



EUROJUST

Consolidated Annual Activity Report 2016





Consolidated Annual Activity Report 2016

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Enclosure:

College Assessment of the Consolidated Annual Activity Report 2016

Eurojust Report on Budgetary and Financial Management for the financial year 2016

Financial Accounts 2016

Acronyms and abbreviations

<p>CAAR (Consolidated) Annual Activity Report ABAC Accrual Based Accounting System AD Administrative Director AWP Annual Work Programme CA Contract Agent CARIN Camden Asset Recovery Inter-Agency Network CBRN-E Chemical, biological, radiological, nuclear and explosive CCO Corporate Communications Office of Eurojust CEPOL European Police College CIF Case Information Form CJEU Court of Justice of the European Union CJM Cybercrime Judicial Monitor CMS Case Management System CSE Child Sexual Exploitation EAW European Arrest Warrant ECA European Court of Auditors EC3 European Cybercrime Centre ECTC European Counter Terrorism Centre EIO European Investigation Order EIPPN European Intellectual Property Prosecutors Network EJ ICS Eurojust Internal Control Standards for Effective Management and Requirements EJCN European Judicial Cybercrime Network EJN European Judicial Network EJTN European Judicial Training Network EMCDDA European Monitoring Centre for Drugs and Drug Addiction eMS enterprise Management System EMSC European Migrant Smuggling Centre EMPACT European Multidisciplinary Platform against Criminal Threats ENCS Eurojust National Coordination System ENVR European Network on Victims' Rights EPPO European Public Prosecutor's Office EU European Union EUIPO European Union Intellectual Property Organisation Europol European Police Office FD EAW Council Framework Decision 2002/584/JHA of 13 June 2002 on the European Arrest Warrant and the surrender procedures between Member States FR Eurojust Financial Regulations FTF foreign terrorist fighters</p>	<p>FRONTEX European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union FTE full-time equivalent HoU/S Heads of Units and Services HR Human Resources IAO Institutional Affairs Office of Eurojust IAS Internal Audit Service ICC International Criminal Court ICT Information Communication Technology ICTAC ICT Agencies Coordination -The Network of Heads of ICT of the EU Agencies ICTY Criminal Tribunal for the former Yugoslavia IIS illegal immigrant smuggling IPR intellectual property rights JHA Justice and Home Affairs JIT joint investigation team JSB Joint Supervisory Body of Eurojust KMI Knowledge Management Interface KPI Key Performance Indicator MAS Multi-Annual Strategy MLA mutual legal assistance MOCG Mobile Organised Crime Group MoU Memorandum of Understanding NPS new psychoactive substances OAP Operational Action Plan OCG organised crime group OLAF European Anti-Fraud Office OPC organised property crime PIF Protection of the financial interests of the European Union PoR Programme of Requirements PRO Planning, Programming and Reporting Office of Eurojust SIS II Schengen Information System II SLA Service Level Agreement SMART Specific, Measurable, Accepted, Realistic and Timed SNE Seconded National Expert SOCTA Serious Organised Crime Threat Assessment SYSPER Système de gestion du Personnel TA Temporary Agent TCM Terrorism Convictions Monitor TE-SAT Terrorism Situation and Trend Report TFEU Treaty on the Functioning of the European Union THB trafficking in human beings UMF Unified Message Format</p>
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Management Board's analysis and assessment

See *Eurojust College Assessment of the Consolidated Annual Activity Report 2016*, enclosed.

Introduction

Eurojust's mission is to support and strengthen coordination and cooperation between national authorities in the fight against serious cross-border crime affecting the European Union. In this context, Eurojust's vision to be the key player and centre of expertise at judicial level is reflected in the Eurojust Multi-Annual Strategy (MAS) 2016-2018 and its strategic goals and objectives.

The National Members, serving the competent national authorities of the Member States in criminal judicial cooperation matters, provide strategic guidance to the organisation and participate actively in the preparation of operational and policy activities linked to the mandate and tasks of Eurojust.

In 2016, the 72 National Members, Deputies and Assistants were supported by 227 Administration staff and 21 Seconded National Experts (SNEs), associated at different levels with the core activities of Eurojust.

The Eurojust's Multi-Annual Strategy covering the period 2016-2018 was devised to be a flexible and future-oriented tool supporting the development of Eurojust, taking into account the crucial phase of development of the organisation with a view to the adoption of a Regulation on Eurojust and the establishment of a European Public Prosecutor's Office, expected to take place within this time frame.

The Eurojust Annual Work Programme (AWP) 2016 was elaborated to implement the strategic goals related to operational work, strategic work and organisational development, through the Annual Objectives 2016. The Consolidated Annual Activity Report (CAAR) 2016 focuses on reporting on the implementation of the AWP 2016 Annual Objectives and allocated Key Performance Indicators (KPIs), including budget and staff resources utilisation, and management and internal control systems applied, in accordance with Article 47 of the Financial Regulation applicable to Eurojust.

Executive Summary

In 2016, **Eurojust strengthened its position as the centre for judicial cooperation and coordination against cross-border crime.**

Eurojust received requests for assistance in 2 306 cases, which represented an increase of 4% compared to 2015. In addition, Eurojust organised 249 coordination meetings on 288 cases and provided relevant support to 148 joint investigation teams (JITs), 69 of which were newly formed. During 2016 Eurojust provided financial support to 90 JITs, which constituted a 32% increase over 2015. EUR 1 million was awarded following eight calls for proposals for JIT grants.

As **the centre of judicial expertise in the European Union**, Eurojust produced relevant strategic products and ad hoc judicial analyses in priority crime areas, such as: the fourth Foreign Terrorist Fighters report (*Eurojust's Views on the Phenomenon and the Criminal Justice Response*), the summary of the third Foreign Terrorist Fighters report, the CBRN-E Handbook and the Cybercrime Judicial Monitors.

Eurojust strategically contributed to the EU policy cycle for organised and serious international crime, providing input to the Serious Organised Crime Threat Assessment (SOCTA), to be released in 2017, the Terrorism Situation and Trend Report (TE-SAT), and the activities carried out on the Operation Action Plans in all priority crime areas.

Cooperation with stakeholders and partners in the EU Area of Freedom, Security and Justice was also enhanced by the signing of two new cooperation agreements (with Montenegro and Ukraine), a Memorandum of Understanding (with the EUIPO) and six strategic partnership initiatives launched in 2016.

In order to reinforce the pivotal role of Eurojust in response to operational needs, the timeframe of the evaluation phase of requests for financial support to JITs has been reduced and a new model agreement was adopted to facilitate the setting up of JITs with third States.

In 2016, the College conducted 26 operational meetings devoted to both operational discussions and adoption of strategic products and other tools for practitioners and policymakers.

As relevant **organisational developments** Eurojust strived to make efficiency gains to cover the demands of a substantial increase in operational workload, while budgetary and human resources decreased.

For the purpose of increasing efficiency, the College organised two planning events, which resulted in the setting up of a **Working Group on Prioritisation and Reorganisation**. This Working Group, which is chaired by a Vice-President, consists of members of the College and of the Administration mandated to prepare proposals for resource allocation in both operational, including the Case Management System (CMS), and policy work.

Based on proposals from the Working Group, the College agreed on a new methodology for priority-setting in policy work and approved the resulting priorities for 2017, created an **Advisory Group on budgetary and financial matters**, agreed on a new format for Eurojust meetings and approved a proposal for a common and harmonised data input procedure in operational databases. The Advisory Group on budgetary and financial matters is composed of four members of the College, supported by the Administration and its mandate is to provide additional support and assurance to the College and the Administration in respect of the budgetary processes.

To enhance and focus resource allocation to its operational work, Eurojust conducted an unprecedented **reorganisation of its Administration**. The reorganisation exercise was conducted in consultation with all the Units concerned and supported by the College, which adopted a new organisational chart for the Administration on 25 October 2016.

The support to Eurojust's operational needs will be ensured by a new Operations Unit resulting from the merger of the Case Analysis Unit and parts of the Legal Service Unit. It serves as a one-stop shop for all support provided to Eurojust casework. The reorganisation created the Institutional Affairs Office, the Corporate Communications Office and the Planning, Programming and Reporting Office. The latter will be responsible for corporate governance matters.

The College held seven Management Board meetings, and the European Commission was present in five of them. In addition, representatives of the Internal Audit Service attended a meeting of the Management Board to present the final report of the IAS audit.

The areas of activity of the Management Board were mainly related to resource and strategic planning, namely final accounts 2015, Budget 2016 and its implementation, Annual Work Programme 2017, draft Budget 2017, draft Establishment Plan 2017, Programming Document 2017-2019, Multi-Annual ICT strategy 2017-2019, decisions related to new premises of Eurojust, oversight of the implementation of action plans related to recommendations of the Internal Audit Service and European Court of Auditors, discharge procedure of the annual accounts, adoption of ten implementing rules to the Staff Regulations, guidelines on the prevention and management of conflicts of interest and preliminary discussions towards the adoption of rules on whistleblowing.

In April, the College conducted a selection procedure for the appointment of a new Administrative Director and concluded that no offer would be made to any of the candidates. Subsequently, in September 2016, the College called upon Mr Panagiotopoulos, Head of the Human Resources Unit, to become the Administrative Director *ad interim*.

The year 2016 also represented the crucial year in the finalisation of the preparations for the move to Eurojust's new premises. Following the developments in this area throughout the year, the date of the actual move was fixed to 30 June 2017, with the first full operational date on 3 July. The majority of the financing for the new building has been provided by the Netherlands, as Host State of Eurojust.

In 2016, **Eurojust achieved a 99.89% rate of budget execution** for a EUR 43 539 million budget, including EUR 6 980 000 ring-fenced for the new building.

Part I. Policy achievements

The Strategic Objectives of the Eurojust Multi-Annual Strategy 2016 – 2018 were translated into 39 Annual Objectives in the AWP 2016, describing the activities to be implemented by the Administration business units. This section provides an overview of the main achievements under each Strategic Objective.

GOAL 1 – Operational work

Eurojust will function as the centre for operational judicial support in the European Union, proactively fostering and facilitating the cooperation and coordination of the competent authorities of the Member States in serious cross-border crime cases, providing high-quality services and advice responsive to stakeholders’ needs and achieving excellent operational results

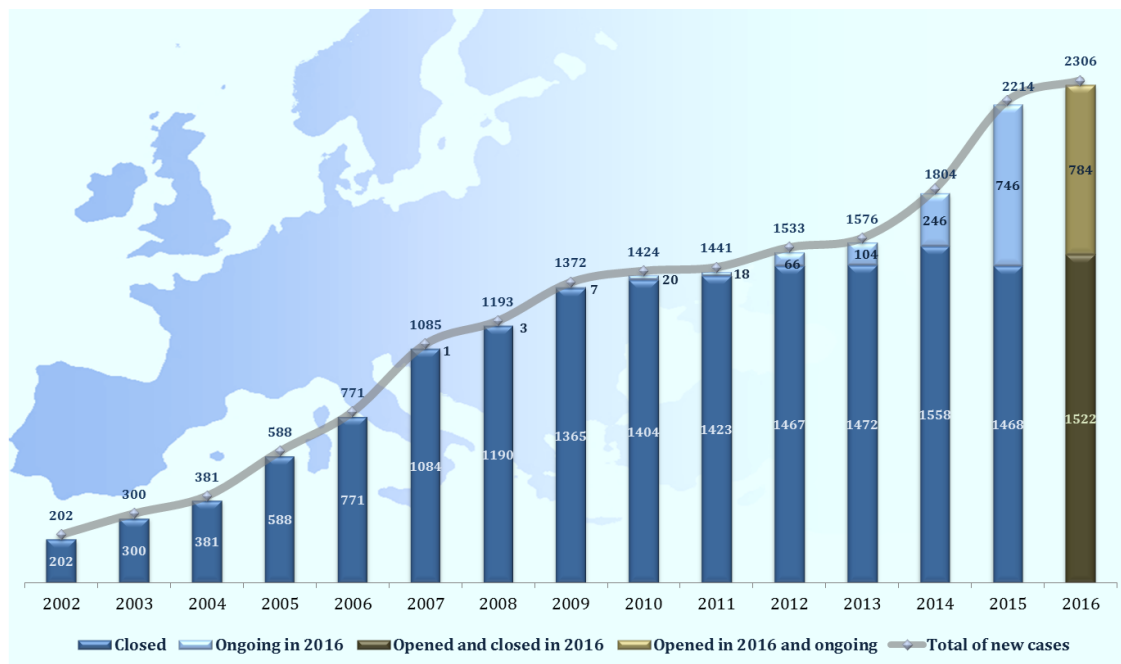
Strategic Objective 1.1 Strengthen the position of Eurojust as the centre for operational judicial cooperation and coordination

1.1.1 Implement the annual outreach programme, to raise awareness of the support provided by Eurojust.

Eurojust organised, in cooperation with the respective national authorities, marketing seminars in Lithuania (May), Bulgaria (June) and Ireland (July) and one roadshow in Spain to promote the tasks, work and added value of Eurojust in operational matters and the recognition of Eurojust as the centre of judicial and legal expertise in the European Union. These seminars are attended by prosecutors, judges and/or law enforcement authorities.

The number of cases for which Member States requested Eurojust’s assistance in fighting serious cross-border crime increased by 4%, from 2 214 in 2015 to 2 306 in 2016. Third States were involved in 300 cases.

Casework 2002-2016



1.1.2 Develop and provide practitioners with appropriate operational tools, such as practical guidelines and advisory overviews on the application of judicial cooperation and mutual recognition instruments based primarily upon Eurojust's casework.

In 2016, Eurojust produced the following operational tools for practitioners:

- Guidelines for deciding '*Which jurisdiction should prosecute?*'
- *Terrorism Convictions Monitors (TCM)* and *ad hoc* judicial analyses
- *Fourth Foreign Terrorist Fighters report*
- Summary of the third *Foreign Terrorist Fighters report*
- *CBRN-E Handbook*
- *Cybercrime Judicial Monitors* and *ad hoc* judicial analyses
- Analysis of national jurisprudence on illegal immigrant smuggling (ES, FR, IT)
- Eurojust-EMCDDA report, *New psychoactive substances in Europe: legislation and prosecution - current challenges and solutions*

The increase in cross-border crime has led over the years to more cases in which multiple Member States have, under their domestic legislation, jurisdiction to prosecute and to take such cases to trial. In accordance with its mandate, Eurojust has been addressing the question of which jurisdiction is best placed to prosecute in cross-border cases in which a prosecution is launched in two or more jurisdictions.

Guidelines for deciding 'Which jurisdiction should prosecute?'

The increase in cross-border crime has led over the years to more cases in which multiple Member States have, under their domestic legislation, jurisdiction to prosecute and to take such cases to trial.

To prevent and support the settling of conflicts of jurisdiction that could result in an infringement of the principle of *ne bis in idem*, and to ensure that the most effective practices with regard to criminal proceedings are in place in the European Union (EU), in 2003, Eurojust published the *Guidelines for deciding 'Which jurisdiction should prosecute?'*

The *Guidelines* suggest factors to be taken into consideration in multi-jurisdictional cases. Since their adoption, they have been of assistance to the competent national authorities for determining which jurisdiction is best placed to prosecute in cross-border cases. The *Guidelines* also assist Eurojust, which may advise the competent national authorities on this matter. In addition, since their publication, the *Guidelines* have been used by some Member States as a reference point when developing their own legislation or guidelines. Taking into account the developments in the EU Area of Freedom, Security and Justice, the operational experience acquired by Eurojust over more than a decade, and the needs of practitioners as expressed on a number of occasions, Eurojust issued a revised version of its *Guidelines* in 2016.

To further improve judicial cooperation, Eurojust also addressed the legal and practical difficulties in the field of interception of telecommunications, tax fraud cases and the European Arrest Warrant.

The development of a web platform for all JIT practitioners to share knowledge and practical information (e.g. legislation, guidelines, evaluation reports) is ongoing.

The Eurojust *Operations Manual*, approved in November 2016 by the College, provides guidelines for the Administration's assistance to National Desks when dealing with cases, a milestone in the consolidation of a common and inclusive approach to management of casework across the organisation. *See also Annual Objective 2.1.1*

1.1.3 Develop and implement an annual plan to streamline and increase use of the ENCS including the technical capabilities, considering the outcomes of the annual meeting(s) of the National Correspondents.

The Eurojust National Coordination System (ENCS) has so far been established in 25 Member States. Eurojust has developed a monitoring and information tool for the implementation of Article 12 of the Eurojust Council Decision in the Member States: the *Fiches Suédoises*. The *Fiches Suédoises* provide: (1) an overview of the structure and functioning of the ENCS in the Member States, and (2) a collection of national guidelines relating to the application of Article 13 of the Eurojust Council Decision, for the purpose of improving the exchange of information from the Member States to Eurojust and the distribution of cases between Eurojust and the European Judicial Network (EJN). To better respond to practitioners' needs, Eurojust developed a new template in 2016, describing each national ENCS in full. Additionally, the new *Fiches* include a specific section on national experience and best practice, for the information of all Member States. The *Fiches* are regularly updated and available to the national correspondents for Eurojust in the Eurojust website's restricted area.

Eurojust monitored the flow of notifications under Article 13(5) to (7) of the Eurojust Council Decision received from Member States. Upon consulting the national correspondents for Eurojust, the College approved an improved version of the Article 13 form. The form was restructured to simplify use for Member States, and is directly importable into the Case Management System (CMS).

The development and implementation of solutions to connect the members of ENCSs in the Member States with the CMS was put on hold due to financial constraints. New approaches were developed to increase Eurojust's ability to retain operational and strategic knowledge: the Case Information Form (CIF) to collect qualitative information, excluding personal data, on Eurojust cases, looking for patterns, best practice and lessons learned, and the Knowledge Management Interface, centralising strategic information, such as casework reports on the application of judicial cooperation instruments and crime priority areas, case illustrations, and results of Eurojust's meetings.

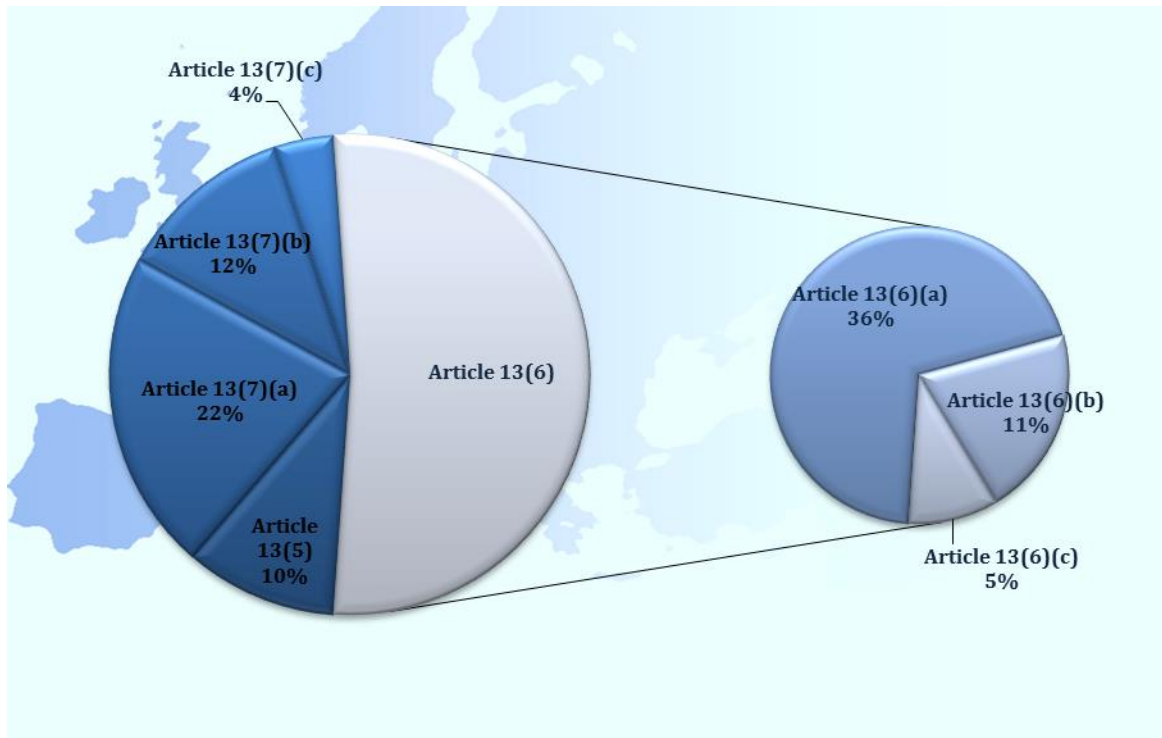
Eurojust continued setting up new secure connections to improve overall security in the exchange of information between Eurojust and Member States. The secure network connection with Austria became operational in 2016, bringing the total to 14 (AT, BE, BG, CZ, ES, LV, LU, HU, NL, PL, RO, SI, FI, SE).

The meeting of the National Correspondents was postponed due to budgetary constraints.

Article 13		No. cases*
Article 13(5)	JIT	18
Article 13(6)(a)	Serious crimes	64
Article 13(6)(b)	Involvement of criminal organization	19
Article 13(6)(c)	Repercussions at EU level	9
Article 13(7)(a)	Conflicts of jurisdiction	38
Article 13(7)(b)	Controlled deliveries	21
Article 13(7)(c)	Repeated difficulties in execution of requests	7

* Total number of Eurojust cases under which Article 13 notifications were submitted.

Article 13 cases in 2016



Strategic Objective 1.1 Strengthen the position of Eurojust as the centre for operational judicial cooperation and coordination

Summary of outputs:

- The number of cases for which Member States requested Eurojust’s assistance in fighting serious cross-border crime increased by 4%, from 2 214 in 2015 to 2 306 in 2016;
- Development of tools to increase Eurojust’s ability to retain operational and strategic knowledge: the Case Information Form (CIF) and the Knowledge Management Interface; and
- Development of tools in support of practitioners’ operational work: Development of a new template of the *Fiches Suédoises*; approval of an improved version of the Article 13 form, approval of the Eurojust *Operations Manual*, revision of the Eurojust *Guidelines for deciding ‘Which jurisdiction should prosecute?’* and enlargement of the secure connections between Eurojust and the Member States.

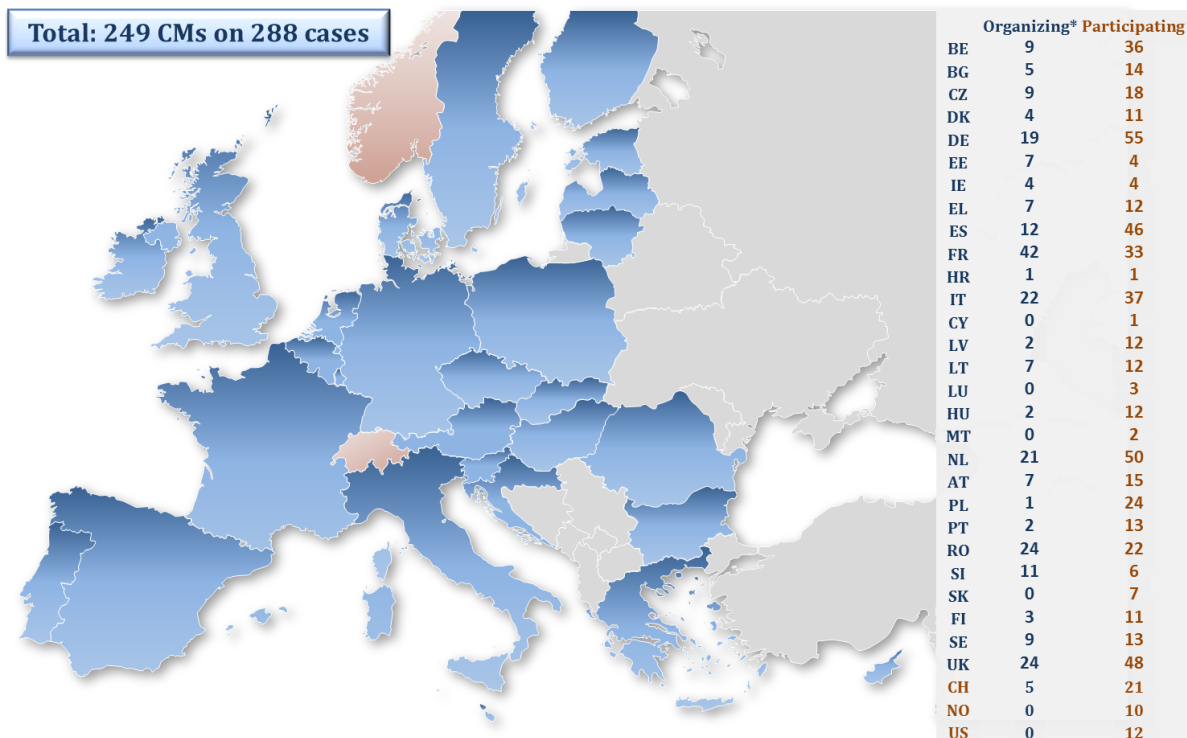
Assessment: *The strengthening of the position of Eurojust as the centre for operational judicial cooperation and coordination was reflected in 2016 by the increase of the number of cases. In addition, the streamlining of the Eurojust’s operations and the implementation of recommendations resulting from stakeholders’ consultations and feedback contributed to this achievement.*

Strategic Objective 1.2 Provide dynamic and quality support to national authorities on judicial cooperation and coordination

1.2.1 Conduct effective coordination meetings and judicial coordination centres and ensure expeditious follow-up.

In 2016, Eurojust organised 249 coordination meetings on 288 cases, 31 of which were held outside of Eurojust’s premises, either in Member States (e.g. Greece, Czech Republic and Slovenia), or third States (Bosnia and Herzegovina and Switzerland). The cases dealt with virtually all areas of serious organised cross-border crime, the most common of which were money laundering, fraud and drug trafficking.

Coordination meetings 2016

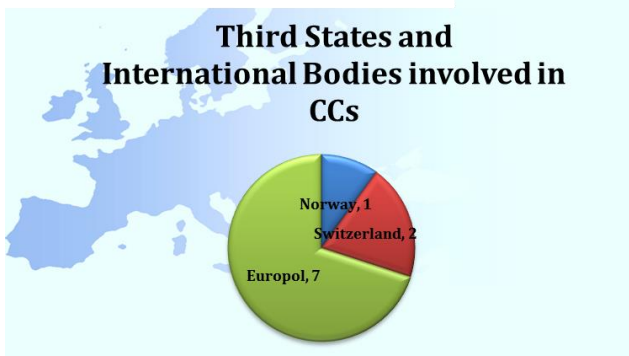
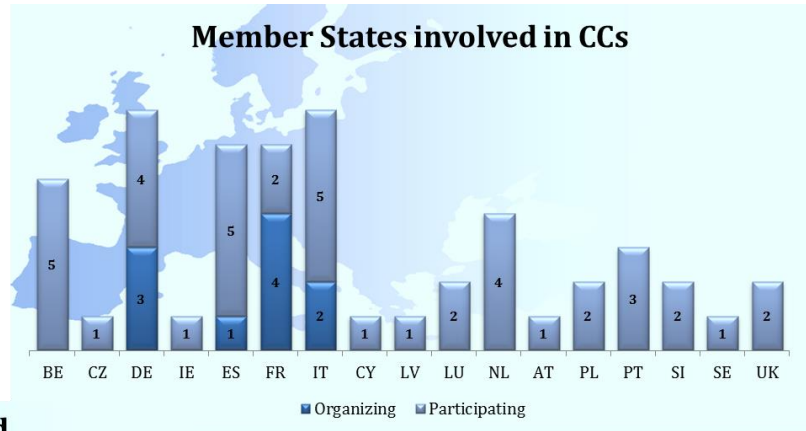


When complex cases require real-time exchange and large-scale multilateral actions (e.g. the execution of several arrest warrants in different countries), Eurojust may support the concerned national authorities by setting up a coordination centre at its premises. Coordination centres are designed to serve as a central hub for the real-time exchange of information as well as for coordinating the joint execution of judicial and law enforcement measures in different countries (seizures, arrests, house/company searches, freezing orders and witness interviews).

Prior to a coordination centre, Eurojust typically provides all participating authorities with an overview of relevant information concerning all targets subject to the joint actions, including their telephone numbers, locations and bank accounts, if applicable. Seven out of the ten coordination centres held in 2016 dealt mainly with financial crime (e.g. fraud and money laundering). On four occasions, the coordination centres dealt with cases for which a JIT had been set up.

Coordination centres 2016

**Total: 10 CCs
Organized by 4 Desks**



1.2.2 Promote and support the establishment of JITs, evaluate the use of JITs in individual cases and disseminate best practice.

As a centre of judicial and legal expertise, Eurojust provides both relevant support to JITs and advice to practitioners. In 2016, 148 JITs were supported by Eurojust, 69 of which were newly formed. Eurojust provided financial support to 90 JITs, a 32% increase over 2015; nine JITs involved third States.

The extension of JITs to third States was taken into account when revising the practical tools developed to support the use of JITs by practitioners: the [JITs model agreement](#) and the [JITs Practical Guide](#).

The new model agreement is no longer based exclusively on EU legal instruments; it incorporates other JIT legal bases and should facilitate the setting up of JITs with third States. The new model agreement will contribute to speeding up the drafting of future agreements. This new document has been endorsed by the Council of Ministers by way of a recommendation and published in the Official Journal.

The JITs Practical Guide has been designed to facilitate access to JITs by practitioners, particularly from third States. It has been thoroughly enriched by including, in particular, a section on 'frequently asked questions'

To assist JIT practitioners in navigating the funding process, an [infographic](#) and a [JITs funding guide](#), available in most official EU languages, are available on our website.

The development work for a new IT tool and portal for the JITs Network Secretariat started in 2016, with the goal of launching a final release in 2017. The new JITs IT tools will ensure the

consistency of the information received by Eurojust and facilitate the processing of the information.

In 2016, 20 new JIT evaluations were initiated. The collection of data will continue in 2017, with a view to having a second issue of the JIT Evaluation Report published at the end of 2017. A joint project between the JITs Network Secretariat and Eurojust has been initiated for 2017 to incorporate in the next JIT Evaluation Report lessons from Eurojust's experience in the field.

The JITs Network has also pursued its effort to collect information on national legislation on JITs (new summaries published for DK, IT, LV, HU, PL, PT, FI and UK). This information is made available in the JITs restricted area, a web platform to which all EU practitioners can request access.

1.2.3 Enhance the Eurojust extranet as a tool for practitioners to disseminate best practice and operational feedback in judicial cooperation.

To better respond to practitioners' needs, Eurojust developed a new template in 2016 describing each national ENCS in full, made available on the ENCS extranet.

1.2.4 Contribute to and build upon the repository of case law under the e-Justice portal.

Further work was done in 2016 on overviews of European and/or national case law/jurisprudence/convictions. A full overview of the products finalised in 2016 is included in the Eurojust Annual Report 2016 (Chapter 2. Eurojust's casework).

See also Annual Objective 1.2.3.

Strategic Objective 1.2 Provide dynamic and quality support to national authorities on judicial cooperation and coordination

Summary of outputs:

- 249 coordination meetings held, involving 288 cases;
- 10 coordination centres held, seven on financial crimes;
- 148 JITs supported, 69 of which newly formed, i.e., 23% increase over 2015;
- Financial support provided to 90 JITs => 32% increase over 2015; 9 JITs involved third States;
- Review of the JITs model agreement and the JITs Practical Guide
- Elaboration of 8 new summaries on national legislation on JITs
- 20 new JIT evaluations were initiated. The collection of data will continue in 2017, with a view to having the second JIT Evaluation Report published at the end of 2017.

Assessment: *Eurojust continued providing and enhanced its dynamic and quality support to national authorities, reflected in 2016 by the increase in the number of coordination meetings and coordination centres, and the number of JITs supported and financed. In addition, JITs evaluations took place, which will contribute to future enhancements.*

Strategic Objective 1.3 Operationally contribute to the EU policy cycle for organised and serious international crime

1.3.1 Support the operational priorities of the European Union and report systematically on the contribution of Eurojust's operational work to their advancement.

Eurojust's operational focus is aligned with the priorities of the European Agendas on Security and Migration, adopted by the European Commission in 2015. The Agenda on Security identifies terrorism, cybercrime and organised crime as priorities for the period 2015-2020, due to the growing threat they pose as well as their cross-border dimension.

The Agenda on Migration calls for immediate action to dismantle criminal smuggling networks. Further, the EU Action Plan against illegal immigrant smuggling 2015-2020 sets out specific actions necessary to implement the two agendas.

In 2016, the emerging threat posed by cybercrime was acknowledged by the Council in its Conclusions of 9 June 2016 setting up the European Judicial Cybercrime Network (EJCN). This network of specialised prosecutors and judges is tasked with countering the challenges posed by cybercrime, cyber-enabled crime and investigations in cyberspace, as well as overcoming the obstacles to effectively securing and obtaining e-evidence. In line with Council expectations, Eurojust provides support to the network in accomplishing its objectives.

Priority crime	Cases			Coordination meetings			JITs		
	2014	2015	2016	2014	2015	2016	2014	2015	2016
Terrorism	14	41	67	4	15	18	2	3	4
Cybercrime	42	62	60	15	19	13	6	11	8
IIS	32	60	65	10	20	12	9	9	11
THB	71	79	93	12	32	33	18	21	32
Fraud	560	647	654	60	76	44	32	34	35
Corruption	55	90	74	9	10	15	4	4	2
Drug trafficking	283	274	254	52	57	41	31	25	24
MOCG	128	201	199	13	21	19	13	13	12
PIF crimes	70	69	41	7	11	11	2	5	5
Non-priority crime									
Money laundering	220	283	295	41	55	67	24	30	35
Environmental crime	5	5	6	0	1	0	0	0	0

New approaches were developed in 2016 to increase Eurojust's ability to retain operational and strategic knowledge: the Case Information Form (CIF) to collect qualitative information, excluding personal data, on Eurojust cases, looking for patterns, best practice and lessons learned, and the Knowledge Management Interface (KMI), centralising strategic information, such as casework reports on the application of judicial cooperation instruments and crime priority areas, case illustrations, and results of Eurojust's meetings.

1.3.2 Pursue an operational role in the selected elements of the Operational Action Plans developed within the framework of EMPACT.

Eurojust contributed to the activities carried out within the framework of the Operational Action Plans (OAPs) in all European Multidisciplinary Platform against Criminal Threats (EMPACT) crime priority areas and the Focal Points. Eurojust was involved, as leader, co-leader or participant, in actions undertaken to increase coordinated investigations and prosecutions within the OAPs and to identify judicial challenges and best practice. The College decided to rationalise the role and assignments of its Contact Points to the Focal Points, aligning them to the new structure adopted at Europol and to Eurojust's operational and strategic priorities (*see also Annual Objective 1.5.2.*).

Eurojust gained formal association to APATE (fraud) and HYDRA (Islamic religiously inspired terrorism), bringing to 25 the total number of Europol's files supported by Eurojust.

Eurojust contributed to the strategic products, the *Serious Organised Crime Threat Assessment* (SOCTA), due to be released in 2017, and the section entitled 'Convictions and Penalties' plus the relevant statistical annex of the *Terrorism Situation and Trend Report* (TE-SAT).

In particular, Eurojust participated in the activities under EMPACT FII (Facilitated Illegal Immigration) and continued liaising with the Council of Europe and Europol to identify possible synergies, and shared its report, *Legal and Operational Issues Identified by Eurojust in Controlled Deliveries within the related EMPACT projects*. Eurojust is contributing to the drafting of a handbook on controlled deliveries, an initiative led by the Pompidou Group (Council of Europe), which is expected to be published in 2017.

The category of OPC committed by mobile organised crime groups (MOCGs) covers a wide array of offences, such as motor vehicle crime, metal theft, pickpocketing, robbery and serial burglaries. Eurojust supported 199 cases, 19 coordination meetings and 12 JITs, four of which were newly established. Eurojust held two coordination centres that dealt with motor vehicle crime. A three-year programme, jointly developed by Eurojust and Spain within the framework of an operational action within the EMPACT project on organised property crime (OPC), ended with a seminar in June organised by Eurojust, attended by experts in investigations and prosecutions of OPC, including representatives from national judicial and law enforcement authorities of the Member States, Norway, Iceland, the European Commission, the European Police College (CEPOL) and Europol. The seminar's goals were to raise awareness among law enforcement officers, prosecutors and judges about the unique aspects of investigating and prosecuting OPC and MOCGs, to exchange views on possible legal loopholes and practical difficulties, and to identify best practice.

The final report, issued in December, summarised the discussions and findings, as well as conclusions, of the three-year programme. The report found that, while no significant legal loopholes appear to affect OPC investigations and prosecutions, national authorities should revise their current practices and strategies, particularly concerning resources and methods used in complex investigations of other serious organised crimes (e.g. forensic evidence (DNA) or special investigative techniques (e.g. interception of communications)), and increase the level of international cooperation, including with Eurojust and the EJN.

In accordance with the Memorandum of Understanding (MoU) with CEPOL and in the context of the 2015 OAPs (EMPACT), Eurojust supported training courses in different areas, such as: financial investigations and excise fraud, cocaine and heroin smuggling, foreign terrorist fighters (FTF), counterfeiting of goods and intellectual property rights (IPR), trafficking in human beings (THB) and illegal immigrant smuggling (IIS).

Within the framework of the EMPACT Cybercrime - Child Sexual Exploitation (CSE), Eurojust carried out an analysis of Eurojust cases of online CSE, outlining the challenges in investigations and prosecutions of CSE cases, as well as solutions and best practice. From January through March 2016, a US Cybercrime Prosecutor was seconded to Eurojust to work with the National Desks and the European Cybercrime Centre (EC3) to establish closer operational cooperation with the US representative in cybercrime matters and increase understanding of the US criminal law system. Both Eurojust and the US authorities welcomed this initiative, which led to very good results.

Strategic Objective 1.3 Operationally contribute to the EU policy cycle for organised and serious international crime

Summary of outputs:

- Eurojust Cybercrime Network was set up. Eurojust provides support to the accomplishment of its objectives;
- 63% of the total cases dealt with in 2016 relate to priority crime types, in accordance with the Council priorities for the fight against serious and organised crime between 2014 and 2017;
- Eurojust's formal association to APATE (fraud) and HYDRA (Islamic religiously inspired terrorism), bringing to 25 the total number of Europol's files supported by Eurojust;
- The Case Information Form (CIF) was developed to increase Eurojust's ability to retain operational and strategic knowledge;
- Creation of the Knowledge Management Interface (KMI) to centralise strategic information;
- Organisation of a seminar on organised property crime, jointly developed with ES, within the EMPACT project. A final report summarising the discussions and findings was produced;
- Within the framework of EMPACT Cybercrime, Eurojust carried out an analysis of Eurojust cases on online child sexual exploitation.
- Eurojust contributed to the strategic products *Serious Organised Crime Threat Assessment* (SOCTA), due to be released in 2017, and the section entitled 'Convictions and Penalties' plus the relevant statistical annex of the Terrorism Situation and Trend Report (TE-SAT); and
- Eurojust supported CEPOL training courses in different areas, such as financial investigations and excise fraud, cocaine and heroin smuggling, FTF, counterfeiting of goods and IPR, THB and IIS.

Assessment: *Eurojust actively contributed to operationally support the EU policy cycle for organised and serious international crime, and contributed to the activities carried out within the framework of the OAPs in all EMPACT crime priority areas and the Focal Points.*

Strategic Objective 1.4 Strengthen the operational information management capabilities of Eurojust

1.4.1 Develop and deliver a holistic approach, in conjunction with relevant partners and Member States, to further streamline information exchange, data handling and judicial analysis capabilities.

Eurojust introduced the concept of a holistic approach in the Case Management System (CMS) as early as 2014. The CMS, as a holistic system, has the potential to better serve the requirements and needs of the users when composed of several connected tools that would include the pure registration of cases, but that could also support basic analysis by finding links between cases and entities, and include an advanced search tool and an easy tool dedicated to statistics. All these underlying ICT tools are now incorporated in the global concept of the CMS.

In accordance with the AWP of the CMS Board, a dedicated Eurojust entity for managing CMS projects and activities, the planned enhancements and changes to the CMS were implemented and rolled out in production as part of two new releases (4.1.5 and 4.2). Development of the CMS 4.2.5 release started in Q4 2016. In addition, the IM Unit implemented a new version of the Schengen Information System II (SIS II) client application.

During 2016, Eurojust's Seconded National Expert (SNE) on Cybercrime acted as a bridge-maker between Eurojust and Europol, facilitating the exchange of information, and supporting and coordinating cooperation with EC3. EC3 supported investigations by facilitating secure information exchange, providing in-depth analysis and advanced digital forensic support, and fostering cooperation between law enforcement and private partners.

Eurojust and OLAF's joint efforts to counter fraud, corruption and other crimes affecting the financial interests of the European Union continued and highlighted the need for an effective multi-agency approach to cross-border cases, particularly through information exchange and mutual involvement.

Views were exchanged on the legal and practical challenges encountered and possible ways to enhance cooperation with judicial authorities from third States with regard to execution of mutual legal assistance (MLA) requests, information exchange and evidence gathering.

Strategic Objective 1.4 Strengthen the operational information management capabilities of Eurojust

Summary of outputs:

- Enhancements and changes to the CMS were implemented and rolled out in accordance with the CMS Board work plan; and
- The Eurojust SNE on Cybercrime acted as a bridge-maker between Eurojust and Europol, facilitating the exchange of information, and supporting and coordinating cooperation with EC3.

Assessment: Eurojust continued to strengthen its operational information management capabilities by developing a holistic approach to streamline information exchange, data handling and judicial analysis capabilities.

Strategic Objective 1.5 Reinforce operational cooperation with key partners

1.5.1 Develop an integrated approach with the network secretariats hosted at Eurojust towards the improvement of actions and tools for practitioners.

The Secretariats of the European Judicial Network (EJN), the Network of National Experts on Joint Investigation Teams (JITs Experts Network) and the European Network for investigation and prosecution of genocide, crimes against humanity and war crimes (Genocide Network) are hosted by Eurojust, which provides them with office space and staff. This physical proximity facilitates the cooperation between Eurojust and these network Secretariats in their respective areas of work.

European Judicial Network

The EJN plenary meetings in 2016 took place in Amsterdam and Bratislava. Topics discussed were THB/labour exploitation, financial investigations, e-evidence, cooperation and synergies with the European Network on Victims' Rights (ENVR) and the EJC. Three meetings were held at Eurojust: the regular meeting, the Tool Correspondents meeting and the National Correspondents meeting.

EJN regional meetings were held in Germany, the Netherlands, Austria, Portugal and Romania. EJN national meetings were held in Latvia, Poland, Romania and the UK. These meetings enabled the EJN contact points and local authorities to discuss international judicial cooperation in different areas, including relations between the EJN and Eurojust.

The EJN and Eurojust continued to implement their action plans on the Sixth Round of Mutual Evaluations in the Member States. As part of the EJN plenary meeting under the Dutch Presidency, EJN contact points met with their colleagues at the Eurojust National Desks in bilateral workshops to discuss how to ensure the best possible support to practitioners by strengthening synergies between the EJN and Eurojust. In many cases, good cooperation was confirmed. The importance of close and regular contacts and consultations between the EJN contact points and Eurojust National Desks was emphasized.

As a general outcome, the Joint Paper *Assistance in International Cooperation in Criminal Matters for Practitioners, EJN and Eurojust, 'What can we do for you?'* will be reviewed. The Joint Paper is available in all official EU languages and is published on the EJN and Eurojust websites. It informs practitioners of the services and assistance that can be provided by the EJN and Eurojust to ensure that the EJN and Eurojust deal with cases within their mandates, use time and resources effectively and avoid duplication of work.

Several sections of the EJN website have been updated. A new version of the Compendium was released. This tool supports the drafting of all types of requests for judicial cooperation, based either on mutual recognition instruments or MLA.

New versions were created for the section in the Judicial Library on status of implementation of the legal instruments. In addition, the EJN Secretariat developed a new online reporting tool for the activities of the EJN contact points, ready for use as of January 2017.

The EJN continued to develop its relations with other judicial networks and third States. Their contact details are available for the EJN contact points in a new section of the EJN website called 'Cooperation with third countries and judicial networks'.

JITs Network

The 12th annual meeting of JITs National Experts took place in June, with a specific focus on challenges and opportunities offered by JITs in IIS cases. Over two days, experts and practitioners from across Europe, as well as other relevant agencies and stakeholders, discussed concrete steps to enhance the use of JITs in IIS. The Conclusions of the meeting are available on Eurojust's website.

The JITs Network revised two useful documents for practitioners, which are also available on Eurojust's website: the JITs manual, which was thoroughly enhanced to serve as a JITs practical guide, including a section on 'frequently asked questions', and the JITs model agreement, which was revised with the objective of simplifying the existing model and incorporating several amendments derived from the analysis of existing agreements. It has been endorsed by the Council of Ministers by way of a Resolution.

The JITs Network continued to collect information on JIT national legislation (new summaries published for DK, IT, LV, HU, PL, PT, FI and UK) and practice (20 new JIT evaluations initiated). This information is made available in the JITs restricted area, a web platform to which EU practitioners can request access.

In addition to the course *Joint Investigation Teams*, and the conclusions of the annual meeting, the JITs Network and its Secretariat contributed to a JIT training specifically targeting challenges in IIS cases. This event was organised in cooperation with CEPOL, the European Judicial Training Network (EJTN) and the Police Cooperation Convention for Southeast Europe Secretariat (PCC-SEE), and during three days gathered 25 participants from Member and third States affected by this type of organised criminal activity to enhance the use of JITs in this area.

Genocide Network

Two plenary meetings took place at Eurojust and focused on the practical challenges of the case against leaders of the Democratic Forces for the Liberation of Rwanda (FDLR) in Germany and on the crimes related to the looting and destruction of cultural heritage sites in Syria and Iraq. The conclusions of both annual meetings are available on Eurojust's website. In addition, one *ad hoc* meeting was held to discuss and advance national investigations in relation to the ongoing armed conflict in Syria, taking into account the substantial influx of Syrian refugees into EU territory, among them victims, witnesses and perpetrators of atrocities. Reports of the meetings were published as Council docs. 10169/16 and 13409/16.

Several factual data collections and evaluations were conducted in 2016. The most comprehensive questionnaire assessed the current application of Council Decision 2003/335/JHA on the setting up of specialised units at national level to investigate and prosecute core international crimes. The rationale of having such units lies in having specialised knowledge to handle complex legal and practical challenges, retaining expertise, best practice and lessons learned within the same unit. The work also encompassed issues relating to the protection and participation of victims in the judicial process. The outcome was published as Council doc. 10234/16.

See also Annual Objective 2.1.6

1.5.2 Systematically identify and promote engagement of relevant EU/other partners in operational work and joint initiatives to increase synergies and maximise outcomes in the investigation and prosecution of cross-border crimes.

Eurojust's relations with relevant EU partners

Cooperation with Europol

Cooperation was strengthened through the work of the Eurojust-Europol Steering Committees on Operational Matters and on Strategic Matters, at which a number of topics were discussed, including Eurojust's support to Europol Focal Points and Joint Action Days 2016, the Camden Asset Recovery Inter-Agency Network (CARIN) questionnaire on non-conviction-based forfeiture, data retention projects, JIT funding and the exchange programme.

The Joint Annual Report 2015 was submitted to the Council and Commission on 19 May 2016.

Eurojust is exploring the steps for creating a bridge between Eurojust and the Europol Centres. At the Eurojust-Europol high-level meeting, support was given to post Eurojust representatives to the European Counter Terrorism Centre (ECTC) and the European Migrant Smuggling Centre (EMSC), following the good example set by Eurojust's Seconded National Expert on Cybercrime posted at EC3.

Information about scheduled operational meetings at Europol and coordination meetings at Eurojust continued to be exchanged on a regular basis. Europol attended 87 coordination meetings.

Eurojust contributed to the activities carried out within the framework of the OAPs in all EMPACT crime priority areas and the Focal Points. Eurojust participated, as leader, co-leader and participant, in actions undertaken to increase coordinated investigations and prosecutions within the OAPs and to identify judicial challenges and best practice. The College decided to rationalise the role and assignments of its Contact Points to the Focal Points, aligning them to the new structure adopted at Europol and to Eurojust's operational and strategic priorities.

Eurojust gained formal association to APATE (fraud) and HYDRA (Islamic religiously inspired terrorism), bringing to 25 the total number of Europol's files supported by Eurojust.

Eurojust contributed to the strategic products, the *Serious Organised Crime Threat Assessment* (SOCTA), due to be released in 2017, and the section entitled 'Convictions and Penalties' plus the relevant statistical annex of the *Terrorism Situation and Trend Report* (TE-SAT).

Following an initiative of the Dutch Chair of the Europol Management Board, a joint meeting of the Management Board and the College of Eurojust was held in December to discuss common reflections on cooperation, to promote a better understanding of Eurojust's and Europol's respective mandates, and to enhance complementarity to better serve the national authorities.

See also Annual Objective 2.4.5

Cooperation with OLAF

Eurojust and OLAF's joint efforts to counter fraud, corruption and other crimes affecting the financial interests of the European Union continued and highlighted the need for an effective multi-agency approach to cross-border cases, particularly through information exchange and mutual involvement. OLAF officials worked with Eurojust on four cases and participated in four coordination meetings. Cooperation was ensured through the Eurojust and OLAF liaison team, by, amongst others, the regular exchange of case summaries and a joint training on practical

cooperation., using cases to demonstrate to practitioners how cooperation and best practice between OLAF and Eurojust help to protect the financial interests of the European Union.

See also Annual Objectives 2.4.2 and 2.4.5

Consultative Forum

The Consultative Forum was established in 2010 to reinforce judicial cooperation and mutual trust among the Member States, and to provide input from the judiciary to the EU institutions for the development of the EU Area of Freedom, Security and Justice.

Following reflection on future format and content, 2016 was the first year the organising EU Presidencies called for a joint meeting. The Board of Prosecutors General of the Netherlands and the Office of the Prosecutor General of the Slovak Republic jointly convened the 11th meeting of the Consultative Forum in June, which focused on the latest developments in cybercrime, terrorism and IIS, as well as cooperation with key third States in the fight against serious and organised crime.

The Consultative Forum discussed the outcome of the strategic seminar, *Keys to Cyberspace*, concerning frequent challenges encountered by prosecutors in the investigation and prosecution of cybercrime, focusing on cooperation with service providers and encryption. They welcomed the initiative of the Dutch EU Presidency to establish the EJC� as a way to foster contacts among cybercrime judicial practitioners in the Member States and increase the efficiency of investigations and prosecutions of cybercrime cases.

Representatives from concerned Member States shared their experience regarding reinforcing the judicial response to terrorist threats and recent terrorist attacks in France and Belgium. Insight was provided regarding the challenges faced and lessons learned in investigating and prosecuting IIS cases, particularly in relation to asserting jurisdiction on the high seas, and the added value of considering such crime type as a serious organised crime.

The need to strengthen and streamline international judicial cooperation through enhanced contacts among practitioners and the sharing of legislation and best practice, as well as fostering investigations by, for example, using special investigative techniques and JITS if appropriate, was underlined.

Views were exchanged on the legal and practical challenges encountered and possible ways to enhance cooperation with judicial authorities from third States with regard to execution of MLA requests, information exchange and evidence gathering. Eurojust provided insight into its ongoing activities in the field of external relations, highlighting the added value of cooperation agreements, the liaison prosecutors posted at Eurojust and its network of judicial contact points in third States facilitating judicial cooperation. The conclusions of the meeting are available on Eurojust's website.

See also Annual Objective 2.4.3

Eurojust's relations with third States and international organisations

Cooperation agreements

Eurojust has seven cooperation agreements in force, following the entry into force of the cooperation agreement with the Republic of Moldova on 21 October. Cooperation agreements were signed with Montenegro on 3 May and with Ukraine on 27 June, still to enter into force, and formal negotiations were launched to conclude a cooperation agreement with Albania. Contacts were maintained with Bosnia and Herzegovina, Brazil, Georgia, Israel, Mexico, Serbia, Tunisia and Turkey to explore possibilities for enhancing cooperation. In addition, the practical imple-

mentation of the provisions of cooperation agreements in force was assessed. In this context, regular consultation meetings were held with Switzerland and Norway.

See also Annual Objective 2.4.3

Eurojust's casework involving third States

Eurojust provided assistance in more than 300 cases in which 61 different third States were involved, mainly dealing with fraud and money laundering. Third States were represented at 50 coordination meetings, with Switzerland, the USA and Norway as most frequent participants. Switzerland and Norway were also involved in coordination centres. Third States were involved in 14 JITs supported by Eurojust.

Liaison Prosecutors at Eurojust

The legal basis for the secondment of a Liaison Prosecutor is a cooperation agreement. Eurojust has three seconded Liaison Prosecutors, from Norway, the USA and Switzerland.

The Liaison Prosecutor for Switzerland registered 90 cases, mainly dealing with swindling and fraud, money laundering and crimes against life, limb or personal freedom, and organised five and participated in 21 coordination meetings and two coordination centres.

The Liaison Prosecutor for Norway registered 65 cases, mainly dealing with drug trafficking, THB, crimes against life, limb or personal freedom and fraud, and participated in 10 coordination meetings and one coordination centre.

The Liaison Prosecutor for the USA registered one case on maritime piracy and participated in 12 coordination meetings. Their presence at Eurojust and their involvement in cases has been considered beneficial, as they can accelerate and facilitate judicial cooperation between competent authorities of Member States and third States.

See also Annual Objective 2.4.5

Eurojust contact points in third States

Eurojust continued to extend its worldwide network of judicial contact points in third States by adding contact points from Colombia and Libya. At present, 41 third States have Eurojust contact points. These contact points, through Eurojust, facilitate cooperation between competent authorities of the Member States and third States.

See also Annual Objective 2.4.5

Cooperation with ICC

Eurojust and the Office of the Prosecutor of the International Criminal Court (ICC) signed a Letter of Understanding on Cooperation in 2007. In 2016, Eurojust and the ICC explored the links between core crimes (as defined in the Rome Statute of the ICC), terrorism and other crimes. In June, Eurojust invited ICC representatives to meet the national correspondents for Eurojust for terrorism matters and counter-terrorism experts from Norway, Switzerland and the USA to present the work of the ICC in Libya concerning the links found between core crimes and terrorism. The ICC expressed its willingness to assist in facilitating MLA and the exchange of information when such links are detected. Eurojust created the possibility for national judicial authorities to establish direct contacts with ICC investigators to effectively prosecute core crimes and terrorist-related offences. In July, the Director of Investigations presented the ICC activities to the College and views were exchanged on enhancing cooperation.

See also Annual Objectives 2.1.6. and 2.4.5

Eurojust promotion

Roadshows and marketing seminars

Eurojust organised, in cooperation with the respective national authorities, marketing seminars in Lithuania (May), Bulgaria (June) and Ireland (July) and one roadshow in Spain to promote the tasks, work and added value of Eurojust in operational matters and the recognition of Eurojust as the centre of judicial and legal expertise in the European Union. These seminars are attended by prosecutors, judges and/or law enforcement authorities.

Eurojust and training

See Annual Objective 2.1.5.

1.5.3 Finalise internal arrangements for the posting of Liaison Magistrates in third States and identify priority third States.

The College approved College Decision 2017-1 on the implementing arrangements for Liaison Magistrates in third States. Eurojust established a list of priority third States for strategic cooperation.

Strategic Objective 1.5 Reinforce operational cooperation with key partners

Summary of outputs:

- The joint Eurojust/EJN Paper, *Assistance in International Cooperation in Criminal Matters for Practitioners, EJN and Eurojust, 'What can we do for you?',* was made available in all official EU languages on the EJN and Eurojust websites;
- The 12th annual meeting of JITs National Experts took place in June; the conclusions of the meeting are available on Eurojust's website;
- Two Genocide Network plenary meetings took place at Eurojust; the conclusions of both annual meetings are available on Eurojust's website;
- Cooperation with Europol was strengthened through the work of the joint Steering Committees on Operational Matters and Strategic Matters;
- The Joint Eurojust/Europol Annual Report 2015 was submitted to the Council and Commission on 19 May;
- Cooperation ensured by the Eurojust and OLAF liaison team (participation of OLAF officials at Eurojust cases and coordination meetings);
- 41 third States have Eurojust contact points; At the Eurojust–Europol high-level meeting, support was given to post Eurojust representatives to the Europol ECTC and EMSC, following the good example set by Eurojust's SNE on Cybercrime posted at EC3;
-
- Further development of cooperation with other stakeholders, third States and organisations, e.g. marketing seminars held in Lithuania (May), Bulgaria (June) and Ireland (July) and one roadshow in Spain; and
- The College approved the implementing arrangements for posting Liaison Magistrates in third States and established a list of priority third States for strategic cooperation.

Assessment: *Operational cooperation with key partners was reinforced at various levels and through extensive actions put in place in 2016.*

GOAL 2 – Strategic Work

Eurojust will continue to develop and be recognised as the centre of judicial and legal expertise in the European Union, providing advice to stakeholders based on operational experience in judicial cooperation in criminal matters

Strategic Objective 2.1 Contribute to the improvement of EU action in judicial cooperation in criminal matters**2.1.1 Support the College to review best practice and actions required in the respective policy areas and report to practitioners and policymakers.**

In 2016, Eurojust continued to report on criminal policy problems within the Union, highlighted as a result of its casework and related meetings with practitioners. Within this framework, Eurojust also prepared guidelines and tools for practitioners in the field of judicial cooperation in criminal matters and made proposals for the improvement of criminal justice in the Union, particularly in relation to priority crime areas and countries (including third States). In 2016, the following deliverables were produced:

- *Terrorism Convictions Monitors* and *ad hoc* judicial analyses
- *Fourth Foreign Terrorist Fighters* report
- Summary of the third *Foreign Terrorist Fighters* report
- *CBRN-E Handbook*
- *Cybercrime Judicial Monitors* and *ad hoc* judicial analyses
- Analysis of national jurisprudence on illegal immigrant smuggling (ES, FR, IT)
- Eurojust-EMCDDA report, *New psychoactive substances in Europe: legislation and prosecution – current challenges and solutions*

Terrorism Convictions Monitor

Eurojust continued to produce its *Terrorism Convictions Monitor* and *ad hoc* judicial analyses of landmark terrorism convictions to disseminate to practitioners best practice, diverse and complex legal questions, court findings and arguments, legislative developments at EU and national levels, as well as critical elements, such as new recruitment techniques and early indicators of radicalisation.

***Fourth Foreign Terrorist Fighters* report**

The fourth FTF report (classified as EU Restricted), issued in December, compiled all of Eurojust's relevant findings throughout the year, its views on the criminal justice response to the FTF phenomenon, legislative developments in the Member States and a number of recommendations for the European Union and Member States and follow-up actions for Eurojust.

***Summary of the third Foreign Terrorist Fighters* report**

Eurojust also produced a summary of the main findings of the 2015 FTF report, which was published in 2016 as a Eurojust document with limited access. Following the recommendations in the 2014 and 2015 FTF reports for an update of the EU legal framework addressing terrorism, and based on its operational experience, in April, Eurojust presented its input on the proposal for a Directive on Combating Terrorism at a shadow meeting of the LIBE Committee.

CBRN-E Handbook

The *CBRN-E Handbook* is a regularly updated Eurojust product that provides EU practitioners with specialist multi-sector legal support for investigations and prosecutions related to transnational crimes involving chemical, biological, radiological, nuclear substances and explosives (CBRN-E). It contains an overview of the most relevant EU and international legislation dealing with CBRN-E, as well as supranational entities, systems and databases in the area of CBRN-E. An update was produced in 2016.

Cybercrime Judicial Monitor

In 2016, Eurojust launched the *Cybercrime Judicial Monitor* (CJM) and produced its first two editions. The CJM is a Eurojust document with limited access, published once per year and designed as a reporting tool to support practitioners in the investigation and prosecution of cybercrime cases. The CJM outlines relevant legislative developments in the area of cybercrime and cyber-enabled crimes. Furthermore, it provides extensive analyses of selected national court rulings in cybercrime cases, as well as a chapter on a topic of interest, elaborated on the basis of ongoing discussions or emerging trends. Two topics of interest were covered in the CJM published last year: the court rulings in the Belgian Yahoo! case and remote access to data or a computer system.

Analysis of national jurisprudence on illegal immigrant smuggling

Eurojust prepared analyses of national jurisprudence on IIS and related offences in Spain, Italy and France, identifying legal and practical challenges in investigation and prosecution, and best practice.

Eurojust-EMCDDA report, New psychoactive substances in Europe: legislation and prosecution – current challenges and solutions

In November, Eurojust and the EMCDDA published a report entitled *New psychoactive substances in Europe: legislation and prosecution – current challenges and solutions*. The report is intended to assist national authorities faced with the rapid evolution of the European market for new psychoactive substances (NPS), which has challenged them to find suitable and efficient control mechanisms. The report combines Eurojust's operational experience in drug-related cross-border prosecutions and analysis of the 10 July 2014 Court of Justice of the European Union (CJEU) ruling on medicinal products (Joined Cases C-358/13 and C-181/14) with the EMCDDA's drug monitoring and analytical capacities.

2.1.2 Systematically analyse and assess Eurojust casework and areas of judicial cooperation in criminal matters to identify legal issues, practical difficulties and lessons learned and provide strategic advice to EU stakeholders.

Through its operational and strategic work, Eurojust contributes to the identification of challenges and best practice in different areas of judicial cooperation in criminal matters. In 2016, Eurojust specifically addressed legal and practical difficulties in the field of interception of telecommunications, challenges in tax fraud cases and the European Arrest Warrant (EAW).

Eurojust provided observations and recommendations on several subjects to EU institutions, including on experiences identified in casework.

In October 2015, the College held a thematic discussion on legal requirements and operational issues concerning controlled deliveries (see Eurojust Annual Report 2014, p. 60). Eurojust continued liaising with the Council of Europe and Europol to identify possible synergies, and shared its report, *Legal and Operational Issues Identified by Eurojust in Controlled Deliveries*, within the related EMPACT projects. Eurojust is contributing to the drafting of a handbook on controlled deliveries, an initiative led by the Pompidou Group (Council of Europe), which is expected to be published in 2017. Eurojust provided advice to the national authorities on converting the information collected during a controlled delivery into evidence, and facilitates the exchange of information and documents following MLA requests.

In April, Eurojust presented its input on the proposal for a Directive on Combating Terrorism at a shadow meeting of the LIBE Committee.

Eurojust contributed to the strategic products, the *Serious Organised Crime Threat Assessment* (SOCTA), due to be released in 2017, and the section entitled 'Convictions and Penalties' plus the relevant statistical annex of the *Terrorism Situation and Trend Report* (TE-SAT).

Additionally, national authorities asked Eurojust to gather information or provide legal advice on the following topics:

- judgements of the CJEU interpreting the legal terms 'judicial authority' and 'judicial decision' in the context of the Council Framework Decision 2002/584/JHA of 13 June 2002 on the European Arrest Warrant and the surrender procedures between Member States (FD EAW);
- the recognition of 'parental child abduction' from one Member State to another as an offence;
- Articles 18 and 19 of the FD EAW relating to 'temporary transfer' and 'hearing of the person';
- foreign terrorist fighters;
- the interception of conversations through Trojan horse-like viruses activated remotely in smartphones; and
- procedural law applicable to urgent situations (e.g. states of emergency).

2.1.3 Establish *ad hoc* and permanent centres of judicial and legal expertise in crime-related areas and in the use of judicial cooperation and mutual recognition instruments.

The objective of the Permanent Centre of Expertise is to share and maintain the knowledge and experience of the members of the College, to gain know-how, and discuss and gather best practice in effective casework handling to codify standardised ways of dealing with issues related to judicial cooperation. For the pursuit of this objective, the College established the Knowledge Management Group in the end of 2014, started functioning in 2015 and delivered the Eurojust Knowledge Management Interface (KMI) in 2016. The KMI centralises strategic information, such as casework reports on the application of judicial cooperation instruments and crime priority areas, case illustrations, and results of Eurojust's meetings. The KMI currently contains more than a thousand documents, with the goal of becoming a full repository of Eurojust products.

Another new approach developed to increase Eurojust's ability to retain operational and strategic knowledge is the Case Information Form (CIF) to collect qualitative information, excluding personal data, on Eurojust cases, looking for patterns, best practice and lessons learned.

The European Judicial Cybercrime Network (EJCN) held its kick-off meeting in November 2016 at Eurojust, focusing on the technical, legal and practical obstacles to encryption and undercover investigations online. The EJCN will facilitate and enhance cooperation between competent judicial authorities by enabling the exchange of expertise, best practice and other relevant knowledge regarding the investigation and prosecution of cybercrime. The network will also

foster dialogue among different actors and stakeholders that play a role in ensuring the rule of law in cyberspace. Eurojust has been tasked to provide support to and ensure cooperation with the network.

Eurojust is exploring the steps for creating a bridge between Eurojust and the Europol Centres. At the Eurojust–Europol high-level meeting, support was given to post Eurojust representatives to the ECTC and EMSC, following the good example set by Eurojust’s Seconded National Expert on Cybercrime posted at EC3.

2.1.4 Increase the capacity to support a greater contribution to EU policy making initiatives.

In 2016, Eurojust continued to streamline and align its strategic and operational goals and activities with the priorities set by the European Agenda on Security, the renewed EU Internal Security Strategy 2015-2020, the European Agenda on migration, as well as the Council priorities for the fight against serious and organised crime for 2014-2017. In relation to criminal policy work, Eurojust published the following major products (*for further information on these products, please refer to section 2.1.1*):

- *Terrorism Convictions Monitors (3 issues) and ad hoc judicial analyses*
- *Fourth Foreign Terrorist Fighters report*
- *Summary of the third Foreign Terrorist Fighters report*
- *CBRN-E Handbook*
- *Cybercrime Judicial Monitors (2 issues) and ad hoc judicial analyses*
- *Analysis of national jurisprudence on illegal immigrant smuggling (ES, FR, IT)*
- *Eurojust-EMCDDA report, New psychoactive substances in Europe: legislation and prosecution – current challenges and solutions*

In addition, the following meetings were held:

- tactical meeting on illegal immigrant smuggling (February)
- strategic seminar, *Keys to Cyberspace* (June)
- joint meeting of the Consultative Forum, under the Dutch and Slovak Presidencies, in June, focusing on the latest developments in cybercrime, terrorism and IIS, as well as cooperation with key third States in the fight against serious and organised crime (the conclusions of the meeting are available on Eurojust’s website)
- tactical meetings on terrorism (June)
- EMPACT seminar on OPC, (June)
- tactical meeting, Judicial Cooperation in Tax Crime Matters, (October)
- kick-off meeting of the EJCEN, (November)

2.1.5 Contribute to specialist training plans and curricula in liaison with CEPOL and the EJTN, or other EU counterparts, to raise awareness and transfer knowledge.

Eurojust’s thematic meetings are attended by practitioners and allow for the sharing of experience and best practice. These meetings can be considered practical training. More specifically, Eurojust supports training in judicial cooperation in criminal matters on the basis of an MoU signed with the EJTN. In the framework of the EJTN Exchange Programme, 16 prosecutors/judges from 9 Member States (BE, BG, ES, IT, HU, AT, PL, PT, SI) participated in long-term trainee periods (three or four months) at the Eurojust National Desks, supporting their operational work. Eurojust also organised a one-week study visit in April, which was attended by 27 prosecutors/judges from 17 Member States. In addition, members of the Eurojust National

Desks actively participated in four EJTN seminars within the framework of the Criminal Justice Project I, *International Judicial Cooperation in Criminal Matters in Practice: EAW and MLA simulations*. The Eurojust representatives at these seminars supervise the work of the practitioners and provide insight into the role of Eurojust.

In accordance with the MoU with CEPOL and in the context of the 2015 OAPs (EMPACT), Eurojust supported training courses in different areas, such as: financial investigations and excise fraud, cocaine and heroin smuggling, FTF, counterfeiting of goods and IPR, THB and IIS.

Jointly with CEPOL, the EJTN and the JITs Network Secretariat, Eurojust continued to participate in the course *Joint Investigation Teams*.

Further, in the frame of the EU-funded IPA 2014 project, *International Cooperation in Criminal Justice: the Prosecutors' Network of the Western Balkans*, Eurojust provided training and hosted a one-week study visit for practitioners from the Western Balkans in July.

2.1.6 Prepare for a central role of Eurojust in building expertise for cooperation in core international crimes with the respective network (GEN).

The Genocide Network was established in 2002 to ensure close cooperation between the national authorities in investigating and prosecuting genocide, crimes against humanity and war crimes by exchanging operational information, best practice and experience. It is a network of practitioners – investigators, prosecutors and MLA officers. Its Secretariat was set up in July 2011.

The first EU Day against Impunity was organised on 23 May by the Dutch Presidency, the Genocide Network, Eurojust and the European Commission. The annual event's goal is to raise awareness of the most heinous crimes, to promote national investigations and prosecutions, to address the position and participation of victims in criminal proceedings and to reinvigorate the EU-wide commitment to fight impunity for these crimes. The outcome was published as Council doc. 10233/16.

In October, the Genocide Network implemented a training programme on investigating and prosecuting conflict-related sexual violence, in cooperation with experts from ICTY and the UN Team on the Rule of Law. The Genocide Network continued its cooperation with the EJTN in implementing training programmes for judges and prosecutors and began cooperating with CEPOL to develop a training programme focused on investigative aspects of core international crimes.

Several factual data collections and evaluations were conducted in 2016. The most comprehensive questionnaire assessed the current application of Council Decision 2003/335/JHA on the setting up of specialised units at national level to investigate and prosecute core international crimes. The rationale of having such units lies in having specialised knowledge to handle complex legal and practical challenges, retaining expertise, best practice and lessons learned within the same unit. The work also encompassed issues relating to the protection and participation of victims in the judicial process. The outcome was published as Council doc. 10234/16.

Additionally, Eurojust and the Office of the Prosecutor of the ICC signed a Letter of Understanding on Cooperation in 2007. In 2016, Eurojust and the ICC explored the links between core crimes (as defined in the Rome Statute of the ICC), terrorism and other crimes. In June, Eurojust invited ICC representatives to meet the national correspondents for Eurojust for terrorism matters and counter-terrorism experts from Norway, Switzerland and the USA to present the work of the ICC in Libya concerning the links found between core crimes and terrorism. The ICC expressed its willingness to assist in facilitating MLA and the exchange of information when such links are detected. Eurojust created the possibility for national judicial authorities to establish direct contacts with ICC investigators to effectively prosecute core crimes and terrorist-related offences.

In July, the Director of Investigations presented the ICC activities to the College and views were exchanged on enhancing cooperation.

See also Annual Objective 1.5.1

Strategic Objective 2.1 Contribute to the improvement of EU action in judicial cooperation in criminal matters

Summary of outputs:

- Extensive strategic products issued in 2016:
- Terrorism Convictions Monitors and *ad hoc* judicial analyses in this crime area
- *Fourth Foreign Terrorist Fighters report*
- *Summary of the third Foreign Terrorist Fighters report*
- *CBRN-E Handbook*
- *Cybercrime Judicial Monitors* and *ad hoc* judicial analyses in this crime area
- Analysis of national jurisprudence on illegal immigrant smuggling (ES, FR, IT)
- Eurojust-EMCDDA report, New psychoactive substances in Europe: legislation and prosecution – current challenges and solutions
- Thematic discussion on legal requirements and operational issues concerning controlled deliveries;
- tactical meeting on illegal immigrant smuggling (February)
- strategic seminar, Keys to Cyberspace (June)
- tactical meetings on terrorism (June)
- EMPACT seminar on OPC, (June)
- tactical meeting, Judicial Cooperation in Tax Crime Matters, (October)
- kick-off meeting of the EJCN, (November)
- National authorities asked Eurojust to gather information or provide legal advice on the following topics:
 - judgements of the CJEU interpreting the legal terms ‘judicial authority’ and ‘judicial decision’ in the context of the FD EAW;
 - the recognition of ‘parental child abduction’ from one Member State to another as an offence;
 - Articles 18 and 19 of the FD EAW relating to ‘temporary transfer’ and ‘hearing of the person’;
 - foreign terrorist fighters;
 - the interception of conversations through Trojan horse-like viruses activated remotely in smartphones; and
 - procedural law applicable to urgent situations (e.g. states of emergency).
- 20 Eurojust references in EU legislation or in EU policy documents
- Development of the Knowledge Management Interface (KMI) as repository of strategic information (e.g.: casework reports);
- 16 EJTN trainees at Eurojust from 9 MSs;
- Eurojust support of CEPOL training courses in different areas;
- Training and one-week study for practitioners from the Western Balkans (July);
- First Day against impunity;
- Eurojust created the possibility for national judicial authorities to establish direct contacts with ICC investigators to effectively prosecute core crimes and terrorist-related offences.

Assessment: *Eurojust extensively contributed to the improvement of the EU action in judicial cooperation in criminal matters, increasing its capacity to support a greater contribution to EU policy-making initiatives.*

Strategic Objective 2.2 Strengthen the pivotal role of Eurojust in joint investigation teams

2.2.1 Support the mutual exchange of experience by JITs and compile and disseminate an annual evaluation report.

Collection of JIT evaluation data continued in 2016. To gather more data and present findings resulting from a more comprehensive sample of JITs, the drafting of the JIT Evaluation Report was postponed to 2017.

See also Annual Objective 1.2.2

2.2.2 Continue to review JIT grant arrangements, in coordination with other actors, to best meet practitioners' needs and manage all sources of funding for maximum effectiveness.

JIT grant processes were reviewed to respond to operational needs and improve efficiency.

In 2016, the budget allocated for grants was EUR 1 000 000. All allocated budget was awarded within eight calls for proposals by the end of the year. After continuous efforts to promote JIT grants funding, the number of JITs and applicants funded for the first time increased by 32% and 61%, respectively over 2015.

In light of new guidelines introduced in 2016, the regular Eurojust budget allocated for implementation of grants was based on differentiated appropriations.

A number of additional measures were implemented to better respond to operational needs and gain efficiency:

- Introduction of a new cost category (cross-border transfer of evidence/seized items).
- Extension of financial support to persons contributing to cross-border operational activities of the JIT without being formally appointed as members (e.g. interpreters, forensic experts).
- Introduction of unit costs for one cost category (travel and accommodation) to speed up reimbursement.
- Simplification regarding supporting documents for reimbursement (proof of payment not required *ex ante*).

As a result of the new guidelines, a two-fold increase in the actual amounts paid to the beneficiaries was attained.

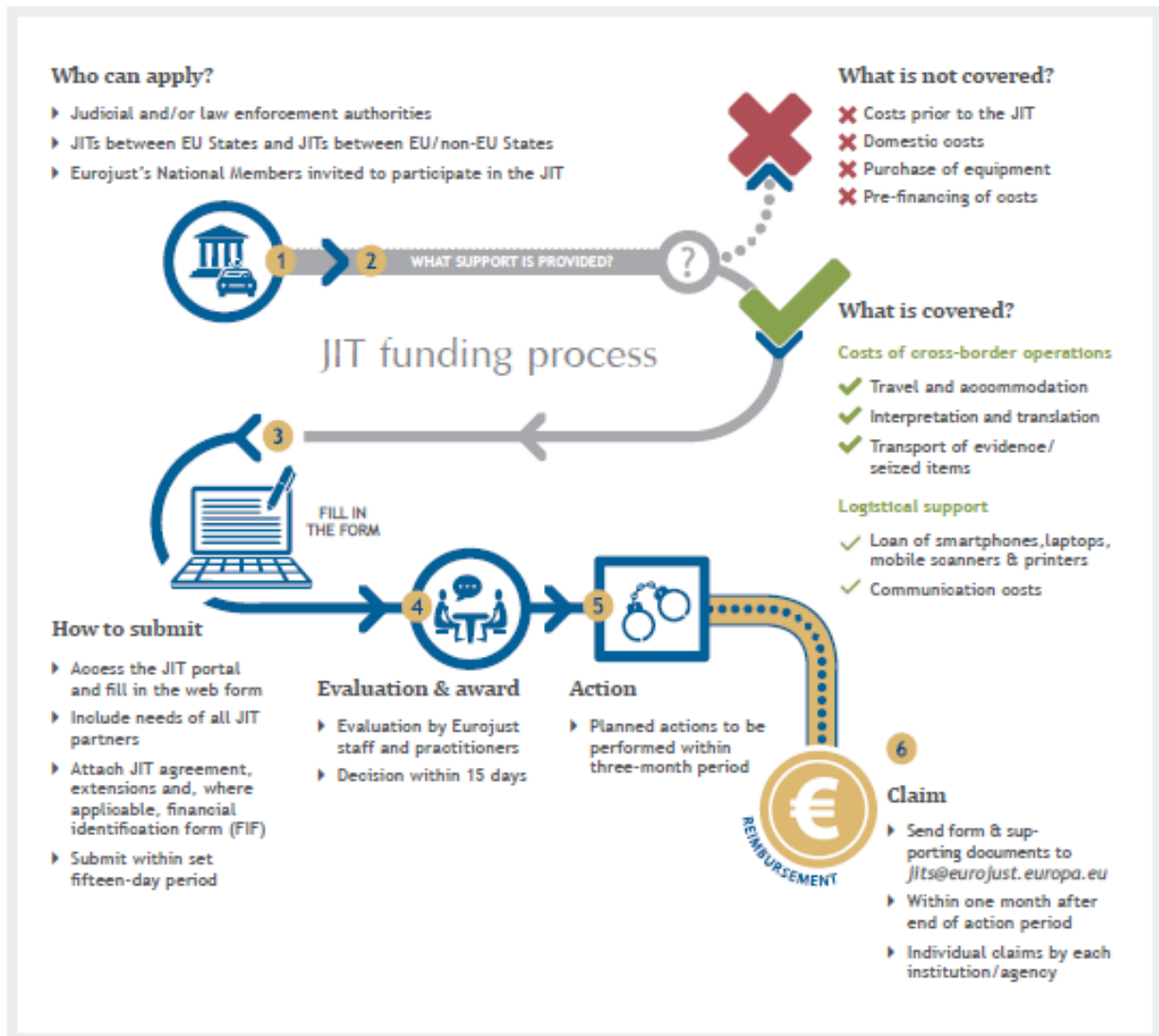
Key grants information – budget 2016:

Initial budget	EUR 1 000 000
Number of calls for proposals	8
Number of applications	180
Number of awarded grants	146
Number of JITs supported in total	90 (58 funded for the first time)

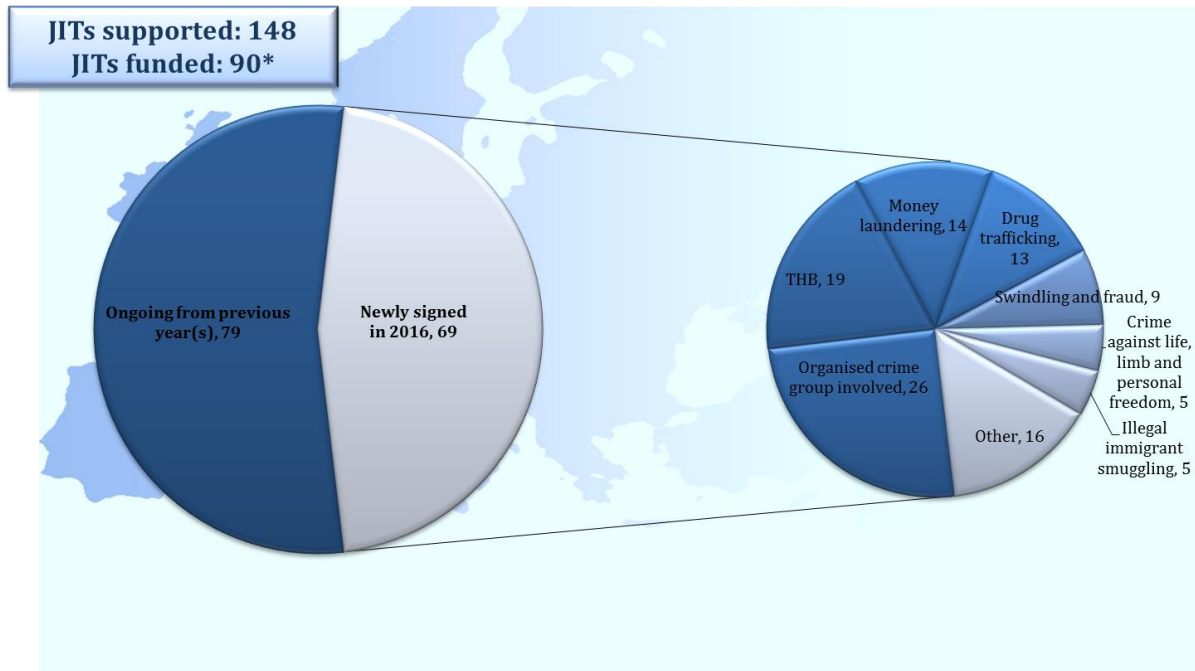
The operational nature of the JITs funding programme requires that practitioners plan their activities bearing in mind the schedule of grants, which is published at the beginning of the year (Art. 138 Financial Regulations, FR). To remain as close as possible to operational needs, the

evaluation phase is reduced to a period of – depending on the call - 13 to 21 days following the deadline for submission of applications. In 2016, Eurojust informed all applicants within the planned timeframe.

To assist JIT practitioners in navigating the funding process, an [infographic](#) and a [JITs funding guide](#), available in most official EU languages, are available on our website.



JITs supported by Eurojust in 2016



2.2.3 Enhance mechanisms to support the appropriate participation of third States in JITs.

To facilitate the involvement of non-EU States (i.e.: “third States”) , Eurojust and the JITs Network developed a tool in 2016 identifying – for every third State – the applicable legal basis to establish JITs and practical experience of the concerned country in this area. The document was distributed to the participants of the tactical meeting on illegal immigrant smuggling, made available in the JITs Network restricted area and will be updated regularly.

The progressive extension of JITs to third States was also taken into account when revising the practical tools developed to support the use of JITs by practitioners (JITs practical guide and model agreement). The new model agreement in particular – which is no longer based exclusively on EU legal instruments and incorporates other JIT legal bases – should facilitate the setting up of JITs with third States.

See also Annual Objective 1.2.2

Strategic Objective 2.2 Strengthen the pivotal role of Eurojust in joint investigation teams

Summary of outputs:

- EUR 1 000 000 allocated for grants was awarded within eight calls for proposals.
- The number of JITs and applicants funded for the first time increased by 32% and 61%, respectively over 2015.
- To comply with operational needs, the evaluation phase is reduced to a period of 13 to 21 days following the deadline for submission of applications (Art. 138 FR); and
- New model agreement – no longer based exclusively on EU legal instruments – should facilitate the setting-up of JITs with third States.

Assessment: *Through the various actions put in place in 2016, Eurojust successfully strengthened its pivotal role in JITs.*

Strategic Objective 2.3 Strategically contribute to the European Union policy cycle for organised and serious international crime

2.3.1 Contribute to the SOCTA report 2017 and TE-SAT report 2016 of Europol and prepare Eurojust's input to the new policy cycle 2018-2021.

Eurojust contributed to the strategic products, the *Serious Organised Crime Threat Assessment* (SOCTA), due to be released in 2017, and the section entitled 'Convictions and Penalties' plus the relevant statistical annex of the *Terrorism Situation and Trend Report* (TE-SAT).

2.3.2 Evaluate the involvement of Eurojust in the EMPACT projects of the policy cycle 2014-2017.

Eurojust contributed to the activities carried out within the framework of the OAPs in all EMPACT crime priority areas and the Focal Points. Eurojust participated, as leader, co-leader and participant, in actions undertaken to increase coordinated investigations and prosecutions within the OAPs and to identify judicial challenges and best practice. The College decided to rationalise the role and assignments of its Contact Points to the Focal Points, aligning them to the new structure adopted at Europol and to Eurojust's operational and strategic priorities.

In accordance with the MoU with CEPOL and in the context of the 2015 OAPs (EMPACT), Eurojust supported training courses in different areas, such as: financial investigations and excise fraud, cocaine and heroin smuggling, FTF, counterfeiting of goods and IPR, THB and IIS.

In June 2016, an EMPACT seminar on OPC was held at Eurojust.

See also Strategic Objective 1.5.

Strategic Objective 2.3 Strategically contribute to the EU policy cycle for organised and serious international crime**Summary of outputs:**

- Eurojust contributed to the strategic products, the *Serious Organised Crime Threat Assessment* (SOCTA), due to be released in 2017, and the section entitled 'Convictions and Penalties' plus the relevant statistical annex of the *Terrorism Situation and Trend Report* (TE-SAT); and
- Eurojust actively contributed to the activities carried out within the framework of the OAPs in all EMPACT crime priority areas and the Focal Points.

Assessment: *During 2016, Eurojust continued to strategically contribute to the EU policy cycle for organised and serious international crime*

Strategic Objective 2.4 Enhance strategic cooperation with stakeholders and partners in the Area of Freedom, Security and Justice**2.4.1 Reinforce cooperation and develop an integrated approach to the harmonisation of guidelines and tools of Eurojust and the respective network secretariats hosted by Eurojust and prepare a framework for future joint reporting of annual activities.**

The Secretariats of the European Judicial Network (EJN), the Network of National Experts on Joint Investigation Teams (JITs Network) and the Network for investigation and prosecution of genocide, crimes against humanity and war crimes (Genocide Network) are hosted by Eurojust, drawing on its resources. The Secretariats offer services to the Networks and facilitate cooperation with the College and National Desks in their common fields of action. To a large extent, activities and projects of the networks can be regarded as complementary to Eurojust's services. They also contribute to joint reporting in Eurojust publications, such as the Annual Report, Annual Activity Report and Eurojust Monthly.

Throughout 2016, Eurojust explored further synergies with the EJN, JITs Network, Genocide Network, and the European Judicial Training Network (EJTN). As a result, joint actions among the three networks and Eurojust were supported. The efforts to find an integrated approach to the harmonisation of guidelines and tools of Eurojust and the respective network secretariats hosted by Eurojust and the preparation of a framework for future joint reporting of annual activities are ongoing.

In 2016, the revised version of the JITs practical guide and model agreement – which provide guidance to practitioners in relation to the setting up and functioning of JITs – were developed in cooperation with Eurojust and provide added value to its casework. The assignment of JITs funding management to the JITs Secretariat is another expression of this interaction. In 2016, a guide on JITs funding was published to assist national authorities and National Desks in navigating the funding process. (*See also Strategic Objective 2.2.*)

Eurojust has, together with the Genocide Network and the International Criminal Court (ICC), explored the link between genocide, crimes against humanity and war crimes and other forms of serious organised crime, and facilitated cooperation to tighten the impunity gap. Further, Eurojust and the Genocide Network together with the Dutch EU Presidency and the European Commission,

cooperated closely in organising the first EU Day Against Impunity for core international crimes. *See also Annual Objective 2.1.6.*

The EJN and Eurojust continued to work together on the follow-up of the recommendations addressed to them in the Sixth Round of Mutual Evaluations, e.g. regarding the allocation of cases between Eurojust and the EJN and a revision of the Eurojust/EJN Joint Paper. The EJN Presidency Board and Eurojust Presidency Team held their annual meeting to discuss matters of common interest. Three issues of the EJN Newsletter – an internal newsletter for the EJN Contact Points – were distributed to Eurojust in 2016, to keep Eurojust updated on ongoing and planned activities of the EJN. *See also Annual Objective 1.5.1.*

2.4.2 Systematically engage relevant counterparts in strategic work and joint initiatives.

In 2016, the following meetings were held:

- tactical meeting on illegal immigrant smuggling, (February 2016)
- strategic seminar, *Keys to Cyberspace*, (June)
- joint meeting of the Consultative Forum, under the Dutch and Slovak EU Presidencies, (June)
- tactical meetings on terrorism, (June)
- EMPACT seminar on organised property crime(OPC), (June)
- tactical meeting, *Judicial Cooperation in Tax Crime Matters*, (October)
- kick-off meeting of the EJCEN, (November)

In February, Eurojust held a tactical meeting, *Judicial challenges arising from illegal immigrant smuggling*. Participants provided an overview of operational cooperation among European partners in the fight against IIS, and the experience of contact points and liaison magistrates posted in other Member States, as well as in the Hotspots in Italy and Greece. Focus was on information sharing, collection and admissibility of evidence and other practical issues affecting judicial cooperation. They also discussed issues concerning translation and interpretation, which cause severe difficulties for the national authorities, e.g. in identifying certified and trustworthy translators and interpreters for rare spoken languages and dialects used by the migrants and OCGs, including the high costs and large volume of evidence. In one example discussed during the meeting, a prosecutor was unable to use evidence (telephone intercepts) from another Member State, as translation would have entailed huge costs, funds for which were not available. The lack of funds for translating a pretrial custody order totalling over 350 pages was also a factor in a complex IIS case registered at Eurojust. The translation was essential for opening investigations in their jurisdictions. As a result, not all Member States opened investigations. An outcome report of the meeting was published as EU document 9456/16.

In April, Eurojust gathered judicial and law enforcement practitioners from France, the UK, Belgium and the Netherlands for an operational meeting on IIS in the North Sea region. Participants emphasized the need to improve information sharing, to facilitate financial investigations focused on seizing the considerable profits generated by smuggling activities, to increase attention on the use of counterfeit and forged official documents, and to enhance cross-border surveillance operations to better map smuggling offences and build stronger prosecution cases.

In June, at the tactical meeting, *Building an effective judicial response to the FTF phenomenon* with the national correspondents for Eurojust for terrorism matters – including specialised counter-terrorism prosecutors from Switzerland, Norway, the USA, Turkey, Montenegro, Albania, Serbia and Bosnia and Herzegovina, as well as the EU Counter-Terrorism Coordinator, the head of the ECTC and the Director of the EU Intelligence and Situation Centre – operational experiences were

shared, addressing subjects such as recruitment networks, cross-border links and preparatory acts for terrorism.

Cooperation with stakeholders and institutional partners continued. In July, Eurojust and the European Union Intellectual Property Office (EUIPO) signed an MoU to expand the existing fruitful collaboration to support European prosecutors working with cases concerning violations of IPR.

In October, Eurojust, in cooperation with the Slovak EU Presidency, held a tactical meeting, *Judicial Cooperation in Tax Crime Matters*, with high-level prosecutors specialised in fighting fraud from the Member States, Switzerland and the USA.

Eurojust continued liaising with the Council of Europe and Europol to identify possible synergies, and shared its report, *Legal and Operational Issues Identified by Eurojust in Controlled Deliveries* within the related EMPACT projects. Eurojust is contributing to the drafting of a handbook on controlled deliveries, an initiative led by the Pompidou Group (Council of Europe), which is expected to be published in 2017.

. A three-year programme, jointly developed by Eurojust and Spain within the framework of an operational action within the EMPACT project on OPC, ended with a seminar in June organised by Eurojust, attended by experts in investigations and prosecutions of OPC, including representatives from national judicial and law enforcement authorities of the Member States, Norway and Iceland, the Commission, CEPOL and Europol. The seminar's goals were to raise awareness among law enforcement officers, prosecutors and judges about the unique aspects of investigating and prosecuting OPC and MOCGs, to exchange views on possible legal loopholes and practical difficulties, and to identify best practice. The final report, issued in December, summarised the discussions and findings, as well as conclusions of the three-year programme. See also *Annual Objective 1.3.2*.

Eurojust-Europol cooperation was strengthened through the work of the Eurojust-Europol Steering Committees on Operational Matters and on Strategic Matters, at which a number of topics were discussed, including Eurojust's support to Europol Focal Points and Joint Action Days 2016, the CARIN questionnaire on non-conviction-based forfeiture, data retention projects, JIT funding and the exchange programme. The Joint Annual Report 2015 was submitted to the Council and Commission on 19 May.

Eurojust and OLAF's joint efforts to counter fraud, corruption and other crimes affecting the financial interests of the European Union continued, and highlighted the need for an effective multi-agency approach to cross-border cases, particularly through information exchange and mutual involvement.. Cooperation was ensured through the Eurojust and OLAF liaison team by, among others, the regular exchange of case summaries and a joint training on practical cooperation, using cases to demonstrate to practitioners how cooperation and best practice between OLAF and Eurojust help to protect the financial interests of the European Union.

Additionally, the European Judicial Cybercrime Network was established by Council Conclusion on 9 June. The EJCNC will facilitate and enhance cooperation between competent judicial authorities by enabling the exchange of expertise, best practice and other relevant knowledge regarding the investigation and prosecution of cybercrime. The network will also foster dialogue among different actors and stakeholders that play a role in ensuring the rule of law in cyberspace. Eurojust has been tasked to provide support to and ensure cooperation with the network. In November, the EJCNC kick-off meeting at Eurojust focused on the technical, legal and practical obstacles to encryption and undercover investigations online. The network is to be supported by Eurojust. See also *Annual Objective 2.1.3*.

Lastly, Eurojust enhanced its cooperation with its counterparts in the Justice and Home Affairs (JHA) area by participating in the ICT Agencies Coordination (ICTAC) (two bi-annual meetings attended) and contributing to a number of EU projects and initiatives to research and develop

new technical means/tools to support operational work. Examples of such projects and initiatives included SIS II, Evidence, UMF3, Working Group on Video Conferencing, JHA agencies' ICT initiative and discussions related to the technical requirements for the establishment of an European Public Prosecutor's Office (EPPO).

2.4.3 Support the meeting and activities of the Consultative Forum.

The Consultative Forum was established in 2010 to reinforce judicial cooperation and mutual trust among the Member States, and to provide input from the judiciary to the EU institutions for the development of the EU Area of Freedom, Security and Justice.

Joint meeting Following reflection on future format and content, 2016 was the first year the organising EU Presidencies called for a joint meeting. The Board of Prosecutors General of the Netherlands and the Office of the Prosecutor General of the Slovak Republic jointly convened the 11th meeting of the Consultative Forum in June, which focused on the latest developments in cybercrime, terrorism and IIS, as well as cooperation with key third States in the fight against serious and organised crime.

EJCN The Consultative Forum discussed the outcome of the strategic seminar, *Keys to Cyberspace*, concerning frequent challenges encountered by prosecutors in the investigation and prosecution of cybercrime, focusing on cooperation with service providers and encryption. They welcomed the initiative of the Dutch EU Presidency to establish the EJCN as a way to foster contacts among cybercrime judicial practitioners in the Member States and increase the efficiency of investigations and prosecutions of cybercrime cases.

Judicial response to terrorism and IIS Representatives from concerned Member States shared their experience regarding reinforcing the judicial response to terrorist threats and recent terrorist attacks in France and Belgium. Insight was provided regarding the challenges faced and lessons learned in investigating and prosecuting IIS cases, particularly in relation to asserting jurisdiction on the high seas, and the added value of considering such crime type as a serious organised crime.

The need to strengthen and streamline international judicial cooperation through enhanced contacts among practitioners and the sharing of legislation and best practice, as well as fostering investigations by, for example, using special investigative techniques and JITs if appropriate, was underlined.

Cooperation with key third States Views were exchanged on the legal and practical challenges encountered and possible ways to enhance cooperation with judicial authorities from third States with regard to execution of MLA requests, information exchange and evidence gathering. Eurojust provided insight into its ongoing activities in the field of external relations, highlighting the added value of cooperation agreements, the liaison prosecutors posted at Eurojust and its network of judicial contact points in third States facilitating judicial cooperation.

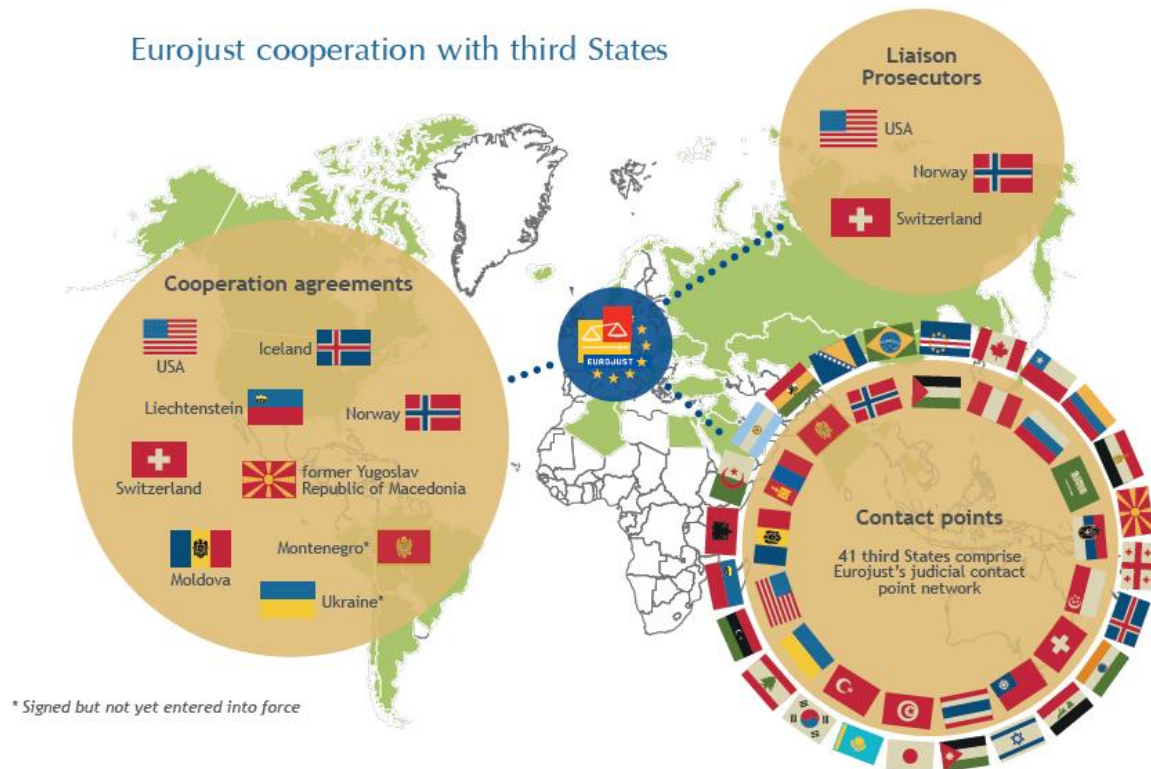
The conclusions of the meeting are available on Eurojust's website.

See also Strategic Objective 1.5.

2.4.4 Establish, review and enhance the implementation of cooperation agreements/arrangements and MoUs.

Eurojust has seven cooperation agreements in force, following the entry into force of the cooperation agreement with the Republic of Moldova on 21 October. Cooperation agreements were signed with Montenegro on 3 May and with Ukraine on 27 June, still to enter into force, and formal negotiations were launched to conclude a cooperation agreement with Albania. Contacts were maintained with Bosnia and Herzegovina, Brazil, Georgia, Israel, Mexico, Serbia, Tunisia and

Turkey to explore possibilities for enhancing cooperation. In addition, the practical implementation of the provisions of cooperation agreements in force was assessed. In this context, regular consultation meetings were held with Switzerland and Norway.



In July, Eurojust and the European Union Intellectual Property Office (EUIPO) signed an MoU to expand the existing fruitful collaboration to support European prosecutors working with cases concerning violations of IPR. The MoU enables the further development of specific cooperation projects, such as joint seminars, training and intelligence to support prosecutors. In addition, the MoU reinforces the capacities of the European Intellectual Property Prosecutors Network (EIPPN).

2.4.5 Support and monitor relations with the EU institutions, networks, international organisations and relevant non-EU actors.

EUIPO

Cooperation with stakeholders and institutional partners continued. In July, Eurojust and the European Union Intellectual Property Office (EUIPO) signed an MoU to expand the existing fruitful collaboration to support European prosecutors working with cases concerning violations of IPR.

Europol

Cooperation was strengthened through the work of the Eurojust-Europol Steering Committees on Operational Matters and on Strategic Matters, at which a number of topics were discussed, including Eurojust's support to Europol Focal Points and Joint Action Days 2016, the CARIN questionnaire on non-conviction-based forfeiture, data retention projects, JIT funding and the

exchange programme. The Joint Annual Report 2015 was submitted to the Council and Commission on 19 May.

OLAF

Eurojust and OLAF's joint efforts to counter fraud, corruption and other crimes affecting the financial interests of the European Union continued and highlighted the need for an effective multi-agency approach to cross-border cases, particularly through information exchange and mutual involvement. OLAF officials worked with Eurojust on four cases and participated in four coordination meetings. Cooperation was ensured through the Eurojust and OLAF liaison team by, among others, the regular exchange of case summaries and a joint training on practical cooperation, using cases to demonstrate to practitioners how cooperation and best practice between OLAF and Eurojust help to protect the financial interests of the European Union.

Liaison Prosecutors at Eurojust

The legal basis for the secondment of a Liaison Prosecutor is a cooperation agreement. Eurojust has three seconded Liaison Prosecutors, from Norway, the USA and Switzerland. The Liaison Prosecutor for Switzerland registered 90 cases, mainly dealing with swindling and fraud, money laundering and crimes against life, limb or personal freedom, and organised five and participated in 21 coordination meetings and two coordination centres. The Liaison Prosecutor for Norway registered 65 cases, mainly dealing with drug trafficking, THB, crimes against life, limb or personal freedom and fraud, and participated in 10 coordination meetings and one coordination centre. The Liaison Prosecutor for the USA registered one case on maritime piracy and participated in 12 coordination meetings. Their presence at Eurojust and their involvement in cases has been considered beneficial, as they can accelerate and facilitate judicial cooperation between competent authorities of Member States and third States.

Eurojust contact points in third States

Eurojust continued to extend its worldwide network of judicial contact points in third States by adding contact points from Colombia and Libya. At present, 41 third States have Eurojust contact points. These contact points, through Eurojust, facilitate cooperation between competent authorities of the Member States and third States.

Cooperation with the International Criminal Court (ICC)

Eurojust and the Office of the Prosecutor of the ICC signed a Letter of Understanding on Cooperation in 2007. In 2016, Eurojust and the ICC explored the links between core crimes (as defined in the Rome Statute of the ICC), terrorism and other crimes. In June, Eurojust invited ICC representatives to meet the national correspondents for Eurojust for terrorism matters and counter-terrorism experts from Norway, Switzerland and the USA to present the work of the ICC in Libya concerning the links found between core crimes and terrorism. The ICC expressed its willingness to assist in facilitating MLA and the exchange of information when such links are detected. Eurojust created the possibility for national judicial authorities to establish direct contacts with ICC investigators to effectively prosecute core crimes and terrorist-related offences. In July, the Director of Investigations presented the ICC activities to the College and views were exchanged on enhancing cooperation.

Strategic Objective 2.4 Enhance strategic cooperation with stakeholders and partners in the Area of Freedom, Security and Justice

Summary of outputs:

- Further synergies with the EJN, JITs Network, Genocide network and the European Judicial Training Network (EJTN) were explored during 2016;
- Tactical meeting on illegal immigrant smuggling, (February 2016)
- Strategic seminar, *Keys to Cyberspace*, (June)
- Joint meeting of the Consultative Forum, under the Dutch and Slovak EU Presidencies, (June)
- Tactical meetings on terrorism, *Building an effective judicial response to the FTF phenomenon*, (June)
- EMPACT seminar on organised property crime(OPC), (June)
- Tactical meeting, *Judicial Cooperation in Tax Crime Matters*, (October)
- Kick-off meeting of the EJCEN, (November)
- Continue to identify synergies with the Council of Europe and shared its report, *Legal Issues Identified by Eurojust in Controlled Deliveries* (within the related EMPACT projects);
- Support the meeting and the activities of the Consultative Forum: 2016 was the first year the organising EU Presidencies called for a joint meeting;
- Seven cooperation agreements in force; and 2 new cooperation agreements signed in 2016(with Montenegro and with Ukraine);
- Contacts were maintained with Bosnia and Herzegovina, Brazil, Georgia, Israel, Mexico, Serbia, Tunisia and Turkey to explore possibilities for enhancing cooperation. In addition, the practical implementation of the provisions of cooperation agreements in force was assessed. In this context, regular consultation meetings were held with Switzerland and Norway;
- 1 Memorandum of Understanding signed (with EUIPO);
- 6 Strategic partnership initiatives launched in 2016 (preparatory meetings for new cooperation/strategic agreements);
- 10 joint/collaborative press releases with JHA agencies and EU bodies;

Assessment: *Strategic cooperation with stakeholders and partners in the Area of Freedom, Security and Justice was enhanced during 2016, including developing an integrated approach to the harmonisation of guidelines and tools vis à vis the respective network secretariats hosted by Eurojust and the preparation of a framework for future joint reporting of annual activities.*

GOAL 3- Organisational Development

Eurojust will continue to develop and be recognised as an effective, efficient, highly professional, client-oriented and flexible organisation

Strategic Objective 3.1 Ensure timely internal preparation for implementing organisational change**3.1.1 Monitor legislative developments, prepare for implementation and update organisational impact assessments for Eurojust.**

As a follow-up to the evaluation of Eurojust and its activities in accordance to Article 41a of the Eurojust Council Decision and in line with the action plan for the implementation of the recommendations adopted by the College in 2015, a working group was set up to review and streamline internal working structures and set priorities. In 2016, the College took decisions including: (i) increased services and resources from the Administration to support operational work; (ii) concrete steps towards a common and harmonised insertion, processing and deletion of data in the CMS; and (iii) a limited number of policy work projects in the areas of crime priorities and judicial cooperation instruments.

The Administration continued to assist the College in monitoring and analysing the impact of the legislative developments regarding the draft Regulations on Eurojust and on the establishment of the EPPO, through the work of the Task Force on the future of Eurojust (TF). The TF comprises National Members, the Administrative Director and other staff members from several Units. The Council reached a general approach on the draft Eurojust Regulation in February 2015, excluding the provisions linked to the EPPO. The TF, which held regular meetings in 2016, discussed the developments of the Eurojust Regulation and ensured regular monitoring of ongoing discussions within the framework of the 'living document', which had been created in 2015 to address the priorities for Eurojust's remarks to the European Parliament on the draft Eurojust Regulation.

In addition, the TF continued a detailed legal analysis of successive revisions of the draft Regulation on the EPPO and paid special attention to the implementation of the Europol Regulation and its impact on Eurojust.

In 2016, Eurojust shared its views with the Commission, the Council and the European Parliament regarding its cooperation with the future EPPO on the basis of its expertise and practical experience in judicial cooperation in criminal matters, as well as its concerns regarding the possible impact on its resources.

3.1.2 Further develop and implement the organisational culture project.

In 2016, the HR Unit organised 12 Lunch & Learn conferences to promote a strong organisational culture and prepare post-holders to face future organisational challenges through open communication to all staff. Through the Lunch & Learn conferences, HR disseminated information to all post-holders regarding Eurojust policies and topics of general interest, such as the European School, data protection, managing conflict, mental, physical and emotional wellbeing.

To strengthen the Eurojust corporate identity as an ethical and harassment-free organisation, in November 2016 the HR Unit launched an ethics campaign composed of a series of Lunch & Learn conferences, training sessions and related materials. The campaign will run throughout 2017 and will be supplemented by an ethics guide available to all post-holders.

A Staff Engagement Survey (SES) was distributed to Eurojust staff (TA/CA) in November 2016 with a deadline of two weeks. The survey was developed following the examples of the

Commission's staff surveys and similar inter-agency exercises. The HR Unit, the Staff Committee and the Heads of Units and Services were informed and requested to provide feedback on the proposed content of the survey. Other internal organisational entities involved in the preparations were DPO, IM and the Corporate Communications Office (CCO). All comments received were taken into consideration in the composition of the final questions.

To ensure maximum staff participation, anonymity of responses and confidentiality were strictly ensured. Out of 224 staff members (193 TA; 31 CA), 137 responses were received, equaling a 61.16% staff participation rate.

Another objective for 2016 was the reinforcement of the social dialogue at Eurojust. Two of the main priorities for the Staff Committee in 2016 were to encourage staff members' participation and engagement in topics of common interest and to improve the communication and culture at Eurojust. The Staff Committee took specific initiatives in both priority areas, as a follow-up to the proposals from the Staff Committee's working groups on communication and culture in 2014. Among others, the Staff Committee coordinated a working group on establishing a new social welfare body at Eurojust, which led to the establishment of the Eurojust Social Association (ESA) with a mandate 'to coordinate and support the organisation and delivery of social welfare activities and events, with the aim of enhancing the organisational culture of Eurojust and promoting Eurojust's image.'

Strategic Objective 3.1 Ensure timely internal preparation for implementing organisational change

Summary of outputs:

- 50 Legal analysis and legal advice regarding the Eurojust Regulation and the EPPO Regulation;
- 6 contributions/opinions provided to prepare the two Regulations or related discussion papers;
- 20 Eurojust references in EU legislation or in EU policy documents;
- 12 Lunch & Learn conferences to promote strong organisational culture;
- Launch of an ethics campaign: Lunch & Learn conferences, training sessions and related material (November);
- Launch of a Staff Engagement Survey (November), with 61.16% participation rate; and
- Reinforcement of social dialogue at Eurojust.

Assessment: Eurojust started the implementation of the external evaluation, which was concluded in 2015, by improving its internal working methods in the area of policy work. Eurojust proactively contributed to the development of the new EU legal framework related to and impacting Eurojust. To more smoothly effectuate change, Eurojust developed and implemented the organisational culture project.

Strategic Objective 3.2 Ensure the delivery of excellent support services

3.2.1 Enhance competency-based performance management to increase skill capacity, motivation and internal mobility of personnel.

At 31 December 2016, 196 TA posts were filled, leading to a vacancy rate of 3.45% compared to a vacancy rate of 2.4% for 2015. The turnover of temporary agents was 6% over the course of 2016 compared to 4.6% for 2015.

The Recruitment Plan for 2016, established at the beginning of the year, foresaw 16 selection procedures to be conducted during the course of the year. Implementation of the 2016 Recruitment Plan resulted in the completion of 16 selection procedures. A total of 18 offers were subsequently made (some offers were made from existing reserve lists). Thirteen internal mobility procedures were carried out.

An Annual Learning Plan was established in 2016, with 99% of the budget executed, covering professional needs as identified by the Heads of Units and Services. The Annual Learning Plan included all the technical and personal development courses, the linguistic development of staff to meet the third language requirement as well as Eurojust safety obligations such as First Aid and Firefighting.

The objective of the technical courses was to increase know-how in various fields, such as Accrual Based Accounting System (ABAC) and financial processes, business processes, legal analysis and legal knowledge, management development, data protection, and other IT-related topics.

The objective of the personal development courses was to improve staff members' soft skills with a stronger emphasis on communication, writing reports, non-violent communication and presentation skills.

Fifty internal courses were organised, based on identified learning needs and yearly appraisals. These needs formed the basis of the Annual Learning Plan.

In addition, in 2016, 100% of performance appraisal reports were completed, which fully integrated in the appraisal process the Eurojust Competency Framework that had been adopted in June 2015.

3.2.2 Continue to review and document service/business processes and information systems, address risks and audit observations and strive to enhance efficiency by 5%.

The IM Unit continued to review and improve its processes related to providing ICT services through creating, updating and monitoring a number of ICT policies and procedures (more than 20 were updated in 2016). In accordance with the organisational projects' priorities and annual work plan, the IM Unit analysed and/or performed changes in a number of organisational systems to more effectively and efficiently support the underlying business processes. New releases were rolled out for eHR, eMS and eMission. Maintenance was done on the eRec(ording) system and the new eRecruitment system was developed, with the objective of creating new releases for both systems in 2017. Furthermore, the IM Unit supported the BFP Unit in successfully implementing the eSubmission module of ePRIOR/eProcurement, and, together with the HR Unit, joined other agencies in the e-system on staff management (SYSPER project).

Eurojust strengthened the use of eMS, time registration tool (eRec), e-HR and ABAC, which led to the envisaged improvement of management information for decision-making with regard to human resources and budget planning and implementation. Additionally, Eurojust benefited from

the EU Agencies Network initiative for the improvement of Activity Based Management (ABM) tools and reports, since it could identify areas in which additional improvement of ABM reports would be desirable.

Throughout 2016, the Eurojust Data Protection Officer monitored Eurojust's compliance with the data protection provisions and rules, provided advice to the College, and monitored the follow-up of recommendations resulting from inspections performed by the Joint supervisory Body of Eurojust (JSB).

Eurojust reviewed the implementation status of the Eurojust Internal Control Standards (ICS) and identified those ICS for which additional implementation effort is necessary.

Through the streamlining of workflows and the focus on a high level of accuracy of financial forecasting, Eurojust was able to strengthen its internal financial processes and procedures, which supported the high levels of budget execution and detailed cost accounting, and contributed to its efforts to achieve unmodified ('clean') audit opinions.

Eurojust monitored the follow-up of recommendations following of audits of the European Court of Auditors and Internal Audit Service (IAS) of the Commission.

3.2.3 Continue to develop, implement and evaluate the Eurojust *Operations Manual* to further standardise procedures and increase quality of support to MS.

The Eurojust *Operations Manual*, approved in November 2016 by the College of Eurojust, provides guidelines for the Administration's assistance to National Desks when dealing with cases. The adoption of the *Operations Manual* represents a milestone in the consolidation of a common and inclusive approach to management of casework across the organisation and constitutes an essential tool for knowledge retention within Eurojust.

3.2.4 Further develop and implement the Eurojust communication strategy.

To strengthen Eurojust's corporate governance and communication abilities and enhance Eurojust's profile towards stakeholders, a Corporate Communications Office (CCO), an Institutional Affairs Office (IAO) and a Planning, Programming and Reporting Office (PRO) were set up during the reorganisation exercise that took place in the last quarter of 2016. The mission of the IAO is to provide legal expertise and policy support to all Eurojust activities with an institutional impact. PRO's specific objective is to enhance coherent coordination of the programming, planning and reporting cycle at Eurojust and to synergise and streamline the preparation of the corporate documents required by Eurojust's legal programming, planning, and reporting obligations.

In 2012, the College adopted a list of priority actions, based on the Eurojust Communication Strategy proposed by an external consultant. The College entrusted the Administrative Director with the preparation of an action plan for the implementation of the actions prioritised by the College.

The Communication Action Plan was adopted by the College in October 2012 and has since then been updated several times. In November 2016, the latest update was presented to the College for information. The implementation is ongoing. In the Communication Action Plan, the priority actions have been grouped into the following six main categories:

- Annual Communication Work Plan and Calendar
- Case illustrations
- Communication with journalists
- Improving relations with EU partners and stakeholders

- Improving reporting practices at external meetings
- Improving intranet and Eurojust website

The Communication Action Plan provides an overview of Eurojust's communication opportunities, including press conferences, joint activities, and a structured visiting programme for EU partners and stakeholders, including national judicial practitioners/authorities, EU institutions, media and the general public. The Office of the President supplies the Corporate Communications Office (CCO) with a list of upcoming events requiring handling by CCO.

The annual communication cycle, introduced in 2016, ensures proper planning, implementing, updating, monitoring and reporting.

3.2.5 Achieve full compliance of Eurojust management and administration with EU rules and regulations, as well as coordination of the implementation of the recommendations stemming from the evaluation under article 41(a).

In 2016, Eurojust's Administration continued working on the analysis, drafting and adoption of the new Commission Implementing Rules to the Staff Regulations. More specifically, the following ten Implementing Rules were adopted by the College and entered into force in the course of 2016: Working Time; Engagement and Use of Temporary Agents 2f; Appraisal of Temporary Agents; Reclassification of Temporary Agents; Appraisal of Contract Agents; Reclassification of Contract Agents; Unpaid Leave; Part-time work; Setting up a Staff Committee; Seven-year rule.

The Administration was also fully involved in litigation and pre-litigation activities, including the handling of seven Art. 90 Staff Regulation cases and one court case.

The College organised Planning Events in February and June 2016. The scope of these Planning Events related to implementation of the action plan for the recommendations of the 2015 Report on the Evaluation of Eurojust under Article 41a of the Eurojust Council Decision that had been produced by the external consultant E&Y.

In the context of these Planning Events, the College set up a Working Group on Prioritisation and Reorganisation in March 2016, consisting of College members and staff members. The mandate of the Working Group has been to prepare proposals for:

1. Resource allocation for operational work (including the CMS)
2. Priorities for policy work at Eurojust
3. A possible reorganisation of Eurojust's activities and structures (e.g. College Teams, Task Forces, Working Groups and Contact Points)
4. Possible revision and/or adoption of College Decisions regarding policy work.

Based on proposals from the Working Group, the College in 2016 agreed on a new methodology for priority-setting in policy work and approved the resulting priorities for 2017, set up an Advisory Group on budgetary and financial matters, discussed a new format for Eurojust meetings, and approved steps towards a common and harmonised data input in operational and strategic databases. The Working Group will continue to function into 2017.

The Advisory Group on budgetary and financial matters is composed of four members of the Colleges, supported by the Administration and its mandate is to provide additional support and assurance to the College and the Administration in respect of the budgetary processes.

In the opinion of the European Court of Auditors, Eurojust's annual accounts 2015 present fairly, in all material respects, its financial position as at 31 December 2015, and the results of its

operations and cash flows for the year then ended, in accordance with the provisions of its Financial Regulation and the accounting rules adopted by the Commission's accounting officer¹.

In the opinion of the European Court of Auditors, the transactions underlying Eurojust's annual accounts for the year ended 31 December 2015 are legal and regular in all material respects².

3.2.6 Refine management information and reporting capabilities to optimise resource utilisation.

In 2016, Eurojust enhanced the use of eMS, eRec, e-HR and ABAC, which led to the envisaged improvement of the management information for decision-making with regard to human resources and budget planning and implementation.

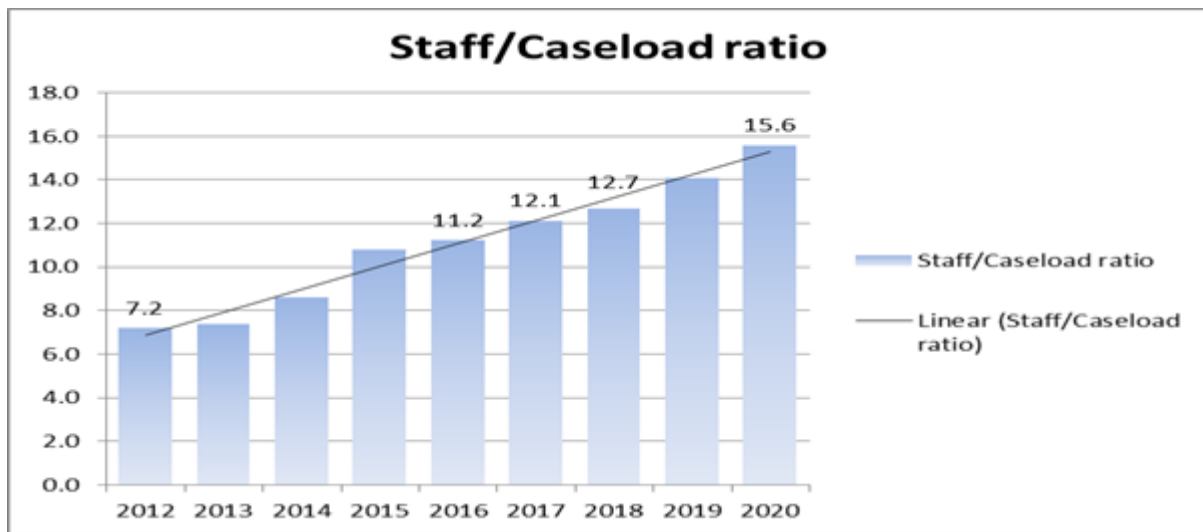
In 2016, the HR Unit enhanced its support and advice to management on organisational and staff issues. The staff planning process has been optimised and all staffing requests receive a unique log number, allowing the HR Unit to keep a historical record of every post. The HR Unit has continued providing management with staffing reports on a weekly basis that formed the basis of staffing and resource allocation. In addition, the e-HR tool was enhanced to allow implementation and monitoring of the Implementing Rules to the Staff Regulations on working conditions and to provide statistics on absences.

Additionally, during the last quarter of 2016, Eurojust underwent an unprecedented **reorganisation of its Administration**, to enhance and focus resource allocation to its operational work. The Eurojust Administration prepared the job descriptions, launched the internal selection procedures for the new posts and timely communicated the changes to the organisation as a whole and to individual staff members. The reorganisation exercise was conducted in consultation with all the Units concerned and supported by the College, which adopted a new organisational chart for the Administration on 25 October 2016. As a result of this reorganisation, the support to Eurojust's operational needs will be ensured by a new Operations Unit resulting from the merger of the Case Analysis Unit and parts of the Legal Service Unit. It serves as a one-stop shop for all support provided to Eurojust casework. In addition, the reorganisation created the Institutional Affairs Office, the Corporate Communications Office and the Planning, Programming and Reporting Office. The latter will be responsible for corporate governance matters.

Overall, the Eurojust administration improved its internal processes and tools for planning and prioritising its activities, allocating financial/human resources to these activities, and monitoring/reporting on the activities and resource usage. This allowed timely implementation and effective monitoring of the 2016 budget. Targeted levels in all service and activity areas were met.

¹ European Court of Auditors, Report on the annual accounts of the European Union's Judicial Cooperation Unit for the financial year 2015 together with Eurojust's reply, dated 13 September 2016.

² Ibid.



3.2.7 Capitalise on the relocation to the new premises and involve all relevant actors in redefining Eurojust’s corporate identity.

The construction of the new premises for Eurojust proceeded as planned in 2016, and the programme remained on schedule. By 1 April, the highest point of construction was reached, marking the start of the final construction phase for delivery of the building by the contractor to the Host State and Eurojust between December 2016 and the end of Q1 2017. Eurojust received the keys of its new building in March 2017. Eurojust will move into its new accommodation on 30 June 2017, with the expected first full operational date of 3 July, pending delivery in accordance with the Eurojust programme of requirements.

In 2016, the Project Bureau for the New Premises (PBfNP) launched an open contest among all post-holders to choose the names of a number of operational meeting rooms in the new premises Conference Centre and the name of the new building itself. The initiative was greeted with enthusiasm. Additionally, the Eurojust Administration regularly updated all staff on the implementation phases of the relocation to the new premises.

3.2.8 Establish all necessary financial, security, legal and other practical arrangements to facilitate the smooth transition to the new premises (including business continuity plans).

The Eurojust Administration ensured that all necessary financial, security, legal and other practical arrangements were made in a timely manner to facilitate the smooth transition to the new premises. Tender procedures, physical and ICT security policies, Host State relations matters and transition period and move preparations were managed successfully.

The IM Unit continued to deliver all inputs required from an ICT perspective for the new premises programme and performed all required planning, testing and other preparatory work for the move of the ICT infrastructure and services to the new premises.

Strategic Objective 3.2 Ensure the delivery of excellent support services**Summary of outputs:**

- Two planning events (February and June) to implement the Action Plan for the recommendations of the 2015 Report on the Evaluation of Eurojust under Article 41(a);
- Set-up of the Working Group on Prioritisation and Reorganisation (March);
- Launch and completion of the prioritisation exercise for policy work for 2017;
- Set-up of the Advisory Group on budgetary and financial matters;
- Reorganisation of the Eurojust Administration, to enhance and focus resource allocation to its operational work. A new Operations Unit serves as a one-stop shop for all support provided to Eurojust casework.
- To strengthen Eurojust's corporate governance and communication abilities, within the framework of the reorganization exercise, Eurojust set-up a Corporate Communications Office, an Institutional Affairs Office and a Planning, Programming and Reporting Office;
- Update of the Communication Action Plan and introduction of the annual communication cycle;
- Vacancy rate: 3.45% compared to 2.4 % vacancy rate in 2015;
- Staff turnover: 6%;
- Number of internal mobility procedures in 2016: 13;
- Establishment of the Annual Learning Plan (99% execution);
- 50 internal courses;
- Development of an e-Recruitment system;
- Enhancement of the e-HR tool;
- Review implementation status of the Eurojust ICS and identification of those ICS which additional implementation efforts is necessary;
- Adoption of the *Operations Manual*;
- Adoption of 10 Implementing Rules to the Staff Regulations;
- No unqualified audit reports;
- Rate of budget execution 99.89%;
- List of transition requirements for the new premises fully implemented (SLA, Lease Agreement, Business Continuity Plan, ICT migration strategy, etc.). Move date fixed to 30 June 2017, with the expected first full operational date of 3 July.

Assessment: *Eurojust's organisational capacity was optimised to meet increasing demands to achieve efficiencies, ensure business continuity and manage the transition to the new premises.*

Part II (a) Management

2.1 Management Board

In 2016, the College held seven Management Board meetings, in addition to 26 operational meetings. In addition, the College held two Planning Events to discuss organisational developments and strategic planning.

The areas of activity of the Management Board were mainly related to resources and strategic planning: the Budget 2016, the Annual Work Programme, draft Budget and draft Establishment Plan 2017 and Programming Document 2017-2019, the Multi-Annual ICT strategy 2017-2019, the Final Accounts 2015, state of play implementation of the Budget 2016, decisions related to the new premises of Eurojust, oversight of the implementation of action plans related to the recommendations of the Internal Audit Service and the European Court of Auditors, the discharge procedure of the annual accounts, adoption of the implementing rules to the Staff Regulations, guidelines on the prevention and management of conflicts of interest, and preliminary discussions towards the adoption of rules on whistle-blowing.

In accordance with the Memorandum of Understanding of 20 July 2012 between Eurojust and the European Commission, representatives of the European Commission attended five meetings of the College as Management Board in 2016 as observers. In addition, representatives of the Internal Audit Service of the European Commission attended a meeting of the Management Board to present the final report of the IAS audit.

2.2 Major developments

In 2016, Eurojust organised 249 **coordination meetings** involving 288 cases with the participation of Europol (87) and OLAF (4), and 10 **coordination centres**. Third States were involved in 50 coordination meetings and two coordination centres.

Eurojust supported 148 **JITs**, a 23% increase over 2015, 69 of which were new. **Third States** were involved in 14 JITs.

The **European Judicial Cybercrime Network** was established by Council Conclusion on 9 June 2016.

Eurojust continued to make progress regarding the implementation of recommendations from the Sixth Round of Mutual Evaluations on the basis of the Action Plan. Within the limits imposed by financial constraints, Eurojust continued to work on the implementation of activities marked as high-level priorities.

Main achievements on the strengthening of the focus on operational work, the enhancement of the effectiveness of Eurojust's coordination meetings/centres, and the promotion of JITs:

- The *Operations Manual* was finalised and approved by the College. Among others, the *Operations Manual* includes guidelines on coordination meetings and coordination centres, specific annexes on services provided by the Administration, an annex on the evaluation of JITs, as well as a dedicated chapter on the retention of the knowledge gathered in operational activities.
- To facilitate the retention of such knowledge, the Case Information Form (CIF), specifically designed in 2015 to collect knowledge and experience from Eurojust casework, started to be tested by several National Desks in 2016.

- In addition, Eurojust set up its new Knowledge Management Interface (KMI) to systematically gather key strategic information such as casework reports on the application of judicial cooperation instruments and crime priority areas, collections of case illustrations, annual reports, newsletters, supporting documents and outcome reports of Eurojust's strategic seminars and meetings.
- Both the CIF and KMI databases have been constructed to be easily searchable, and both are meant to be regularly updated. They will bring added value to Eurojust's operational work, and will facilitate the production of key Eurojust operational and strategic products.
- Regarding JITs, several measures were taken to gain efficiency, speed up the settlement of claims and simplify the grant application procedure. Further, the first JIT Evaluation Report, based on the evaluations conducted by practitioners, was released at the beginning of 2016. Such evaluations are a key tool for promoting and continuously improving the use of JITs.

Throughout 2016, Eurojust closely monitored the developments regarding the draft Regulation creating the European Public Prosecutor's Office (EPPO). These developments caused considerable uncertainties for Eurojust, as the creation of the EPPO might have significant effects on Eurojust's resources.

The College organised Planning Events in February and June 2016. The scope of these Planning Events related to implementation of the action plan for the recommendations of the 2015 E&Y Report on the Evaluation of Eurojust under Article 41a of the Eurojust Council Decision.

In the context of these Planning Events, the College set up a *Working Group on Prioritisation and Reorganisation* in March 2016, consisting of members of the College and Administration. The mandate of the Working Group is to prepare proposals for resource allocation for both operational work (including the CMS) and policy work. Regarding the latter, based on proposals from the Working Group, the College in 2016 adopted a new methodology for priority-setting in policy work and approved the resulting priorities for 2017, set up an Advisory Group on budgetary and financial matters, discussed a new format for Eurojust meetings and approved steps towards common and harmonised data input in operational and strategic databases. The Advisory Group on budgetary and financial matters is composed of four members of the College, supported by the Administration and its mandate is to provide additional support and assurance to the College and the Administration in respect of the budgetary processes.

The activities of the Working Group will continue into 2017, when a possible reorganisation of Eurojust's activities and structures (e.g. College Teams, Task Forces, Working Groups and Contact Points) will be further analysed.

On 25 October 2016, the College of Eurojust adopted a new organisational chart of the Eurojust Administration. This unprecedented **reorganisation of its Administration** aimed at enhancing and focussing resource allocation to its operational work. The reorganisation exercise was conducted in consultation with all the Units concerned. As a result of this reorganisation, the support to Eurojust's operational needs will be ensured by a new Operations Unit which serves as a one-stop shop for all support provided to Eurojust casework. In addition, the reorganisation created the Institutional Affairs Office, the Corporate Communications Office and the Planning, Programming and Reporting Office.

In April 2016, the College concluded a selection procedure for the appointment of a new Administrative Director. The procedure did not result in an offer being made to any of the candidates. Subsequently, in September 2016, the College called upon Mr Panagiotopoulos, the Head of the Human Resources Unit, to become the Administrative Director *ad interim*.

The construction of the new premises for Eurojust proceeded as planned and the programme remained on schedule. By 1 April, the highest point of construction was reached, which also marked the start of the final construction phase for the delivery of the building by the contractor to the Host State and Eurojust between December 2016 and January 2017. Eurojust will move into its new accommodation on 30 June 2017, with the expected first full operational date of 3 July.

2.3 Budgetary and financial management

The Eurojust budget for 2016 was EUR 43 539 million. An all-time high execution rate of 99.89% was achieved, including EUR 6 980 000 ring-fenced for the new building.

Eurojust demonstrated a significant improvement in carry-forwards from 2015, with much lower cancellations (5.6%) than in previous years and showing more accuracy and validity carry forward of financial commitments pending deliveries/invoicing.

Carry forwards to 2017 significantly increased compared to the previous year. A total EUR 8.4 million was carried forward, of which EUR 4.3 million related to the new premises building project ring-fenced budget. Eurojust had demonstrated year-on-year improvement until 2016, but the delay in the delivery of the new premises resulted in justifiable and unavoidable carry forwards.

The number of budget transfer opportunities (5) was the same as 2015. The majority of the transfers reflected collective efforts to make budget savings in support of staff/personnel and operational (meetings) deficits.

As a conclusion, given the unforeseen developments in respect of the new premises, the 2016 budget performance was very positive.

Planned procurement activities

According to Article 23 of College Decision 2015-5 adopting the Implementing Rules of College Decision 2014-1 on the Financial Regulation applicable to Eurojust, the Authorising Officer shall record, for each financial year, contracts concluded by the negotiated procedures referred to in points (a) to (g) of Article 134(1) and points (a) to (d) of Article 135(1) of the Rules of Application. If the proportion of negotiated procedures in relation to the number of contracts awarded by the same Authorising Officer by delegation increases appreciably in relation to earlier years, the Authorising Officer shall report to the College, setting out any measures taken to reverse that trend.

Table 1: overview of procurement procedures for contracts above €15,000 concluded in 2016.

Type of procedure applied	Number of contracts signed	Value
Open/restricted (including inter-institutional)	24	€36 227 775
Low value	1	€60 000
Middle value	2	€214,000
Negotiated Art 134 (a-g)/135 (a-d)	3	€2 665 000

Table 2: information on contracts above €15 000 concluded in 2016 from negotiated procedures referred to in points (a) to (g) of Article 134(1) and points (a) to (d) of Article 135(1) of the Rules of Application.

Title	Contractor	Applicable article	Comments	Value
Travel risk management services	International SOS Netherlands B.V.	135 (d)	Falls under category 'Investigation and security services' of Annex XIV of directive 2014/24/EU	€ 265 000
Catering services	Hutten Business Catering B.V.	135 (d)	Falls under category 'Hotel and restaurant services' of Annex XIV of directive 2014/24/EU	€1 400 000
Security and safety equipment	Siemens Nederland NV	134 (a)	Procedure launched following no tenders having been received under procedure 2015/EJ/12/PR	€1 000 000
				€2 665 000

Table 3: comparison of the number of contracts from negotiated procedures over the last seven years.

Year	Total number of contracts signed	Contracts resulting from negotiated procedures Article 134 (a-g) and Article 135 (a-d)	Proportion
2010	29	6	20.7%
2011	36	8	22.2%
2012	25	1	4.0%
2013	26	3	11.5%
2014	27	5	18.5%
2015	23	2	8.7%
2016	30	3	10%
AVERAGE	28	4	13.7%

Conclusion: The proportion of contracts resulting from negotiated procedures signed in 2016 did not increase appreciably compared to previous years.

*For further details on budgetary and financial management in 2016, please refer to the **Report on Budgetary and Financial Management in 2016 (Annex II and enclosed)**.*

2.4 Human Resources (HR) management

In 2016, 96.6% of the 2016 Establishment Plan was executed compared with 97.6% in 2015. The vacancy rate on 31 December 2016 was 3.45% compared with 2.4% on 31 December 2015. The Establishment Plan did not require modification during 2016 to accommodate reclassification, as provisions were already made based on the reclassification percentages per grade and category in accordance with the multiplication rates for guiding average career equivalence (Article 54 CEOS). In 2016, Eurojust implemented the third wave of post reductions (1% - 3 posts) to achieve the 5% target agreed by the Budgetary Authority. The posts cut were in the area of administrative support.

In October 2016, the College of Eurojust approved a high-level design for the reorganisation of the Administration and the initiation of its implementation. The new organisation of the Administration is based on a functional approach to enhance and focus resource allocation to Eurojust operational work. The Administration will be grouped into three departments: Operations, Corporate and Resources. The College adopted the new organisational chart of the Administration on 25 October 2016. The new structure will be implemented as of 1 January 2017 to support Eurojust's core operational business and more efficiently respond to the growing demands of Member States. The new structure will reduce the overlap between services and will ensure a more coordinated approach to casework. The newly created Operations Unit will work as a 'one-stop shop' by providing multi-disciplinary support to casework.

In March 2016, the College adopted the new implementing rules on the engagement and use of temporary staff under Article 2(f) CEOS. These implementing rules introduced a number of changes to the recruitment, mobility and contractual conditions of Temporary Agents engaged by Eurojust. Work is ongoing to update the necessary internal processes to apply the new rules, with a view to achieving full implementation by the end of 2017.

The implementing rules on the engagement and use of Temporary Agents 2f (TA), adopted by the College in 2016, make internal mobility a mandatory step in the filling of any vacant TA posts. To facilitate this mandatory requirement, Eurojust adopted a new policy on internal mobility in November 2016 that increased transparency and has enabled the HR Unit to complete internal mobility procedures more quickly and efficiently.

Significant progress was made to finalise the new recruitment policy during 2016, with a view to adoption in 2017. The policy introduces a new methodology for assessing applicants based on the Eurojust Competency Framework. A new e-Recruitment tool to accompany the new policy is in the testing phase and is expected to be live by the end of 2017.

In November 2016, Eurojust adopted a new internship policy, designed to streamline and harmonise the provision of internships across the organisation. The new policy introduced an Internship Agreement, which sets out the rights and obligations of interns and requires managers and interns to agree on specific objectives for the internship project. Internships may be undertaken for a maximum of six months.

Eurojust adopted the implementing rule on working time in June 2016, along with a new version of the e-HR tool to support and monitor the new processes. In addition, the rules on unpaid leave and part-time work were adopted. The implementing rule on absence due to sickness or accident will be adopted in 2017.

The implementing rules on yearly performance appraisal TA/CA and on reclassification TA/CA were adopted in March 2016 by the Management Board. To support the implementation of the new rules, the HR Unit developed an appraisal and reclassification guide in 2016, which was adopted in January 2017. In addition, the HR Unit adapted the relevant forms and processes and prepared guides to assist the staff members and reporting officers in successfully completing the appraisal exercise.

In 2016, Eurojust took preparatory steps for the setting-up of the learning and development framework. The framework sets up the Eurojust learning and development strategy and is supported by 12 guides that describe the learning processes within the organisation. However, adoption of this framework was postponed to 2017, pending the new model decision on learning and development by the Agencies.

Eurojust conducted the third job screening exercise in December 2016, based on the Commission methodology. In total, 375 jobs were evaluated and screened based on their organisational role, job title/description and job purpose.

The exercise resulted in the following categorisation:

Operational: 63.5%

Administrative Support/Coordination: 28.8%

Neutral: 7.7%

The number of days of leave authorised to each grade under the flexitime and compensatory leave schemes in 2016 was as follows:

GRADE	DAYS
AST1	11
AST2	53.5
AST3	120.5
AST4	154.5
AST5	28.5
AST6	1
AST9	3
AD5	8
AD6	111
AD7	33.5
AD8	101.5
AD9	59
SNE	51.5
FGII	31.5
FGIII	19.5
FGIV	15

2.5 Assessment by management

Eurojust conducts its operations in compliance with applicable laws and regulations, working in an open and transparent manner and meeting the expected high level of professional and ethical standards.

Eurojust has adopted a set of internal control standards³, based on the European Commission's framework and international best practice, to ensure the achievement of policy and operational objectives. As required by the Financial Regulation applicable to Eurojust, the Administrative Director *ad interim* has put in place the organisational structure and the internal control systems suited to the achievement of the policy and control objectives, in accordance with the standards and having due regard to the risks associated with the environment in which it operates.

Eurojust has assessed the effectiveness of its key internal control systems during the reporting year and has concluded that the internal control standards are effectively implemented. Furthermore, Eurojust has taken measures to improve the efficiency of its internal control systems in the area of 'Risk Management Process' (Eurojust ICS 6).⁴

In addition, Eurojust has systematically examined the available control results and indicators, as well as the observations and recommendations issued by the Internal Audit Service and the European Court of Auditors.

In conclusion, management has reasonable assurance that, overall, suitable controls are in place and working as intended; risks are being appropriately monitored and mitigated and necessary improvements and reinforcements are being implemented.

The Administrative Director *ad interim*, in his capacity as Authorising Officer, has signed the Declaration of Assurance.

2.6 Budget implementation tasks entrusted to other services and entities

Eurojust does not have crossed sub-delegations granted to another agency or institution.

2.7 Assessment of audit results during the reporting year

2.7.1 Internal Audit Service (IAS).

During the period 25-29 January 2016, the IAS conducted an audit on '*Monitoring and Reporting/Building Blocks of Assurance*', and on 15 June 2016 issued a final audit report with two recommendations categorised as '*very important*'.^{5,6,7}

³ Eurojust Internal Control Framework – Internal Control Standards for Effective Management and Requirements, dated 15 December 2010.

⁴ Ibid.

⁵ The IAS rates recommendations as 'critical', 'very important', 'important', or 'desirable' in accordance with European Commission, Internal Audit Service, Final Audit Report on Monitoring and reporting/Building blocks of assurance in The European Union's Judicial Cooperation Unit (Eurojust), IAS Audit Report: IAS.A2-2015-EUROJUST-003, Annex 2 Ratings of Recommendations, dated 13 June 2016, Ares (2016) 2774448 - 15/06/2016.

⁶ European Commission, Internal Audit Service, Final Audit Report on Monitoring and reporting/Building blocks of assurance in The European Union's Judicial Cooperation Unit (Eurojust), IAS Audit Report: IAS.A2-2015-EUROJUST-003, Annex 2 Ratings of Recommendations, dated 13 June 2016, Ares (2016) 2774448 - 15/06/2016.

⁷ Ares (2015) 3598894 - 01/09/2015.

2.7.2 European Court of Auditors (ECA).

In the opinion of the European Court of Auditors, Eurojust's annual accounts 2015 present fairly, in all material respects, its financial position as at 31 December 2015, and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of its Financial Regulation and the accounting rules adopted by the Commission's accounting officer.⁸

In the opinion of the European Court of Auditors, the transactions underlying Eurojust's annual accounts for the year ended 31 December 2015 are legal and regular in all material respects.⁹

2.8 Follow-up of recommendations and action plans for audits

In 2011, the European Court of Auditors commented that:

'In the report for the financial year 2010, the Court noted that there was scope to reconsider the definition of respective roles and responsibilities between the Director and the College of Eurojust in order to avoid the overlap of responsibilities, currently resulting from the Founding Regulation. No corrective measures were taken in 2011.'

Status of corrective action: Ongoing; the new Eurojust Regulation is still under consideration by the legislator¹⁰.

In 2014, the European Court of Auditors commented that:

'The financial impact of salary adjustments and of the increase in the correction coefficient of the previous and the current years, both decided by the budgetary authorities in April 2014, were not included in the initial budget for the year 2014. The shortfall in salary budget of some 1,8 million euro [footnote: 2015: 1,7 million euro] required temporary cut-backs on operational expenditure, mainly for data processing and information management projects, as well as substantial transfers from administrative and operating budget lines at the year-end. At the end of November 2014, the shortfall was partly balanced by an amended budget providing additional 1,2 million euro [footnote: September 2015: 0,8 million euro] to the agency and commitments were made to catch up with the implementation of the projects.'

Status of corrective action: Ongoing¹¹

And that:

'[t]he overall level of committed appropriations was high at 99 %. However, for title III (operating expenditure) the level of committed appropriations carried over to 2015 was high at 2,6 million euro, i.e. 35 % (2013: 2,3 million euro, i.e. 32 %). This mainly resulted from the temporary budget shortfall during the year where commitments could only be made late in the year (see paragraph 11) and from granting projects for "Joint Investigation Teams" launched during the last months of 2014 for which payments were not due until 2015.'

Status of corrective action: N/A¹²

⁸ European Court of Auditors, Report on the annual accounts of the European Union's Judicial Cooperation Unit for the financial year 2015 together with Eurojust's reply, dated 13 September 2016.

⁹ Ibid.

¹⁰ Ibid.

¹¹ European Court of Auditors, Report on the annual accounts of the European Union's Judicial Cooperation Unit for the financial year 2015 together with Eurojust's reply, dated 13 September 2016.

¹² Ibid.

Internal Audit Service

During the period 25-29 January 2016, the IAS conducted an audit on ‘Monitoring and Reporting/Building Blocks of Assurance’, and on 15 June 2016 issued a final audit report with two recommendations categorised as ‘very important’.¹³¹⁴

In response to the first recommendation, Eurojust implemented corrective action during the period Q3 2016 to Q1 2017.

Status of corrective action: Completed

Eurojust’s move to its new premises has an impact on the implementation of corrective action in response to the second recommendation. Therefore, Eurojust has decided to start the implementation of this corrective action immediately after its move to the new premises at the end of Q2 2017. Eurojust envisages completing the implementation of corrective action by Q1 2018.

Status of corrective action: Ongoing

2.9 Follow-up of observations from the Discharge Authority

The measures taken by Eurojust in light of the observations and comments made by the European Parliament in its discharge for the year 2014 (Article 110(2) of the Framework Financial Regulation) are presented below:

No.	Observation of the Discharge Authority	Response and measures taken by Eurojust	Status/reference
1.	<p>Acknowledges from Eurojust that:</p> <ul style="list-style-type: none"> – its college adopted a template for the declarations of absence of interest by the management board in June 2015; – the Commission’s Internal Audit Service closed an outstanding recommendation rated as "very important" from the financial year 2013; – its “Guidelines on the prevention and management of conflicts of interest” were presented in October 2015 to the management board and subsequently adopted at the board’s meeting in January 2016; asks Eurojust to provide the discharge authority with a track record of cases of conflicts of 	<p>Eurojust did not encounter any cases of conflicts of interest so far.</p>	<p>Implemented</p>

¹³ The IAS rates recommendations as ‘critical’, ‘very important’, ‘important’, or ‘desirable’ in accordance with European Commission, Internal Audit Service, Final Audit Report on Monitoring and reporting/Building blocks of assurance in The European Union’s Judicial Cooperation Unit (Eurojust), IAS Audit Report: IAS.A2-2015-EUROJUST-003, Annex 2 Ratings of Recommendations, dated 13 June 2016, Ares (2016) 2774448 - 15/06/2016.

¹⁴ European Commission, Internal Audit Service, Final Audit Report on Monitoring and reporting/Building blocks of assurance in The European Union’s Judicial Cooperation Unit (Eurojust), IAS Audit Report: IAS.A2-2015-EUROJUST-003, Annex 2 Ratings of Recommendations, dated 13 June 2016, Ares (2016) 2774448 - 15/06/2016.

No.	Observation of the Discharge Authority	Response and measures taken by Eurojust	Status/reference
	interest identified, and to establish strict and clear rules against "revolving doors";		
5.	Takes note that Eurojust provides grants from its own budget to support the joint investigation teams (JIT); notes, furthermore, that only 32,8 % was paid by the end of the year mainly due to the budget implementation depending on beneficiaries and their submitted claims for reimbursement, putting the budget execution at risk; calls on Eurojust to report to the discharge authority on the measures taken to address this issue and to provide better guidance to its beneficiaries;	<p>The proportion of carry forwards in relation to JITs grants budget line is linked to the overall objective of these grants, which implies ensuring continuity in the support provided to urgent ongoing operations that cross over several financial years.</p> <p>Several measures were implemented in 2016 to mitigate this risk:</p> <ul style="list-style-type: none"> • Reimbursement of costs linked to awards of last call of year n-1 (the action period of which takes place entirely in year n) using appropriations of year n; • Use of unit costs for travel and accommodation, which contributes to a much swifter settlement of claims; • Simplification in terms of supporting documents for interpretation and translation costs (e.g. claims processed based on invoice and declaration beneficiaries; proof of payment retained by beneficiaries in view of <i>ex post</i> controls); • Implementation of differentiated appropriations – allowing re-use of unused funds (including in year N+1) and limiting the risk of carry forward/cancellation; • Stricter monitoring of claims deadlines: reminders to all beneficiaries 15 days before the deadline for submission of claims, pre-check of all incoming claims upon receipt, swift release of funds in case no claim is submitted; • Results are already positive in terms of budget execution and payments: <ul style="list-style-type: none"> - The budget execution for the JITs grants budget line for 2014 and 2015 (after transfers and payment of all carried forward commitments) is 73.31% and 99.54%, respectively. - The figures for 2014 and 	Implemented

No.	Observation of the Discharge Authority	Response and measures taken by Eurojust	Status/reference
		<p>2015 concerning the end of year payment rate are 32.8% and 46.8%, respectively. For 2016, the paid payment appropriations show a significant increase to 51,8% at end Q3.</p>	
7.	<p>Welcomes the fact that Eurojust will evaluate the use of differentiated appropriations to ensure the financing of its operational activities; notes moreover that this initiative is undertaken in consultation with the Commission's Directorate-General for Justice and Consumers and the Directorate-General for Budget; invites Eurojust to report to the discharge authority on the results of this initiative and the measures taken;</p>	<p>Differentiated appropriations were implemented for the JITs grants budget line with the budget of 2016.</p>	Implemented
8.	<p>Notes the efforts made by Eurojust to provide a more comprehensive procurement plan and urges Eurojust to publish the full list of contracts awarded;</p>	<p>Eurojust will implement the publication of the full list of contracts awarded in the preceding year before the end of 2016.</p>	Ongoing
10.	<p>Reminds Eurojust that it must adopt internal binding rules for the protection of whistle[-]blowers, in accordance with Article 22c of the Staff Regulations, which came into force on 1 January 2014;</p>	<p>Eurojust at this stage takes the liberty to reaffirm its commitment to foster a culture of trust, which promotes staff engagement in the fight against fraud at Eurojust. Clear rules for the protection of whistle-blowers play an integral part in achieving this goal, as envisaged in Article 22c of the Staff Regulations. Eurojust is currently in the process of drafting these new rules on protection of whistle-blowers. A preliminary discussion of a draft of the rules took place in the College in October 2016. Eurojust hopes to conclude the process and adopt the rules on protection of whistle-blowers as soon as practicable.</p>	Ongoing
12.	<p>Acknowledges Eurojust's observation that no critical recommendations were issued by the IAS during 2014; notes, furthermore, that the IAS issued an "outstanding" recommendation from the year 2013 in the first quarter of 2015; looks forward to the results of the review and calls on Eurojust to report to the discharge authority on the outcome;</p>	<p>As of 27 March 2015, all previously remaining recommendations have been closed by the IAS.</p>	Implemented

No.	Observation of the Discharge Authority	Response and measures taken by Eurojust	Status/reference
15.	<p>Welcomes the annual learning plan established in 2014 to cover the professional needs of staff as well as the establishment of a competency framework with the purpose of reflecting the core and leadership needs of Eurojust; notes that the work on the draft competency framework advanced in 2014 was to be completed and made available to all staff in 2015; calls on Eurojust to provide the discharge authority with an update on the implementation of the competency framework;</p>	<p>The Eurojust Competency Framework was adopted by AD decision AD 2015-13 on 19 June 2015.</p> <p>The Competency Framework has been embedded in the following HR processes:</p> <ul style="list-style-type: none"> • Performance management (embedded in the annual appraisal exercise and included competencies in the appraisal form); • Recruitment (included in the vacancy notice and conducted competency-based evaluations during the selection phase); • Updated job profiles, incorporating competency levels. <p>The Competency Framework was presented to Eurojust staff via lunchtime presentations in July 2015 and to all line managers in July 2015. A booklet was produced and distributed to all Eurojust post-holders in February 2016. Subsequent presentations and trainings for all staff and managers were organised throughout the year on a variety of topics covering elements of the Competency Framework (e.g. managing conflict and non-violent communication, risk management and decision making).</p>	Implemented
17.	<p>Calls on Eurojust to enhance its procedures and practices aimed at safeguarding the financial interests of the Union and to actively contribute to a results-oriented discharge process;</p>	<p>Eurojust intends to achieve additional efficiencies by reorganising its organisational structure.</p>	Ongoing

Part II (b) External Evaluation

In accordance with Article 41a of the Eurojust Council Decision¹⁵, Eurojust carried out an external evaluation of its activities during 2014 – 2015. The resulting final Evaluation Report presented by E&Y in July 2015 led to the internal Eurojust Action Plan for the implementation of its recommendations.

During 2016, Eurojust worked on the alignment of the actions foreseen in this Action Plan and in the Action Plan resulting from the Sixth Round of Mutual Evaluations, as many of the priorities identified overlapped.

The objective has been to merge the common areas included in both Action Plans. Following the Planning Events in February and June, the College established a *Working group on prioritisation* in March, with a mandate to steer the implementation of many of the remaining recommendations of the Article 41a evaluation.

The progress of this working group, which meets on a weekly basis, is steered by members of the Presidency Team, which monitors its work through a specific Action Plan. Further development and achievements are expected during 2017.

¹⁵ '[B]efore 4 June 2014 and every five years [...] the College shall commission an independent external evaluation of the implementation of the Eurojust Council Decision as well as of the activities carried out by Eurojust. Each evaluation shall assess the impact of the Council Decision, Eurojust's performance in terms of achieving its objectives [...] as well as the effectiveness and efficiency of Eurojust.'

Part III Assessment of the effectiveness of the internal control systems

3.1 Risk Management

Eurojust has identified the following serious risks associated with its operations:

No.	Risk Title and Description	Risk Type	Residual Risk Level (1 lowest - 5 highest)	Risk Response (Avoid/Transfer/Reduce/Accept)	Action Plan Summary
1	New Premises	External	3	Reduce	<ul style="list-style-type: none"> • Conduct regular meetings with the Host State on the new premises project progress; • Prepare a contingency plan for ensuring uninterrupted real life support in the current premises.
2	Interim Premises	External	4	Reduce	<ul style="list-style-type: none"> • Raise the awareness of the Host State of the financial implications of new premises project delays; • Raise the awareness of the Budgetary Authority of the necessity of additional funding for the interim premises during the transition period.
3	Retention of staff	Internal	3	Reduce	<ul style="list-style-type: none"> • Endeavour to have Eurojust remain a career organisation despite reductions in the Establishment Plan; • Ensure that annual reclassification exercises are used to the appropriate extent.
4	JITs funding	External	3	Reduce	<ul style="list-style-type: none"> • Continue and intensify the dialogue with the Budgetary Authorities regarding the problems related to the inclusion of the funding for JITs in the financial envelope with the objective of finding a sustainable solution; • Improve the methodology used for forecasting the demand for future JITs funding.

Guided by the European Commission's Risk Management Framework¹⁶, Eurojust began an initiative in October 2014 to align and extend its existing risk management activities. Particular emphasis was placed in the first phase on the documentation of the identification and assessment of risks to achieve a solid basis for the development of risk management action plans.

Additionally, in 2015, Eurojust provided extensive training on risk management to its managers and staff.

In addition, as detailed in section 3.2, in 2017, Eurojust will reinforce the implementation of all Eurojust Internal Control Standards.

¹⁶ Risk Management in the Commission: Implementation Guide, Updated Version, dated November 2015.

3.2 Compliance and effectiveness of Internal Control Standards

Eurojust has adopted a set of internal control standards, based on international best practice, to ensure that policy and operational objectives are achieved.¹⁷ In addition, compliance with these standards is a compulsory requirement of sound financial management.

Eurojust has put in place the organisational structure and the internal control systems suited to the achievement of the policy and control objectives, in accordance with the standards and having due regard to the risks associated with the environment in which Eurojust operates.

Eurojust annually assesses the effectiveness of its key internal control systems in accordance with the applicable Commission guidelines. The assessment relies on a number of monitoring measures and sources of information, including:

- Desk reviews on formal compliance with the baseline requirements of the Eurojust Internal Control Standards, the results of which pointed to almost full compliance with most of the ICS in 2016.
- Results of the audits performed by the IAS and the Court of Auditors in 2016, which confirmed that the internal control system in place provides reasonable assurance regarding the achievement of the business objectives set up for the processes audited.
- Authorising Officers by Delegation did not raise any major control weaknesses.
- Systematic registration of exceptions (under Eurojust ICS 8 Processes and Procedures) and internal control weaknesses (Eurojust ICS 14 Information and Communication).

Considering the requirements specified in the *Eurojust Internal Control Framework – Internal Control Standards for Effective Management and Requirements*¹⁸, Eurojust has assessed at the beginning of 2016 the compliance for the respective Eurojust Internal Control Standards (Eurojust ICS) as follows:

Eurojust Internal Control Standard	Status	Comments
1 Mission	Compliant	
2 Ethical and Organisational Values	Compliant	
3 Staff Allocation and Mobility	Compliant	
4 Staff Development	Compliant	
5 Objectives and Performance Indicators	Compliant	
6 Risk Management Process	Partially compliant	Implementation ongoing
7 Operational Structure	Compliant	
8 Processes and Procedures	Compliant	
9 Management Supervision	Compliant	
10 Business Continuity	Compliant	
11 Security, Fire and Safety	Compliant	
12 ICT Security	Compliant	
13 Document Management	Compliant	
14 Information and Communication	Compliant	
15 Accounting and Financial Reporting	Compliant	
16 Evaluation of Activities	Not applicable	
17 Assessment of internal control systems	Compliant	

¹⁷ Eurojust Internal Control Framework – Internal Control Standards for Effective Management and Requirements, dated 15 December 2010.

¹⁸ Ibid.



In conclusion, with the exception of Eurojust ICS 6, for which Eurojust will take measures in 2017 to further improve efficiency, the ICS are effectively implemented.

Part IV Management Assurance

4.1 Review of the elements supporting assurance

The information reported in this Consolidated Annual Activity Report stems from the management's opinion based on results of self-assessments, ex-post controls, the observations of the Internal Audit Service, as well as lessons learned from the reports of the Court of Auditors. This approach provides sufficient guarantees as to the completeness and reliability of the information reported and results in a complete overview of the Eurojust budget.

The information reported does not result in any major issues meriting a reservation, as shown by the key arguments for the assurance:

- Partial compliance with Eurojust Internal Control Standard 6 and full compliance with the remaining Eurojust Internal Control Standards; weaknesses are known and addressed;
- No critical issues highlighted by internal or external auditors; and
- No major issues pointed out by the Authorising Officers by Delegation.

4.2 Reservations

No reservations are issued for the year 2016.

4.3 Overall conclusions on assurance

Taking into account the above, the conclusions of the review of the elements supporting assurance and the expected corrective capacity of the implemented controls to be implemented in subsequent years, the conclusion can be drawn that the internal control systems implemented by Eurojust provide sufficient assurance to adequately manage the risks relating to the legality and regularity of the underlying transactions. Furthermore, the conclusion can be drawn that the internal control systems provide sufficient assurance with regard to the achievement of the other internal control objectives.

Part V Declaration of Assurance

I, the undersigned, Administrative Director of Eurojust ad interim,

In my capacity as Authorising Officer,

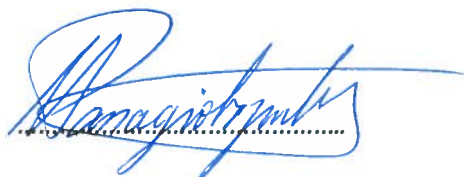
Declare that the information contained in this report gives a true and fair view.

State that I have reasonable assurance that the resources assigned to the activities described in this report have been used for their intended purpose and in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions.

This reasonable assurance is based on my own judgement and on the information at my disposal, such as the results of the evaluation of Eurojust, internal controls, the work of the Internal Audit Service, and the lessons learned from the reports of the Court of Auditors for years prior to the year of this declaration.

Confirm that I am not aware of anything not reported here which could harm the interests of Eurojust.

The Hague, 27 June 2017

A handwritten signature in blue ink, appearing to read 'Panagiotopoulos', written over a dotted line.

(Signature)

Nick Panagiotopoulos

Administrative Director ad interim



Annexes

Annex I. Core business statistics

Statistics and graphics inserted throughout the corresponding sections above.

Annex II. Statistics on financial management

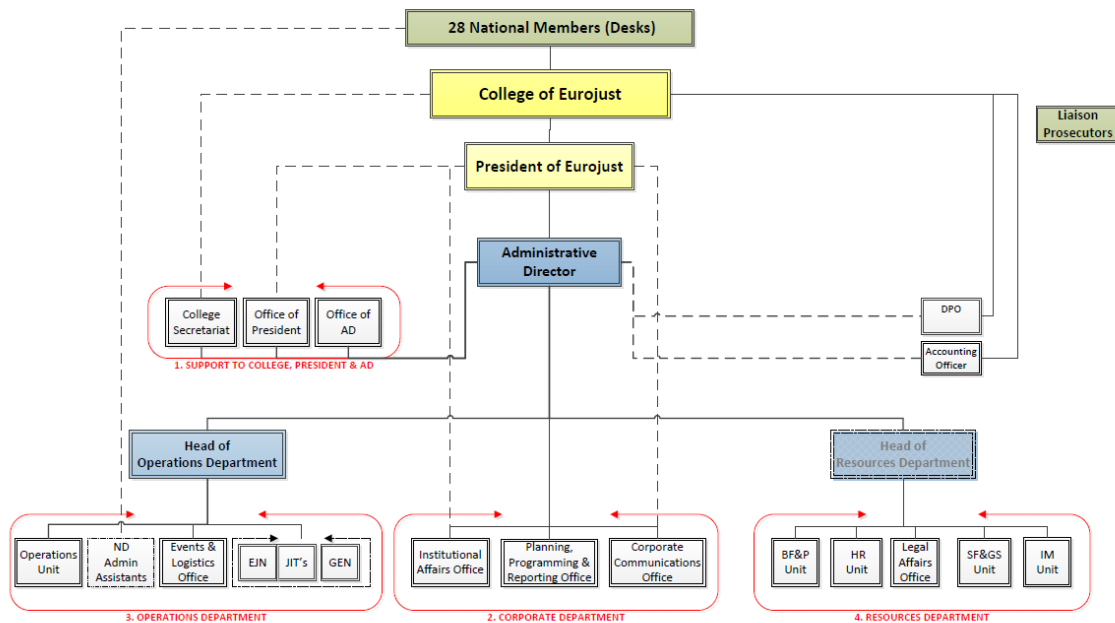
*Please refer to section 2.3 Budgetary and financial management above, and to the **Eurojust Report on Budgetary and Financial Management for the year 2016**, enclosed.*

Annex III. Eurojust Organisational Chart

In 2016:



From January 2017:



HIGH LEVEL ORGANISATION CHART – ADMINISTRATION OF EUROJUST

01/02/2017

Annex IV. Eurojust Establishment Plan at 31 December 2016

a) Temporary and Contract Agents

Function group and grade	2015				2016		2017			
	Authorised under EU Budget		Filled as of 31/12/2015		Authorised under EU Budget		Request of the Agency		DB Request	
	Perm. posts	Temp. posts	Perm. posts	Temp. posts	Perm. posts	Temp. posts	Perm. posts	Temp. posts	Perm. posts	Temp. posts

AD 16										
AD 15										
AD 14		1		1		1		1		1
AD 13		1		1		1		1		1
AD 12										
AD 11										
AD 10		7		7		9		9		9
AD 9		9		9		8		11		10
AD 8		20		19		22		23		26
AD 7		20		19		27		28		30
AD 6		18		18		12		9		12
AD 5		4		4		3		3		4
AD total	0	80	0	78	0	83	0	85	0	93
AST 11										
AST 10										
AST 9		1		1		1		1		1
AST 8										
AST 7										
AST 6		1		1		2		4		3
AST 5		17		14		19		27		24
AST 4		48		48		62		55		54
AST 3		42		42		25		22		22
AST 2		16		16		11		11		11
AST 1										
AST total	0	125	0	122	0	120	0	120	0	115
AST/SC6										
AST/SC5										
AST/SC6										
AST/SC4										
AST/SC3										
AST/SC2										
AST/SC1										
AST/SC Total	0	0	0	0	0	0	0	0	0	0
GRAND TOTAL	205		200		203		205		208	

Contract Agents	Authorised 2015 ¹⁹	Recruited as of 31/12/2015	2016 estimate	Agency 2017 estimate	DB 2017 estimate
Function Group IV	7	7	5	5	7
Function Group III	3	7	6	8.5	3
Function Group II	3	8.5	11	11	3
Function Group I	2	0	1	0	2
Total	15	22.5	23	24.5	15

Job Type (sub)category	2015 (%)	2016 (%)
Administrative support and coordination	28.17%	28.8%
<i>Administrative support</i>	24.23%	24%
<i>Coordination</i>	3.94%	4.8%
Operational	63.66%	63.5%
<i>Top-level operational coordination</i>	3.66%	3.75%
<i>Programme management & implementation</i>	43.38%	46.15%
<i>Evaluation and impact assessment</i>	0.00%	0.00%
<i>General operational</i>	16.62%	13.6%
Neutral	8.17%	7.7%
<i>Finance/Control</i>	7.61%	7.47%
<i>Linguistics</i>	0.56%	0.26%
SUM	100%	100%

¹⁹ This estimate represents the authorised figures by the Budgetary Authorities for 2015, not the estimate 2015 submitted by Eurojust.

Annex V. Human and financial resources by activity

*Actual consumption of the human and financial resources by budget line is available in detail in Annex II & IV of the **Report on Budgetary and Financial Management for the financial year 2016**, enclosed.*



Annex VI. EUROJUST Financial Accounts 2016

Enclosed.



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