Warsaw, 2 November 2005

Standards for internal command and control within FRONTEX

Article 38 (4) of the FRONTEX Financial Regulation stipulates: “The Authorising Officer (e.g. the Executive Director) shall put in place, in compliance with the minimum standards adopted by the Management Board on the basis of equivalent standards laid down by the Commission for its departments, and having due regard to the risks associated with the management environment and the nature of the action financed, the organisational structure and the internal management and control systems and procedures suited to the performance of his/her duties, including where appropriate ex post verifications.”

The standards for internal control define the management rules that all services must follow in their management of resources. They are intended to guarantee a consistent level of internal control throughout the FRONTEX Agency. The Executive Director is responsible for ensuring that his management systems for each of his main activities comply with these standards.

The standards are structured around the following five key control components:

- control environment,
- performance and risk management,
- information and communication,
- control activities,
- audit and evaluation

The operational text of the Control Standards is found in the numbered boxes below.

Implementation

The internal control standards have been effective in the Commission from 1 January 2001. However, in view of the present context in the FRONTEX Agency and the organisation to be set up, the Executive Director must be allowed to transpose them gradually, by indicating a clear time framework. Priority must be given to the financial field.
Control environment

1. Ethics and Integrity
   The FRONTEX Agency shall ensure that staff are fully aware of the rules governing staff conduct and prevention and reporting of fraud and irregularities.

2. Mission, role and tasks
   The FRONTEX Agency shall communicate to all staff on an up-to-date and written basis:
   - the mission statement of the FRONTEX Agency and their unit;
   - their role in their department (job description);
   - their tasks assignment (individual objective) and expected results.

3. Staff competence (recruitment, training and mobility)
   The FRONTEX Agency shall ensure on a permanent basis the adequacy between staff competence and their tasks by means of:
   - defining the knowledge and skills required by each job;
   - conducting recruitment interviews on the basis of an evaluation sheet defined by the Human Resources Unit;
   - keeping a record of all interviews to identify potential future candidates;
   - identifying during the recruitment process the basic immediate training plan to be followed by the new employee;
   - reviewing training needs in the context of the regular staff appraisal;
   - ensuring that identified training needs are met as soon as possible;

4. Staff performance
   The FRONTEX Agency shall review the performance of its staff annually. All staff shall have the opportunity to discuss their individual performance with their reporting officer at least once a year. Where specific performance issues are identified these shall be addressed by managers as early as possible.

5. Sensitive functions
   The FRONTEX Agency shall draw up an inventory of sensitive functions in its service and define an appropriate rotation policy. A person holding a function classified as sensitive should move to another function after a maximum period of 5 years.

6. Delegation
   Responsibilities and authority limits shall be clearly defined, assigned and communicated in writing. Delegation shall be appropriate to the importance of the decisions to be taken and the risks involved.
### Performance and risk management

#### 7. Objective setting

The FRONTEX Agency shall communicate to its staff overall objectives and expected results established by the FRONTEX Agency by programme and activity.

The FRONTEX Agency shall translate overall objectives into specific objectives and expected results for each activity and communicate them to its staff.

Specific objectives shall be verifiable and include meaningful and practical measurement criteria.

#### 8. Multiannual programming

*(Standard applicable only to activities with multiannual budgets)*

At the time of the adoption of a decision or legal base establishing an activity and its multiannual financial programming, the FRONTEX Agency shall establish a “road-map” of measures to be set in hand to achieve this programming.

#### 9. Annual work plan

The FRONTEX Agency shall prepare an annual work plan which incorporates appropriate milestones and targets and the resources (financial and human) necessary to achieve them.

#### 10. Monitoring performance against targets and indicators

Key performance indicators, including indicators for economy, efficiency and effectiveness, shall be established and monitored for each activity.

Management should receive regularly reports on each activity which compare the intermediate or final results achieved with the targets set. Management shall take action to address any identified shortfall against objectives.

#### 11. Risk analysis and management

The FRONTEX Agency shall systematically analyse risks in relation to its main activities at least once a year, develop appropriate action plans to address them and assign staff responsible for implementing those plans.
### Information and communication

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<th><strong>12.</strong></th>
<th><strong>Adequate management information</strong></th>
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<td>Managers and other staff shall receive regular, reliable and easily accessible management information on budget execution, use of resources and progress of their work plan.</td>
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<th><strong>13.</strong></th>
<th><strong>Mail registration and filing systems</strong></th>
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<td>The FRONTEX Agency shall systematically register incoming and outgoing mail to enable efficient monitoring of deadlines and maintain a comprehensive and up to date filing system which is accessible to all appropriate staff.</td>
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<th><strong>14.</strong></th>
<th><strong>Reporting improprieties</strong></th>
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<td>Appropriate procedures, in addition to reporting to the direct superior, shall be established and communicated to staff covering the reporting of suspected improprieties. Persons complying with the above obligations must not suffer inequitable or discriminatory treatment as a result of communicating such information.</td>
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Control activities

15. **Documentation of procedures**

The procedures used in the FRONTEX Agency for its main processes shall be fully documented, kept up to date and available to all relevant staff and shall be compliant with the Financial Regulation and all relevant Commission decisions.

16. **Segregation of duties**

The operational and financial aspects of each transaction shall be checked by two people who are independent of each other (i.e. not subordinate to each other). The functions of initiation and verification of each transaction shall be kept separate.

17. **Supervision**

The FRONTEX Agency shall establish appropriate supervision arrangements including, where appropriate, ex post control of a sample of transactions to ensure that the procedures set up by management are carried out effectively.

18. **Recording exceptions**

The FRONTEX Agency shall establish appropriate arrangements to ensure that all instances of overriding of controls or deviations from established policies and procedures under exceptional circumstances are documented, justified and approved at an appropriate level before action is taken.

19. **Continuity of operations**

The FRONTEX Agency shall establish appropriate arrangements to ensure the continuity of operations at any moment (i.e. absence of an official, substitution of an official, migration to new information systems, change of procedures, mobility, retirement, etc.).
Audit and Evaluation

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<td>20.</td>
<td>Recording and correction of internal control weaknesses</td>
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<td>A clearly defined procedure shall be established for the proper reporting and subsequent correction of internal control weaknesses and for any related updating of procedures.</td>
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<td>21.</td>
<td>Audit reports</td>
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<td>The FRONTEX Agency shall review annually the recommendations made and action taken in response to audit reports by the Internal Audit Service, its own internal audit capability and the European Court of Auditors, define appropriate action plans to remedy weaknesses and monitor the implementation of those plans.</td>
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<td>22.</td>
<td>Internal audit capability</td>
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<td>The FRONTEX Agency shall establish or have access to a competent and properly staffed internal audit capability with an annual work programme based on risk assessment.</td>
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<td>23.</td>
<td>Evaluation</td>
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<td>The FRONTEX Agency shall establish or have access to a properly staffed evaluation function responsible for carrying out or commissioning ex ante and ex post evaluation of all its activities. It shall prepare an evaluation plan which sets out the timing of the planned evaluations and against which progress is regularly reviewed. It shall ensure the systematic follow up of the conclusions of evaluation reports.</td>
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<td>24.</td>
<td>Annual review of internal control</td>
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<td>The FRONTEX Agency shall conduct an annual review of its internal control arrangements to act as a basis for the agency’s statement on internal control in the annual activity report.</td>
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