

ANNEX 1: Statement of the Resources Director

I declare that in accordance with the Commission's communication on clarification of the responsibilities of the key actors in the domain of internal audit and internal control in the Commission¹, I have reported my advice and recommendations to the Director-General on the overall state of internal control in the DG.

I hereby certify that the information provided in Parts 2 and 3.1 of the present AAR and in its annexes 2 to 5 is, to the best of my knowledge, accurate and exhaustive.

The assurance I provide for the first nine months of 2010 is based on the handover received from my predecessor.

[signed]

Joe MURRAN

¹ SEC(2003)59 of 21.01.2003.

ANNEX 2: Human and Financial resources

DG Home Affairs

| Code ABB Activity | ABB Activity | Human Resources by ABB activity | | |
|-------------------|--|---------------------------------|--------------------|--------|
| | | Establishment Plan posts | External Personnel | Total: |
| 18 02 | Solidarity-External borders, return, visa policy and free movement of people | 93 | 26 | 119 |
| 18 03 | Migration flows-Common immigration and asylum policies | 57 | 9 | 66 |
| 18 05 | Security and safeguarding liberties | 73 | 12 | 85 |
| 18 08 | Policy strategy and coordination | 39 | 7 | 46 |
| | Total | 262 | 54 | 316 |

Shared Resources Directorate DG Home Affairs – DG Justice

| Code ABB Activity | ABB Activity | Human Resources by ABB activity | | |
|-------------------|---|---------------------------------|--------------------|--------|
| | | Establishment Plan posts | External Personnel | Total: |
| 18 08 | Policy strategy and coordination | 1 ¹ | 0 | 1 |
| 18 AWBL-01 | Administrative support for Justice and Home Affairs Directorate General | 87 | 21 | 108 |
| | Total | 88 | 21 | 109 |
| | Grand Total | 350 | 75 | 425 |

This table contains a snapshot of all establishment plan and external personnel (including the surcharge, excluding stagiaires and intra-muros providers), broken down by ABB Activity.

¹ An official in secondment, post placed in the SRD for practical reasons.

IMPLEMENTATION OF THE GLOBAL ENVELOPE

BUDGET LINES CONCERNED: XX 01 02 11 00 01 TO XX 01 02 11 00 06
(based on information received from BUDG services following 2012 budget circular)

| (IN EUROS) | | APPROPRIATIONS 2010 (C1) | | | APPROPRIATIONS carried over (C8) | |
|--------------------|---|-------------------------------------|---------------------|------------------|---|--|
| BUDGET LINES* | BUDGET LINES DESCRIPTION | AVAILABLE APPROPRIATIONS 2010 | COMMITMENTS 2010 | PAYMENTS 2010 | AMOUNTS OF APPROPRIATIONS CARRIED OVER FROM 2009 | % IMPLEMENTATION ON APPROPRIATIONS CARRIED OVER FROM 2009 |
| 18.010211.00 | | 1.183.755,51 | | | | |
| 18.010211.00.01.10 | Mission expenses | | 540.000,00 | 358.039,26 | | |
| 18.010211.00.01.30 | Representation expenses | | 6.500,00 | 1.106,48 | | |
| 18.010211.00.02.20 | Meeting costs | | 230.228,51 | 97.336,76 | | |
| 18.010211.00.02.40 | Conference costs | | 7.000,00 | 3.501,44 | | |
| 18.010211.00.03 | Meetings of committees | | 138.920,00 | 63.740,37 | | |
| 18.010211.00.04 | Studies and consultations | | | | | |
| 18.010211.00.05 | Development of management and information systems | | 261.106,80 | | | |
| 18.010211.00.06 | Further training and management training | | 58.277,41 | 22.476,77 | 24257,76 | 100% |
| | TOTAL | 1.242.077,88 | 1.242.032,72 | 546.201,08 | | |

Annex 3 Financial Reports - DG HOME - Financial Year 2010**Table 1 : Commitments****Table 2 : Payments****Table 3 : Commitments to be settled****Table 4 : Balance Sheet****Table 5 : Economic Outturn Account****Table 6 : Average Payment Time Limits****Table 7 : Income****Table 8 : Recovery of undue Payments****Table 9 : Ageing Balance of Recovery Orders****Table 10 : Waivers of Recovery Orders****Table 11 : Negotiated Procedures (excluding Building Contracts)****Table 12 : Summary of Contracts (excluding Building Contracts)****Table 13 : Building Contracts****Table 14 : Contracts declared Secret**

Additional comments

Annex 3 - Additional information on Financial Reports and Draft Annual Accounts

1. General remark

DG HOME has been created on 1.7.2010 by a split from DG JLS into 2 new DG's.

All financial transactions executed in DG JLS, on budget lines now belonging to DG HOME have been included into each table of the present report.

2. Financial Reports

" Commitments (Table 1)

Budget execution amounts to 94% in commitments, 23M€ have been carried for 2011 for the External Border fund (18 02) in order to cover the delay of new participating associated states in this fund.

" Payments (Table 2)

On payment appropriations, global execution amounts to 88% of the budget. A carry-over of 20M€ has been granted for the Migration and Borders chapter (18 02).

" Breakdown of Commitments to be settled (Table 3)

The amount of RAL is higher than previous year reflecting the increase in appropriations. However, 54% of commitments made in 2010 have already been followed by first payments.

" Revenue and Income (Table 7)

Total amount of recoveries is 80M€; 40M€ arise from EFTA participation in the External Borders Fund. The remaining amounts mainly stems from amounts claimed back within project closures.

3. Draft Annual Accounts

" Methodology and accounting principles

The annual accounts of DG HOME have been prepared in accordance with the general accounting principles. Estimations have been made where necessary as laid out by the Accountant of the European Commission.

It should be noted that the balance sheet and economic outturn account of Directorate General HOME presented in Annex 3 to this Annual Activity Report, represent only the assets, liabilities, expenses and revenues that are under the control of this Directorate General. Significant amounts such as own resource revenues and cash held in Commission bank accounts are not included in this Directorate General's accounts since they are managed centrally by DG Budget, on whose balance sheet and economic outturn account they appear. Furthermore, since the accumulated result of the Commission is not split amongst the various Directorates General, it can be seen that the balance sheet presented here is not in equilibrium.

Additionally, the figures included in table 4 are provisional since they are, at this date, still subject to audit by the Court of Auditors. It is thus possible that amounts included in these tables may have to be adjusted following this audit.

" Balance Sheet (Table 4)

During the split of DG JLS, accounting transactions for DG HOME were attributed the same profit center as former JLS. Therefore figures for 2009 relate to JLS and are thus not fully comparable.

Non-current assets show the long-term share of pre-financings, which are primarily related to shared management activities (External border fund and Return fund) and reflect the long project duration in this area. The switch from non-current assets to current assets reflects a better estimation of programme lengths.

Current assets are related to short-term pre-financings. The significant increase compared to 2009, stems, on one hand, from the amount of pre-financings on shared management, as a consequence of the increase in budget appropriations. On the other hand, better estimation of programme lengths reduced the amount of non-current assets.

Current liabilities - Accounts payable

The high increase observed in this section is explained by the closure of the Schengen facility, where final payments were not fully finalised at the end of financial year 2010.

" Economic Outturn Account (Table 5)

Operating revenues only reflect amounts received and directly managed by DG HOME. They mainly stem from EFTA contributions to the External Border Fund (contributions to 18 02 budget lines).

Operating expenses: As for the previous year, the substantial rise in operating expenses compared to 2009 is explained by the increasing budget and higher pre-financings paid in 2009.

Financial expenses are due to interest paid on late payments, financial revenue results from interest received on pre-financings.

4. Management reporting

" Payment time limits (Table 6)

Payment times in DG HOME have improved compared to DG JLS in 2009. The average time for in-time payments has only decreased (from 23.08 to 21.90 days), 74% of payments are processed in time. The completion of old files, finalised in 2010 still drives up the average for payments made late.

" Recovery context (Table 8)

This indicator shows if the establishment of a recovery orders is related to an error or irregularity. In 2010 the major amount was established in relation to the closure of Schengen facility, where a part of pre-financing initially paid, was claimed back.

" Ageing Balance (Table 9)

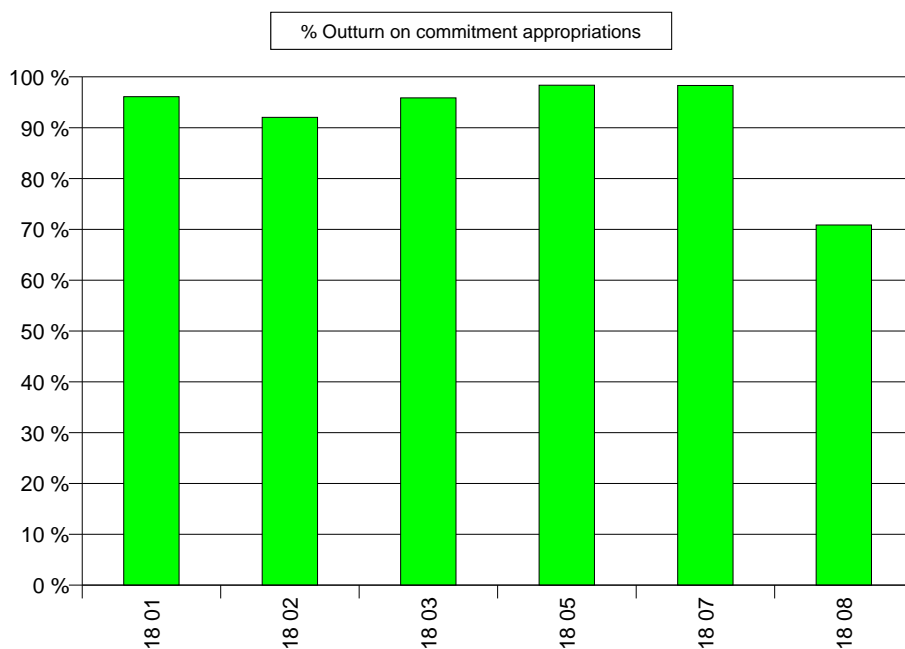
This report lists outstanding recovery orders by their year of emission. In 2010, the open amount for DG HOME increased significantly due to the closure of Schengen facility, expected to be received in early 2011.

" Negotiated Procedures (Tables 12 and 13)

Negotiated procedures are used when the price for a good or service has to be established by negotiation. This procedure should be used on an exceptional basis. DG HOME recorded 12 negotiated procedures in 2010, mainly related to the SIS/VIS large scale IT-Project. As this process could not be retrieved from in the system by standardised tools, an additional table within Table 13 shows the complete list.

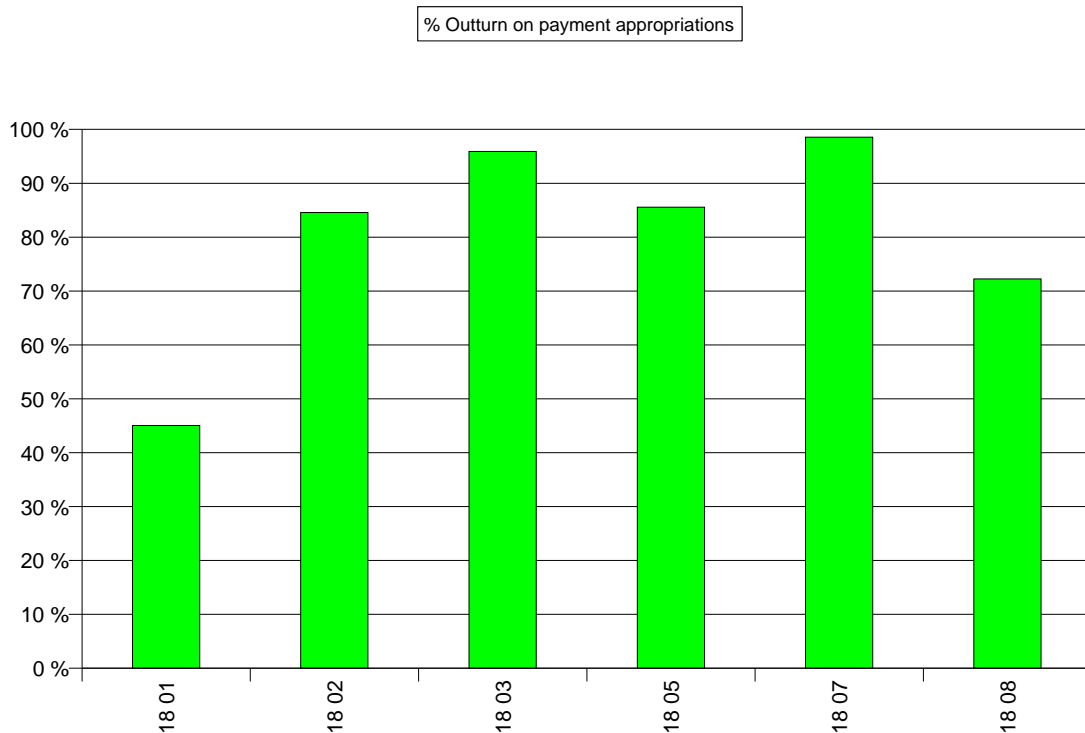
| TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS IN 2010 (in Mio €) | | | | |
|--|--|--|------------------|----------------|
| Chapter | | Commitment appropriations authorised * | Commitments made | % |
| | | 1 | 2 | 3=2/1 |
| Title 18 : Area of freedom, security and justice | | | | |
| 18 01 | Administrative expenditure of ` Area of freedom, security and justice¿ policy area | 3,99 | 3,83 | 96,11 % |
| 18 02 | Solidarity ¿ External borders, return, visa policy and free movement of people | 473,33 | 435,58 | 92,03 % |
| 18 03 | Migration flows ¿ Common immigration and asylum policies | 237,24 | 227,43 | 95,86 % |
| 18 05 | Security and safeguarding liberties | 197,14 | 193,92 | 98,37 % |
| 18 07 | Drugs prevention and information | 15,26 | 15,00 | 98,31 % |
| 18 08 | Policy strategy and coordination | 2,66 | 1,89 | 70,87 % |
| Total Title 18 | | 929,62 | 877,65 | 94,41 % |
| Total DG HOME | | 929,62 | 877,65 | 94,41 % |

* Commitment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, budget amendments as well as miscellaneous commitment appropriations for the period (e.g. internal and external assigned revenue).



| TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS IN 2010 (in Mio €) | | | | |
|---|---|-------------------------------------|---------------|---------|
| Chapter | | Payment appropriations authorised * | Payments made | % |
| | | 1 | 2 | 3=2/1 |
| Title 18 : Area of freedom, security and justice | | | | |
| 18 01 | Administrative expenditure of `Area of freedom, security and justice¿ policy area | 5,05 | 2,27 | 45,05 % |
| 18 02 | Solidarity ¿ External borders, return, visa policy and free movement of people | 324,77 | 274,65 | 84,57 % |
| 18 03 | Migration flows ¿ Common immigration and asylum policies | 163,22 | 156,52 | 95,90 % |
| 18 05 | Security and safeguarding liberties | 144,19 | 123,38 | 85,57 % |
| 18 07 | Drugs prevention and information | 15,59 | 15,36 | 98,54 % |
| 18 08 | Policy strategy and coordination | 2,41 | 1,74 | 72,26 % |
| Total Title 18 | | 655,22 | 573,92 | 87,59 % |
| Total DG HOME | | 655,22 | 573,92 | 87,59 % |

* Payment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, budget amendments as well as miscellaneous payment appropriations for the period (e.g. internal and external assigned revenue).



| TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2010 (in Mio €) | | | | | | | | |
|---|---|--------------------------------|---------------|---------------|-----------------|---|---|---|
| Chapter | | 2010 Commitments to be settled | | | | Commitments to be settled from financial years previous to 2010 | Total of Commitments to be settled at end of financial year 2010 (incl.corrections) | Total of Commitments to be settled at end of financial year 2009 (incl.corrections) |
| | | Commitments 2010 | Payments 2010 | RAL 2010 | % to be settled | | | |
| | | 1 | 2 | 3=1-2 | 4=1-2/1 | | | |
| Title 18 : Area of freedom, security and justice | | | | | | | | |
| 18 01 | Administrative expenditure of `Area of freedom, security and justice¿ policy area | 3,76 | 1,27 | 2,49 | 66,13 % | 0,00 | 2,49 | 0,76 |
| 18 02 | Solidarity ¿ External borders, return, visa policy and free movement of people | 435,58 | 194,63 | 240,95 | 55,32 % | 364,92 | 605,87 | 469,38 |
| 18 03 | Migration flows ¿ Common immigration and asylum policies | 227,43 | 110,64 | 116,78 | 51,35 % | 200,28 | 317,06 | 277,93 |
| 18 05 | Security and safeguarding liberties | 193,92 | 85,80 | 108,13 | 55,76 % | 96,80 | 204,92 | 158,47 |
| 18 07 | Drugs prevention and information | 15,00 | 15,00 | 0,00 | 0,00 % | 0,00 | 0,00 | 0,36 |
| 18 08 | Policy strategy and coordination | 1,89 | 0,67 | 1,21 | 64,34 % | 0,27 | 1,49 | 0,18 |
| Total Title 18 | | 877,58 | 408,02 | 469,56 | 53,51 % | 662,27 | 1 131,84 | 907,08 |
| Total DG HOME | | 877,58 | 408,02 | 469,56 | 53,51 % | 662,27 | 1 131,84 | 907,08 |

Breakdown of Commitments remaining to be settled (in Mio EUR)

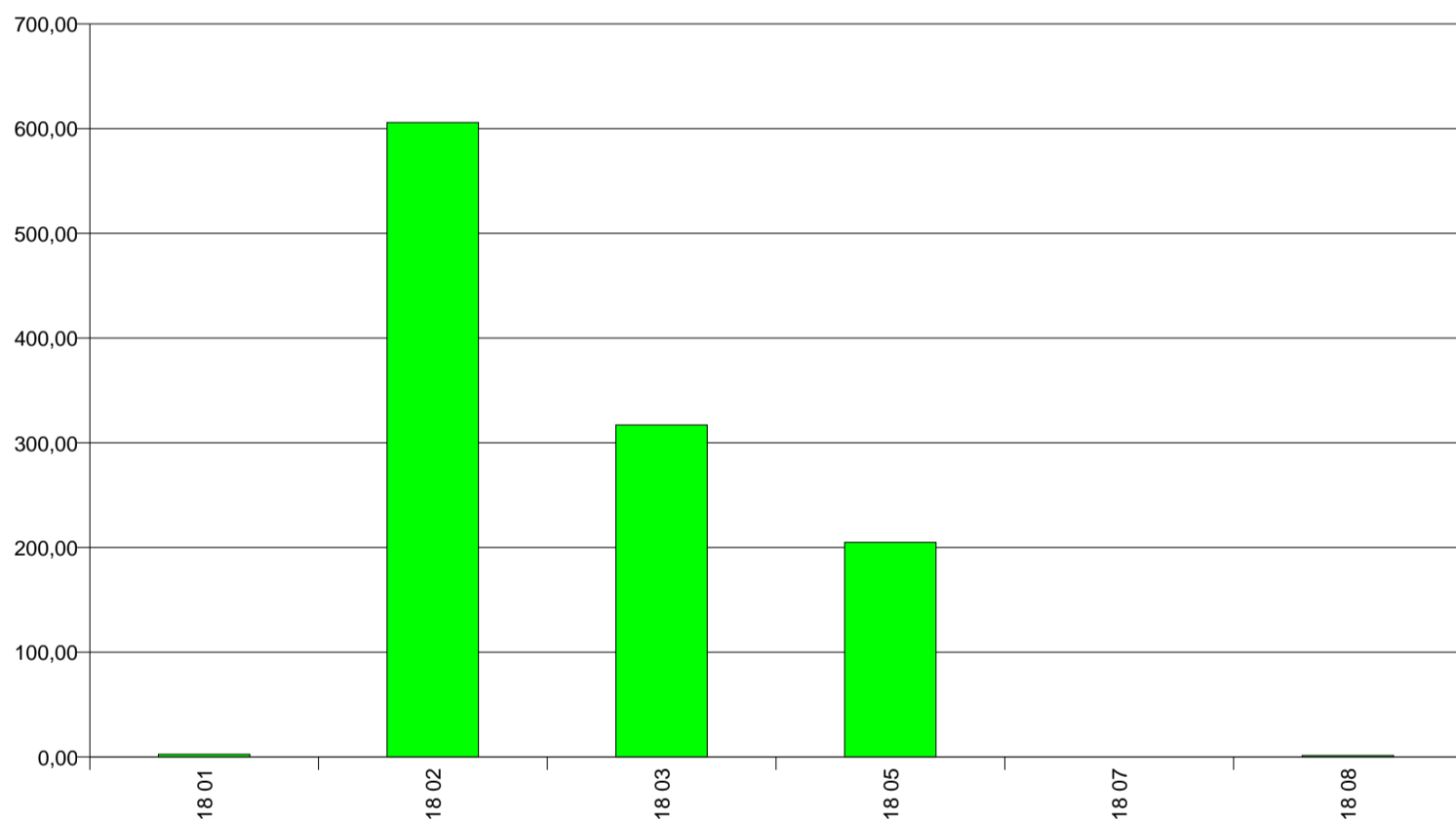


TABLE 4 : BALANCE SHEET HOME

| BALANCE SHEET | 2010 | 2009 |
|---|------------------------|-----------------------|
| A.I. NON CURRENT ASSETS | 37 487 102,06 | 201 180 044,17 |
| A.I.5. LT Pre-Financing | 37 487 102,06 | 201 180 044,17 |
| A.II. CURRENT ASSETS | 219 845 988,15 | 159 278 975,34 |
| A.II.2. Short-term Pre-Financing | 190 870 792,71 | 157 753 637,46 |
| A.II.3. Short-term Receivables | 28 975 195,44 | 1 525 337,88 |
| ASSETS | 257 333 090,21 | 360 459 019,51 |
| P.III. CURRENT LIABILITIES | -209 258 757,37 | -59 939 394,15 |
| P.III.4. Accounts Payable | -209 258 757,37 | -59 939 394,15 |
| LIABILITIES | -209 258 757,37 | -59 939 394,15 |
| | | |
| NET ASSETS (ASSETS less LIABILITIES) | 48 074 332,84 | 300 519 625,36 |
| | | |
| P.I.2. Accumulated Surplus / Deficit | 0,00 | 0,00 |
| | | |
| Non-allocated central (surplus)/deficit* | -32 887 111,66 | -300 519 625,36 |
| | | |
| TOTAL | 0,00 | 0,00 |

* This figure is a balancing amount presented here so as to reflect the fact that the accumulated result of the Commission is not attributed to each DG

It should be noted that the balance sheet and economic outturn account presented in Annex 3 to this Annual Activity Report, represent only the (contingent) assets, (contingent) liabilities, expenses and revenues that are under the control of this Directorate General. Significant amounts such as own resource revenues and cash held in Commission bank accounts are not included in this Directorate General's accounts since they are managed centrally by DG Budget, on whose balance sheet and economic outturn account they appear. Furthermore, since the accumulated result of the Commission is not split amongst the various Directorates General, it can be seen that the balance sheet presented here is not in equilibrium.

Additionally, the figures included in tables 4 and 5 are provisional since they are, at this date, still subject to audit by the Court of Auditors. It is thus possible that amounts included in these tables may have to be adjusted following this audit.

TABLE 5 : ECONOMIC OUTTURN ACCOUNT HOME

| ECONOMIC OUTTURN ACCOUNT | 2010 | 2009 |
|---|-----------------------|-----------------------|
| II.1 SURPLUS/ DEF. FROM OPERATING ACTIVT | 778 745 571,99 | 550 395 821,66 |
| II.1.1. OPERATING REVENUES | -49 231 905,10 | -1 089 923,14 |
| II.1.1.0. Own resource and contributions | -40 593 803,01 | -1 314 270,59 |
| II.1.1.1. Other operating revenue | -8 638 102,09 | 224 347,45 |
| II.1.2. OPERATING EXPENSES | 827 977 477,09 | 551 485 744,80 |
| II.1.2.1. Administrative Expenses | 78 933 219,78 | 4 146 828,11 |
| II.1.2.2. Operating Expenses | 749 044 257,31 | 547 338 916,69 |
| II.2. SURPLUS/DEF. NON OPERATING ACTIVIT | -336 583,73 | -205 540,31 |
| II.2. FINANCIAL OPERATIONS | -336 583,73 | -205 540,31 |
| II.2.1. Financial revenue | -371 559,21 | -261 695,67 |
| II.2.2. Financial expenses | 34 975,48 | 56 155,36 |
| ECONOMIC OUTTURN ACCOUNT | 778 408 988,26 | 550 190 281,35 |

It should be noted that the balance sheet and economic outturn account presented in Annex 3 to this Annual Activity Report, represent only the (contingent) assets, (contingent) liabilities, expenses and revenues that are under the control of this Directorate General. Significant amounts such as own resource revenues and cash held in Commission bank accounts are not included in this Directorate General's accounts since they are managed centrally by DG Budget, on whose balance sheet and economic outturn account they appear. Furthermore, since the accumulated result of the Commission is not split amongst the various Directorates General, it can be seen that the balance sheet presented here is not in equilibrium.

Additionally, the figures included in tables 4 and 5 are provisional since they are, at this date, still subject to audit by the Court of Auditors. It is thus possible that amounts included in these tables may have to be adjusted following this audit.

TABLE 6: AVERAGE PAYMENT TIME LIMITS FOR 2010 - DG HOME

| Legal Times | | | | | | | |
|------------------------------------|---------------------------------|--|-------------------|-------------------------------------|-----------------------------|-------------------|-------------------------------------|
| Maximum Payment Time (Days) | Total Number of Payments | Nbr of Payments within Time Limit | Percentage | Average Payment Times (Days) | Nbr of Late Payments | Percentage | Average Payment Times (Days) |
| 30 | 305 | 253 | 82,95 % | 18,68 | 52 | 17,05 % | 39,26 |
| 45 | 393 | 254 | 64,63 % | 20,92 | 139 | 35,37 % | 255,83 |
| 60 | 228 | 199 | 87,28 % | 21,65 | 29 | 12,72 % | 127,15 |
| 90 | 107 | 61 | 57,01 % | 40,17 | 46 | 42,99 % | 227,83 |
| 105 | 4 | | | | 4 | 100,00 % | 138,83 |

| | | | | | | | |
|---------------------------------|--------------|------------|----------------|--------------|------------|----------------|---------------|
| Total Number of Payments | 1037 | 767 | 73,96 % | | 270 | 26,04 % | |
| Average Payment Time | 66,66 | | | 21,90 | | | 193,80 |

| Target Times | | | | | | | |
|-----------------------------------|---------------------------------|---|-------------------|-------------------------------------|-----------------------------|-------------------|-------------------------------------|
| Target Payment Time (Days) | Total Number of Payments | Nbr of Payments within Target Time | Percentage | Average Payment Times (Days) | Nbr of Late Payments | Percentage | Average Payment Times (Days) |
| 20 | 243 | 201 | 82,72 % | 11,03 | 42 | 17,28 % | 37,13 |
| 30 | 731 | 422 | 57,73 % | 17,71 | 309 | 42,27 % | 201,37 |
| 75 | 59 | 17 | 28,81 % | 42,26 | 42 | 71,19 % | 228,51 |
| 90 | 4 | | | | 4 | 100,00 % | 138,83 |

| | | | | | | | |
|---------------------------------|--------------|------------|----------------|--------------|------------|----------------|---------------|
| Total Number of Payments | 1037 | 640 | 61,72 % | | 397 | 38,28 % | |
| Average Payment Time | 81,34 | | | 16,26 | | | 186,24 |

| Suspensions | | | | | | | |
|--|--|-------------------------------------|--------------------------|---------------------------------|-------------------------------------|--------------------------|--------------------------|
| Average Report Approval Suspension Days | Average Payment Suspension Days | Number of Suspended Payments | % of Total Number | Total Number of Payments | Amount of Suspended Payments | % of Total Amount | Total Paid Amount |
| 22 | 86 | 193 | 18,61 % | 1037 | 50 742 593,60 | 9,11 % | 557 272 136,89 |

| Late Interest paid in 2010 | | | |
|-----------------------------------|-------------------|---|---------------------|
| DG | GL Account | Description | Amount (Eur) |
| DG HOME | 65010000 | Interest expense on late payment of charges | 10 139,48 |
| DG HOME | 65010100 | Interest on late payment of charges New FR | 24 836,00 |
| | | | 34 975,48 |

TABLE 7 : SITUATION ON REVENUE AND INCOME IN 2010

| Chapter | Revenue and income recognized | | | Revenue and income cashed from | | | Outstanding balance | |
|---|--|----------------------|---------------------|--------------------------------|----------------------|-------------------|----------------------|----------------------|
| | Current year RO | Carried over RO | Total | Current Year RO | Carried over RO | Total | | |
| | 1 | 2 | 3=1+2 | 4 | 5 | 6=4+5 | | |
| Title 5: REVENUE ACCRUING FROM THE ADMINISTRATIVE OPERATION OF THE INSTITUTION | | | | | | | | |
| 52 | REVENUE FROM INVESTMENTS OR LOANS GRANTED, BANK AND OTHER INTEREST | 103 515,17 | 71,99 | 103 587,16 | 77 679,25 | 71,99 | 77 751,24 | 25 835,92 |
| | Total Title 5 | 103 515,17 | 71,99 | 103 587,16 | 77 679,25 | 71,99 | 77 751,24 | 25 835,92 |
| Title 6: CONTRIBUTIONS AND REFUNDS IN CONNECTION WITH COMMUNITY/EU AGREEMENTS AND PROGRAMMES | | | | | | | | |
| 63 | CONTRIBUTIONS UNDER SPECIFIC AGREEMENTS | 40 593 803,01 | 0,00 | 40 593 803,01 | 25 406 581,83 | 0,00 | 25 406 581,83 | 15 187 221,18 |
| 66 | OTHER CONTRIBUTIONS AND REFUNDS | 38 577 261,24 | 1 196 293,01 | 39 773 554,25 | 25 798 717,91 | 789 913,68 | 26 588 631,59 | 13 184 922,66 |
| | Total Title 6 | 79 171 064,25 | 1 196 293,01 | 80 367 357,26 | 51 205 299,74 | 789 913,68 | 51 995 213,42 | 28 372 143,84 |
| Title 9: MISCELLANEOUS REVENUE | | | | | | | | |
| 90 | MISCELLANEOUS REVENUE | -53 608,94 | 53 608,94 | 0,00 | -53 608,94 | 53 608,94 | 0,00 | 0,00 |
| | Total Title 9 | -53 608,94 | 53 608,94 | 0,00 | -53 608,94 | 53 608,94 | 0,00 | 0,00 |
| Total DG JLS | | 79 220 970,48 | 1 249 973,94 | 80 470 944,42 | 51 229 370,05 | 843 594,61 | 52 072 964,66 | 28 397 979,76 |

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

Annex 3 Financial Reports - DG HOME
Report printed on 29/03/2011

**TABLE 8 : RECOVERY OF UNDUE PAYMENTS
(Number of Recovery Contexts and corresponding Transaction Amount)**

| RECOVERY ORDERS ISSUED IN 2010 Year of Origin (commitment) | Error | | Irregularity | | No error / irregularity | | TOTALS | |
|--|-----------|-------------------|--------------|----------------------|----------------------------|---------------------|------------|----------------------|
| | Nbr | RO Amount | Nbr | RO Amount | Nbr | RO Amount | Nbr | RO Amount |
| 2004 | 1 | 11 363,16 | 5 | 539 322,59 | 3 | 567 813,53 | 9 | 1 118 499,28 |
| 2005 | 2 | 16 866,62 | 7 | 80 650,69 | 1 | 28 675,98 | 10 | 126 193,29 |
| 2006 | 3 | 421 245,78 | 19 | 21 123 694,82 | 21 | 2 477 881,26 | 43 | 24 022 821,86 |
| 2007 | 2 | 34 641,90 | 5 | 222 485,44 | 13 | 1 462 390,45 | 20 | 1 719 517,79 |
| 2008 | 2 | 47 316,19 | 3 | 38 784,75 | 16 | 809 900,54 | 21 | 896 001,48 |
| 2009 | | | 3 | 114 886,44 | 4 | 261 247,81 | 7 | 376 134,25 |
| No Link | 1 | 223 065,77 | 4 | 8 048 573,19 | 8 | 1 848 686,26 | 13 | 10 120 325,22 |
| | 11 | 754 499,42 | 46 | 30 168 397,92 | 66 | 7 456 595,83 | 123 | 38 379 493,17 |

EXPENSES

| | Nbr | Amount |
|--------------------------|-----|--------|
| INCOME LINES IN INVOICES | 0 | |

| | Error | | Irregularity | | No error / irregularity | |
|------------------------------------|-------|---------------------|--------------|---------------------|----------------------------|---------------------|
| | Nbr | Non-Eligible Amount | Nbr | Non-Eligible Amount | Nbr | Non-Eligible Amount |
| NON ELIGIBLE AMOUNT IN COST CLAIMS | 20 | 171 140,22 | 94 | 2 108 612,34 | 59 | 1 574 598,87 |

| | Error | | Irregularity | | No error / irregularity | |
|--------------|-------|--------------------|--------------|--------------------|----------------------------|--------------------|
| | Nbr | Credit Note Amount | Nbr | Credit Note Amount | Nbr | Credit Note Amount |
| CREDIT NOTES | 30 | -802 623,48 | 19 | -4 335 152,42 | 5 | -8 060,56 |

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors. The provisional closure will be based on the recovery context situation at 28/02/2011.

TABLE 9: AGEING BALANCE OF RECOVERY ORDERS AT 31/12/2010 FOR HOME

| Year of Origin | Number at 01/01/2010 | Number at 31/12/2010 | Evolution | Open Amount (Eur) at 30/09/2010 | Open Amount (Eur) at 31/12/2010 | Evolution |
|-----------------------|-----------------------------|-----------------------------|------------------|--|--|------------------|
| 1999 | 1 | 1 | 0,00 % | 55 851,60 | 55 851,60 | 0,00 % |
| 2000 | 1 | 1 | 0,00 % | 16 442,10 | 16 442,10 | 0,00 % |
| 2004 | 2 | 1 | -50,00 % | 76 018,64 | 42 757,00 | -43,75 % |
| 2008 | 1 | 1 | 0,00 % | 128 250,00 | 128 250,00 | 0,00 % |
| 2009 | 5 | 5 | 0,00 % | 179 520,73 | 179 520,73 | 0,00 % |
| 2010 | 13 | 18 | 38,46 % | 1 145 518,74 | 27 991 600,43 | 2343,57 % |
| Totals | 23 | 27 | 17,39 % | 1 601 601,81 | 28 414 421,86 | 1674,13 % |

TABLE 10 : RECOVERY ORDER WAIVERS IN 2010 >= EUR 100.000

| | Waiver Central Key | Linked RO Central Key | RO Accepted Amount (Eur) | LE Account Group | Commission Decision | Comments |
|--|--------------------|-----------------------|--------------------------|------------------|---------------------|----------|
|--|--------------------|-----------------------|--------------------------|------------------|---------------------|----------|

| | |
|---------------|--|
| Total DG HOME | |
|---------------|--|

| | |
|----------------------|---|
| Number of RO waivers | 0 |
|----------------------|---|

J u s t i f i c a t i o n s :

No data to be reported

TABLE 11 : CENSUS OF NEGOTIATED PROCEDURES - DG HOME - YEAR 2010

Contracts > 60.000

| Negotiated Procedure Legal base | Number of Procedures | Amount (€) |
|---------------------------------|----------------------|-------------------|
| Art. 127 1a | 1 | 484 800,00 |
| Total | 1 | 484 800,00 |

| Titre | Proc | ABAC contrats | Remarque | Montant |
|--|------|---------------------|---------------------|----------------------|
| Additional training and exercise on crisis management" JLS/2009/ISEC/PR/005/-F1 | N | 30-CE-0339949/00-69 | Actuellemnt sur JLS | 219 940,00 |
| Extension d'une année du Contrat avec la France - formation du personnel pour la gestion du programme SIS II, VIS et BMS | N | 36-CE-0180109/05-32 | SI2.529050 | 2 505 954,61 |
| Negotiated procedure JLS-C2-2009-07 "SIS II Project Services and POCs" | N | 36-CE-0009271/11-63 | SI2.566170 | 5 351 178,00 |
| SIS II Additional Features VII | N | 36-CE-0009271/12-64 | SI2.578861 | 2 799 878,00 |
| SIS II Final Delta | N | 34-CE-0009271/15-11 | SI2.581623 | 34 950 000,00 |
| | | | Total | 45 826 950,61 |

TABLE 12 : SUMMARY OF PROCEDURES OF DG HOME EXCLUDING BUILDING CONTRACTS

| Internal procedures > € 60,000 | 2009 | | 2010 | |
|---|--------------|---------------------|--------------|----------------------|
| Contract Class | Count | Amount (€) | Count | Amount (€) |
| Service | 22 | 4 673 758,00 | 13 | 50 934 514,61 |
| TOTAL | 22 | 4 673 758,00 | 13 | 50 934 514,61 |
| Procedure Type | Count | Amount (€) | Count | Amount (€) |
| Direct Agreement | 4 | 200 000,00 | | |
| Negotiated Procedure after publication of a contract notice Art. 127 IR | | | 6 | 46 311 750,61 |
| Negotiated Procedure with at least one candidate (Art 129.3 IR) | 3 | 2 223 758,00 | | |
| Negotiated Procedure without publication of a contract notice Art. 126 IR | 1 | | | |
| Open Procedure (Art. 122.2 IR) | 13 | | 6 | 2 122 764,00 |
| Payment against invoices (Art. 129.4 IR) | 1 | 2 250 000,00 | | |
| Restricted Procedure(Art. 122.2 IR) | | | 1 | 2 500 000,00 |
| TOTAL | 22 | 4 673 758,00 | 13 | 50 934 514,61 |

| External procedures > € 10,000 |
|--|
| Contract Class |
| TOTAL |
| |
| Procedure Type |
| TOTAL |

Additional comments

TABLE 13 : BUILDING CONTRACTS

| | |
|------------------------------------|----------|
| Total number of contracts : | 0 |
| Total amount : | |

| Legal base | Contract Number | Contractor Name | Description | Amount (€) |
|-------------------|------------------------|------------------------|--------------------|-------------------|
|-------------------|------------------------|------------------------|--------------------|-------------------|

No data to be reported

TABLE 14 : CONTRACTS DECLARED SECRET

| | |
|------------------------------------|----------|
| Total Number of Contracts : | 0 |
| Total amount : | |

| Legal base | Contract Number | Contractor Name | Type of contract | Description | Amount (€) |
|-------------------|------------------------|------------------------|-------------------------|--------------------|-------------------|
|-------------------|------------------------|------------------------|-------------------------|--------------------|-------------------|

No data to be reported

JLS-HOME

| | | Table 1 | | Table 2 | | Table 3 | |
|--------|-------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-------------------------|
| Chapit | DG Ord | CE Total Crédits aut | CE Total Exécution | CP Total Crédits aut | CP Total Exécution | RAL initial | RAL Total final |
| 18 01 | HOME | 3 914 906,46 | 3 764 138,82 | 4 675 036,96 | 1 955 798,46 | 760 130,50 | 2 489 193,40 |
| 18 02 | | 469 707 988,14 | 431 963 644,97 | 319 420 377,73 | 269 297 580,57 | 466 294 703,05 | 605 874 611,35 |
| 18 03 | | 237 244 340,65 | 227 425 146,16 | 159 413 788,53 | 152 717 099,91 | 265 605 578,04 | 317 062 410,98 |
| 18 05 | | 197 109 220,72 | 193 890 269,24 | 143 824 566,53 | 123 014 862,46 | 157 359 922,71 | 204 920 793,62 |
| 18 07 | | 3 978 013,51 | 3 720 000,00 | 3 947 166,13 | 3 720 000,00 | 0,00 | 0,00 |
| 18 08 | | 2 664 313,33 | 1 888 217,75 | 1 492 209,61 | 822 959,21 | 179 503,21 | 1 244 761,75 |
| | HOME | 914 618 782,81 | 862 651 416,94 | 632 773 145,49 | 551 528 300,61 | 890 199 837,51 | 1 131 591 771,10 |

| | | Table 1 | | Table 2 | | Table 3 | |
|--------|------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------|
| Chapit | DG Ord | CE Total Crédits aut | CE Total Exécution | CP Total Crédits aut | CP Total Exécution | RAL initial | RAL Total final |
| 18 01 | JLS | 73 255,66 | 68 832,98 | 370 080,94 | 316 785,44 | | |
| 18 02 | | 3 619 246,14 | 3 619 246,14 | 5 348 059,04 | 5 348 059,04 | 3 089 448,43 | 0,00 |
| 18 03 | | 0,00 | 0,00 | 3 805 858,11 | 3 805 858,11 | 12 320 141,79 | 0,00 |
| 18 05 | | 31 391,42 | 31 391,42 | 363 624,72 | 363 624,72 | 1 111 280,70 | 0,00 |
| 18 07 | | 11 280 000,00 | 11 280 000,00 | 11 642 000,00 | 11 642 000,00 | 362 000,00 | 0,00 |
| 18 08 | | 0,00 | 0,00 | 919 965,00 | 919 965,00 | | |
| | JLS | 15 003 893,22 | 14 999 470,54 | 22 449 587,81 | 22 396 292,31 | 16 882 870,92 | 0,00 |

| | | | | | | | |
|--|-------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-------------------------|
| | Sum: | 929 622 676,03 | 877 650 887,48 | 655 222 733,30 | 573 924 592,92 | 907 082 708,43 | 1 131 591 771,10 |
|--|-------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-------------------------|

| Table 6 Target times | | |
|----------------------|-------------|-------------|
| Pay Workflow | Pay Time | Pay Reque |
| HOME | | 539 |
| JLS | | 498 |
| | Sum: | 1037 |

| Table 6 Suspensions | | |
|---------------------|--------------|---------------|
| Pay Workflow | v_count_susp | |
| HOME | | 91,00 |
| JLS | | 102,00 |
| | Sum: | 193,00 |

| Table 7 Income | | | | | |
|----------------------|-------------------|----------------------|----------------------|----------------------|--|
| Chapitre Officiel AB | Fund Management C | OR | Recettes | RAR | |
| 52 | HOME | 72 337,68 | 46 501,76 | 25 835,92 | |
| 63 | | 17 149 827,56 | 1 962 606,38 | 15 187 221,18 | |
| 66 | | 27 164 960,25 | 14 200 216,34 | 12 964 743,91 | |
| | HOME | 44 387 125,49 | 16 209 324,48 | 28 177 801,01 | |

| Table 7 Income | | | | | |
|----------------------|-------------------|----------------------|----------------------|-------------------|--|
| Chapitre Officiel AB | Fund Management C | OR | Recettes | RAR | |
| 52 | JLS | 31 249,48 | 31 249,48 | 0,00 | |
| 63 | | 23 443 975,45 | 23 443 975,45 | 0,00 | |
| 66 | | 12 608 594,00 | 12 388 415,25 | 220 178,75 | |
| 90 | | 0,00 | 0,00 | 0,00 | |
| | JLS | 36 083 818,93 | 35 863 640,18 | 220 178,75 | |

| Table 8 RC RO | | |
|---------------|---------------------|---------------|
| RO Wor | RO Initial Accepted | v_RC_count |
| HOME | 17 463 041,54 | 47,00 |
| JLS | 20 916 451,63 | 76,00 |
| | Sum: | 123,00 |

| Table 8 RC INV | | |
|----------------|-----------------|---------------|
| Inv Wor | Invoice Local I | |
| HOME | 60,00 | 116 109,18 |
| JLS | 119,00 | 902 282,54 |
| | Sum: | 179,00 |

| Table 8 RC CN | | | |
|---------------|----------------------|--------------|--|
| Credit N | Credit Note Net Amou | v_RC_CN | |
| HOME | -3 552 816,89 | 18,00 | |
| JLS | -1 593 019,57 | 36,00 | |
| | Sum: | 54,00 | |

| Table 9 Ageing Balance | | |
|------------------------|-------------|-------------------|
| FMC Com Authorisii | RO Count | RO Open Amount (E |
| HOME | 21,00 | 28 177 801,01 |
| JLS | 6,00 | 236 620,85 |
| | Sum: | 27,00 |

ANNEX 4

MATERIALITY CRITERIA

4(a) Shared management

- Assessment of the management and control systems in the Member States
- Assessment of the risk
- Materiality criteria

4(b) Direct management – grants

- The methodology for measuring the residual amount at risk
- ABB 18 02
- ABB 18 03
- ABB 18 05

Annex 4(a) – Shared management

Assessment of the management and control systems in the Member States

The process used to establish the final opinion of the Director General on the assurance provided by the management & control systems set up by the Member States is based on:

- an *audit opinion* (from DG Home Affairs auditors)
- an *operational opinion* from the Authorizing Officer by Sub delegation

The *audit opinion* is based on the identification of any deficiency, and if so, whether they were significant. The following factors were taken into account in determining whether the weaknesses were significant:

- Whether the deficiency relates to one or more key control elements,
- The number of such deficiencies,
- The duration of such deficiencies,
- The existence of compensatory measures at national level which effectively reduce the risk,
- The actions taken by the Member State to correct deficiencies and the timetable for their completion.

The assessment is based on the audit work of DG Home auditors (desk reviews, audit missions, review of audit strategies), the results of the analysis of the annual audit reports of the Member States as part of the annual closure and information from audit reports received from the national audit authorities. Where available, DG Home Affairs auditors also took into account in their evaluation information on error rates. In general, error rates reported by national audit authorities are not based on statistically representative samples, but frequently result from a risk-based selection of operations. They are therefore taken into account as one of the indicators of the effective functioning of systems and high error rates are followed up.

As a consequence, the *audit opinion* is based on the level of functioning of the key elements of the system according to the following four categories: *works well, minor improvements required; works, some improvements required; works, substantial improvements required; does not work*. There is a *disclaimer* (i.e. no *audit opinion*) in the cases where there is no reliable audit evidence. This concerns systems which have not been audited by DG Home Affairs, or by other audit bodies on whose work it would be possible to rely.

The Authorizing Officers by sub-delegation (AOS) subsequently prepared a contribution to the management assurance taking into account the information included in the annual summaries and any other information at their disposal: outcome of monitoring visits, programme implementation, progress reports and closure/final report review. This *operational opinion* contains their own judgement on the appropriateness of management & control systems in the Member States, and any identified risk which ought to be disclosed in the Annual Activity Report or give rise to a reservation to the declaration of assurance.

Based on both the *audit opinion* and the *operational opinion* of the Authorizing Officers by Sub-delegations, an *overall management opinion* was drafted during the course of a shared management weekly meeting¹ and validated by the Director General who further checked the

¹ The shared management weekly meeting is chaired by DG Home Affairs auditors. The AOS for the management of the Four Funds (or their deputies) attend these meetings together with other key staff members (Funds coordinators, experienced auditors, etc.). The objective of these meetings is to ensure an effective and

Annex 4(a) – Shared management

quality and the consistency of the different opinions, agreed on the proposed conclusions, and ensured that no developments during the first quarter of the current year could have a consequence on the overall management opinion.

The final assessment of the systems led to a classification of all programmes in the following four categories: *reasonable assurance*, *qualified assurance with moderate impact*, *qualified assurance with significant impact*, and *no assurance*.

A *reasonable assurance* means that there are no material deficiencies in key elements of the systems.

A *qualified opinion* means that material deficiencies exist in key elements of the system. Where it has been concluded that the impact is *moderate*, it means that the risk for payment is low for the years covered by this Annual Activity Report. Where it has been concluded that the impact is *significant*, this indicates a medium risk for payments for the year covered by this Annual Activity Report.

A *no assurance* means that there are material deficiencies in key elements of the systems so that no reasonable assurance has been obtained on the functioning of those systems, and the risk for payments in the year covered by this Annual Activity Report is high.

For cases where no *audit opinion* (disclaimer) was given because of an absence of reliable audit evidence on the functioning of the systems, it has been taken into account whether the set up of the systems has been considered satisfactory.

Assessment of risk

For the assessment of risk, a judgment is made based on the estimated level of financial correction which would be applicable for the system deficiencies identified.

For programmes where the final opinion is *reasonable assurance*, the risk for payments made in the year covered by this Annual Activity Report is estimated at less than 2% (very low risk).

For programmes or systems where the final opinion is *reasonable assurance with moderate impact*, the risk for payments made in the year covered by this Annual Activity Report is estimated at less than 5% (low risk), i.e. at 2%.

For programmes or systems where the final opinion is *limited assurance with significant impact*, the risk for payments made in the year covered by this Annual Activity Report is estimated at 5% (medium risk).

For programmes or systems where the final opinion is *no assurance*, the risk for payments made in the year covered by this Annual Activity Report is estimated at 10% or above (high risk).

efficient management of the Four Funds on a day-to-day basis, notably by exchanging key information among the different key players.

Annex 4(a) – Shared management

Materiality Criteria

The term “significant deficiencies” means that deficiencies detected in the management and control systems concern key control elements and, having regard to relevant factors such as the number and duration of the deficiencies, the importance of the systems affected and whether or not there have been compensatory measures or corrective actions, it is concluded that they are systemic and wide-ranging.

In line with the approach taken for previous annual activity reports, DG Home Affairs has considered that for all programmes or systems for which the opinion is "*limited assurance with significant impact*" or "*no assurance*", the deficiencies should be considered as "significant deficiencies" unless there is reliable audit evidence that an action plan to remedy the weaknesses and correct the risk of irregular expenditure is being implemented effectively by the national authorities and first results have been produced.

In addition DG Home Affairs assesses whether the deficiencies give rise to special factors which put at risk the reputation of Community institutions (e.g. the fundamental incapacity of a Member State to deliver remedial measures, risk of widespread fraud).

If the assessment leads to the conclusion that a deficiency is significant, a quantification of the risk is carried out.

STEP 1: Identify the expenditure “*population*” in which the risk occurs:

The population is defined as being the sum of payments made by DG Home Affairs in the year covered by the Annual Activity Report in relation to the annual programmes in the Member State managed under the systems in which the deficiencies have been identified.

STEP 2: Estimate the maximum percentage of the expenditure in that “*population*” which might finally be determined to be irregular. This will normally consist in applying the scales as defined in the previous section (assessment of risk).

STEP 3: Quantify the actual amount of payments for the Fund and year concerned which are estimated to be at risk.

STEP 4: Relate the sum of such amounts for all instances of significant deficiencies to the total payments under the ABB activity for the year concerned.

Reservations should be made in respect of significant deficiencies in the systems in the Member States where the resulting risk to the Community budget is material. Following the approach set out, this means reservations are made in the following cases:

- Where examination of the qualitative aspects leads to a finding of a significant deficiency and the sum of the amounts quantified as “*at risk*” exceeds 2 % of the total payments made for the year in question under the ABB activity.
- Where there are special factors in relation to the qualitative aspects of the deficiencies or a high level of risk for the budget for a number of preceding years, which give rise to a high reputational risk for the Community institutions.

For 2010, the amounts quantified at risk are below the 2% materiality threshold for all Four Funds. As well, DG Home Affairs did not identify any reputational risk. Therefore, no reservation is to be drafted as regards the management of the Four Funds.

Annex 4(b): Direct management – the methodology for measuring the residual amount at risk

For the actions implemented under the direct management mode, the assurance is based on the capacity of the control system to detect significant and/or repetitive deficiencies. This control system is composed of different building blocks: supervision of operations, ex-ante controls,, audits from the Internal Audit Capacity and/or the Internal Audit Service and ex-post controls.

Therefore, the assessment of the residual risk not detected by this control system needs to be carried out through an analysis of the accumulated results of the ex-post audits. Since 2008, DG Home Affairs (former DG JLS) has developed a 4-step methodology in view of measuring the residual amount at risk for payments made within the reporting year. Following this methodology, a rate of potentially undetected errors is determined for each programme/year of the auditable population, summed up and compared to the payments made in the reporting year.

STEP 1: Analysis of the errors detected during ex-post controls

For 2010, as for previous reporting years, the main reason for ineligible costs is the lack of (adequate) supporting documentation (more than 50%), in particular for staff costs (pay slips, timesheets, etc.), as well as costs not foreseen in the budget (but linked to the project) or incurred outside of the eligibility period (10% in total). Efforts were made by the Authorizing Officers by Sub-delegations (as from January 2010) to analyse and better document requests for changes in the budget introduced by the beneficiary.

One important characteristic noted in relation to the ineligible costs is that in 50% of the cases, they related to expenditure incurred by partners. To address this issue, DG Home Affairs has introduced in 2009 a multi-beneficiary contract model which clearly sets out the obligations of all beneficiaries. As compared to the mono-beneficiary contracts with partners used before, where obligations of partners were not set out and signed agreements between the beneficiary and its partners were often missing, the new contract model introduced should significantly decrease the risk on non eligible expenditure due to the lack of (adequate) supporting documentation.

In qualitative terms, the weaknesses identified are not significant. The nature and scope of the weakness are well known by DG Home Affairs financial managers and as previously explained actions have been taken to correct them. The impact of such measures will be further assessed in 2011, when the ex-post controls of the multi-beneficiary grants will have started. In the meantime, the overall risk is reduced by the fact that the ex-post coverage is quite high for a given programme (between 15 and 20% as a general rule¹) and thus errors are detected and corrected.

In quantitative terms, the raw result of the audits carried out and finalised in 2010 (error rate of 1%) cannot be directly extrapolated to the whole population of grants for which a final payment was made in 2010.

- The ex-post control sector applies a "detection strategy", aimed at detecting a maximum of anomalies. Therefore the audits are carried out on sample of projects selected on the basis of a risk analysis and the error rates identified during these controls are often high but not representative.
- The auditable population is composed of final payments related to closed grants under programmes that are not fully comparable with the population of payments incurred in 2010 (mainly pre-financings of newer programmes)

¹ This figure is only known once the 5 years after the final payment are over.

Annex 4(b): Direct management – the methodology for measuring the residual amount at risk

STEP 2: Definition of the remaining auditable population:

The main following assumptions are considered:

- For grants signed in year N, payments are made in year N+2,
- Payments are on average 80% of the funds committed,
- The auditable population of the year 2010 includes all non audited grants for which a final payment has been made in the last 5 years, i.e. all grants that have not been audited yet and that were concluded between 2003 and 2007.

Indeed, the ex-post audit sector in DG Home Affairs applies a rolling process over 5 years and the full result of the control strategy is only visible after the end of the 5 years period.

STEP 3: Determination of a level of residual error per each auditable programme/year:

Based on the audit coverage per program (cumulated since 2003) and on the error rate observed in the sample audited, an average error rate from 2% to 10% is allocated to the non audited population. For programmes that have not been audited yet or for which audit coverage is low, the assessment is based on the auditors' experience regarding similar programmes (complexity, types of beneficiaries, etc.) and as a prudent rule, fixed to 6%. For each year of the program, the total amount at risk of the auditable population is then determined.

STEP 4: Amount at risk for 2010

The audit approach is multi-annual i.e. audits can be carried out 5 years after the final payment. This implies that the total amount at risk for each programme/year is spread over 5 years. In order to reflect this situation, the amount at risk established for each year of each program is divided by the remaining years where audit is still possible (e.g. programmes 2003 are only auditable in 2010 so the remaining risk is fully allocated to 2010, whereas programmes 2007 can still be audited during 5 years, hence only 20% of the risk is allocated to 2010).

The total amount obtained is divided by the amount of payments made under the same ABB activity to calculate the estimated residual error rate.

Conclusion: for 2010, the estimated amount at risk within the non-audited population of direct managed grants in DG Home Affairs reaches a 0,12% level for ABB 18 02, a 0,91% level for ABB 18 03 and a 1,28% level for ABB 18 05, showing similar patterns with a limited standard deviation. In both cases, the residual risk is below the materiality threshold of 2% and therefore considered not material.

A detailed analysis per programme is provided in the next pages.

| 1802 | RETURN | Ex-post coverage | | Sample | Estimated max error rate | Non audited population | Total maximum amount at risk | Remaining years to audit the programme after 2010 | Amount potentially at risk for 2010 |
|------|--------|------------------|--------|------------|--------------------------|------------------------|------------------------------|---|-------------------------------------|
| | | Value | Volume | Error rate | | | | | |
| | 2005 | 32% | 22% | 0% | 4% | 6.672.653 | 266.906 | 2 | 88.969 |
| | 2006 | 5% | 5% | 0% | 4% | 8.988.000 | 359.520 | 3 | 89.880 |
| | | | | | | 15.660.653 € | 626.426 € | | 178.849 € |

| 1802 | EBF | Ex-post coverage | | Sample | Estimated max error rate | Non audited population | Total maximum amount at risk | Remaining years to audit the programme after 2010 | Amount potentially at risk for 2010 |
|------|------|------------------|--------|------------|--------------------------|------------------------|------------------------------|---|-------------------------------------|
| | | Value | Volume | Error rate | | | | | |
| | 2007 | 0% | 0% | n/a | 6% | 5.682.712 | 340.963 | 4 | 85.241 |
| | | | | | | 5.682.712 € | 340.963 € | | 85.241 € |

| 1802 | MSIA | Ex-post coverage | | Sample | Estimated max error rate | Non audited population | Total maximum amount at risk | Remaining years to audit the programme after 2010 | Amount potentially at risk for 2010 |
|------|------|------------------|--------|------------|--------------------------|------------------------|------------------------------|---|-------------------------------------|
| | | Value | Volume | Error rate | | | | | |
| | 2007 | 32% | 7% | 0% | 4% | 7.648.180 | 305.927 | 4 | 76.482 |
| | | | | | | 7.648.180 € | 305.927 € | | 76.482 € |

Total amount at risk in 2010 for ABB 18 02 **340.571 €**

Total payments made in 2010 for ABB 18 02 **274.645.639,61 €**

0,12%

* The remaining years to audit the programme are by default based on the legal agreement (i.e. an ex-post control can be performed up to 5 years after final payment) Nevertheless, considering the risks involved, management can decide not to audit such programmes any more In such cases, the "remaining years" are equal to 0

| 1803 | EMN | Ex-post coverage | | Sample | Estimated max error rate | Non audited population | Total maximum amount at risk | Remaining years to audit the programme after 2010 | Amount potentially at risk for 2010 |
|----------------|------|------------------|--------|------------|--------------------------|------------------------|------------------------------|---|-------------------------------------|
| | | Value | Volume | Error rate | | | | | |
| | 2003 | 28% | 22% | 2% | 2% | 466.964 | 9.339 | 0 | 9.339 |
| | 2004 | 16% | 25% | 5% | 2% | 570.446 | 11.409 | 0 | 11.409 |
| | 2005 | 14% | 11% | n/a | 6% | 762.203 | 45.732 | 0 | 45.732 |
| | | | | | | 1.799.613 € | 66.480 € | 66.480 € | |
| 1803 | INTI | Ex-post coverage | | Sample | Estimated max error rate | Non audited population | Total maximum amount at risk | Remaining years to audit the programme after 2010 | Amount potentially at risk for 2010 |
| | | Value | Volume | Error rate | | | | | |
| | 2003 | 52% | 47% | 19% | 10% | 1.516.440 | 151.644 | 0 | 151.644 |
| | 2004 | 41% | 45% | 10% | 6% | 2.818.309 | 169.099 | 0 | 169.099 |
| | 2005 | 20% | 20% | 7% | 6% | 2.743.161 | 164.590 | 0 | 164.590 |
| | 2006 | 0% | 0% | n/a | 2% | 3.115.376 | 62.308 | 4 | 12.462 |
| | | | | | | 10.193.286 € | 547.640 € | 497.794 € | |
| 1803 | ARGO | Ex-post coverage | | Sample | Estimated max error rate | Non audited population | Total maximum amount at risk | Remaining years to audit the programme after 2010 | Amount potentially at risk for 2010 |
| | | Value | Volume | Error rate | | | | | |
| | 2003 | 44% | 14% | 1% | 2% | 996.520 | 19.930 | 0 | 19.930 |
| | 2004 | 23% | 22% | 58% | 2% | 7.028.460 | 140.569 | 0 | 140.569 |
| | 2005 | 22% | 19% | 4% | 2% | 3.187.117 | 63.742 | 0 | 63.742 |
| | 2006 | 13% | 11% | 6% | 2% | 4.121.081 | 82.422 | 0 | 82.422 |
| | | | | | | 15.333.178 € | 306.664 € | 306.664 € | |
| 1902 "1803" | HLWG | Ex-post coverage | | Sample | Estimated max error rate | Non audited population | Total maximum amount at risk | Remaining years to audit the programme after 2010 | Amount potentially at risk for 2010 |
| | | Value | Volume | Error rate | | | | | |
| | 2003 | 25% | 25% | 6% | 2% | 11.779.027 | 235.581 | 0 | 235.581 |
| | | | | | | 11.779.027 € | 235.581 € | 235.581 € | |
| 1803 | ERF | Ex-post coverage | | Sample | Estimated max error rate | Non audited population | Total maximum amount at risk | Remaining years to audit the programme after 2010 | Amount potentially at risk for 2010 |
| | | Value | Volume | Error rate | | | | | |
| | 2003 | 71% | 55% | 21% | 10% | 483.999 | 48.400 | 0 | 48.400 |
| | 2004 | 16% | 21% | 44% | 10% | 1.413.898 | 141.390 | 0 | 141.390 |
| | 2005 | 30% | 33% | 0% | 4% | 951.371 | 38.055 | 0 | 38.055 |
| | 2006 | 36% | 20% | n/a | 6% | 855.787 | 51.347 | 0 | 51.347 |
| | 2007 | 0% | 0% | n/a | 6% | 3.320.077 | 199.205 | 4 | 39.841 |
| | | | | | | 7.025.133 € | 478.396 € | 279.192 € | |
| 1803 | EIF | Ex-post coverage | | Sample | Estimated max error rate | Non audited population | Total maximum amount at risk | Remaining years to audit the programme after 2010 | Amount potentially at risk for 2010 |
| | | Value | Volume | Error rate | | | | | |
| | 2007 | 0% | 0% | n/a | 6% | 3.122.306 | 187.338 | 4 | 37.468 |
| | | | | | | 3.122.306 € | 187.338 € | 37.468 € | |

Total amount at risk for ABB 18 03 **1.423.178 €**

Total payments made for ABB 18 03 **156.522.958,02 €**

0,91%

* The remaining years to audit the programme are by default based on the legal agreement (i.e. an ex-post control can be performed up to 5 years after final payment)
Nevertheless, considering the risks involved, management can decide not to audit such programmes any more
In such cases, the "remaining years" are equal to 0

| | | | | | | | | | |
|---|------------------------|-------------------------|---------------|-------------------|---------------------------------|-------------------------------|-------------------------------------|--|--|
| 1805 | AGIS | Ex-post coverage | | Sample | Estimated max error rate | Non audited population | Total maximum amount at risk | Remaining years to audit the programme after 2010 | Amount potentially at risk for 2010 |
| | | Value | Volume | Error rate | | | | | |
| | 2003 | 24% | 19% | 17% | 8% | 5.517.591 | 441.407 | 0 | 441.407 |
| | 2004 | 15% | 11% | 12% | 6% | 9.418.719 | 565.123 | 1 | 282.562 |
| | 2005 | 13% | 13% | 1% | 2% | 9.104.060 | 182.081 | 2 | 60.694 |
| | 2006 | 11% | 11% | 0% | 2% | 10.567.631 | 211.353 | 3 | 52.838 |
| 34.608.000 € | | | | | | 1.399.964 € | 837.501 € | | |
| 1805 | VICT | Ex-post coverage | | Sample | Estimated max error rate | Non audited population | Total maximum amount at risk | Remaining years to audit the programme after 2010 | Amount potentially at risk for 2010 |
| | | Value | Volume | Error rate | | | | | |
| | 2004 | 8% | 20% | 0% | 2% | 726.939 | 14.539 | 0 | 14.539 |
| | 2005 | 8% | 14% | 21% | 6% | 842.279 | 50.537 | 0 | 50.537 |
| | 2006 | 0% | 0% | n/a | 6% | 1.287.406 | 77.244 | 0 | 77.244 |
| 2.856.624 € | | | | | | 142.320 € | 142.320 € | | |
| 1805 | FIGHT TERRORISM | Ex-post coverage | | Sample | Estimated max error rate | Non audited population | Total maximum amount at risk | Remaining years to audit the programme after 2010 | Amount potentially at risk for 2010 |
| | | Value | Volume | Error rate | | | | | |
| | 2006 | 15% | 9% | 0% | 2% | 2.707.181 | 54.144 | 2 | 18.048 |
| | 2007 | 0% | 0% | n/a | 6% | 2.751.429 | 165.086 | 3 | 41.271 |
| 5.458.610 € | | | | | | 219.229 € | 59.319 € | | |
| 1805 | ISEC | Ex-post coverage | | Sample | Estimated max error rate | Non audited population | Total maximum amount at risk | Remaining years to audit the programme after 2010 | Amount potentially at risk for 2010 |
| | | Value | Volume | Error rate | | | | | |
| | 2007 | 1% | 4% | 28% | 10% | 23.801.284 | 2.380.128 | 4 | 476.026 |
| 23.801.284 € | | | | | | 2.380.128 € | 476.026 € | | |
| 1805 | CIPS | Ex-post coverage | | Sample | Estimated max error rate | Non audited population | Total maximum amount at risk | Remaining years to audit the programme after 2010 | Amount potentially at risk for 2010 |
| | | Value | Volume | Error rate | | | | | |
| | 2007 | 0% | 0% | n/a | 6% | 5.569.325 | 334.159 | 4 | 66.832 |
| 5.569.325 € | | | | | | 334.159 € | 66.832 € | | |
| Total amount at risk in 2010 for ABB 18 05 | | | | | | | | | 1.581.998 € |
| Total payments made in 2010 for ABB 18 05 | | | | | | | | | 123.378.487,18 € 1,28% |

* The remaining years to audit the programme are by default based on the legal agreement (i.e. an ex-post control can be performed up to 5 years after final payment)
Nevertheless, considering the risks involved, management can decide not to audit such programmes any more
In such cases, the "remaining years" are equal to 0