REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL

Sixth bi-annual report on the functioning of the Schengen area
1 May - 31 October 2014
1. **INTRODUCTION**

As announced by the Commission on 16 September 2011 in its Communication on strengthening Schengen governance\(^1\) and supported by the Council on 8 March 2012, the Commission submits bi-annual reports to the European Parliament and to the Council on the functioning of the Schengen area. This sixth report covers the period 1 May - 31 October 2014.

2. **SITUATIONAL PICTURE**

2.1. **Situation at the Schengen external borders**

The reporting period has been characterised by two main developments. Firstly, continuing migration across the Mediterranean to Europe, which reached its peak during the summer months and continued to claim lives. Secondly, by significant movement within the Schengen area of persons arriving in Italy and seeking to go to other Member States.

The overall number of detections of irregular border crossings has increased significantly over the reporting period (May-October 2014). This increase can be attributed to an unprecedented number of detections reported by Italy (nearly six times more detections by Italy in May-July 2014 compared to the same period the year before\(^2\)). In total\(^3\), there were 81 270 detections during the first three months of the reporting period (May-July 2014, i.e. the months for which the data were available at the time of writing). This is over 2.5 times more than during the same months in 2013, when this figure was 31 406 and even higher than during the same period in 2011.

Italy reported by far the highest number of apprehensions in May-July 2014, followed by Greece. Main nationalities of the persons detected during those three months were Syrians and Eritreans.

The Central Mediterranean was the main route used during May-July 2014, recording nearly a five-fold increase (to over 48 000 detections) compared to the same period in 2013\(^4\). The Eastern Mediterranean route was the second most frequently used and the number of detections on this route has more than doubled compared to the same period in 2013 due to increase of detections at the Greek borders, while the number of detections at the Bulgarian borders remained stable. The Apulia and Calabria route was the third most frequently used

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\(^1\) COM (2011) 561 final

\(^2\) Note that the operation Mare Nostrum by the Italian Navy started in October 2013.

\(^3\) Unless otherwise indicated, the data in Section 2 are taken from Frontex Risk Analysis Network information exchange system, and covers the Schengen area as well as Schengen candidate countries. The data cover only the third country nationals detected at external borders (except temporary external borders) when entering or attempting to enter illegally between the border crossing points. Figures for Croatia are included from the day of accession to the EU.

\(^4\) Note that although the figures for this route generally exclude Apulia and Calabria, some of the migrants detected by Mare Nostrum have been transferred (due to logistical problems in Sicily) to centres in Apulia and Calabria and consequently have been included in the figures corresponding to that region.
route with an almost nine-fold increase up to over 13,000 detections. Finally, flows at the Western Balkans route decreased almost three-fold to around 3,300 detections due to a sharp drop of detections at the Hungarian borders.

Ahead of the Justice and Home Affairs Council (5 June 2014), the Commission published a Staff Working Document “Implementation of the Communication on the Work of the Task Force Mediterranean” in which it presented an overview of the concrete steps taken so far to address migratory and asylum flows and prevent migrant deaths in the Mediterranean.

The Commission continued to monitor the situation in Bulgaria and Italy with regard to the improvement of their respective asylum systems and will also keep monitoring, in cooperation with the concerned Member States, the possible need of using the early warning, preparedness and crisis management mechanism on the basis of Article 33 of the Dublin III Regulation. In addition Greece is implementing the National Action Plan for Asylum and Migration, which expires in December 2014. It should be noted that these Member States have made considerable efforts to stabilise and improve the situation, but further progress is still needed.

Since the outbreak of the crisis in Ukraine, there have not been significant changes in the number of detections of irregular border crossings on this external land border, which remained low. Nevertheless, the number of requests for asylum has been steadily increasing, and the number of asylum requests from Ukrainian nationals in the EU Member States and Schengen associated countries during May-July 2014 exceeded 2,500 (over twelve times more than during the same period in 2013). A certain increase has also been observed in the cases of irregular stays of Ukrainian citizens.

Despite relatively low influx of asylum seekers and detections of irregular border crossings by Ukrainian nationals, Member States and the EU agencies are invited to pay adequate attention to the events and notably their implications for the safety of the EU and the Schengen area.

As far as the foreign fighters returning from Syria to the EU are concerned, the Commission recognizes that the phenomenon represents a challenge for the Member States, particularly as regards their detection at the external borders. The Commission is confident that the existing legal framework is well tailored to respond to this threat, both as regards checks that are to be carried out on persons and on travel documents, and should be fully exploited. The Commission is hence working with Member States to develop a common approach on making the best use of the possibilities under Union law.

5 Note however that this significant increase is mainly due to the transfer of migrants in June and July 2014 as explained in footnote 4.
7 Regulation (EU) No 604/2013 of the European Parliament and of the Council of 26 June 2013 establishing the criteria and mechanisms for determining the Member State responsible for examining an application for international protection lodged in one of the Member States by a third-country national or a stateless person. The aim of the mechanism is to support Member States to cope with the situations of particular pressure on or deficiencies in their respective asylum systems, to show solidarity, and to help the situation of asylum seekers applying for international protection in those Member States.
8 In October, the Commission adopted a Staff Working Document assessing the state of implementation of the Plan (SWD(2014) 316 final).
2.2. Situation within the Schengen area

In May-July 2014 the level of detections of irregular stay increased by 35% compared to the same period of 2013 (up to 108 712 detections). Sweden, followed by Germany, France and Spain had the highest number of detections during this period.

As mentioned in the fifth bi-annual report, this year Frontex Risk Analysis Network started collecting data on the secondary movements. It should be noted that a number of countries (Bulgaria, Cyprus, Denmark, Finland, Greece, Iceland, Malta, Portugal as well as non-Schengen Member State Ireland) have not yet submitted their data (situation as of October 2014). Moreover many Member States sent incomplete data making it impossible to trace migration routes, which is the essential aim of the exercise. It is of utmost importance that all the Member States fully participate in this data collection, otherwise the analysis can be only partial.

Operation "Mos Maiorum", the most recent information gathering exercise on migration flows within the EU/Schengen area, was carried out from 13 to 26 October 2014. It was held in the framework of the Italian Presidency of the Council of the European Union (like seven earlier such operations under the recent Presidencies) and was aimed at weakening the capacity of organised crime groups to facilitate irregular migration to the EU and focussed on illegal border crossings. It collected information regarding the main routes followed by irregular migrants and modus operandi of criminal networks used for people smuggling into the EU as well as on secondary movements. Results of the operation will be presented in the next bi-annual report.

3. Application of the Schengen acquis

3.1. Cases of temporarily reintroduced control at internal borders

Article 23 of the Schengen Borders Code\(^9\) provides that, exceptionally, where there is a serious threat to public policy or internal security, a Member State may reintroduce border control at its internal borders for a duration that shall not exceed what is strictly necessary to respond to the serious threat. During the period 1 May -31 October 2014, there were three cases when Member States temporarily reintroduced control at their internal borders: Belgium on 1-6 June (due to the G7 Summit), Norway on 24-31 July 2014 (due to a terrorist threat) and Estonia on 31 August – 3 September (due to the visit of the US President). At the time of writing, only results of the temporary reintroduction in Norway are known: over 165 000 persons were checked, out of which 17 were refused entry, 5 persons arrested and 12 persons applied for asylum. The assessment provided by Norwegian authorities is that the action as necessary and proportional to the identified threat and had an important preventive effect contributing to secure the Norwegian society and interests. The results of these measures in the other two countries, once available, will be summarised in the next bi-annual report.

Member States are reminded that, according to the Art. 29 of the Schengen Borders Code, the report on the results of temporary reintroduction of border control should outline, in particular, the initial assessment and the respect of the criteria referred to in Articles 23a, 25 and 26a of the Code, the operation of the checks, the practical cooperation with neighbouring Member States, the resulting impact on the free movement of persons, the effectiveness of the reintroduction of border control at internal borders, including an ex-post assessment of the proportionality of the reintroduction of border control.

In the meantime, the Dutch authorities published the report on the reintroduction of border control at its internal borders on 14-28 March 2014 (in relation to the Nuclear Security Summit in the Hague). Over 44,000 people have been checked, 188 persons were refused entry for various reasons, 115 persons were arrested and 39 persons applied for asylum. According to the Dutch authorities, the temporary reintroduction of internal border controls helped to provide the internal security and had an important preventive effect during the Summit that passed without any significant incident.

3.2. Maintaining the absence of internal border control

Two areas of the Schengen acquis where violations are often alleged are (1) whether the carrying out of police checks close to the internal border have an effect equivalent to border checks (article 21(a) of the Schengen Borders Code) and (2) the obligation to remove obstacles to fluid traffic flow, such as speed limitations, at road crossing-points at internal borders (article 22 of the Schengen Borders Code). In the period 1 May -31 October 2014, the Commission continued its investigation into four cases on possible violations of provisions on the abolition of internal border control, in particular the removal of obstacles to fluid traffic flow (regarding Austria, Belgium, Italy and Slovenia). One investigation (on Germany) was completed, and a letter of formal notice was sent to Germany in October 2014 on alleged non-compliance of German Federal Police Law with Art. 20 and 21(a) of the Schengen Borders Code. Finally, the Commission closed an infringement procedure in relation to the Czech legislation that was obliging carriers to carry out systematic checks on persons crossing the internal borders as the Czech Republic modified its legislation to make it compatible with EU law.

3.3. Development of European Border Surveillance System (Eurosur)

In the course of the reporting period the necessary preparations were carried out for extending the European Border Surveillance System from the initial 19 to all 30 Schengen countries by 1 December 2014. During 2014, the National Coordination Centres of the remaining 11 countries have been established and all Schengen countries made progress in further developing their National Situational Pictures. Frontex was scheduled to connect the remaining 11 centres to the Eurosur communication network by the end of November 2014 and intensified its cooperation with the European Maritime Safety Agency and the EU Satellite Centre in providing services and information at the EU level, such as ship reporting systems and satellite imagery. The Commission, Frontex and the Member States continued

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10 See the fifth bi-annual report for details.
the preparations of a Handbook which contains technical and operational guidelines for the implementation and management of Eurosur. This Handbook will be adopted by the Commission in 2015.

During the reporting period, for the very first time the satellite images obtained in the framework of Eurosur cooperation enabled to save the lives of migrants. On 16-17 September, the satellite imagery obtained through Eurosur framework with support of an FP7 project, enabled to locate and rescue a migrant rubber boat in the Mediterranean with 38 people on board, including eight women and three children that has spent three days in an open sea and was drifting outside the area where search and rescue activity for the boat was ongoing originally.

3.4. Alleged violations of other parts of the Schengen acquis

During the reporting period, the Commission closed one investigation (with regard to a Bulgarian BCP on the Greek-Bulgarian border that earlier was reported as allegedly not complying with the necessary requirements under the Schengen Borders Code) and requested information in a new case regarding Estonian land borders (with regard to requirements imposed when crossing the border, in relation to Articles 5 and 7 of the Schengen Borders Code). Furthermore, the Commission continued its inquiry as regards Greece and Bulgaria on allegations of push-back practices at the external border and started an inquiry into allegations of summary removals from Spain (Ceuta and Melilla).

With regard to continuing complaints received about excessive waiting times caused by checks by the Spanish authorities at the border with Gibraltar, following an on-site visit, the Commission issued recommendations to both Spain and the United Kingdom to address the traffic situation at this border and the tobacco smuggling (see the fifth bi-annual report for details). Both Spain and the United Kingdom informed the Commission about a number of measures that they introduced or intend to introduce in response to these recommendations. To better appreciate steps that have been taken by both authorities to implement the recommendations, the Commission paid a second on-site visit. On 30 July 2014 additional recommendations were addressed to both countries to improve the management of vehicle and passenger flows and to tackle tobacco smuggling more effectively. The Commission will continue to monitor the situation closely and, in particular, how both Member States implement the recommendations with a view to improving the situation of EU citizens daily crossing this border.

Transposition of the Return Directive (2008/115/EC) into national legislation

Since the previous report, Iceland became the last Schengen country to notify full transposition of the Directive into national law. The majority of the identified transposition issues in Member States were settled by modification of the relevant law provisions. The Commission continues to systematically follow up on all shortcomings identified and launches investigation where necessary. It particularly focuses on remaining shortcomings in several Member States, such as aspects of detention conditions and an absence of independent forced return monitoring systems. In this context, the Commission envisages to open
infringement procedures against some Member States in the coming months. In addition, there is a scope for improvement in many Member States, with a more systematic use of alternatives to detention and the promotion of voluntary departure.

Implementation of the Regulation on Local Border Traffic (EC No 1931/2006)

Since the entry into force of the local border traffic regime in 2006, the Commission has been monitoring its implementation. In relation to the bilateral agreements that the Member States have concluded with their third country neighbours, the Commission continued the investigation with regard to Slovenia as well as opened a new investigation regarding Croatia and continued two infringement cases, one regarding Latvia and another regarding Poland.

3.5. Weaknesses identified via the Schengen evaluation mechanism

Under the current Schengen evaluation mechanism, Member States' application of the Schengen acquis is regularly evaluated by experts from the Member States, the Council General Secretariat and the Commission.

In the period 1 May-31 October 2014, Schengen evaluations were carried out in the field of air borders, visa, data protection and SIS/Sirene in Switzerland. The reports are being finalised, and are likely to include positive as well as negative comments and recommendations, including on the acceleration of full implementation of the SIS II alert categories and functionalities (since Switzerland envisages finalising the SIS II implementation only in the second half of 2016, more than three years after its entry into operation, in parallel with the upgrade of its national police system).

Preparations are ongoing as regards the new Schengen evaluation mechanism. In line with the Regulation 1053/2013 establishing an evaluation and monitoring mechanism to verify the application of the Schengen acquis, the standard evaluation questionnaire was adopted in July 2014. In October, the annual evaluation programme for 2015 was approved on the basis of the multi-annual evaluation programme 2014-2019, taking into account the risk analysis provided by Frontex as well as information made available by relevant EU agencies and bodies such as Europol and Fundamental Rights Agency. The first evaluations under the new mechanism (as concerns announced visits) will start in February 2015. In the meantime, a particular focus has been put on further developing training for the evaluation experts, including updating the existing training curricula by including aspects that have not been covered previously such as return.

11 SCH/Com-ex (98) 26 def.
12 OJ L 295, 6.11.2013, p. 27.
13 Commission Implementing Decision C(2014) 4657 final of 11 July 2014 establishing a standard questionnaire in accordance with Article 9 of the Council Regulation (EU) No 1053/2013 of 7 October 2013 establishing an evaluation and monitoring mechanism to verify the application of the Schengen acquis.
3.6. **Lifting of control at internal borders with Bulgaria and Romania**

The Council has not yet been able to decide on the lifting of control at the internal borders to these countries. The Commission maintains its full support for Bulgaria's and Romania's accession to the Schengen area.

4. **FLANKING MEASURES**

4.1. **Use of the Schengen Information System (SIS)**

The Commission closely monitors the implementation of new alert categories and functionalities of SIS in the Member States provided by the second generation of that system which entered into operation on 9 April 2013. During the reporting period there has been a significant increase in the use of new categories of objects and functionalities since most of the Member States have finalised the upgrade of their national police systems which now allow their end-users to enter the new object categories into SIS II. This was especially the case in Germany and in Greece.

In the second quarter of 2014, recommendations were issued in relation to the SIS II security measures as a result of the end-to-end assessment of the efficiency of national security measures carried out after the hacker attack against the Danish N.SIS (the national data systems which communicate with Central SIS) that affected the predecessor system SIS. They include the development of a fully documented incident reporting process throughout the Schengen area and the establishment of a network of security contact points in order to enhance information exchange. This network was finally set up within the framework of eu-LISA (European Agency for the operational management of large-scale IT systems in the area of freedom, security and justice). Furthermore, Member States were strongly encouraged to conduct self-security audits on a regular basis as well as not to outsource any tasks related to the operational management of SIS II to external contractors.

The Commission has opened an investigation in respect of Poland concerning the uninterrupted operation of SIS II at the external borders and the physical security of N.SIS.

In order to ensure that Member States will delete obsolete alerts in SIS II¹⁵, the Commission has launched an initiative to lay down more detailed relevant legal provisions in the SIRENE Manual¹⁶. SIS II continued to play an important tool for detecting the routes of terrorists and travelling criminal gangs via a special alert category allowing the discreet and specific check of individuals and certain types of objects, including in case of the threat posed by the foreign fighters. The Commission has initiated practical measures related to SIS II implementation in the Member States in order to accelerate the information exchange on the basis of those alerts while preserving the confidentiality of information.

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¹⁵ See the fifth bi-annual report for more details.

4.2. Use of the Visa Information System (VIS)

The VIS became operational on 15 May 2014 in the twelfth, thirteenth, fourteenth and fifteenth regions (Central America, North America, Caribbean and Australasia)\(^ {17}\) and on 25 September 2014 in the sixteenth region (Western Balkans and Turkey)\(^ {18}\). Given the major impact of the visa issuing in Russia on the VIS, a major effort will be needed to ensure its roll-out in this country scheduled to happen during the next reporting period (1 November 2014-30 April 2015). A prerequisite to this roll-out is the successful completion of the capacity extension of the Biometrics Matching System supporting the fingerprint based operations such as identification and authentication. During the next reporting period, the VIS is also scheduled to start operations in Armenia, Azerbaijan, Belarus, Georgia, Republic of Moldova and Ukraine.

The VIS is functioning well and by the end of July 2014 the system had processed (since its entry into operation) almost 9 million Schengen visa applications, on the basis of which 7.5 million visas have been issued. On 5 April 2014, its capacity was extended to prepare for the upcoming growing activity in consular posts and at the borders. Additional capacity extension steps are scheduled in accordance with the time-table for VIS roll-out. Member States need to step up their efforts to improve the quality of the data, both biometric and alphanumeric, introduced by the consular authorities of Member States into the VIS as explained in the fifth bi-annual report.

The use of fingerprints to perform verifications of visa holders at the Schengen border crossing points became mandatory on 11 October 2014 for the visa holders whose data (including fingerprints, where applicable) are stored in the VIS. It is still too early to provide reliable conclusions on the implementation of this new measure. It is expected that first conclusions should be available towards the end of the next reporting period. At the current stage, it is important that Member States adequately inform the travellers of this new requirement at the border.

4.3. Visa policy and readmission agreements

Suspension mechanism and revised reciprocity mechanism in Regulation 539/2001

So far, no Member State has requested to trigger the new suspension mechanism that entered into force in January 2014\(^ {19}\). In accordance with the provisions of the reciprocity mechanism, also in force since January 2014, the notifications received from five Member States

\(^{17}\) Commission Implementing Decision of 7 May 2014 determining the date from which the Visa Information System (VIS) is to start operations in a twelfth, a thirteenth, a fourteenth and a fifteenth region (2014/262/EU)

\(^{18}\) Commission Implementing Decision of 28 August 2014 determining the date from which the Visa Information System (VIS) is to start operations in a 16th region (2014/540/EU)

\(^{19}\) The mechanism was introduced with the Regulation (EU) No 1289/2013 of the European Parliament and of the Council amending Council Regulation (EC) No 539/2001 listing the third countries whose nationals must be in possession of visas when crossing the external borders and those whose nationals are exempt from that requirement, OJ L 347, 20.12.2013. See section 4.3 of the fifth biannual report for details, where the new suspension mechanism as well as the revised reciprocity mechanisms are explained in detail.
(Bulgaria, Croatia, Cyprus, Poland, Romania) of visa non-reciprocity situations with five third countries (Australia, Brunei Darussalam, Canada, Japan and the US) were published in the Official Journal of the EU on 12 April 2014. When considering the options available under the revised reciprocity mechanism, a series of factors including the steps taken with the third countries have to be taken into account. The Commission, in consultation with the above-mentioned Member States proposed to establish regular tripartite meetings between the third country, the Member State(s) concerned and the Commission, with the objective to discuss the state of play and define further steps, possibly accompanied by a timeline, which should lead to achieving full visa reciprocity as soon as possible. The first such meetings with Australia, Japan, the US and Canada were held from May until July 2014. On 10 October 2014, the Commission published a report assessing the situation\textsuperscript{20}.

Post-visa liberalisation monitoring mechanism for Western Balkan countries

In May-July 2014 (months for which the data are available\textsuperscript{21}), the number of asylum applications lodged by citizens of the five Western Balkan visa-free states\textsuperscript{22} in the Schengen area and Schengen candidate countries increased by 40% compared to the same three months in 2013 (increase of 7% if compared to February-April 2014). Germany remained by far the most-affected Member State, having handled over 11 000 out of nearly 15 000 applications submitted in the above-mentioned period by citizens of these five countries. It was followed by Sweden, France (both with some 1 000 applications each) and Belgium (over 400 applications). Serbian citizens remained the largest group of asylum applicants from the Western Balkans (41%), followed by Albanian citizens (25%). The applicants from the five Western Balkan countries constituted 10% of the total number of the applicants for asylum in the Schengen area and Schengen candidate countries which is comparable to the same period last year (around 9%).

To ensure the efficiency and fairness of asylum procedures, the asylum acquis contains several discretionary provisions, which allow for procedural facilitations in the handling of asylum applications which are not likely to be well founded. Those provisions were reinforced and more clearly circumscribed by the recast instruments which constitute the Common European Asylum System. The assessment whether the conditions for applying those provisions are met and, if so, the decision whether and how to use them, is to be taken by each Member State within the limits of the asylum acquis.

The Commission is planning to publish the fifth report on the post-visa liberalisation monitoring for the Western Balkan countries by the end of the 2014.

Readmission and visa facilitation agreements and visa liberalisation

\textsuperscript{20} Report from the Commission assessing the situation of non-reciprocity with certain third countries in the area of visa policy, C(2014) 7218 final of 10 October 2014.
\textsuperscript{21} Data from the Eurostat database as available on 21 October 2014 are used in this chapter (figures for July do not include Cyprus).
\textsuperscript{22} Since end of 2009, the citizens of the former Yugoslav Republic of Macedonia (FYROM), Montenegro and Serbia, holding a biometric passport, have enjoyed visa-free travel to the EU Member States, in accordance with Regulation 539/2001. Under the same conditions the citizens of Albania as well as Bosnia and Herzegovina have enjoyed visa-free travel to the EU Member States since 15 December 2010.
The ratification process of the EU-Turkey readmission agreement was completed by both sides and the Agreement entered into force on 1 October 2014. In the context of the EU-Turkey visa liberalisation dialogue experts' visits to Turkey were carried out (March-June 2014) that allowed for collecting information on how Turkey fulfils the benchmarks of the "Roadmap towards the visa free regime". The Commission reported on the findings on 20 October 2014.

As a result of the Statement of the Heads of State or Government on Ukraine of 6 March 2014 following the violation of Ukrainian sovereignty and territorial integrity by the Russian Federation, the visa liberalisation dialogue with Russia was suspended.

Since the entry into force on 28 April 2014 of a visa waiver for citizens of the Republic of Moldova holding a biometric passport, no significant abuse of the visa-free travel by Moldovan citizens has been recorded (data as of end of August 2014).

The readmission and visa facilitation agreements with Azerbaijan entered into force on 1 September 2014. With regard to negotiations on readmission and visa facilitation with Belarus, the first round of technical negotiations took place on 12-13 June 2014, with the second round expected to take place later in the year. On 30th July, the Commission presented draft negotiating directives for readmission and visa facilitation agreements with Tunisia to the Council for approval.

On 17 July 2014, the Commission submitted a recommendation to the Council requesting the authorisation to open negotiations on short-stay visa waiver agreements with 16 small Caribbean and Pacific island nations and United Arab Emirates.

Joint Visa and Readmission Committees with Georgia and Armenia met on 4 June and 10 September 2014 respectively, confirming that implementation of the EU Visa Facilitation and Readmission Agreements with both countries is proceeding well.

5. THE WAY AHEAD: ISSUES FOR REFLECTION

The purpose of the bi-annual reports is to provide the basis for a regular debate in the European Parliament and in the Council and this way to contribute to the strengthening of political guidance and cooperation in the Schengen area. As pointed out in the first report, it is essential that the European institutions maintain vigilance over the functioning of the Schengen area and are ready to respond to any challenges it faces. To facilitate the discussion, the Commission considers, at the time of publication of this report, that the following issues drawn from this report would merit particular discussion:

1. The level of preparedness among Member States and the agencies for a scenario of a significant increase in irregular border crossings at the Eastern land borders of the EU;

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2. Further measures that could be considered in order to strengthen the functioning of Schengen in the light of the situation in the European neighbourhood today;

3. Member States’ experiences so far in using the VIS to identify undocumented migrants detected within the Schengen area, both for the purpose of handling asylum applications and initiating return procedures.