
In accordance with Article 8(4) of the Rules of Procedure of the Management Board I hereby notify you that since there were no rejections to the proposal, the Management Board of Frontex has taken the decision on the adoption of the analysis and assessment of the Authorising Officer’s Report on the previous financial year (annual activity report 2011).

The letter (Ref. No. 10632) inviting the Management Board to take the decision was sent on 19 June 2012. The decision was taken on 25 June 2012. The decision number is 15/2012.

Please find attached the above mentioned letter (Ref. No. 10632).

[signed]

Gil Arias
Deputy Executive Director
On behalf of the Chairman of the Management Board

Annex:
Proposal to take a decision on the adoption of the analysis and assessment of the Authorising Officer’s Report on the previous financial year (annual activity report 2011)
Assessment and analysis of the Management Board of the Frontex Annual Activity report 2011

The Frontex Annual Activity Report 2011 was transmitted to the Management Board on 8 May 2012.

In accordance with Article 40(3) of the Financial Regulation of Frontex the Management Board shall send the budgetary authority and the Court of Auditors an analysis and an assessment of the report. This analysis and assessment shall be included in the annual report of the Agency.

Under the heading of "Management information" the report contains, on the one hand, a summary of activities regarding cooperation with third countries, interagency cooperation, and fundamental rights, and on the other hand, a summary of budgetary issues with regard to the implementation of the budget carry-overs. Finally, it contains a summary on internal control issues, and the results of an internal assessment carried out by Frontex of its internal control system.

Chapter 2 of the report contains a detailed report on the activities of the Agency in 2011, by division and unit (except for executive support, which is covered in a different form in the preceding chapter), including with regard to the use of financial and human resources.

The report concludes with the declaration of assurance of the Executive Director. No reservations are made. Seven areas where significant improvements can be made are identified.

On this basis the Management Board makes the following analysis and assessment.

Given the importance of financial reporting for the declaration of assurance presented by the Executive Director, the Management Board welcomes the improvement of information provided on the budgetary issues in the section "Management information". However, the report could further benefit from a clearer overview of all the modifications introduced to the initial 2011 budget in the course of year and, in particular, the reasons leading to three budget amendments.

In that context, it would also be relevant to provide a comprehensive overview on the financial implementation of the emergency package responding to the situation in North Africa and, in particular, clearly explaining the use of the regular budget for the emergency reinforcement of operations before the relevant budget amendment was formally adopted by the budgetary authority.

As for the utilization of 2011 budget, the Management Board observes and welcomes that the 2011 appropriations were executed more effectively than in the previous years, especially, the execution of 2011 payments has considerably improved in comparison with the 2010 budget (EUR 63.8 million in 2010 and EUR 77.7 million in 2011). The execution of 2010 appropriations carried over to 2011 has improved, from 65% to 81% as compared to the implementation of the 2009 appropriations in the 2010 budget. However, the Management Board calls on the Agency to make further efforts, including the improvement of

1 Management Board Decision No 29/2008
collaboration with the Member States, to ensure full use of appropriations carried over in order to avoid that substantial resources be de-committed as in the previous years.

In general terms the report lacks an overall description of the actual internal control system in place in the Agency including the (internal) financial circuits and any subdelegations given by the authorising officer. Moreover, while the Management Board takes note that information on the 2011 audit work has been provided separately, the present Annual Activity Report should also include a concise summary of recent internal and external audit recommendations and the follow-up of past audit recommendations as these elements are the underlying foundation for the declaration of assurance presented by the Executive Director.

The strong point of the report is the exhaustive and detailed description of the activities carried out in 2011. It shows that the Agency has largely met its objectives for 2011 as set out in its work programme and successfully contributed, within its competence, to the implementation of EU border management policy. In particular, the indispensable role played by the Agency in coordinating European support for the control of the Greek external land border must be underlined. The Management Board welcomes in particular the details, in relation to each activity, provided on the use of human resources and the identification of risks encountered and measures taken to address those risks.

The use of human resources is however not described in a consistent manner in the report. Firstly, it is lacking for some areas of activities, including the Frontex Situation Center, the administrative division, and executive support. Secondly, it is not reported in a consistent manner throughout the report, with some sections using "man days" and others number of staff, which makes it difficult to compare the use of resources for different activities. Moreover, a summary by unit / activity of the human resources allocated would have been helpful for such a comparison also.

Taking into account the limitations on the staff available for the Agency which will need to cope with increasing expectations while being subject to staff reductions in the coming years, like other EU institutions and related agencies and bodies, the above information should have formed the basis for a description of the efforts made by the Agency for internal reallocations.

The Management Board welcomes also the internal assessment carried out of the internal control system and the clear results contained in the report.

The Management Board regrets that most of the points for improvement made above were already made in last years assessment without, however, any signs of these having been considered in the preparation of the 2011 report. It therefore requests the Executive Director to address the above points in the Annual Activity Report for the coming year.