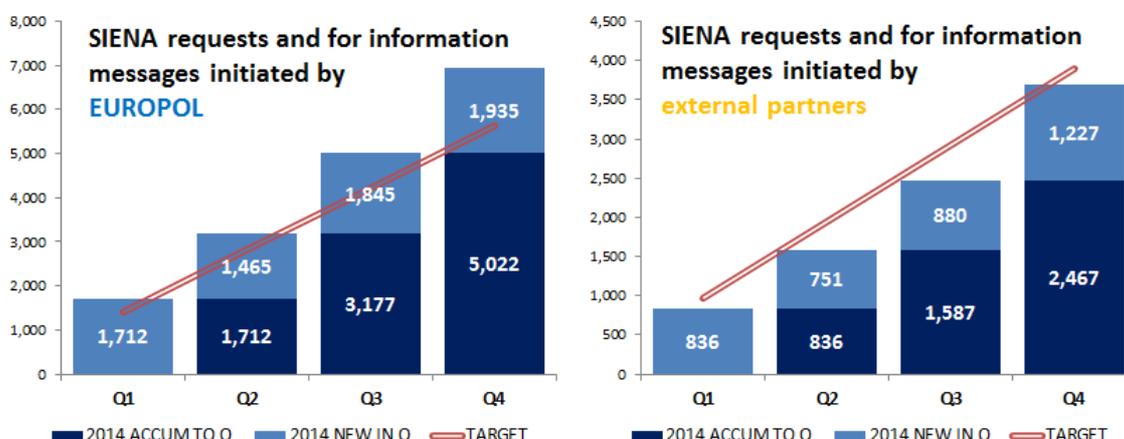
In addition, short workshops were supported regarding the Europol Platform for Experts (EPE) management and the use of the Delegation Agreement (DA) by the HENUs. The support provided by Europol was well received by the HENUs.



Strategic Objective 1.3: Develop more effective cooperation with external partners

KEY PERFORMANCE INDICATOR (KPI)	2013	2014	
		TARGET	RESULT
i- Number of SIENA requests and “for information” messages sent by Europol to external partners	5,117	5,630	6,957
ii- Number of SIENA requests and “for information” messages sent by external partners to Europol (TP)	3,546	3,900	3,694

Europol proved to be very active when requesting and sending information via SIENA from and to external partners. The target set for 2014 implied a 10% increase from 2013 figures and it was exceeded. The information exchange from external partners to Europol through SIENA missed the set target by 5%, even though figures from 2013 were improved by 4%.



⁹ EDOC-#687917-Cover Note - Europol Preliminary Work Programme 2014, MB written procedure October 2013.

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Increased strategic and operational cooperation was demonstrated between Europol and the US. A significant number of high level bilateral meetings between Europol and US counterparts took place to discuss enhanced operational cooperation in prioritised areas incl. cooperation with Europol Focal Points. Cooperation on countering maritime piracy was discussed with the US Navy and Marine Corps. The US is engaged in the delivery of operational action plans and became associated to additional Focal Points: US FDA to FP Copy and FP Smoke, US ICE to FP Twins, US ATF to FP Firearms, US NCIS and DoT to FP ITOC, USSS to Focal Point Asset Recovery.

Good cooperation with Interpol continued and the Interpol-Europol Joint Annual Action Plan (JAAP) was followed up. Europol participated in an Interpol IRT - incident of the Flight MH17 in Ukraine- and in a number of Interpol Operations such as InfraTerra and LIONFISH2 where Europol deployed a Mobile Office and cross checked the available information. Joint Operation OPSON was also an example of cooperation between Europol and Interpol. Interpol participated in the EC3 Victim Identification Task Force and FP Twins was granted access to Interpol's International Child Sexual Exploitation Database (ICSE). Interpol became a member of FP Cyborg, FP EEOC, FP Firearms, FP Heroin, FP ITOC and FP Terminal in 2014.

In May, Europol signed a Memorandum of Understanding with UEFA aimed at reinforcing the fight against match-fixing in European football.

Cooperation with Member States, the EMCDDA and the Commission continued in view of improving the methodology and quality of relevant data collection to improve the monitoring of drug supply in the EU. Training was delivered to all MS on the usage of the European Reporting on Illicit Synthetic Substances Production tool (ERISSP). Information has been collected on dismantled illicit synthetic drug production facilities in view of relevant Europol and EMCDDA reports. The evaluation of the information will be done and the results disseminated using ERISSP. Also a standardised reporting tool on cocaine conversion laboratories was developed.



Work Programme Objective 1.3.1 – Conclude cooperation agreements with remaining Balkan countries and progress with negotiations with new countries on the Council list

Balkan Countries

The operational cooperation agreement with **Albania** signed in December 2013, entered into force in June 2014.

The operational cooperation agreement with **Serbia** was signed on 16 January 2014 and entered into force on 18 June 2014. A Memorandum of Understanding (MoU) on confidentiality and information assurance with Serbia was signed in February 2014.

Negotiations for the operational cooperation agreement and a MoU with **Bosnia and Herzegovina** took place at Europol beginning of December 2014.

The operational cooperation agreement with **Montenegro** was signed on 29 September 2014 and Europol is awaiting ratification by the National authorities.

Other countries (Russia, Moldova, Israel, Morocco, Turkey, Ukraine)

The operational cooperation agreement with **Colombia** signed in 2010 entered into force in February 2014.

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The operational cooperation agreement with **Moldova** was signed on 18 December 2014.

A joint meeting between the **Russian Federation** and Europol took place in July and December in order to progress with the negotiations.

Concerning the cooperation agreement with **Israel**, a reply from the Ministry of Justice on the latest proposal is awaited.

The first draft of the Data Protection assessment in view of a cooperation agreement with **Ukraine** was finalised in Q3 2014 and the Data Protection study visit was carried out in Kiev on 9-12 December 2014.

First contacts were made with **Morocco**. However, no further progress was made despite a recent declaration of Morocco that a cooperation agreement is important.

Due to lack of Data Protection legislation, no progress in concluding a cooperation agreement with **Turkey** was expected in 2014. An exchange of letters took place with regard to the secondment of a Liaison Officer to Europol. The national accreditation process was completed and the Liaison Agreement is expected to be concluded in Q1 2015.

For all cooperation partners a Memorandum of Understanding on confidentiality and information assurance was established within one month after signing the cooperation agreement.

Council's list of new countries

Following the adoption by the Council of the amended list of cooperation partners, an initial assessment of the Data Protection situation in **Georgia, Mexico, Brazil and the United Arab Emirates** was conducted and letters were prepared and sent out to officially launch the negotiation process.

Following a meeting with a delegation of China's Ministry of Public Security and a formal request from **China** to initiate negotiations on a strategic cooperation agreement the MB in October endorsed Europol's proposal to continue exploratory contacts, including non-operational interactions at expert level as well as a possible visit to China by the Director in 2015, in order to confirm China's intentions.

A SIENA connection became available in Colombia in May 2014 and in the Republic of Serbia in June 2014. All third parties with whom Europol has an operational cooperation agreement are connected to SIENA. For four out of 19 strategic agreements there was a direct SIENA connection in place (21%). Preparatory work is on-going to implement a SIENA connection to the US Department of Treasury.



Work Programme Objective 1.3.2 – Cooperate effectively with Eurojust, Frontex, OLAF and EEAS based on synergies and complementarity

Eurojust being associated to 20 Europol Focal Points continued to be a close and valuable partner to Europol in day-to-day cooperation. A strategic review and position paper on Europol's cooperation with **Eurojust** was discussed at the Management Board meeting in February. The need to avoid overlapping and duplication of tasks and to ensure coherence in both regulations in order to achieve optimal cooperation between Eurojust and Europol was discussed at the MB meeting and during a high level meeting with Eurojust in July. The Agreement between Eurojust and Europol on the temporary placement of a Eurojust

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representative to the European Cybercrime Centre was approved by the MB at its meeting on 3-4 December 2014.

The cooperation with **Frontex** was reviewed in the context of the Task Force Mediterranean (TFM) and in December the MB forwarded the draft operational cooperation agreement to the JSB.

A meeting with **OLAF** representatives was held to discuss the text of the draft operational agreement. Related issues such as OLAF's association to FPs and secure communication line are still under discussion.

In May 2014, the Management Board took note of the strategic review and position paper on Europol's cooperation with the European External Action Service (**EEAS**) and of the Commission's intent to submit a proposal to facilitate cooperation with the EEAS. Following a trilateral meeting between DG HOME, EEAS and EUROPOL in July 2014 an exchange of letters enhancing the cooperation between Europol and the EEAS was completed in December 2014.

In June the strategic cooperation agreement with the European Union Agency for Network and Information Security (**ENISA**) was signed and entered into force and in December the reviewed cooperation agreement with the European Central Bank (**ECB**) to expand cooperation in the area of non-cash means of payment.



Goal 2: Europol will become the EU criminal information hub



Strategic Objective 2.1: Lead the further development of a European Criminal Intelligence Model and promote its principles with national and EU authorities

KEY PERFORMANCE INDICATOR (KPI)	2013	2014	
		TARGET	RESULT
Performance of Europol in supporting the implementation of the EU Policy Cycle	-	-	

Europol stepped up its efforts (incl. financial) and increased the level of support to the implementation of the EU Policy Cycle while the EMPACT priorities and Operational Action Plans increased in scale and complexity.



Work Programme Objective 2.1.1 – Monitor the implementation and evolution of the European Criminal Intelligence Model as a concept for tackling serious international and organised crime

At the end 2014, 224 actions were on-going, compared to 104 in 2013. Compared to the first two year Policy Cycle (2012-2013) an increased level of awareness, ambition and engagement could be noted in the first year of the new four year Policy Cycle (2014-2017).

At the end of Q3 81% of the ongoing OAP actions for which Europol is (co) leader were completed or were being implemented according to plan.

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In 2014, Europol actively supported the implementation of EU Policy Cycle by organising numerous EMPACT OAP meetings, strategic meetings, Joint Action Days (JAD) debriefing meetings, National EMPACT coordinators (NEC) meetings and a Delegation Agreement information meeting.

Europol supported the drafting of the OAPs 2015 by organising 13 OAP drafting meetings and the support by professional process facilitators.

In total, 54 EMPACT meetings were financially supported by Europol with a total amount of € 497,911¹⁰ compared to 36 meetings in 2013.

In preparation of the interim SOCTA 2015 workshops for improvement of the SOCTA methodology were delivered. Interviews with experts were conducted to collect data on the evolution of EMPACT priorities and new phenomena.

Lessons learned and good practices in relation to the implementation of the Operational Action plans (OAP) and the drafting of OAPs were identified, discussed in EMPACT meetings and made available on the EPE. This includes an analysis of the 2014 OAPs and advice on including money laundering and asset recovery in the OAPs 2015.

Europol regularly reported to COSI, the Presidency and the National EMPACT Coordinators (NEC) on the implementation of the EU Policy Cycle with positive feedback. In Q4 a final evaluation report was provided to COSI based on Drivers reports, EMPACT Support Managers (ESM) reports and ESU analysis to report on the implementation of the activities, receiving positive feedback.

The EMPACT Delegation Agreement via which Europol will be in a position to provide funding to financially support the actions under the EU Policy Cycle was signed with the Commission in Q4. In parallel internal management and implementation procedures were discussed and established.

Europol raised awareness about the EU Policy Cycle during various presentations for law enforcement and judicial authorities from Member States and Third Parties, covering different topics such as the Delegation Agreement, Operational Action Plans, Joint Action Days, EMPACT statistics, etc.

In total 202 new members registered on the EMPACT EPE.

Strategic Objective 2.2: Improve the analysis capability of Europol

KEY PERFORMANCE INDICATOR (KPI)	2013	2014	
		TARGET	RESULT
Number of strategic analysis reports	52	38	46

46 strategic analysis reports were produced in 2014 while the original planning was to deliver 38. The complete list of strategic analysis reports produced in 2014 can be found in [Annex I-b](#).

Work Programme Objective 2.2.1 – Deliver enhancements to the new Europol Analysis System

¹⁰ Budget spent on 31/12/2014.

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At the end of 2014, the EAS project saw the delivery of a comprehensive software package by the contractor to Europol. This package included the majority of functionalities required within the original scope of the project (scope 1). Functional testing of the delivery by Europol then allowed accepting a number of incremental deliverables and, subsequently, payment of these to the contractor. The remaining deliverables and activities under the original contract as well as the additionally required functionalities for *go-live* (scope 2A) will be delivered under a partially extended and partially newly agreed contract over the course of 2015. The negotiation of the contract also ended in 2014 already with the signing of the contract.

It is expected that the combined test of scope 1 and 2A will commence in September 2015. Given this timeframe and taking into account a number of dependencies the go-live date of the new EAS remains uncertain.

Next to the delivery of the complete new EAS, Europol is looking into opportunities to pilot the use of the Palantir software at smaller scale to earlier realise functional benefits of this software and to reduce delivery risks and complexity of the new EAS.

While work on the new EAS continues, the current EAS is maintained at full scale and will stay available until the new EAS is fully operational.



Work Programme Objective 2.2.2 – Develop crime analysis as a discipline amongst Europol's workforce, thereby strengthening Europol's analytical capability

Several internal training courses on operational information handling (OIH) were held during the year, with a total of 28 staff members trained.

Europol's operational intelligence analysis training (OIAT) design was completed with the help of external experts. In Q2 two training courses started (with an eLearning module) with two additional training courses in Q3 and a total of 28 staff members trained in 2014.

Analytical best practices are collected through the implementation of the Train-the-trainer OIAT, delivered annually. Through this training the MS participants identify, discuss and share their approaches and best practices for operational analysis, which can be later utilised.

Following several recommendations made by the JSB in the annual inspection held at Europol, the new AWF manual was presented for feedback to the HENUs in their September meeting and finalised in line with comments received.

User satisfaction with operational analysis as measured via the operations feedback surveys was 8.4 at the end of 2014, compared to 8.1 at the end of 2013.



Work Programme Objective 2.2.3 – Use financial intelligence to identify links between different crime areas or investigations in multiple Member States

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Good progress was made with the formal integration of the FIU.net Bureau into Europol, based on the agreed Common Understanding. The roadmap of embedment of the FIU platform was presented during the Board of Partners meeting in March 2014. A draft solution concept, functional and technical requirements were discussed taking into account the users' point of view as captured during four on-site visits to national FIUs in the UK, Italy, the Netherlands and Finland. Further on-site visits to other FIUs are planned to verify the robustness of the requirements and future solutions concept. The operational cooperation between FIUs and Europol was discussed during the Board of Partners meeting in July. In November 2014, an FIU.Net user familiarisation workshop was organised at Europol's premises for three days. To facilitate the embedment process, FIU.Net users were invited to Europol and were introduced not only to Europol's capacities, services and products but also received introductory training in SIENA. With a few exceptions, all MS were represented by two persons. Progress of the FIU.Net embedment project was presented and discussed at the October HENU and Management Board meetings, including the legal concerns raised by the JSB and the impact of the Commission's position that Europol will not receive additional Temporary Agent posts for the FIU.net related new tasks as reflected in its opinion regarding Europol's Multi-annual Staff Policy Plan 2015-2017. The 2015 planning for the FIU.Net embedment project was finalised.

At the end of 2014, 20 Asset Recovery Offices (AROs) were connected to SIENA. Europol did not receive additional requests to connect AROs to SIENA. However, following Europol's advice five Member States requested to update their ARO SIENA configuration and are now able to exchange data directly with Europol's FP Travellers and Operational Centre.

The SIENA exchange between AROs increased from an average of 560 per quarter in 2013 to an average of 765 messages per quarter in 2014, with 826 messages in Q4 2014. A total of 3,062 SIENA messages were exchanged, representing a 36% increase over 2013 which ended with 2,251 messages.

In April 2014, Focal Point Asset Recovery became operational to support competent authorities of the Member States (MS) and also Third Parties (TP) and organisations in the tracing and identification of criminal proceeds linked to the mandated crime areas of Europol. In 2014, a total of 15 MS and one TP joined the Focal Point. The association of Eurojust is envisaged in Q1 2015. FP Asset recovery supported 122 asset tracing requests from Q2 to Q4 2014.

27 Financial Intelligence reports were delivered in 2015, identifying targets linked to suspicious transactions and suggesting how to further investigate them.

Although indicated as low priority¹¹, Europol supported capacity-building initiatives in other regions, e.g. ARINWA (Asset Recovery Informal Network for West Africa) based on the CARIN model. The first meeting of the regional CARIN Networks (ARINSA, ARIN-AP, ARIN-EA, RRAG, ARIN-WA) was held at Europol and attended by 32 participants from six continents. The meeting fostered global co-operation in asset recovery. The intention is to annually conduct regional CARIN Networks meetings. ECAB informed representatives of the Middle East and North Africa (MENA) region on how to create a regional CARIN network. ECAB also attended the first annual general meeting of ARIN-EA in November 2014 and provided technical support to this regional asset recovery network. Furthermore, the CARIN Secretariat attended a UNODC conference on the proceeds of environmental crime in Panama with a view to continuing building capacity in the Caribbean region.

¹¹ As mentioned in Europol Preliminary Work Programme 2014 - MB written procedure October 2013

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A number of initiatives were held to raise awareness about Europol's role and possibilities for Member States in relation to asset recovery. For example, ARO peer evaluation visit to Spain, Hungary and Denmark or the first quarterly Newsletter on Asset Recovery distributed to AROs and CARIN.

Europol contributed to the money laundering and terrorist financing supranational risk assessment in the context of the development of the EU Money Laundering Directive.



Work Programme Objective 2.2.4 – Build a comprehensive picture of internal security threats in the EU incorporating future-forecasting and scenario management techniques

In view of the objective to improve strategic products by using future forecasting and scenario management techniques, a *Future Forum* (involving private sector) was held at Europol on 12 March 2014. Findings of this forum were used in the *Future report on serious and organised crime: Europol Foresight SOC / OC Outlook 2014 – 2015*. This report was completed in Q4 and published in Q1 2015.

Europol supported the FP7 project *Early Pursuit against Organised Crime using Environmental Scanning, the Law and Intelligence Systems* (Environmental scanning) whose objective is to conduct research into technologically-/actor-driven systems and tools which support environmental scanning to enable the rapid identification and qualification of new organised crime threats within policing and law enforcement environment.

Good progress was made to obtain new Open Source Analysis Solutions which enables Europol to perform better environmental scans and gather intelligence from publicly available information sources to assess vulnerabilities and inform Member States on new crime threats. Around 20 Open Source Reports were delivered in 2014 (incl. Open Source intelligence Bulletins and EC3 OSINT Dashboards).



Strategic Objective 2.3: Strengthen the information management capabilities of Europol

KEY PERFORMANCE INDICATOR (KPI)	2013	2014		
		TARGET	RESULT	
i- Number of SIENA cases initiated (MS/TP/HQ)	18,310	20,140	20,779	
ii- Number of SIENA messages received (MS/TP/HQ)	307,842	338,626	369,814	
iii- Percentage of all SIENA messages sent by MS (requests and answers) containing structured data (MS)	-	-	2.6%	
iv- Number of cross border crime checks (CBCC) in the EIS related to persons (MS)	140 per quarter	55 per quarter	153 per quarter	
v- Percentage of MS individual EIS targets achieved (MS)	19.8%	-	21.3%	

The number of SIENA cases initiated and also the total number of SIENA messages received grew from 2013, achieving the set target for 2014.

In total 34,472 cases were initiated in 2014 by Member States, Europol and Third Parties (with an operational cooperation agreement). This includes 13,693 SIENA

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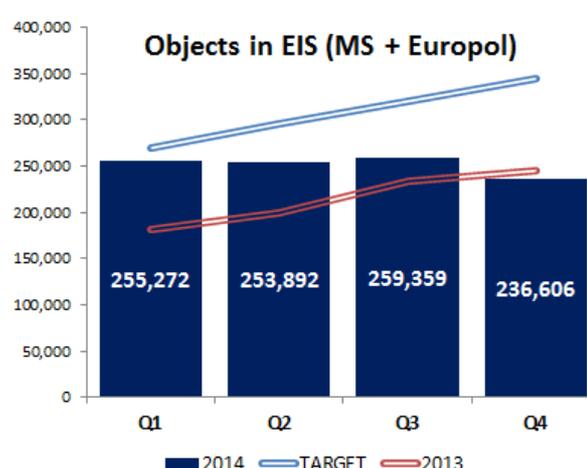
cases initiated by the Euroregional Police Information and Cooperation Centre (EPICC) in Heerlen (NL, BE, DE) which started using SIENA for operational data exchange in January 2014. Mid December also PCCC Basel (DE & CH) started using SIENA. Excluding the SIENA cases initiated by the EPICC and PCCC Basel an increase of 13% compared to last year can be noted.

At the end of 2014 the total number of SIENA messages received by MS, TP and Europol was 403,251, including 33,437 messages received by EPICC and PCCC Basel. Excluding the latter, the number of SIENA messages received (369,814) increased by 20% compared to 2013.

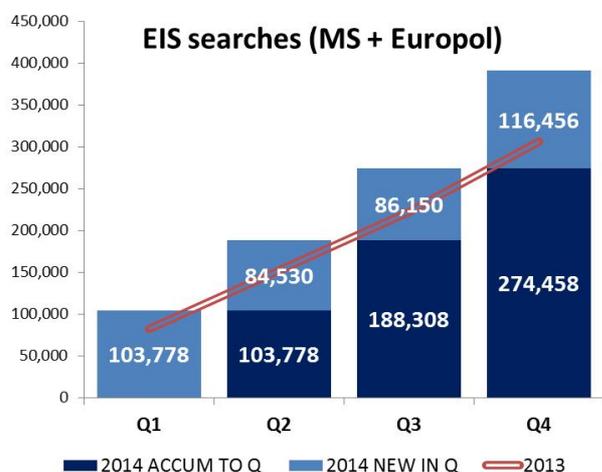
On average 3% of all SIENA messages sent by MS per quarter (requests and answers) contained structured data.

Overall 21.3% of Member States' individual targets were achieved in 2014. These targets concern the number of searches performed, number of objects and finally number of persons in the EIS.

EIS has never contained more data than in 2014. At its peak in Q3 2014, the EIS contained over 259,000 objects and 78,000 suspected criminals. At the end of 2014, the EIS contained 236,606 objects, a decrease of almost 4% compared to the number of EIS objects at the end of 2013 (245,142). The total number of Person objects stored in the EIS was 61,885 (26% of the total number of objects) compared to 70,917 at the end of 2013 (13% decrease). The reason of the decrease in content in the EIS is the planned deletion of data by NL linked to the development of a new data loader. It is expected that this data will be re-inserted in the course of 2015.



Slovenia installed a data loader in May 2014. In total 17 data loaders were operational in 15 different Member States at the end of 2014. Due to resource constraints Europol was forced to take a less proactive approach concerning data loaders support.



In total 367,922 searches were performed by the MS in the EIS during 2014, 20% more than in 2013 (306,434). Based on MS individual targets for 2014 an extremely ambitious annual target was set for the number of EIS searches in 2014 (894,532). The situation is expected to improve when Europol implements the Search Web Service for automated searches from national systems (planned for 2015).

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In total 1,052 cross border crime checks (CBCCs) were triggered in the EIS of which 619 on persons. Despite the overall decrease in the number of objects, the relatively high number of Cross Border Crime Checks (CBCCs) indicates an increased quality of the information inserted. The record number of searches in the EIS during 2014 (390,000) also demonstrates that the EIS was being used more than ever in its history.

Procedural guidelines were developed to facilitate more effective sharing of information & intelligence on 'Foreign Fighters' phenomenon via EIS e.g. tagging of 'Foreign Fighters'. The first contributions were received at the end of 2014.



Work Programme Objective 2.3.1 – Enhance existing information exchange systems with new toolsets for supporting investigations directly

SIENA evolved with the new EMPACT categorisation under the new EU policy cycle 2014-2017 and the UMF functionality to enable structured data exchange. Also the retention policy, web sphere, multilingual support and architecture improvements were completed. Other functionalities were re-planned for 2015 due to delays with the delivery of the EAS (e.g. EAS and BI Tools integration – SIENA statistics).

The new updated handling codes were implemented in SIENA in November, with an Implementation Note developed and presented to the Liaison Bureaux in December.

A discussion on the SIENA implementation in the Member States and Third Parties was held in dedicated HENU workshops in January, April and September. The Next Generation strategic vision on SIENA as from 2015 onwards was presented and discussed in the HENU meeting in January and in the May MB meeting.

At the end of 2014, 573 Designated Competent Authorities (DCA) across 25 Member States were connected to SIENA (465 at the end of 2013).

The UMF2 project was successfully finalised. All objectives were achieved: the Information Model, technical specifications, proposal for UMF governance structure, practical implementation of UMF in (i) SIENA (ii) Prüm hit follow-up form and (iii) Polish UMF interface to retrieve data from Polish national police information system and AFIS. An EPE platform of experts was put in place. In December 2014 the Commission officially rated the UMF2 programme as excellent. A follow-up programme (UMF3) is being prepared, with Germany in the lead and Europol as one of the key partners.

In April the Information Management for Experts (IMEX) Platform went live on the EPE for SIENA product managers.

Access to SIS II was implemented, while an MoU was signed with Eurojust on the mutual cooperation in further enhancements of the platform.

Milestones of the project to finalise the Unified Search Engine (USE) implementation across SIENA and EIS, unifying and extending its search capabilities, were completed as planned for 2014. The project will continue in 2015.

Work continued on EIS technical and security improvements which will be delivered in Q1 2015. In January, April, September and October the HENUs discussed the future of the Europol Information System (EIS) and the use of Europol systems in a dedicated workshop. The outcome of the HENUs WG on common EIS data entry criteria (according to JSB recommendation) was presented to the MB in May 2014.

Europol Public Information

The Large File Exchange (LFE) solution enabled EC3 the secure exchange of large files exceeding the size limit of SIENA (50MB).

The European Tracking Solution (ETS) Project was discussed at the Management Board meeting in May. The MB supported the establishment of the European Tracking Solution through a dedicated Focal Point within the AWF SOC environment. Together with an expert group preparatory work started for the planned procurement in 2015 of a tracking solution to support cross-border covert surveillance operations which is expected to be implemented in 2016.

At the end of 2014, 16 Member States had requested the encoding system of the High Risk Informant Database and 13 had activated the software.



Work Programme Objective 2.3.2 – Optimise data handling systems and work processes to ensure maximum exploitation of information with available resources

In 2014, Europol received 82,503 SIENA messages. 50,285 contributions were accepted which is an increase of 17% compared to the total number of accepted contributions in 2013 (43,104).

At the end of 2014, 90% of all contributions to be processed were processed. The Operational Centre was not running at full capacity in 2014: a number of vacancies had to be filled and a relatively high number of newcomers was not available for data processing due to training.

According to the applied criteria for prioritisation of contributions around 70% of all accepted SIENA messages were indicated as high or medium priority and required full processing.

The existing data handling process was improved as far as possible within the current limitations. Further work on a new data handling process as well as on a Service Level Agreement with the Member States on data handling are on hold due to interdependencies with the new EAS.

 **Goal 3: Europol will expand its capabilities as an EU centre for law enforcement expertise**

 **Strategic Objective 3.1: Pioneer new techniques to prevent and combat international serious crime and terrorism**

KEY PERFORMANCE INDICATOR (KPI)	2013	2014	
		TARGET	RESULT
Number of projects launched to pioneer new techniques	-	-	3 

In 2014 three projects were initiated focusing on developing new techniques:

- o Victim identification solution for EC3 (image and video analysis)
- o Automatic Fingerprint Information System (AFIS): pilot evaluation for solution to be implemented in 2015.
- o Unified Search Engine (USE): Europol’s *Google* for Member States.

 **Work Programme Objective 3.1.1 – Collect, assess and disseminate innovative technical and legal best practices in law enforcement and serious and organised crime prevention**

To improve the central gathering of priorities and requirements for forensic tools and to support Member States in using EU funds to develop and distribute tools, an R&D expert group was established. This group, called Computer Forensic Expert Forum (FEF), is composed of Member States digital forensic experts and the EC3. It will provide advice on Member States’ needs for innovative solutions that can help cybercrime investigations. In addition, it will provide the necessary input for research consortia that apply for funding under cyber relevant calls under the H2020 programme.

Research was conducted on existing solutions for reporting child sexual abuse and harassment via a mobile app. Further to the assessment and the additional work of FP Twins, the idea to develop such an app was accepted as an activity to be included in the EMPACT Child Sexual Exploitation OAP for 2015.

Europol hosted the first Cybercrime Prevention Network Forum in December 2014, with participants from 19 MS, DG Home, Interpol, Iceland and the EUCTF Chairman. Participants had the opportunity to discuss best practices on cybercrime prevention. A dedicated environment under SPACE has been created for this Network in order to share existing material, documentation and discussions. EC3 also drafted the Terms of Reference for the Forum. Within the framework of the 2014 EMPACT OAP for the sub-priority “Cyber Attacks”, EC3 elaborated the EU Communication Strategy on Cybercrime Prevention and Awareness with input provided by 22 MS. The first steps initiated in this area are very promising, with excellent involvement from the MS and a lot of appetite for common actions and cooperation.

Europol Public Information

In view of implementing measures focusing on prevention in the field of cybercrime, online child sexual exploitation, payment card fraud and other online threats, a number of relevant recruitments were finalised in 2014. As a result, the first steps have been made in the implementation of the new prevention strategy.

Two meetings of the Core Group¹² on administrative approach were held at Europol to exchange best practices (supported by Europol through the EPE). Europol contributed to the Handbook *on Complementary Approaches and Actions to Prevent and Disrupt Organised Crime* that was established by the Core Group at the end of 2013 and released in 2014.

Europol provided input to the DG Home study (done by the Centre for the Study of Democracy) on *Effectiveness of specific criminal law measures targeting organised crime*.

Europol raised awareness about the use of biometrics and forensic science to strengthen Europol's information management capabilities and criminal analysis capacity mainly in the context of the OAP Organised Property Crime (OPC). Specific DNA related actions were included in the OAP OPC 2014 and a presentation on DNA identification and Prüm was given to the EMPACT OPC Kick Off meeting. The findings of the questionnaire on DNA identification and forensic intelligence practices were presented to the EMPACT OPC meeting in June and proposals for new DNA related actions were submitted to the Driver.

Preparations are on-going to procure a new Automated Fingerprint Identification System (AFIS) in 2015 taking into account the evaluation of the current pilot system. The number of fingerprint records in the AFIS grew from 1,800 to 4,029 at the end of 2014 and already several positive hits have been identified based on true hits in the system which confirms the importance of Europol's service to process and compare fingerprints.



Strategic Objective 3.2: Strengthen the position of Europol as a platform for specialist areas

KEY PERFORMANCE INDICATOR (KPI)	2013	2014		
		TARGET	RESULT	
i- Total number of authorised EPE user accounts	4,419	6,000	6,045	
ii- Number of unique visitors on the EPE per month	-	1,500	1,262	

The number of accounts and the usage of the Europol Platform for Experts (EPE) has notably increased. For the number of unique visitors per month a very ambitious target was set. In the last quarter of 2014, on average 1,262 unique users accessed the EPE per month, representing a huge improvement compared to 900 unique visitors on the EPE per month at the end of 2013.

¹² Core Group members: Belgium, Hungary, Italy, Netherlands, Poland, United Kingdom, EU Presidency, European Commission, Eurojust and Europol.



Work Programme Objective 3.2.1 – Share and develop expertise in specialist areas, including cybercrime, counter terrorism and euro counterfeiting

Europol continued its efforts to lead and support capacity building initiatives in various specialist areas through expertise sharing via the Europol Platform for Experts, awareness raising initiatives, exchange programmes, expert meetings, conferences and knowledge products.

Four new platforms were established on the EPE in the course of 2014:

1. Information Management for Experts (IMEX)
2. CARPOL (motor vehicle crime)
3. Anti-corruption platform
4. On the FCIC a closed user group for ALEFA was established.

Following an assessment of under usage or a change in business priorities, three platforms were closed:

1. ECM training (for internals only)
2. Law Enforcement Communications
3. Counter Terrorism

At the end of 2014 in total 33 different platforms for experts were open to external users.

The Secure Instant Messaging for law Enforcement Experts was established. This service allows all EPE users to connect with their EPE credentials to an IM client and engage into real time communication with the members of their community.

A number of awareness raising sessions on Europol's special tactics¹³ capabilities were held at both external and internal level (e.g. Liaison Bureaux, visits from national police authorities).

Together with Europol the European Fugitive Active Search Teams (ENFAST) started successfully the Most Wanted cross-check exercise. Participants agreed to circulate data on the two most wanted persons from each Member State, Switzerland and Norway using a standardised format. In the frame of a pilot organised between June and August, 25 messages were exchanged with 26 MS, Norway and Switzerland contributing with one or two most wanted names to be cross-checked (55 in total). Crosschecks done by Europol triggered 21 hits. Following the active fugitive search, an operational meeting regarding a high level criminal was organised on request of LB Croatia, resulting in the arrest of the target three days later. The feedback of this exercise was presented to HENUs and the publication of the first batch of wanted persons (Most Wanted List) on Europol's website is envisaged for Q1 2015.

Europol contributed to the Atomic 2014 Table-top exercise and is supporting the ENISA Cyber security Exercise.

In the context of a counterterrorism experts exchange programme with the Western Balkans (WB) a TAIEX study visit of the Former Yugoslav Republic of

¹³ Informant handling, specialist intervention, covert surveillance, kidnapping & extortion, covert entry, active fugitive search, witness protection etc.

Europol Public Information

Macedonia to Europol took place in May. In the process to associate more WB countries to the Focal Points in AWF CT, progress was made with the Former Yugoslav Republic of Macedonia, Albania, Serbia, Montenegro and Bosnia and Herzegovina.

The ISO accreditation of the Europol Forensic Laboratory for the forensic examination of counterfeit euro banknotes is on-going. Important preparatory work was done prior to the internal audit in preparation of the application for certification.

Long term strategic partnerships with the private sector continued to be established. In 2014, EC3 concluded 17 Memoranda of Understanding (MoU) with the private sector (incl. Microsoft, Mc Affee, Cloud Security Alliance, EBF, Kaspersky, Symantec) under observance of data protection principles.

A Working Group on e-Commerce Fraud was set up upon request of the Member States and private industry, which reported an increasing amount of e-commerce fraud cases and the necessity for joint action at the EU level. The Working Group will serve the purpose of coordinating joint action in this specific cybercrime area.

In the course of 2014, Europol organised or supported numerous strategic expert meetings, conferences, talks and awareness days of which most are listed in [Annex I-c](#).

Also a broad range of knowledge products were delivered in 2014 aimed at sharing expert knowledge available at Europol. The most important ones are mentioned in [Annex I-d](#).



Strategic Objective 3.3: Provide expertise and quality training in key law enforcement techniques

KEY PERFORMANCE INDICATOR (KPI)	2013	2014	
		TARGET	RESULT
Satisfaction of participants with training provided by Europol experts	9.3	9.2	9.6 

At the end of 2014 the overall satisfaction of participants with training provided by Europol experts was 9.6, surpassing 2013's results and also the target for 2014 of 9.2.



Work Programme Objective 3.3.1 – Deliver strategic and operational analysis training to the law enforcement community, cybercrime training to competent MS authorities and awareness briefings to the private sector

Europol continued its cooperation with Cepol and organised or supported numerous training activities incl. operational analysis and cybercrime training in accordance with MS demand and EU priorities.

Europol supported the development of common curricula in cooperation with Cepol such as the common curriculum on THB.

Europol Public Information

In view of developing an EU Cybercrime Training Competency Framework several meetings were held with the partners of this action: Eurojust, CEPOL and ECTEG. The final document, containing all gathered requirements, was completed and published in 2014.

A complete list of the training courses delivered in 2014, both under the Europol/Cepol contract ([Annex I-e](#)) and outside it ([Annex I-f](#)), can be found in the Annex section.



Goal 4: Europol will grow as a modern, efficient organisation with the best resources, effective governance arrangements and a positive reputation



Strategic Objective 4.1: Strengthen Europol's accountability arrangements

KEY PERFORMANCE INDICATOR (KPI)	2013	2014	
		TARGET	RESULT
Percentage of audit recommendations graded as critical/very important addressed within six months	57%	100%	86% 

At the end of 2014, 86% of all audit recommendations graded as critical/very important had been addressed. The pending very important recommendations relate to the effectiveness of procurement, the level of exceptions in relation to authorised payments, the follow-up and implementation of ex-post verification activities, financial management related to the work of the Operations Department, archiving data and medical files.

A total of six new corporate risks were logged in 2014. In addition, ad hoc risk management activities focussed on the finalisation process of new contracting scope for the EAS (and the related financial implications), the termination of the contractual relationship on the ECM delivery and the preparation of the debate on the Ombudsman's findings regarding the TFTP public access dossier.

To enhance Europol's data protection compliance a project is on-going to implement a new release of the Unified Auditing Solution (UAS) to centrally store data protection auditing events in real time. This goes together with the implementation of a new release of the Security Monitoring Solution (SMS) to centrally store data security events in real life for security compliance management. Also, a new e-learning module was launched to raise awareness about data protection.

Within the ongoing ICT Disaster Recovery Operationalisation project the infrastructure of the data recovery site was enhanced and an alert and cascading system was implemented.

Members of Europol's Emergency Response Team were re-certified upon successful completion of the First-Aid and Emergency Response training.



Work Programme Objective 4.1.1 – Implement the Europol Regulation

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In light of the new Europol Regulation, the trilogue procedure between the Commission, Council and European Parliament officially started in September 2014. Europol closely monitored the process and provided support and technical advice to the stakeholders in the trilogue.

Taking into account the new timings for the drafting and approval of the new Europol Regulation, the planning to review the Europol Strategy has been adjusted accordingly. A full Strategy implementation evaluation is planned in 2015 in order to present a new Strategy for adoption by the MB at the end of 2015 to come into effect on 1 January 2016, in parallel with the new Europol Regulation.

Preparatory work started in view of updating the strategic vision on information management in 2015 taking into account the implications of the new Europol Regulation where possible.



Strategic Objective 4.2: Strengthen ICT and business alignment

KEY PERFORMANCE INDICATOR (KPI)	2013	2014	
		TARGET	RESULT
i- Delivery of ICT projects and programmes according to agreed targets	56%	75%	46%
ii- Delivery of ICT services and products in line with agreed SLAs	98.0%	95%	98.1%

To maximise the delivery of the projects despite the impact of the delay in critical projects such as the EAS and ECM and the general shortage of capacity compared to the supply plan, the 2014 project portfolio was re-planned.

Key initiatives like the access to SISII, Unified Search Engine and SIENA multi-lingual were delivered together with a multitude of non-project activities (work packages).

Despite the relatively positive results on the internal projects and work packages, it has not been possible to meet the end of year target of 75% delivery. Six out of 11 internally managed ICT Projects were delivered according to plan (64%) while none of the four external projects were delivered according to plan (EAS, ECM, FMIS and HR System).

The availability of core systems (EAS, SIENA, EPE) was consistently kept above 99%.

Satisfaction with ICT services was on average 4.7 on a 5 point scale. The results were based on more than 100 surveys received every quarter.



Work Programme Objective 4.2.1 – Develop ICT solutions supporting a modern, efficient and effective administration

The project to implement the Enterprise Content Management System (ECM) including a document management system, intranet, replacement of the Europol Library for Meeting Documents (ELMO) and advanced functionalities (such as advanced records management) was terminated at the end of 2014 due to a number of issues concerning functionalities and performance of the system, as well as delays in the delivery of the product. The last version released featured 23

Europol Public Information

critical defects, lacked reliability for the transfer of documents from the current Document Management System (DMS) to the future system and had not provided assurance for reliable and stable performance. Moreover, a future upgrade was valued at approximately 40% of the implementation cost which was not compliant with the requirements for an easy upgradeability as defined in the tender specifications. The intranet component of the ECM was the only one that could be deployed and Europol intended to update the current DMS which would be used until a decision on the new system would be taken. In relation to the interdependency of the ECM and EAS projects, the latest assessment was that there is a low risk that the termination of the ECM delivery will impair the successful conclusion of a contract on the future delivery of the EAS.

The Identity and Access Management (IAM) project to extend the IAM tool to cover more systems will continue in 2015 to finalise integration with EAS and Security Monitoring Solution.

The project focusing on ICT Security improvements was delivered successfully including enterprise password vaults, vulnerability management tooling improvements, external penetration testing and endpoint security improvements.

	<i>Strategic Objective 4.3: Improve the management of Europol's human and financial resources</i>
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KEY PERFORMANCE INDICATOR (KPI)	2013	2014		
		TARGET	RESULT	
i- Budgetary outturn 2014	2.30%	5%	2.76%	
ii- Accrual rate of carry overs	41%	60%	45%	
iii- Vacancy index at the end of the year	3.9%	4.5%	2.2%	

Spending plans and a forecast review process were established and closely monitored to improve efficiencies in budget implementation.

The budgetary outturn in 2014 was 2.76% or 2.6 M€, which combines the unused community subsidy (0.2 M€) and the cancelled payment appropriations (2.4 M€) carried forward from 2013. The target was 5% or 4.7 M€, therefore Europol fully achieved it.

The target of 60% for the accrual rate was not achieved in 2014. However, some progress was made compared to 2013 results, not only in the rate (from 43% to 45%) but more importantly in the amount to be carried forward (from 9.4 M€ to 5.7 M€). The relatively low accrual rate mainly relates to ICT commitments.

At the end of 2014, there were 10 vacant posts which represent a 2.2% vacancy rate. However, nine out of those 10 posts were cut as of January 2015 according to staff reduction plans in line with the establishment plan. Taking this into account the vacancy rate would have been only 0.2%. The target was largely met in both cases.

	<i>Work Programme Objective 4.3.1 – Implement additional resource management processes and tools</i>
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A staff survey was launched in March and closed in April. The result of 52% TF¹⁴ is set as a baseline to assess the result of the next survey in 2016. The results were communicated to all staff in departmental meetings. Taking into account the findings of the survey, the follow-up discussions in focus groups and one-to-one interviews, the senior management team announced planned improvements in particular in the areas of communication, management practices and cooperation. A Leadership and Management Development programme was developed to be implemented in 2015.

Induction programmes for new senior and middle managers as well as a number of informative sessions for all supervisors and managers were organised. As a transitional measure before tendering for a complete competency framework, Leadership and Management competencies were agreed and implemented in the recruitment process.

38 recruitment procedures were finalised during 2014. No complaints about the recruitment process were filed, while the IAS noted that Europol applies an advanced, robust and efficient recruitment process.

A series of implementing decisions were adopted by the MB to give effect to the amended EU Staff Regulations.

The staff appraisal process was reviewed in line with the latest changes introduced by the Commission. A new template form was developed to make it more user friendly and to allow linking individual objectives to organisational.

The reclassification process was finalised according to the published timetable. On December 8, the Administrative Notice closing the Reclassification exercise 2014 and the Decision of the Director on the Reclassification of Temporary and Contract Agents 2014 were published and were further implemented.

An internal mobility policy is in place.

Europol completed for the first time the benchmarking exercise, using the Agencies Job Screening methodology agreed by the Heads of Agencies and the Commission. The results are included in [Annex IV-c](#) and were presented to the MB in 2015.

The project to improve diversity at Europol was implemented. Two awareness events concerning gender balance and three workshops for women in management at Europol were organised. The framework of gender balance was successfully implemented. To ensure continued attention for gender balance at Europol after closure of the project a steering group for gender balance and diversity will be set up.

The HR System project continued with the aim to implement additional modules: the development of the e-recruitment module was initiated. It was decided not to use the appraisal module in the HR System due to the complexity of the process and the number of improvements in the module required to be implemented. Work continued to define the requirements for the time tracking module. Also the sick leave module in the HR system is still being worked on by the supplier.

The first release of the Facilities Management Information System (FMIS) (incl. space and workplace management, facilities asset management) is delayed to 2015.

¹⁴ TF is total favourable, meaning % of answers that Fully Agree or Agree with the questions asked.

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A conference and event online registration tool to support the registration of participants to meetings, conferences and events was delivered and in use from Q4 2014.

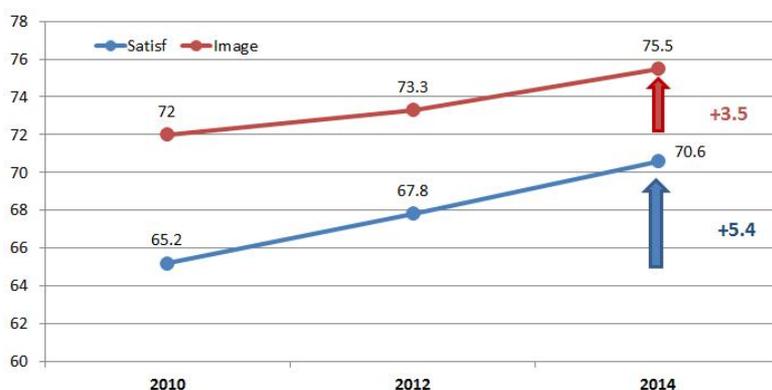
A housing analysis and future scenarios presentation to improve the utilisation of the office environment was done in 2014. The final report was provided by the Host State in Q3 2014. The outcome of the report will be used as input for the development of the Long Term Strategic Housing Roadmap in 2015 which will provide strategic information on the alignment of the housing requirements and the organisational business needs till the end of the lease contract of the headquarters in 2031 as well as new workspace concepts to optimise the efficient and effective usage of the building.

Europol participated in the EU Agencies Network – Performance Development Network (PDN) Working Groups to develop guidelines for the *single programming document* and the *Consolidated Annual Activity Report*. The guidelines were agreed with the Commission and will be used for the 2017 planning cycle. In addition first steps were taken towards activity based budgeting at Europol.



Strategic Objective 4.4: Build a strong Europol culture and a positive external image

KEY PERFORMANCE INDICATOR (KPI)	2013	2014	
		TARGET	RESULT
i- Europol user survey results on image (Image index rating)	73.3 (2012)	73.3	75.5
ii- Europol user survey results on overall satisfaction (EPSI rating)	67.8 (2012)	67.8	70.6



The online User Survey was sent to 1,686 respondents in Q3. The response rate was 40%. User survey results were the highest in Europol's history since 2002 when this survey was conducted for the first time. Both the targets set for Europol's image and overall satisfaction

were achieved and results highly improved from last user survey in 2012. This survey is done according to a model used by other law enforcement agencies, allowing for benchmarking of the results. Europol was the highest ranked in overall satisfaction.

To make the increasing operational impact of Europol's work more visible and to highlight the modus operandi of serious crime, Europol stepped up its efforts to increase its appearance in the media and on social networks. In 2014, Europol appeared in 32,558 media reports (written press, TV, radio broadcasting,...). Europol was very active in the social media, with 9,200 followers on Twitter and almost 9,000 likes on Facebook.

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Six Road shows were delivered in 2014. The road show process was subject of an external assessment. Based on the findings a new concept was developed which will be implemented as of 2015.

The European Police Chiefs Convention (EPCC) was successfully organised again in 2014.



Work Programme Objective 4.4.1 – Develop an alumni network in the Member State law enforcement community

No progress was made so far in setting up an Alumni network due to allocation of resources to other priorities. The effective availability of Europol content is also linked to the roll-out of the new Enterprise Content Management system, which have been delayed. However, the initiative is still expected to have a positive impact on awareness of Europol in the Member States and EU and international organisations. It will follow the implementation of the new communication strategy expected in 2015.

Part II. Management

2.1. Management Board

Europol's Management Board gives strategic guidance and oversees the implementation of Europol's tasks. It comprises one high-ranking representative from each Member State and the European Commission. It takes its decisions by two-thirds majority, with each member having one vote.

The Management Board met four times in 2014¹⁵ with the majority of decisions falling in one of the following categories:

- **Human Resources** (e.g. review of the indefinite contracts policy, implementing rules of the new EU staff regulation, initiating the recruitment of a Deputy Director – Capabilities and a Head of the Internal Audit Function, Deputy Directors appraisals)
- **Budget and planning** (e.g. Annual Activity Report 2013, Work Programme 2015, Multi-Annual Staff Policy Plan 2015-2017, Estimate Revenue and Expenditure 2015, IAF internal Audit Programme 2014)
- **Cooperation with Third Parties / Agencies** (e.g. Cooperation with Montenegro, the Republic of Moldova, the International Association of Chiefs of Police, eu-Lisa, Frontex, ECB, EEAS, UEFA, OHIM)
- **Operational** (e.g. establishment of the European Tracking Solution (ETS) and the Most Wanted List, EMPACT Delegation Agreement, European Action day on EMPACT priorities)
- **Systems** (e.g. accreditation of systems)

An overview of major decisions taken by the MB in 2014 can be found in [Annex V](#).

2.2. Budgetary and Financial management

The implementation of commitment appropriations in 2014 was 99.7%, achieving the target of at least 95%. This is 1.1% higher than 2013.

The target of the cancellation of payment appropriations not exceeding 5%¹⁶ was reached, as the budgetary outturn for 2014 was € 2.6M, combining the unused community subsidy for 2014 and the cancelled payment appropriations carried forward from last year. This is € 2.1M below the target of a maximum of € 4.7M.

The overall payment rate was 93% (above the target of 90%), also higher than in 2013 when the payment rate was 87%. Compared to the European Court of Auditors' target indication, the results for payments per Title at the end of the year are:

- 99.2 % achieving the target of at least 90% for Title 1 (Staff)

¹⁵ MB meetings were held on 12 February, 22 May, 1-2 October (Rome) and 3 December 2014.

¹⁶ This means that Europol must not exceed 5% of cancellations concerning payment appropriations in the budget year 2014 (€ 84.3M) and from the carry-forward from 2013 to 2014 (€ 9.4M): Thus, overall: 5% of 93.8M (2014 budget and carry-forward budget): €4.69M. Accordingly, the KPI for the budget commitment rate (C1 – current year) has been set at 95% and the KPI for the payment rate of the carry-forwards (C8) has been fixed at 95%, in order to avoid a budget reduction scenario in future.

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- 71.7% failing to achieve the target¹⁷ of 80% for Title 2 (Administrative Expenditure)
- 83.1% achieving the target of 70% for Title 3 (Operational Expenditure)

Revenue

The Community subsidy (IC1) was fully cashed in 2014, amounting to € 84.2M.

The internal assigned revenue (IC4 and IC41) will be re-used for future expenditure of the same nature the next budgetary year (2015). The nature of the established assigned revenue is diverse, ranging from telecom expenditure for National Europol Units (NEUS) connections to reimbursement of mission expenses. Overall € 392K was cashed in 2014 and € 21K was still outstanding at end of the year.

Expenditure

Title 1: The overall implementation rate of commitments came to 100.0% and the payment rate at 99.2%. The implementation was affected by the salary adjustments and the weighting for the Netherlands. A total of € 2.3M has been transferred to Title 1 to make ends meet.

Title 2: The implementation rate for commitments came to 98.5%, 3.1% higher than in 2013. The payment rate was 15% higher compared to 2013 and came to 71.7%. Almost € 1.9M was carried forward under Title 2 of which the majority (€ 1.1M) related to costs connected to the SLA with the Host State for the headquarters.

Title 3: At the end of 2014, the overall commitment implementation rate under Title 3 came to 99.5% and the payment rate to 83.1%. The payment rate was 10.8% higher compared to the previous year. Almost € 3.4M is carried forward under Title 3 of which the majority (€ 3.2M) relates to expenditure for various information and communication technology projects.

A total of € 9.4M payment appropriations to cover existing commitments were **carried forward from 2013 to 2014**. The final implementation rate of the carry forward was 74.8% at the end of the year, which is 16.3% lower than the implementation of the carry forward in 2013. A total of almost € 2.4M lapsed and has been incorporated in the final budget outturn. The reason for the unused carry forward budget from 2013 to 2014 mainly relates to the complex ICT projects (e.g. S-Testa migration, ECM, EAS and FMIS) for which the implementation of the deliverables were not completed by the end of the year.

The **budget outturn** comes to almost € 2.6M (2.76%). It combines the unused community subsidy for 2014 and the cancelled payment appropriations carried forward from 2013 to 2014.

Overall, 55 **transfers** were made throughout the year 2014 for a total amount of € 7.26M (or 8.6% of the budget). Transfers between the Titles came to € 2.3M. As already mentioned the transfer need was mainly a result of a salary increase and an increase in the weighting which were not foreseen at the time of adoption. Title 1 was increased by € 2.3M which came from Title 2 (€ 1.2M) and Title 3 (€ 1.1M). In 2013, a total of 35 transfers were made for a total amount of almost € 6M.

An **amending budget** of € 90K was adopted by the Management Board taking into account the treatment of bank interest received in accordance with Article 58 FR.

¹⁷ It should however be noted that compared to 2013 payment rates for all Titles have increased in 2014. For Title 2 this increase was considerable (15%).

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In accordance with Article 14.5 of the Financial Regulation applicable to Europol, non-differentiated appropriations corresponding to obligations duly contracted at the end of the financial year shall be carried over automatically to the following financial year only. Payment appropriations to cover existing commitments amounting to almost € 5.7M were **carried forward to 2015**. This represents 6.7% of the overall budget (€84.3 M). Out of the € 5.7M carry-forward:

- o € 421K concerns Title 1, which is 0.7% of the Title 1 budget (€ 56.8M)
- o € 1.86M concerns Title 2, which is 26.8% of the Title 2 budget (€ 6.9M). The largest amounts carried forward concern preventive and corrective maintenance, Audio Visual support and additional works to the building as part of the SLA with the Host State (€ 1.07M)
- o € 3.4M concerns Title 3, which is 16.4% of the Title 3 budget (€ 20.6M). The largest amount carried forward concerns the S-Testa / Testa NG migration and running costs (€ 500K)

The accrual rate in 2014 was 45% (compared to 41% in 2013), with € 2.6M accrual (amount of products/services already delivered in 2014 but not yet paid) and a total carry forward of € 5.7M. The main reason for having a low rate is due to ICT, taking commitment late in the year for consultancy and maintenance covering a period mainly in 2015 or beyond.

Improvements were made in the financial processes:

- o The commitments and payments transactions have on average been processed well within the set time limits; commitments within 2 days and payments within 15 days.
- o The average % of late payments for Q4 came to 4.3%. For the full year 2014, it came to 7%. The main reason for not reaching the target is the high volume of invoices, especially related to missions and operational meetings combined with limited staff availability in some areas of the administration. Europol comes from more than 20% late payments 2 years ago and in 2014 it has been consistently around the 5% target. It is the expectation that the latest initiative to introduce e-invoicing, once it will be introduced for the high invoice volume suppliers, will help improve these results.

Procurement

Distribution of procurement procedure types, based on the *maximum value in €* over the total length of the contract, in 2014 (and 2013), were as follows:

Procedure type	2014	2013
Open	13.1%	25.5%
Restricted	16.2%	52.5%
Negotiated with publication	62.8%	20.1%
Negotiated w/o publication	6.8%	1.7%
Negotiated low value	1.1%	0.2%

2.3. Human Resources Management

The **vacancy rate** at the end of 2014 was 2.2%, so well below the target of 4.5%. A total of 10 established posts were vacant at the end of 2014. Of these 10 posts, 9 had already been identified to be cut as of January 2015, so for these posts no

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recruitment procedures were intended. Excluding these posts, the vacancy rate would have been 0.2%.

From a total of 493 **assessments**, 487 have been finalised (98.7%). At the end of the year, 3 are not finished due to justified reasons (staff long term absences) and 3 are still pending.

The first Europol **reclassification** exercise was launched in 2014. The total number of staff reclassified was 93 (67 AD, 6 AST and 20 CA) which is 17% of the staff population.

At the end of December 2014, female staff made up 33% of all staff working for Europol and occupied 28.9% of established (TA) posts filled. Females represented 14.1% of staff in senior positions (i.e. 20 of 142 staff in these posts). The percentage of female staff members in Business Manager or higher positions was 7.1% (two staff members).

The countries with the largest representation among the Europol staff are the Netherlands, Germany, the United Kingdom, Italy, Spain and France. The Netherlands, Belgium and Romania are overrepresented, when compared to the percentage of national population in the EU; however, the United Kingdom, Germany, Italy, Spain and France are still underrepresented. There is one MS (Malta) that is not represented among Europol staff.

The outcome of the **job screening exercise**, according to the common screening methodology¹⁸, is as follows:

Job Type category	Posts	2014 (%)
<i>Administrative support and Coordination</i>	206	24%
<i>Operational</i>	633	72%
<i>Neutral</i>	46	5%
	885	100%

This exercise was done for the first time in 2014, so there is no previous baseline. The figures for administrative support and coordination of Europol are highly influenced by the specific security requirements of the organisation which already absorb 4.4% of the staff resources. These figures make clear that Europol is a very operational agency by nature.

Further details can be found in [Annex IV-c](#).

to him/her other than to pursuit with the transaction anyway.

No irregularity factor 2014 exists whereas the samples are selected by the financial verifying agents based upon historical knowledge from the previous review periods and thus is often biased in selection of the sample. Extrapolation of such biased findings to the unselected population of transactions would be inappropriate.

¹⁸ as defined by the EU Agencies Network and based on all people working at the Europol premises (including Europol Liaison Officers, trainees and external service providers based in Europol's premises) on 15 December 2014.

2.4. Assessment of audit results during 2014

2.4.1. Internal Audit Service (IAS)

On the basis of the risk assessment concerning Europol's process landscape, performed by the IAS at the end of 2013, the Europol MB endorsed the "**IAS Strategic Audit Plan 2014 – 2016**" in May 2014. The following audit topics were identified in the strategic audit planning on the way forward, in the following order: (a) recruitment, (b) stakeholder management, (c) procurement and (d) Data management and information security.

In accordance with the strategic audit planning endorsed by the Europol MB, the **IAS carried out an assurance audit on recruitment in September 2014**. The final audit report was issued in December 2014.

From Europol's overall perspective, the **audit report confirmed the robustness of Europol's recruitment process** applied in practice. The IAS audit report highlighted that "a comprehensive, accurate and fully-fledged set of recruitment and selection procedures supports sound and effective recruitment and selection of staff as well as appropriate and timely management reporting. Controls in place are well-designed and prevent deviation from the rules and ineffective functioning."

However, the IAS also **identified three improvement findings**, graded as important, which relate to the aspects of (a) the implementation of the selection process (e.g. update of internal operating procedures), (b) the design of job descriptions (to include, for instance, the element of the job environment) as well as (c) the handling of personnel files (update of the data processing notifications and related retention periods).

Europol responded with an action plan (to the 3 improvement areas identified) in February 2015. This action plan was **accepted by the IAS**.

2.4.2. Internal Audit Capability (IAC)

According to the Financial Regulation (FR), the duties and responsibilities of the Internal Audit Capability (IAC) are performed by the Internal Audit Function (IAF) of Europol (established under the Europol Council Decision – ECD). On the basis of the risk assessment concerning Europol's process landscape, performed jointly by the IAF with the IAS at the end of 2013, the Europol MB endorsed the "Strategic Audit Plan of Europol's IAF 2014 – 2016" in May 2014. The audit plan refers to the following consultancy audit topics: (a) operational performance at Europol, (b) operational support and (c) strategic support.

In accordance with the audit planning endorsed by the Europol MB, the **IAF released a consultancy review** in relation to the operational performance of Europol, resulting in **5 strategic themes**:

1. Core business definition and customer relationship
2. Strategic direction concerning information/intelligence exchange and analysis (operational profile)
3. Suitability of the organisational structure and key operational processes (in light of Europol's continuous operational growth, and the Europol Analysis System (EAS) development)
4. Responsibility and accountability (e.g. regarding the use of budget, assigned centrally in the Capabilities Department, also for change activities led by the Operations Department)

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5. Performance management (review of performance indicators for Europol's operational business).

While Europol takes these findings into account for its corporate planning, the strategic themes will also provide a key input to the development of Europol's next multi-annual strategy to be finalised in 2016.

The **IAF also supported an audit of the Europol Forensic Laboratory** regarding the examination of Euro currency banknotes, a key step to apply for a formal accreditation of Europol's Forensic Laboratory in this area.

In addition, the **IAF carried out consultancy audit** engagements in the following **administrative areas**: Validation of the accounting system of Europol (profile settings in Europol's Accrual Based Accounting (ABAC) system, ex-post financial verification and asset management/inventory), the (financial) handling of beverages and food (for, in particular, corporate events) and the financial circuit in the operational area of Europol (in light of the increased budget for Europol's European Cyber Crime Centre (EC3) functions).

2.4.3. European Court of Auditors (ECA)

In September 2014, the **ECA published its observations on the annual accounts for the financial year 2013**. According to the ECA's positive statement of assurance, Europol's annual accounts, as presented to the discharge authority in line with the financial regulatory framework, are considered reliable, legal and regular in all material aspects.

However, the ECA's observations highlighted the **need for improving the effectiveness of procurement**, while commenting on Europol's budgetary management (volume of appropriations carried-forward: 9.4 Million Euro (or 11.6% of the overall budget)).

Europol responded to the observations of the ECA by **conducting an organisational-wide review of the overall procurement process** (in particular regarding the key stages of tendering, contracting and monitoring of contracts). As a result, Europol initiated the establishment of a central procurement function, with responsibility for ensuring adequate quality levels across the entire procurement process at Europol. A Business Manager for Europol's central procurement function is currently being recruited.

The improvements are expected **to address the comments made by the ECA** regarding the effectiveness of Europol's procurement activities, given that a centralised procurement function will strengthen the interaction and management of all key stages (tendering, contracting and monitoring of contracts), as well as the related quality controls (to ensure the viability and suitability of offers in particular).

Concerning the aspect of **budgetary management**, Europol has **achieved further improvements** (see Section 2.3), the carry-forward decreased to 5.7M by the end of the financial year 2014 (6.7% of the overall budget).

2.4.4. Joint Supervisory Body (JSB)

The JSB Inspection Team visited Europol on 4-7 March 2014 for their **annual inspection**. In total **21 Focal Points have been inspected** by the JSB team, next to a visit to EC3 and control of the status of implementation of previous recommendations. The JSB received the Implementation Plan for JSB recommendations which records the activities already conducted and a target date for the recommendations not yet addressed.

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As a result of the March inspection the JSB **issued ten recommendations** graded as critical in October 2014. At the end of 2014 four out of these ten recommendations were addressed.

The JSB also reviewed the pending recommendations. From the seven recommendations issued in 2013 graded as critical, six are considered as fulfilled by the JSB. The **only critical recommendation not being addressed** relates to a technical solution for **operational data archiving**.

From prior to 2013, all nine critical recommendations have been addressed.

In reaction to the call of the European Parliament to the JSB to check Europol's data processing activities in line with the resolution adopted by the European Parliament in February 2014 on the *US NSA surveillance programme, surveillance bodies in various Member States and their impact on EU citizens' fundamental rights and on a transatlantic cooperation in Justice and Home Affairs*, the **JSB conducted an extraordinary inspection at Europol in September 2014** to ensure that the rights of the individual are not violated by the storage, processing and use of data held by Europol. The JSB did not find any data contribution indicating that information was obtained in violation of human rights or not in compliance with the national law of the contributing States or international organisations. The JSB noted in its public report that Europol has sufficient procedural measures in place to ensure that the incoming data to Europol is checked for compliance with the legal provisions before its input in the system.

2.4.5. Data Protection Office (DPO)

During 2014 the **DPO performed audits** and regular compliance checks focusing **on Europol's data processing tools** for operational data (incl. CAMA tool, SIENA Third Party exchange, FP Hydra), the visitors' registration system, EPE and CCTV.

At the end of 2014 there are 8 out of 56 critical DPO recommendations pending related to archiving and medical files. All other recommendations are addressed.

2.5. Follow up of recommendations and actions plans for audits

The observations of the **ECA** on the 2013 annual accounts describe ("follow-up of previous years' comments") that all **13 areas identified** by the ECA in previous annual audits are considered **completed or not applicable** any longer, apart from the comment on the level of exceptions in relation to authorised financial transactions concerning which Europol has made good progress.¹⁹

No critical or very important recommendations issued by the **IAS** were pending by the end of the financial year 2014. Europol considers all other remaining **5 pending recommendations as closed**²⁰ and has submitted the supporting evidence to the IAS for consideration.

In relation to the consultancy audit findings issued by the **IAF**, **no critical recommendations are pending**. Leaving aside the 5 key strategic themes

¹⁹ Regarding the aspect of authorised exceptions: Europol has achieved good progress: In 2011, when the comment was made by the ECA initially, authorised exceptions amounted to 7% in value of all payment transactions. By the end of the financial year 2013, improvements were achieved: Over the financial year 2013, 3.7% (or 3.24 Million Euro), against the value of all payment appropriations, were authorised as exceptions. For 2014, the figures are: 2.4% (or 2.09 Million Euro), against the value of all payment appropriations, confirming the improving trend

²⁰ (1) Process for establishing contingency planning, (2) Guidelines for amendments to the work programme and budget, (3) Review of ABAC accounts and profiles, (4) Validation of the accounting system of Europol, (5) Reinforce the independence of the Accounting Officer

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deriving from the consultancy review in relation to the operational performance of Europol (as outlined in Section 2.4.2. above), the IAF issued, **in 2014, 8 very important recommendations** which relate to **3 areas: Asset management** (e.g. synchronisation of databases which hold asset management related data, strengthening of existing asset management controls, e.g. labelling and automated checks of asset movements), **ex-post financial verification** (timely follow-on actions to ex-post financial verification comments, refinements to the ex-post verification process) and **financial expenditure relating to the core business** (proposal for an assessment concerning the alignment of business delivery responsibility with financial transaction authority).

From before 2014, there are **3 recommendations on-going**, (a) the design and (b) setting-up of a contract management tool (database) for all budget holders across the organisation, and (c) the refinement of the procurement planning with business developments. These aspects will be driven forward by the central procurement function (see Section 2.4.3 above).

The status of implementation of related corrective actions will be reviewed by the IAF in 2015.

2.6. Follow up of observations from the discharge authority

In April 2014, the **European Parliament granted Europol discharge** concerning the **implementation of the budget** for the financial year **2012**, based on a recommendation of the Council.²¹

In October 2014, Europol provided a follow-up report to the discharge authority regarding the status of observations made.

In its reporting, Europol highlighted the new Europol Code of Conduct which gives clear guidance to all staff members with a view to avoiding conflict of interest situations, given that Europol, as a public service body must be seen to take independent and objective decisions at all times.

In January 2015, Europol responded to a questionnaire by the Budgetary Control Committee of the European Parliament (EP) which was addressed to all EU agencies.

Europol's on-going follow-up reporting is being taken into account during the current discharge proceedings concerning the 2013 financial year which are expected to be finalised in April 2015.

²¹ 2012 discharge: Europol – European Parliament decision of 3 April 2014 on discharge in respect of the implementation of the budget of the European Police Office for the financial year 2012 (C7-0323/2013 – 2013/2235 [DEC]), European Parliament file no. P7_TA(2014)0327, 3 April 2014, www.europarl.europa.eu

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

3.1. Risk Management

Over 2014, risk management activities focused on **addressing improvement areas identified by the ECA, the IAS and the IAF**, as well as the monitoring of threats affecting the business objectives set for the Work Programme 2014.

In summary, risk management activities have focussed in 2014 on 5 areas, in order to:

1. Ensure the delivery of a unique set of operational support services, according to MS' expectations, needs of frontline investigators and an overall growing demand, while at the same time seeking to match expectations in relation to Europol's role as the European Cyber Crime Centre (EC3);
2. Support the change of the workspace environment (Europol Corporate Network etc.), with a view to realising higher levels of security in view of Europol's maturing operational profile, including improved incident and business continuity management arrangements;
3. Manage budget and human resource related challenges (resulting, especially, from decreasing staffing levels in infrastructure areas), impacting the production of deliverables on time and within budget margins, in particular regarding key change endeavours, such as the development of the Europol Content Management (ECM) System and the Europol Analysis System (EAS), which also show strong external supplier dependencies beyond the direct control of Europol;
4. Address the list of 13 open recommendations from previous audit reports (as highlighted in the annual report of the ECA to the discharge authority²²) next to those pending from IAF and IAS;
5. Deal with the impact of the changes which came about by new EU Staff Regulations and the Financial Regulation (FR) applicable to Europol.

Overall, 2014 constituted another challenging year for Europol and the organisation was thus prone to a high risk profile. Regarding all 5 risk areas, mitigating actions ensured an effective response, as evidenced in this consolidated annual activity report. The risk situation concerning the development of the ECM System materialised, thus, in particular in view of the principle of sound financial management, Europol decided to terminate the contractual relationship, given that the final release showed a significant number of critical and high defects.

Based on the **new Europol Code of Conduct**, Europol has continued raising awareness across the organisation on Europol's core values, and in particular to highlight that staff members are at all times vigilant of the importance Europol's independence of discharging its duties.

No instances of fraud were detected at Europol. Nonetheless, an **anti-fraud strategy** is in preparation, under the lead of Europol's internal investigation officer, based on the guidance issued by the European Commission for all EU agencies.

²² Explanatory note on Europol final annual accounts for the financial year 2013 and on Europol Pension Fund Annual Report 2013 (725368v3), circulated as part of the written procedure to adopt the MB

3.2. Compliance and effectiveness of Internal Control Standards

Following the adoption of the set of Internal Control Standards (ICS) by the Europol Management Board (MB) in 2011²³, Europol has been working to address the recommendations identified by the Internal Audit Service (IAS) of the Commission, in order to further expand the ICS across the organisation. Europol completed the pending recommendations from the IAS regarding the establishment of ICS at Europol in 2013²⁴.

The implementation of the standards focuses on continuously refining processes, and identifying key internal controls which need further development or review in order to ensure proper process implementation and reduction of the risks related to the performance of the process(es) and subsequent outcomes. In doing so, Europol continues striving to reduce controls which do not have a significant value to the concerned process outcome while seeking to identify efficiency gains.

The Internal Audit Function (IAF) is a key stakeholder in this endeavour, next to on-going internal quality and process management.

Europol's overall assessment is that the ICS are adhered to in an effective and efficient manner. In **2014**, a focus was placed on **addressing ICS 2 'Ethical and Organisational Values'**, by updating and communication the Code of Conduct of Europol (submitted to and supported by the Europol MB), **ICS 5: 'Objectives and Performance Indicators'** (in particular tight monitoring of budget spending plans and the related deviation controls (supporting the achievement of, **ICS 9: 'Management Supervision'** and **ICS 14: 'Evaluation of Activities'**). This has contributed to the **best budget management results** Europol has achieved in 2014, since becoming an agency in 2010 (see Section 2.2).

On the way forward, given Europol challenging and continuous change environment, Europol's focus will be on ICS 6: 'Risk Management Process', ICS 7: 'Operational Structure' (e.g. re-assessment of sensitive functions) and ICS 11: 'Document Management': The termination of the ECM delivery – see Section 3.1 - has meanwhile been addressed by an upgrade to the current Document Management System (DMS) at Europol, while an update of the intranet has been included in the work planning for 2015. These measures are expected to ensure state-of-the-art document management, combined with modern communication tools.

In order to re-assess the status of 16 ICS at Europol, it is envisaged to ask the IAF of Europol for a consultancy review, the results and follow-on actions of which would be presented in the next reporting period.

opinion on the final annual accounts for the financial year 2013.

²³ Outcome of the gap analysis on the Internal Control Standards – ICS (513927v8, 523214v1) adopted at the Europol Management Board (MB) of 2-3 February 2011, item 04d.

²⁴ Final follow-up report of the limited review of the implementation of Internal Control Standards (ICS) and of the audit on planning and budgeting (662921v2A), presented to the Europol Management Board (MB) of 22-23 May 2013, item 09b

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 for ex-ante and ex-post checks outside the organisational set-up of decentralised budget holders and (d) clear guidance to all staff on the expected behaviour (Code of Conduct)
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 Officer** (DPO) which upholds highest standards of data protection, in particular in view of Europol's role as a law enforcement agency
5. An experienced **Accounting Officer**, supported by a team of 2 staff members, which is functionally independent to perform the respective duties foreseen by the Financial Regulation (FR) applicable to Europol
6. An **Internal Audit Function** (IAF) 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 Director's statement of assurance** as contained in this consolidated activity report.

4.2. Reservations

In 2014, no reservations were identified.

Part V. Declaration of Assurance

I, the undersigned, Director of Europol,

In my capacity as Authorising Officer for the organisation, declare that:

- o The information contained in this report provides a true and fair view (reliable, complete and correct view) of the state of affairs at Europol.

- o 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 principle of sound financial management, and that the controls put in place are dedicated to guarantee the legality and regularity of the underlying (financial) transactions.

This reasonable assurance is based on my own judgement and the information from the building blocks of assurance at my disposal, in particular the work of the Europol Internal Audit Function (IAF) and the Accounting Officer of Europol, the observations of the Internal Audit Service (IAS) of the European Commission and reporting from the European Court of Auditors (ECA) in charge of issuing the statement of assurance on the annual accounts of Europol. The assurance is also based on the observations made during the year by the Management Board and the JSB, acting in their capacity as statutory organs of Europol.

Herewith I confirm that I am not aware of any circumstance not reported in this report which could impede the accountability of Europol towards the budgetary authority.

The Hague, 18 May 2015



Rob Wainwright

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Annex I. Core Business Statistics

Annex I-a. Key Performance Indicators

GOAL	STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	2013	2014		
				TARGET	RESULT	
1 - Europol will function as the principal EU support centre for law enforcement operations	1.1: Delivery of unique operational support services	i- User satisfaction with operational support (incl. operational analysis reports)	8.4	8.5	8.5	
		ii- Number of operations and high profile operations supported by Europol	684	-	632	
		iii- Number of operational analysis reports delivered	209	230	446	
		iv- Hit rate: number of cross match reports per 100 accepted contributions	4.1	4.2	4.5	
		v- Number of organised criminal groups disrupted (HQ/MS)	-	-	-	
	1.2: Enhance coordination of operational action in the EU	Number of operations initiated by Europol (ECD art. 7)	0	-	0	
	1.3: More effective cooperation with external partners	i- Number of SIENA requests and "for information" messages sent by Europol to external partners	5,117	5,630	6,957	
		ii- Number of SIENA requests and "for information" messages sent by external partners to Europol (TP)	3,546	3,900	3,694	
2 - Europol will become the EU criminal information hub	2.1: Lead development of ECIM	Performance of Europol in supporting the implementation of the EU Policy Cycle	-	-	-	
	2.2: Improve analysis capability	Number of strategic analysis reports	52	38	46	
	2.3: Strengthen information management capabilities	i- Number of SIENA cases initiated (MS/TP/HQ)	18,310	20,140	20,779	
		ii- Number of SIENA messages received (MS/TP/HQ)	307,842	338,626	369,814	
		iii- Percentage of all SIENA messages sent by MS (requests and answers) containing structured data (MS)	-	-	2.6%	
		iv- Number of cross border crime checks (CBCC) in the EIS related to persons (MS)	140 per quarter	55 per quarter	153 per quarter	
v- Percentage of MS individual EIS targets achieved (MS)		19.8%	-	21.3%		

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GOAL	STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	2013	2014		
				TARGET	RESULT	
3 - Europol will expand its capabilities as an EU centre for law enforcement expertise	3.1: Pioneer new techniques	Number of projects launched to pioneer new techniques	-	-	3	
	3.2: Strengthen position of Europol as a platform for specialist areas	i- Total number of authorised EPE user accounts	4,419	6,000	6,045	
		ii- Number of unique visitors on the EPE per month	-	1,500	1,262	
	3.3: Provide expertise and quality training	Satisfaction of participants with training provided by Europol experts	9.3	9.2	9.6	
4 - Europol will grow as a modern, efficient organisation with the best resources, effective governance arrangements and a positive reputation	4.1: Strengthen Europol's accountability arrangements	Percentage of audit recommendations graded as critical/very important addressed within six months	57%	100%	86%	
	4.2: Strengthen ICT and business alignment	i- Delivery of ICT projects and programmes according to agreed targets	56%	75%	46%	
		ii- Delivery of ICT services and products in line with agreed SLAs	98.0%	95%	98.1%	
	4.3: Improve the management of Europol's human and financial resources	i- Budgetary outturn	2.30%	5%	2.76%	
		ii- Accrual rate of carry overs	41%	60%	45%	
		iii- Vacancy index at the end of the year	3.9%	4.5%	2.2%	
	4.4: Build a strong Europol culture and a positive external image	i- Europol user survey results on image (Image index rating)	73.3 (2012)	73.3	75.5	
		ii- Europol user survey results on overall satisfaction (EPSI rating)	67.8 (2012)	67.8	70.6	

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Annex I-b. Strategic reports delivered in 2014

1. Early warning on serious and organised crime threats orchestrated in Europe
2. Irregular migrants from the Horn of Africa
3. Internet based trade in raw materials for production of counterfeit currency
4. Internet based trade in firearms parts and conversion kits
5. Synthetic drugs gaining share in traditional heroin markets
6. Serious and Organised Crime threats directly linked to the Danube River
7. Threat assessment: The impact of visa liberalisation for Colombia and Peru
8. Threat assessment: The impact of visa liberalisation for Georgia
9. Threat assessment : The impact of Schengen on serious and organised crime in the EU
10. Threat assessment : Serious and Organised crime in the Western Balkan impacting the EU
11. Threat assessment : Joint EMCDDA-Europol Threat Assessment on Methamphetamine
12. Threat assessment : Introduction of the euro in Lithuania
13. Stakeholder Analysis Organised Property Crime
14. Gap analysis Counterfeit goods
15. Gap analysis data in source and transit countries with regard to facilitation of illegal immigration
16. Situation report: Cocaine air couriers in Europe
17. Situation report: Heroin trafficking from Pakistan to the EU
18. Strategic report on energy fraud
19. Strategic report on Football Match fixing
20. Strategic Report on Eurasian Organised Crime Groups
21. Preliminary Report on Environmental Crime (Jointly by Europol/EnviCrimeNet Intelligence Project on Environmental Crime (IPEC)
22. Joint Special Report in cooperation with the FBI Cyber Division: A Review of the Criminal Forums Working Group Project
23. Police Ransomware threat assessment and Recommended Action Plan
24. IOCTA
25. Strategic Report on Commercial Distribution of Child Sexual Abuse Material (CAM)
26. Hezbollah threat assessment
27. Terrorist threat against civil aviation
28. IEDs in body cavities - experiment report
29. Threat assessment on EU-Africa Summit
30. Threat Assessment on ISIL and its impact on the EU
31. TE-SAT 2014 + Review of methodology
32. Situation report Crash Malaysian Airlines Flight MH17 in the perspective of hostilities between pro-Russian separatist groups and Ukrainian militias and military forces in Eastern Ukraine
33. Situation report Anti Semitism in the EU January - August 2014
34. Threat assessment Kurdish reaction to IS in the EU
35. Threat assessment requested by the Council Secretariat regarding the position of the new President of the European Council
36. Right Wing Extremism - Half year report (ERWED) - 2nd semester 2013 (produced in 2014)

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37. Right Wing Extremism - Half year report (ERWED - 1st semester 2014)
38. Situation report: Travel for Terrorist Purposes (focus on Syria)– Update
39. Situation report on Lybia
40. Situation report on Ukraine
41. Threat assessment: Ukraine
42. Threat assessment: Public disorder in the EU linked to the Islamic State (IS) threatening the Syrian city of Kobane
43. Jabhat al-Nusra and the international community: UN peacekeepers abducted on the Golan heights
44. The Islamic State and social media: authentication and resilience – update
45. Transnational fighters in the Islamic State: how ISIL videos use Westerners
46. The Sharia4 movement: from propaganda to armed struggle (This report was produced on a request from Spain to be used in court as expert report and was only provided to Spain.)

Annex I-c. Strategic expert meetings, conferences, talks and awareness days delivered in 2014

1. Awareness sessions on Special Tactics for Germany, Belgium, Sweden, Lithuania
2. Europol High Level Expert Conference on Witness Protection
3. Annual conference on Covert Surveillance
4. Expert meeting on Facial recognition software
5. Kick off for the WP biometrics working group
6. Launch of the EuNAT working groups on
7. Crisis Management Guide
8. Debriefing Model
9. European Counter-Extortion Manual
10. Personal Data Profile
11. ENFAST annual conference
12. ISLE workshop for standardisation and use of EPE
13. IOTA VAT Fraud Forum
14. High ranking police officers meeting in Sweden on Outlaw Motorcycle Gangs
15. 19th OMCG Experts meeting
16. Norwegian delegation - OMCG awareness
17. NL National Prosecutor's Office - OMCG administrative countermeasures meeting
18. NL I-POL delegation - OMCG awareness meeting
19. NL LIEC/MinInt - OMCG administrative countermeasures meeting
20. Meeting at Lincolnshire Police with its management regarding preparation HD Super Rally 2015 enforcement
21. Underground Economy Conference 2014
22. Expert meeting on Illicit Tobacco Trade with Joint Research Centre on Trans National Crime
23. Expert meeting on fraud prevention within the EU Emission Trading System
24. Metal Theft Conference at Europol
25. THB Experts Meetings at Europol
26. Awareness conference on combating the production of illicit goods for the 2014 World Cup

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27. Cocaine Extraction and Conversion Laboratory Conference
28. Tax STamp Forum in Dubai providing presentation and chairing workshop
29. Hosted Heads of Tax Crime Conference held at Europol together with OECD
30. Paris Pact Consultative Group Meeting in Vienna
31. Hosted Acetic Anhydride Conference in Budapest
32. European Joint Action on Drug trafficking ISEC funded project meeting in Budapest
33. Hosted Risk Assessment Meeting on 4,4-DMAR (New Psychoactive Substance)
34. Joint Conference with OHIM "The internet as a crime facilitator" in Alicante
35. EPE IPC workshop
36. Tax Crimes Conference at Guardia di Finanza Training School, Rome
37. OSCE Regional MTIC Fraud Seminar, Belgrade
38. High Level Meeting on Euro counterfeiting with Europol, ECB and OLAF
39. Support to euro counterfeiting conference held at ECB and co-funded by Europol
40. 2nd Meeting WG on Internet-based Trade of Raw Materials for Currency Counterfeiting
41. Expert meetings on Payment card Fraud
42. Expert meetings on technical investigation on printing devices
43. Expert meetings on Child pornography networks on the internet
44. Transnational Child Sexual Offenders Conference
45. Violent Crimes Against Children International Task Force (VCACITF) meeting
46. Illegal Trade on Anonymous marketplaces on the internet (ITOM) Conference
47. European Union Cybercrime Taskforce (EUCTF) meetings
48. Meetings EC3 Programme Board
49. ECTEG meetings
50. Meetings of the Eurojust-EC3 Taskforce on Cybercrime
51. Support in the organization of 3 EFC meetings, 1 VGT meeting
52. CEPOL Cybercrime Course (SE)
53. CPETIG
54. Kasperski Cybercrime Event
55. Botconf 2014
56. FICFIB
57. EAST
58. 32nd Interpol meeting on Child Sexual Exploitation
59. Europol Training Course on Combating Online Sexual Exploitation of Children (COSEC)
60. Europol Annual Experts seminar on Child Sexual Exploitation
61. Child Sexual Exploitation in South- East Asia
62. Virtual Global Task Force BoM and Conference
63. CARIN SG meeting
64. AMON Steering Group Meeting
65. TFTP briefing meeting in US
66. TFTP Practitioners meeting
67. ARO Platform meeting
68. European Financial Coalition Steering Group Meeting
69. Conference on transnational terrorists

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70. High Level Expert Meeting on Terrorism focussing on Travellers
71. Conference on European Cooperation on Far-Right Extremism
72. WG New technologies - CBCDG - meeting
73. Cooperation with Eurojust: reception of new Eurojust magistrate to Europol
74. 10th Lanzarote Committee Meeting
75. Meeting on the future of TG Bazar (FP Dolphin) and support to FP Travellers at the German Federal Criminal Police Office
76. Meeting on the French support to FP Travellers at the French National Police
77. Awareness meeting for the Head of LBS
78. Awareness session on CT and EU Internal Security Strategy at NATO Training School in Germany
79. Operational Meeting on LTTE (FP Dolphin) at the German Federal Criminal Police Office
80. 6th EU-US Explosives Experts seminar organised at Europol
81. Working Group "DUMAS" meeting re foreign fighters / travellers
82. Meeting with NL liaison officers (including NL's liaison officer based in Turkey) re foreign fighters
83. Regional Conference on Foreign Terrorist Fighters
84. Germany - National symposium for bomb technicians and bomb investigators
85. 24th meeting of Inter-Agency Committee on Radiological and Nuclear Emergencies – IACRNE
86. Terrorism experts meeting organised by NATO Centre of Excellence Defence Against Terrorism
87. Law Enforcement Task Force meeting on counter piracy investigators, prosecutors and experts, organised by the US State department and the US Department of Justice
88. Counter piracy strategic meeting, organised by the UAE Ministry of Foreign Affairs

Annex I-d. Knowledge products delivered in 2014

1. European Counter-kidnapping Manual
2. Heroin Trafficking from Pakistan to EU
3. Knowledge products on Outlaw Motorcycle gangs
4. Convertible Blank Firing Weapons and Acoustic expansion Weapons
5. Cyber Intelligence Briefs
6. Cyber Matters
7. Cyber Intelligence Community bits
8. Map on all Internet Governance related meetings, conferences and their inter-relationships
9. 11 CCTV catalogues
10. EC3 Bulletin IV biannual electronic newsletter
11. EC3 Products and Services leaflet
12. OSINT Dashboard Reports
13. Knowledge products in the area of forensics
14. Guide on EU EOD & CBRN Units
15. EOD Lexicon V.2
16. Right Wing Extremism (H2 report 2013)

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17. Experiment report IEDs in body cavities
18. Local Bitcoin knowledge product
19. AMON flyer
20. CARIN leaflets and electronic version of the CARIN manual
21. Counterfeit Currency news bulletin

Annex I-e. Training courses delivered in 2014 (Europol / Cepol contract)

1. Training course on ENFAST in Hungary
2. Training course on Undercover Policing in Lithuania
3. Annual training course on Witness Protection at Europol
4. Webinar and advanced training in Poland on dismantling of illicit drug labs (OAP 2014 synthetic drugs)
5. Webinar on Firearms Tracing
6. Webinars on Illegal Immigration
7. Course on Theft of Cultural Heritage Art Work in Italy
8. Course on Organised Property Crime committed by Mobile Organised Crime Groups
9. Course on Intellectual Property Crime in Italy
10. European EOD Network (EEODN) conference & training activities in Spain
11. Webinar on Money Laundering
12. Training course on Asset Recovery in Poland
13. Course on Informant Handling
14. CEPOL Course on Football Security and Sport Corruption
15. Firearms trafficking CEPOL Course in Madrid
16. Financial Crimes Investigation Training in Strasbourg
17. CEPOL Multidisciplinary MTIC Fraud Awareness Training in Rome
18. OECD Tax Crime Investigation Academy Training in Rome

Annex I-f. Training courses delivered in 2014 (outside Europol / Cepol contract)

1. Train the trainer module on Witness Protection in Turkey
2. Training on operational analysis in Lithuania
3. Training course on Informant Handling in Ireland
4. Tactical/Technical training on the protection of the euro in Romania
5. CEIFAC (European College of Financial investigations and Financial Criminal Analysis) training course on Financial Crimes in France
6. UNODC Training course on International Cooperation in Illegal Immigration in Mexico
7. Training on Tax Fraud in the Energy Sector in Slovak Republic
8. Training on Trafficking in Human Beings (THB) Mechanisms with specific focus on reduction of demand in Sweden
9. Seminar on JITs in the fight against THB and Illegal Immigration in France
10. Training Course in Open Source IT Forensics in Spain (co-organised with ECTEG, UCD, and the Spanish Police)
11. EFC Training on Combating Commercial Sexual Exploitation of Children online
12. Virtual currencies training (co-organised with the US Homeland Security Investigation)

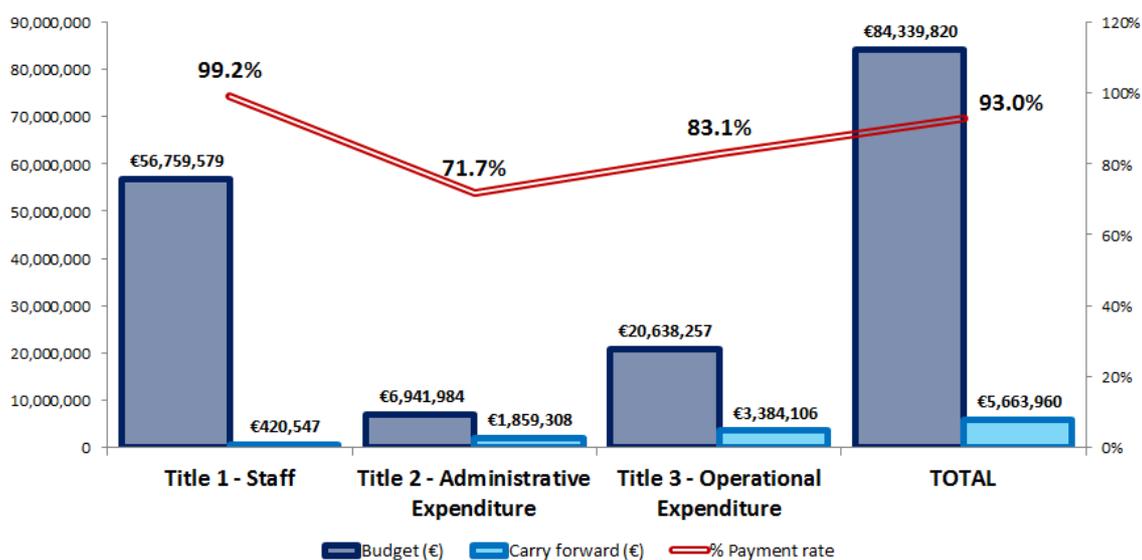
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13. Best Port Practice training on Pesticides in Belgium
14. First Response Network (FRN) training course
15. Europol/ECDC Joint Workshop "Needs assessment for joint training on response to biological threats" at Europol
16. Training for EU bomb experts from civil & military competent authorities in Ireland
17. Training on Home Made Explosives in Ireland (organised by Europol, EDA, Irish Defence Forces and the US authorities)
18. Training on operational analysis delivered in Slovakia
19. Training on dismantling synthetic drug laboratories delivered in Serbia
20. EBDS training module in Italy
21. Regional training "Fight against illicit trafficking in Firearms" in Podgorica
22. Workshop to enhance cooperation and interaction of EPE members on the EPE on IP Fraud
23. 4th Tactical Training on Euro Counterfeiting at Europol
24. Tailored training for the Lithuanian LA in relation to the introduction of the euro
25. Joint IAEA-Europol training "Response to a radiological emergency resulting from a nuclear security event" in Portugal

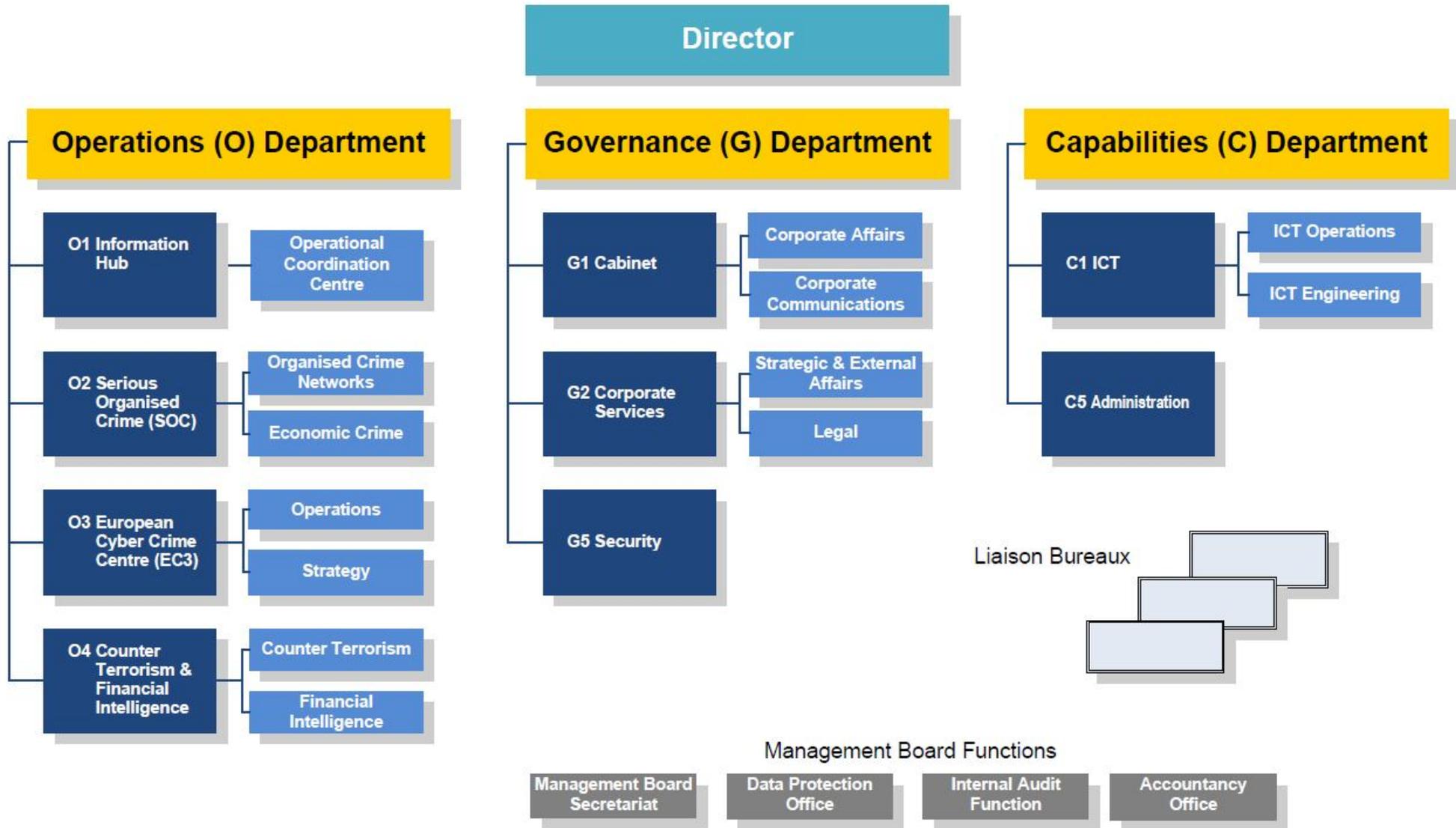
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Annex II. Statistics on financial management

	Budget (€)	Paid (€)	% Payment rate	Carry forward (€)	% Budget Carry forward
Title 1 - Staff	€ 56,759,579	€ 56,331,111	99.2%	€ 420,547	0.7%
Title 2 - Administrative Expenditure	€ 6,941,984	€ 4,979,088	71.7%	€ 1,859,308	26.8%
Title 3 - Operational Expenditure	€ 20,638,257	€ 17,148,209	83.1%	€ 3,384,106	16.4%
TOTAL	€ 84,339,820	€ 78,458,408	93.0%	€ 5,663,960	7.0%



Annex III. Organisational Chart



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Annex IV. Establishment Plan and HR Management

Annex IV-a. Establishment Plan 2014

Grade	Establishment plan		
	PERM	TEMP	TOTAL
AD 16		0	0
AD 15		1	1
AD 14		0	0
AD 13		3	3
AD 12		4	4
AD 11		22	22
AD 10		0	0
AD 9		72	72
AD 8		80	80
AD 7		127	127
AD 6		51	51
AD 5		31	31
Total AD		391	391
AST 11		0	0
AST 10		0	0
AST 9		0	0
AST 8		0	0
AST 7		2	2
AST 6		14	14
AST 5		3	3
AST 4		40	40
AST3		0	0
AST 2		0	0
AST 1		0	0
Total AST		59	59
Overall		450	450

Contract agent / SNE	Year 2014
FG IV	19
FG III	76
FG II	16
FG I	0
Total	111
SNE	40
Total	151

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Annex IV-b. Information on the entry level for each type of post²⁵

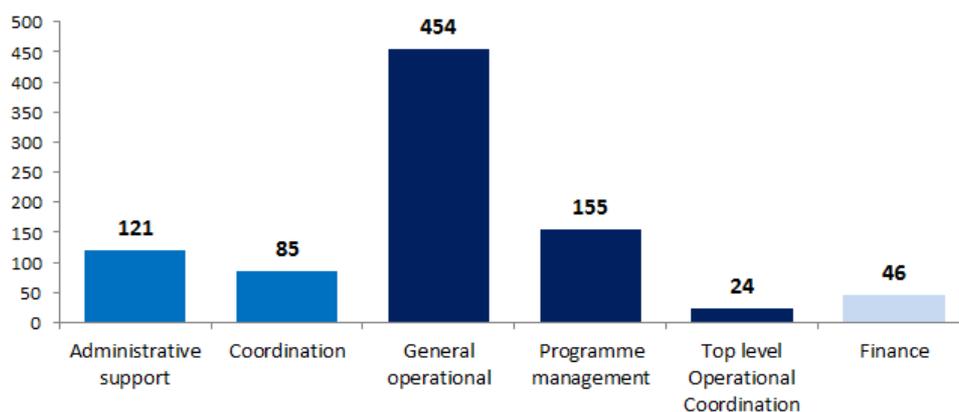
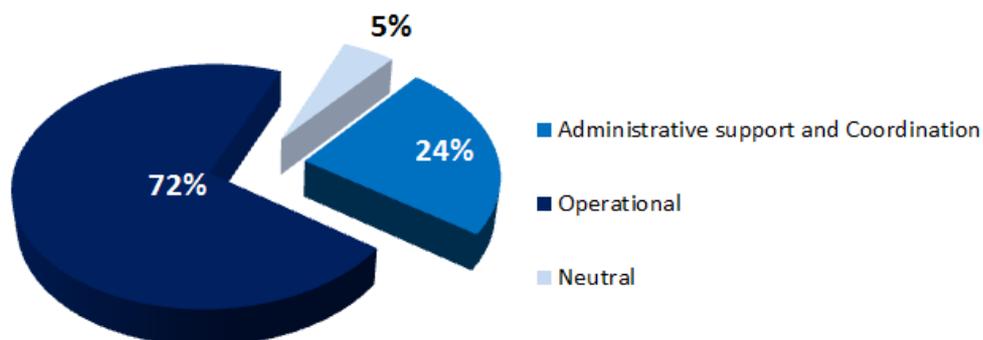
Key functions	Type of contract	Function group, grade of recruitment*	Indication whether the function is dedicated to administration support, policy (operational) or neutral
<i>Manager (Director & Deputy Director)- Level 1</i>	TA	AD13 - AD14	Operational
<i>Head of Business Area (eq. HoU) – Level 2</i>	TA	AD11 – AD12	Admin or Operational depending upon field
<i>Business Manager (eq. Head of Sector) –Level 3</i>	TA	AD9	Admin or Operational depending upon field
<i>Senior Specialist/Senior Analyst - Restricted Posts (eq. Senior officer)</i>	TA	AD7	Operational
<i>Specialist/Analyst - Restricted Posts (eq. Officer)</i>	TA	AD6	Operational
<i>Senior Specialist</i>	TA	AD7	Admin/Neutral/Operational depending upon field
<i>Specialist</i>	TA	AD5/AD6	Admin/Neutral/Operational depending upon field
<i>Admin. Assistant or equivalent</i>	TA/CA	AST2/4 / FGII/III	Admin
Special functions			
<i>DPO</i>	TA	AD9	Admin
<i>Accounting officer</i>	TA	AD9	Neutral
<i>Internal Auditor</i>	TA	AD11	Admin

²⁵ This table has been produced according to the template provided in the 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. Information in this template therefore differs from the one used for MSPP purposes.

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Annex IV-c. Benchmarking exercise

The job screening exercise was done for the first time in 2014, according to the guidelines defined by the EU Agencies Network and based on all people working at the Europol premises on 15 December 2014. This not only includes Temporary Agents, Contract Agents and SNEs but also Europol Liaison Officers, trainees and external service providers based in Europol's premises.



Job Type category	Posts	2014 (%)
Administrative support and Coordination	206	24%
Administrative support	121	14%
Coordination	85	10%
Operational	633	72%
General operational	454	51%
Programme management	155	18%
Top level Operational Coordination	24	3%
Neutral	46	5%
Finance	46	5%
	885	100%

Annex V. Europol Provisional Accounts 2014

BALANCE SHEET – ASSETS	31/12/2014	31/12/2013	Variation
NON CURRENT ASSETS			
Intangible fixed assets	4,531,989	5,495,925	-963,936
Tangible fixed assets	26,730,379	31,978,803	-5,248,424
Land and buildings	10,232,857	9,548,237	684,620
Plant and equipment	447,376	528,331	-80,955
Computer hardware	6,645,840	10,212,232	-3,566,392
Furniture and vehicles	2,515,760	2,945,514	-429,754
Other fixtures and fittings	6,888,546	8,744,489	-1,855,943
Leasing	-	-	-
Tangible fixed assets under construction	-	-	-
Investments	-	-	-
Guarantee Fund	-	-	-
Investments in associates	-	-	-
Interest in joint ventures	-	-	-
Other investments	-	-	-
Loans	-	-	-
Loans granted from the budget	-	-	-
Loans granted from borrowed funds	-	-	-
Term deposits over 12 months	-	-	-
Long-term pre-financing	-	-	-
Long-term pre-financing	-	-	-
<i>LT pre-financing with consolidated EU entities</i>	-	-	-
Long-term receivables	-	-	-
Long-term receivables	6,915	6,915	-
<i>LT receivables with consolidated EU entities</i>	-	-	-
TOTAL NON CURRENT ASSETS	31,269,283	37,481,643	-6,212,360
CURRENT ASSETS			
Inventories	-	-	-
Short-term pre-financing	-	-	-
Short-term pre-financing	-	-	-
<i>Short-term pre-financing with consolidated EU entities</i>	-	-	-
Short-term receivables	2,314,213	2,153,749	160,464
Current receivables	911,672	1,089,943	-178,271
Term Deposits between 3 months & 1 year	-	-	-
Long-term receivables falling due within a year	-	-	-
Sundry receivables	88,647	61,593	27,054
Other	1,311,443	1,000,059	311,384
Accrued income	275,226	10,258	264,968
Deferred charges	1,019,425	984,488	34,937
<i>Deferrals and Accruals with consolidated EU entities</i>	16,793	5,313	11,479
<i>Short-term receivables with consolidated EU entities</i>	2,451	2,155	296
Short-term Investments	-	-	-
Cash and cash equivalents	7,820,470	11,801,032	-3,980,562
TOTAL CURRENT ASSETS	10,134,683	13,954,782	-3,820,099
TOTAL	41,403,966	51,436,425	-10,032,459

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BALANCE SHEET - LIABILITIES	31.12.2014	31.12.2013	Variation
Net assets	34,961,755	42,063,546	-7,101,791
Reserves	-	-	-
Accumulated surplus/deficit	42,063,546	47,301,283	-5,237,737
Statement of financial performance – result of the year	-7,101,791	-5,237,737	-1,864,054
Minority interest	-	-	-
NON-CURRENT LIABILITIES	578,392	611,623	-33,230
Employee benefits	-	-	-
Provisions for risks and charges	-	-	-
Financial liabilities	-	-	-
Borrowings	-	-	-
Held-for-trading liabilities	-	-	-
Other long-term liabilities	578,392	611,623	-33,230
Other long-term liabilities	578,392	611,623	-33,230
<i>Other LT liabilities with consolidated EU entities</i>	-	-	-
<i>Pre-financing received from consolidated EU entities</i>	-	-	-
<i>Other LT liabilities from consolidated EU entities</i>	-	-	-
TOTAL	35,540,147	42,675,169	-7,135,021
CURRENT LIABILITIES	5,863,819	8,761,256	-2,897,438
Provisions for risks and charges	77,845	1,561,059	-1,483,214
Financial liabilities	-	-	-
Borrowings falling due within the year	-	-	-
Held-for-trading liabilities due within the year	-	-	-
Other current financial liabilities	-	-	-
Accounts payable	5,785,974	7,200,197	-1,414,223
Current payables	121,997	42,780	79,217
Long-term liabilities falling due within the year	-	-	-
Sundry payables	40,055	307,208	-267,152
Other	3,002,600	4,392,445	-1,389,845
Accrued charges	2,980,908	4,342,977	-1,362,070
Deferred income	8,906	49,468	-40,562
<i>Deferrals and accruals with consolidated EU entities</i>	12,786	-	12,786
<i>Accounts payable with consolidated EU entities</i>	2,621,321	2,457,764	163,557
<i>Pre-financing received from consolidated EU entities</i>	2,582,353	2,307,672	274,681
<i>Other accounts payable against consolidated EU entities</i>	38,969	150,093	-111,124
TOTAL CURRENT LIABILITIES	5,863,819	8,761,256	-2,897,438
TOTAL	41,403,966	51,436,425	-10,032,459

Europol Public Information

STATEMENT OF FINANCIAL PERFORMANCE	2014	2013	Variation
Subsidy from the Commission	81,667,236	79,858,089	1,809,147
Grants	-457,641	457,641	-915,282
Income taxes ²⁶	24,767	51,576	-26,809
Other income – fixed assets	22	19,842	-19,820
Other operating revenue	646,854	320,246	326,608
TOTAL REVENUE	81,881,240	80,707,395	1,173,845
Administrative expenses	-73,559,871	-70,756,535	-2,803,336
All Staff expenses	-52,686,185	-49,939,455	-2,746,730
Fixed asset-related expenses	-10,593,445	-10,061,778	-531,667
Other administrative expenses	-10,280,240	-10,755,302	475,061
Operational expenses	-15,418,371	-15,186,611	-231,760
Other operational expenses	-15,418,371	-15,186,611	-231,760
TOTAL EXPENSES	-88,978,242	-85,943,146	-3,035,096
SURPLUS/DEFICIT FROM OPERATING ACTIVITIES	-7,097,002	-5,235,751	-1,861,251
Financial revenue	-	-	-
Financial expenses	-4,789	-1,986	-2,803
Movement in pensions (- expense, + revenue)	-	-	-
Share of net surpluses or deficits of associates and joint ventures accounted for using the equity method	-	-	-
SURPLUS/ DEFICIT FROM NON OPERATING ACTIVITIES	-4,789	-1,986	-2,803
SURPLUS/DEFICIT FROM ORDINARY ACTIVITIES	-7,101,791	-5,237,737	-1,864,054
Minority interest	-	-	-
Extraordinary gains	-	-	-
Extraordinary losses	-	-	-
SURPLUS/(DEFICIT) FROM EXTRAORDINARY ITEMS	-	-	-
RESULT OF THE YEAR	-7,101,791	-5,237,737	-1,864,054

²⁶ Taxes from Europol Staff still recruited under Europol's old Staff Regulation

Europol Public Information

Cash Flow Statement (indirect method)	2014	2013
Cash-flow from ordinary activities		
Surplus/deficit from ordinary activities	-7,101,791	-5,237,737
Operating activities		
<u>Adjustments</u>		
• Amortization (intangible fixed assets)	2,393,357	2,403,895
• Depreciation (tangible fixed assets)	8,151,587	7,594,697
• Increase/(decrease) in Provisions for risks and liabilities	-1,483,214	-1,554
• Increase/(decrease) in Value reduction for doubtful debts	-	-
• (Increase)/decrease in Stock	-	-
• (Increase)/decrease in Long term Pre-financing	-	-
• (Increase)/decrease in Short term Pre-financing	-	25,515
• (Increase)/decrease in Long term Receivables	-	-
• (Increase)/decrease in Short term Receivables	-160,167	-1,074,820
• (Increase)/decrease in Receivables related to consolidated EU entities	-296	-1,158
• Increase/(decrease) in Other Long term liabilities	-33,230	32,039
• Increase/(decrease) in Accounts payable	-1,577,780	-2,457,112
• Increase/(decrease) in Liabilities related to consolidated EU entities	163,557	-7,850,582
• Other non-cash movements	940 ²⁷	6,156
Net cash-flow from operating activities	352,962	-6,560,661
Cash-flow from investing activities		
Increase of tangible and intangible fixed assets	-4,381,063	-8,598,243
Proceeds from tangible and intangible fixed assets	47,539	43,507
Net cash-flow from investing activities	-4,333,524	-8,554,736
Increase/(decrease) in Employee benefits	-	-
Net increase/decrease in cash and cash equivalents	-3,980,562	-15,115,397
Cash and cash equivalents at the beginning of the period	11,801,032	26,916,429
Cash and cash equivalents at the end of the period	7,820,470	11,801,032

²⁷ Net amount of other changes - intangible fixed assets.

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Statement of changes in net assets	Accumulated Surplus/Deficit	Economic result of the year	Net assets (total)
Balance at 31 December 2013	47,301,283	-5,237,737	42,063,546
Fair value movements	-	-	-
Movement in Guarantee Fund reserve	-	-	-
Allocation of the Economic Result of Previous Year	-5,237,737	5,237,737	-
Amounts credited to Member States	-	-	-
Economic result of the year	-	-7,101,791	-7,101,791
Other	-	-	-
Balance at 31 December 2014	42,063,546	-7,101,791	34,961,755

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Budgetary outturn

Budget Revenue	2014	2013
Commission subsidy	84,249,589	82,120,500
Other revenue (amending budget)	90,231	-
Other subsidies and grants	92,247	-
Other revenue	287,748	343,883
Proceeds of taxation of staff	12,267	51,626
TOTAL REVENUE (a)	84,732,082	82,516,008
Budget Expenditure		
<i>Title I: Staff</i>		
Payments 2014	56,432,891	51,726,992
Appropriations carried over to 2015	479,841	570,036
<i>Title II: Administrative Expenses</i>		
Payments 2014	5,071,680	4,427,370
Appropriations carried over to 2015	1,951,385	3,136,216
<i>Title III: Operating Expenditure</i>		
Payments 2014	17,387,803	16,327,186
Appropriations carried over to 2015	3,597,506	6,128,390
TOTAL EXPENDITURE (b)	84,921,106	82,316,197
OUTTURN FOR THE FINANCIAL YEAR (a-b)	-189,024	199,812
Adjustments and corrections		
Cancellation of unused payment appropriations carried over from 2013	2,370,547	1,453,397
Adjustment for carry-over from 2013 of appropriations available at 31.12.14 arising from assigned revenue	418,698	608,710
Corrections for closure of UMF2 grant	-12,222	-
Exchange differences for the year 2014 (gain +/-loss -)	-5,647	491
BALANCE OF THE OUTTURN ACCOUNT FOR THE FINANCIAL YEAR 2014	2,582,353	2,262,411

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Reconciliation of budgetary outturn and statement of financial performance

Europol's financial statements are prepared on an accrual-basis by which transactions are recorded in the period to which they relate. The result for the year using this basis is indicated in the statement of financial performance. However, Europol uses a modified cash accounting system for preparing the budget outturn accounts. In this system, only payments made and the revenue received in the period as well as the carry-forward of appropriations are recorded. The difference between the budgetary outturn and the statement of financial performance is, therefore, explained as follows:

Statement of Financial Performance (economic result)	-	7,101,791
<i>Adjustment for items included in the Statement of Financial Performance but not in the budgetary outturn</i>		
Adjustments for cut-off postings - reversal 2013	-	3,348,232
Adjustments for cut-off postings – 2014 cut-off	+	1,803,709
Unpaid invoices at year-end 2014 booked to expenses	+	502,038
Depreciation of intangible and tangible fixed assets *	+	10,536,725
Provisions *	-	1,537,928
Value reductions *	+	1,002,703
Recovery Orders issued in 2014 booked to revenue, but not yet cashed	-	20,808
Pre-financing received in 2013 and cleared in 2014	-	32,778
Payments made from carry-forward of payment appropriations 2013	+	7,045,404
Fixed Asset-related adjustments	-	3,293,096
Other ²⁸	-	174,135
<i>Adjustment for items included in the budgetary outturn but not in the Statement of Financial Performance</i>		
Asset acquisitions (less unpaid amounts)	-	2,250,343
New pre-financing received during 2014 and remaining open as at 31.12.2014	+	2,582,353
Budgetary recovery orders issued before 2014, but cashed in the year 2014	+	52,341
Budgetary recovery orders issued in 2014 on balance sheet accounts	+	92,247
Payment appropriations carried over to 2015	-	6,028,732
Cancellation of unused carried-forward payment appropriations from 2013	+	2,370,547
Adjustment for carry-forward from 2013 of appropriations available at 31.12.14 arising from assigned revenue	+	418,698
Correction for the closure of the UMF2 project	-	12,222
Other ²⁹	-	24,346
Total		2,582,353
Budgetary result (+ for surplus)	+	2,582,353
Difference	+/-	-

* Impact of the year

²⁸ Mainly credit notes/annulations of invoices originally included in Statement of Financial Performance 2013.

²⁹ Mainly unpaid invoices booked to expenses at year end 2013 and paid in 2014.

Annex VI. Main Decisions of the Management Board

A. Human Resources

- Indefinite contracts - authorising the Director to initiate the procedure to grant them to Temporary Agents occupying non-restricted posts and Contract Agents whose second contracts expire in 2015 - and assessment of the cases judged by the EU Civil Service Tribunal – confirming the decision on the ceiling for indefinite contracts in 2008 and 2009.
- Provisions under new EU staff regulation – decision sanctioning the entry into force of 13 implementing rules.
- Functions appointed by and accountable to the MB – regarding IAF staff and Accounting Officer. Written procedure with MB's opinion on the responsibilities, tasks and objectives of the Accounting Officer.
- Governance Deputy Director renewal and reclassification – for a four-year term.
- Order of replacement of the Director by Deputy Directors – Mr. Martinů, Mr. Van Gemert and Mr. Orlandi.
- Recruitment of a Capabilities Deputy Director – adoption of the vacancy announcement and drawing lots to designate the five MS which shall assign their MB member to serve, along with the member for the Commission and the Director, in the selection committee.
- Appraisal of Deputy Directors – drawing lots to designate the MS which shall assign its MB member to act, along with the member for the Commission and the Director, as reporting officer.
- Reappointment of Data Protection Officer – for a period of five years.
- Recruitment of Head of Internal Audit Function – adopting the proposal elaborated by the Working Group on Corporate matters.
- Secondment of Eurojust Liaison Officer to EC3 – endorsing the proposal and requesting information on any possible amendments.
- Rules on the appraisal of Contract Agents – adopting a decision setting the entry into force of the implementing rules by the Commission.

B. Budget and planning

- Work Programme 2015 – adopting it for submission to the Commission by written procedure.
- Multi-Annual Staff Policy Plan 2015-2017 - adopting it for submission to the Commission.
- Estimate Revenue and Expenditure 2015 - adopting it for submission to the Commission by written procedure.
- IAF Internal Audit Programme 2014 – endorsing it.
- Report on Europol Activities in 2013 – adoption and submission to the Council for endorsement and onward transmission to the European Parliament for information.

Europol Public Information

- Annual Activity Report (AAR) 2013 – including the analysis and assessment by the MB, was adopted to be submitted to the European Parliament, Council and Court of Auditors in accordance with the Financial Regulation.
- Annual Internal Audit report 2013 – taking note for the submission to the European Parliament, the Council and the Commission.
- Internal Audit Plan 2014-2016 of the IAS and IAF – endorsing it.
- Budget transfers and amending budget 2014 – adopting it by written procedure.
- Adoption of revised Financial Regulation applicable to Europol – written procedure.
- Written procedure with MB's opinion on Europol's annual accounts 2013.

C. Cooperation with Third Parties / Agencies

- Police Cooperation Convention for Southeast Europe (PCC SEE) – endorsing the purpose to sign a letter of intent to formalise the existing cooperation.
- Cooperation with International Association of Chiefs of Police – endorsing the proposal to step up a strategic cooperation through a letter of intent.
- Cooperation with Montenegro – agreeing to submit the draft operational agreement to the JSB for opinion. Written procedure recommending the Council to authorise the Director to conclude the cooperation agreement.
- Cooperation with Russian Federation – encouraging to pursue the dialogue with the counterparts, including JSB, to achieve a draft cooperation agreement.
- Cooperation with Republic of Moldova – authorising the Director to enter into negotiations to conclude the operational cooperation agreement.
- Written procedure adopting table of equivalence with Albania.
- Cooperation with eu-LISA – endorsing the negotiation of a MoU.
- Cooperation with UEFA – endorsing the conclusion of a MoU.
- Strategic agreement with European Central Bank – approving the revised strategic cooperation agreement.
- Cooperation with Frontex – agreeing to submit the draft operational agreement to the JSB for opinion.
- Cooperation with EEAS – authorising the Director to proceed with negotiations through exchange of letters.
- Strategic cooperation agreement with OHIM – endorsing the first amendments to the cooperation agreement and requesting Europol to stipulate a grant agreement to allow transfer of funds from OHIM to Europol.

D. Operational

- Establishment of the European Tracking Solution (ETS) and the Most Wanted List – supporting ETS and looking forward to JSB opinion for the Most Wanted List.
- European Action day on EMPACT priorities – welcoming the initiative.
- Update on FIU.net – inviting Europol to continue the dialogue with JSB and agreeing that the relevant activities should continue to be implemented.

Europol Public Information

- EMPACT Delegation Agreement – authorising the Director to sign it.

E. Systems

- Confidentiality Desk System – accrediting Unified Search Engine and Confidentiality Desk System to level SECRET EU / EU SECRET for 24 months.
- Accreditation of Systems: Index Function for 60 months and Europol Analysis System for 12 months.
- Policy on accreditation scheme – endorsing it.

F. Other

- Duration of MB meetings – endorsing the decision to continue with two-day meetings and reduce to one day on a case-by-case basis.
- Public Holidays 2015 – written procedure.