



European Asylum Support Office

EASO  
Anti-Fraud Strategy  
2020 - 2022

SUPPORT IS OUR MISSION



### Version History

Date	Revision No.	Author	Adoption by MB	Description of Change
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**A. ABBREVIATIONS**

CAAR	Consolidated Activity Annual Report
CAFS	Commission's Anti-Fraud Strategy
CEAS	Common European Asylum System
COSO	Committee of Sponsoring Organizations of the Treadway Commission
EASO	European Asylum Support Office
ECA	European Court of Auditors
ED	Executive Director
EP	European Parliament
EPPO	European Public Prosecutor's Office
EU	European Union
EUAA	EU Agency for Asylum
EXO	Executive Office
FPU	Finance and Procurement Unit
HRSU	Human Resources and Security Unit
IAS	Internal Audit Service
IAC	Internal Audit Capability
ICC	Internal Control Coordinator
ICRM	Internal Control and Risk Management
LDPS	Legal Affairs and Data Protection Sector
MB	Management Board
MT	Management Team
OLAF	European Anti-Fraud Office
RAO	Responsible Authorising Officer
SPD	Single Programming Document
VAT	Value Added Tax

## B. GENERAL CONTEXT

The EU budget consists of taxpayers' money that must be used only for implementing the policies which the EU legislature has approved. Fraud involving EU funds has a particularly negative impact on the reputation of the EU institutions and the implementation of EU policies.

On 24 June 2011 the Commission adopted an Anti-Fraud Strategy<sup>1</sup> ('CAFS') with the overall objective of improving the prevention and detection of fraud, and the conditions for investigations of fraud, and achieving adequate reparation and deterrence. This is to be done especially by developing close cooperation and synergy and by promoting the standards set out in the CAFS within the EU agencies and bodies.

In 2017, the EU decisively intensified the fight against large-scale, cross-border crime against the EU budget, by adopting Regulation 2017/1939 implementing enhanced cooperation on the establishment of the European Public Prosecutor's Office ('the EPPO'). The EPPO will have the power to investigate, prosecute, and bring to judgment **crimes** against the EU budget, such as fraud, corruption, or serious cross-border VAT fraud.

Moreover, OLAF will continue its **administrative** investigations into irregularities and fraud affecting the EU's financial interests, in all EU countries. In doing so, it will consult and coordinate closely with the EPPO.

On 29 April 2019 the Commission adopted a new Anti-Fraud Strategy: "enhanced action to protect the EU budget" as a result of an evaluation of the 2011 CAFS concluding that the CAFS needs to adapt to an evolving situation. The priority objectives of this 2019 CAFS are to equip the Commission with a stronger analytical capability for purposes of prevention and detection and with a more centralised system of oversight for its anti-fraud action. In addition, the CAFS Action Plan, addressed to the Commission services and executive agencies, aims to improve anti-fraud cooperation and workflows across the board, for example the Commission's and other EU bodies' cooperation with OLAF and the EPPO.

The Commission has developed a Common Approach on EU decentralised agencies that requires a set of anti-fraud measures to be put in place in the Agencies.

The European Asylum Support Office (hereafter 'EASO' or 'the Agency') has decided to develop and implement this EASO Anti-Fraud Strategy (or 'Strategy'), based on the results of a fraud risk assessment process and the Fraud Risk Register action plan (Annex I) approved by the EASO Management Team. This Strategy is valid for a three years outlook (2020-2022) and the fraud risk register action plan (Annex I) will be monitored and up-dated quarterly in the course of its implementation and in any case within the strategic and programming cycle, that is during the annual risk assessment exercise that will feed into the Single Programming Document.

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<sup>1</sup> *Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee, the Committee of the Regions and the Court of Auditors on the Commission anti-fraud strategy, COM(2011) 376; Communication to the Commission: Commission internal action plan for the implementation of the Commission anti-fraud strategy, SEC(2011) 787.*

### C. AGENCY CONTEXT

The Agency works as a centre of expertise. EASO's purpose is to contribute to improving the implementation of the Common European Asylum System ('CEAS') by strengthening practical cooperation, stimulating information exchange, ensuring convergence in the assessment of protection needs in the Member States, and providing operational and technical assistance to Member States subject to pressure on their asylum and reception systems.

According to Article 2 of Regulation (EU) No 439/2010<sup>2</sup> (hereafter 'the EASO Regulation'), the purpose of EASO is to support practical cooperation on asylum, including identification and exchange of best practices, information on countries of origin, supporting relocation, training, and the external dimension of the CEAS; to support Member States subject to particular pressure, including through gathering and analysing information and implementing support actions; and to contribute to the implementation of the CEAS through gathering and exchanging information and drafting reports and technical documents.

Pursuant to Article 33(3) of the EASO Regulation, the Agency's revenue shall comprise:

- (a) a contribution from the Union entered in the general budget of the European Union;
- (b) any voluntary contribution from the Member States;
- (c) charges for publications and any service provided by the Agency;
- (d) a contribution from the associate countries<sup>3</sup>.

Expenditure<sup>4</sup>:

Expenditure	2019		2020	
	Commitment appropriations (€)	Payment appropriations (€)	Commitment appropriations (€)	Payment appropriations (€)
Title 1	28,209,300	28,209,300	38,607,200	38,607,200
Title 2	11,973,200	11,973,200	13,931,700	13,931,700
Title 3	61,834,503	61,834,503	61,534,100	61,534,100
Title 4 (earmarked)	919,913	919,913	p.m.	p.m.
<b>Total expenditure</b>	<b>102,936,916</b>	<b>102,936,916</b>	<b>114,073,000</b>	<b>114,073,000</b>

<sup>2</sup> Regulation (EU) No 439/2010 of the European Parliament and of the Council of 19 May 2010 establishing a European Asylum Support Office, (OJ L 132, 29.5.2010, p. 11).

<sup>3</sup> Within the meaning of Article 49(1) of the EASO Regulation.

<sup>4</sup> EASO Single Programming Document 2020-2022, WP 2020 - rev. 3 (28 January 2020) – Annex II: Financial Resources 2020-2022

Revenue<sup>5</sup>:

Revenue	2019	2020
	Budget (€)	Budget (€)
EU contribution	96,686,000	114,073,000
Other revenue (EFTA)	5,331,003	p.m.
Other revenue (EMAS) - earmarked	-	-
Other revenue (IPA and ENP) - earmarked	919,913	p.m.
Other revenue – accrued interest	p.m.	p.m.
<b>Total revenue</b>	<b>102,936,916</b>	<b>114,073,000</b>

The budget is mainly implemented by carrying out procurement procedures and the reimbursement of experts.

On 4 May 2016, the Commission presented a proposal for a regulation to transform EASO into a fully-fledged EU Agency for Asylum ('EUAA') with increased competences. Negotiations on the proposal are still ongoing. Once that regulation is adopted, the Agency's budget and staff are expected to grow significantly to reflect its additional competencies, tasks and responsibilities. According to the Legislative Financial Statement annexed to the Commission's proposal for a regulation establishing the EUAA by the year 2020, the Agency's budget is expected to grow to more than **€139 million** and the staff comprising the Agency to **500**.

#### D. CORPORATE GOVERNANCE

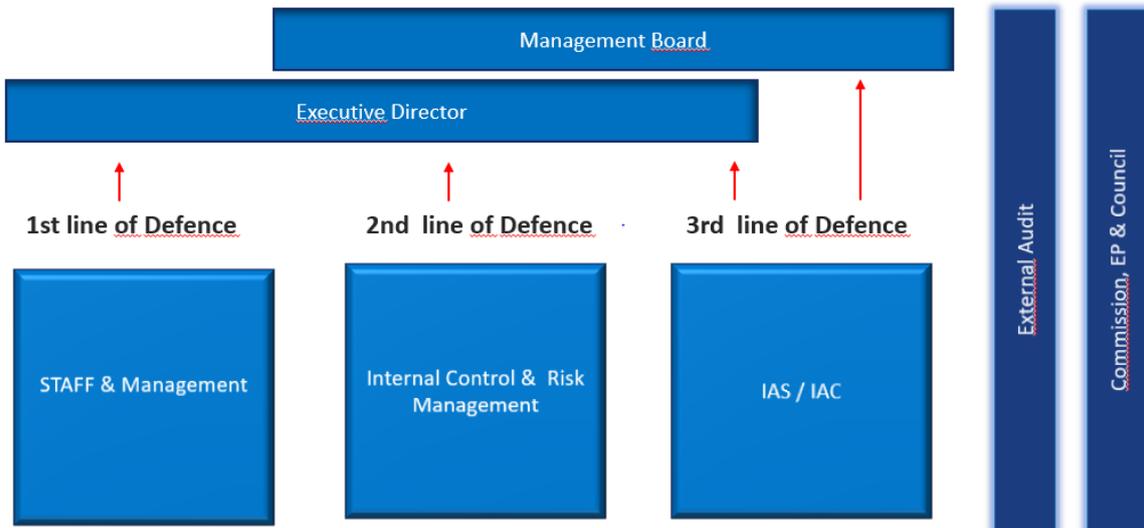
EASO's administrative and management structure comprises: (a) a Management Board ('MB'); and (b) an Executive Director ('ED') and the staff of the Agency<sup>6</sup>. The MB is the Agency's planning and monitoring body, ensuring that the Agency performs its duties. The Agency shall be managed by the ED, who is independent in the performance of his tasks and is the legal representative of EASO. The ED is accountable to the MB for his or her activities.

The ED is supported by the Heads of Centre, Heads of Department, Heads of Unit, Heads of Sector, and Heads of Office.

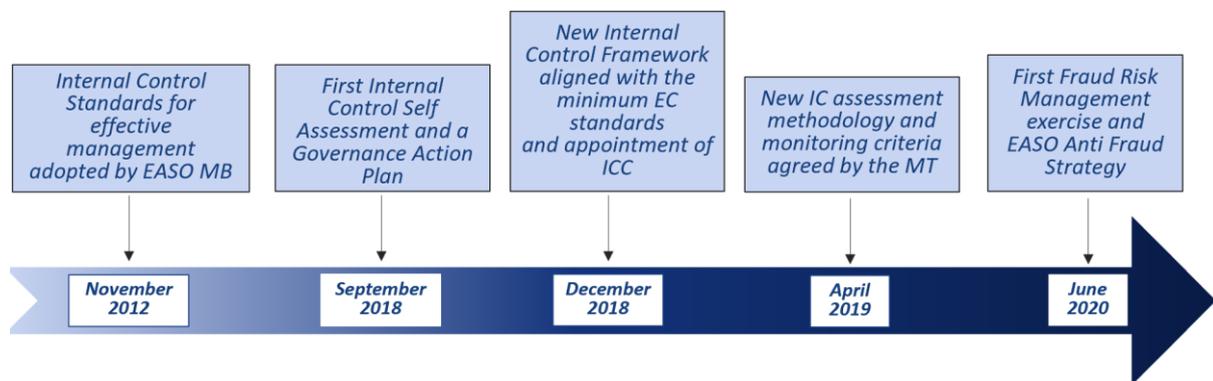
EASO's corporate governance framework (i.e. the way reliable information and assurance is provided to the MB in order to for it to effectively monitor the activities implemented by the ED towards the achievement of EASO's objectives) is ensured through the following lines of defence:

<sup>5</sup> *Ibid.*

<sup>6</sup> *In accordance with Article 24 of the EASO Regulation.*



The Agency applies the COSO internal control framework promoted by the Commission<sup>7</sup> especially through the Internal Control components and principles. The following is a summary of EASO’s key steps towards implementing effective and efficient internal control:



The Anti-Fraud Strategy is part of the Agency's internal control system and meets the requirements of the EASO Financial Regulation<sup>8</sup>, which refers inter alia to the need for preventing and detecting irregularities and fraud.

**E. SCOPE**

EASO applies a zero-tolerance policy with regard to fraud. However, at the same time it recognises that it is virtually impossible to prevent all cases of fraud. Thus, the implementation of fraud prevention objectives, priority measures and controls set out in this Anti-Fraud Strategy aim to maximize the likelihood that fraud will be prevented or detected in a timely manner, and creating a

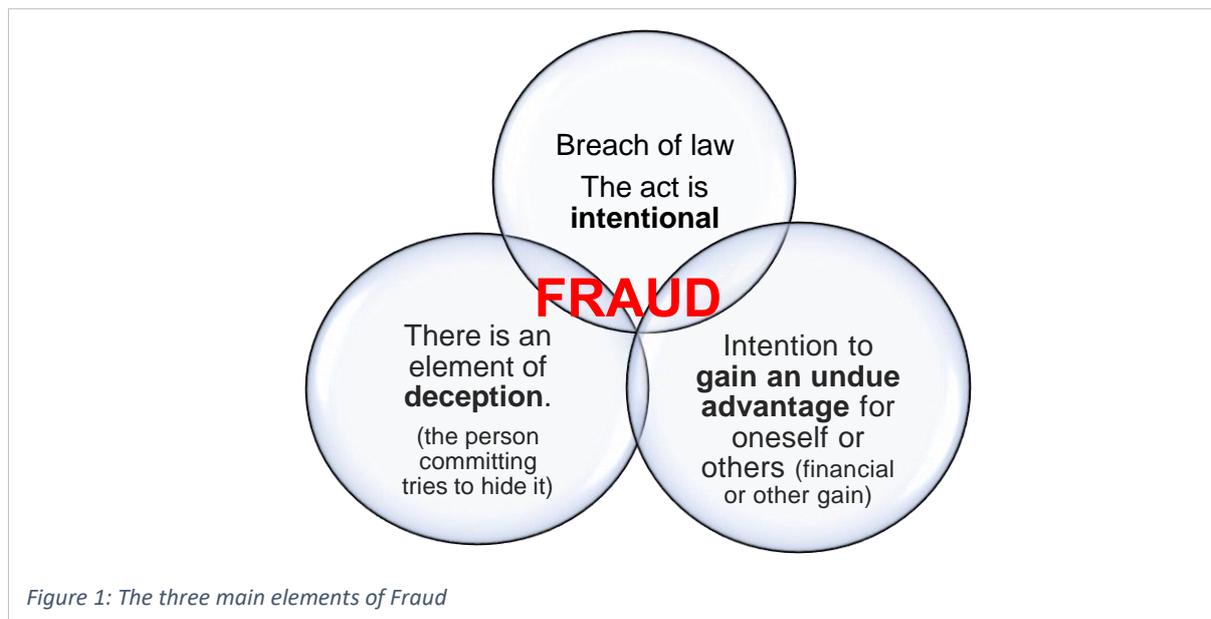
<sup>7</sup> Communication to the Commission from Commissioner Oettinger of 19 April 2017 “Revision of the Internal Control Framework” : C(2017) 2373

<sup>8</sup> In accordance with Article 30 of Management Board Decision No 54 of 14 August 2019 on the EASO Financial Regulation.

strong fraud-deterrence effect. The Strategy has been developed in light of the results of a fraud risk assessment exercise.

The risk of fraud can affect areas beyond accounting and financial management activities. In seeking to minimize the adverse impacts of fraud, EASO needs to consider fraud risk in all areas of the Agency's activities. Thus, given the importance and complexity of the issue, fraud is to be addressed within a dedicated, comprehensive process which runs in parallel and in addition to the annual risk management exercise. However, the two processes are closely interlinked.

The concept of fraud, in EASO, encompasses not only acts or omission that infringe the EU's financial interest, but also misconduct. It covers a range of *irregularities, illegal acts and, infringement of provision of community law* (breach of law) and misconduct characterised by *intentional deception* or *intention to gain undue advantage*. As portrayed in the figure below, the three main elements that distinguish **fraud** from **irregularity** (error) are: *Intention, Deception and Gain*. In principle the step-up from "Irregularity" to "Fraud" is made following (professional) investigation where **intent, deception** or **undue advantage** have been proven.



In accordance with the 2019 CAFS, the EASO Anti-Fraud Strategy shall be focusing on protecting the EU's financial interests from fraud, corruption and other intentional irregularities and on the risk of serious wrongdoing affecting the EU's institutions and bodies. As a result, the EASO Anti-Fraud Strategy shall cover:

- Fraud, including VAT fraud, corruption and misappropriation affecting the EU's financial interests, as defined in Articles 3 and 4 of the PIF Directive<sup>9</sup>;

<sup>9</sup> Directive (EU) 2017/1371 of the European Parliament and of the Council of 5 July 2017 on the fight against fraud to the Union's financial interests by means of criminal law, (OJ L 198, 28.7.2017, p. 29).

- Other criminal offences affecting the Union's financial interests, e.g., offences linked to abuse of procurement procedures where they affect the EU budget;
- Irregularities as defined in Article 1(2) of Regulation (EC, Euratom) No 2988/95<sup>10</sup> (insofar as they are intentional but not already captured by the criminal offences referred to above);
- Mismanagement, that is serious breaches of professional obligations by staff or Members of the Union's institutions and bodies, as referred to in Article 1(4) of the OLAF Regulation and in the second subparagraph of Article 2(1) of Commission Decision (EC, ECSC, Euratom) No 352/1999<sup>11</sup>.

For the purpose of this Decision, "fraud" is to be understood as an umbrella term for various types of criminal and non-criminal wrongdoings, as set out above. Therefore, fraud also covers misbehaviour that may not have a direct impact on the Agency's (or EU's) financial interests, but which may cause serious damage to the image and reputation of the Agency, such as:

- fraudulent reporting;
- infringement of law;
- forgery (in CVs for example);
- concealment or destruction of material facts;
- breaches of IT systems;
- conflicts of interests that have intentionally not been declared;
- favouritism (e.g. to potential bidders during a tendering process);
- collusion.

## F. FRAUD PREVENTION OBJECTIVES

The Internal Control Framework, which the Agency adopted in December 2018 by means of Management Board Decision No 42<sup>12</sup>, sets out seventeen principles of internal control associated with five internal control components. For a system of internal control to be effective, each of the 17 principles must be present, functioning and operating in an integrated manner.

EASO identified **five fraud prevention risk management objectives** to enable the identification and assessment of incentives, pressures, opportunities and attitude which may lead to any type of fraud. These five fraud risk management objectives fully support, are entirely consistent with, and parallel to the EASO Internal control Framework's 17 internal control principles and 5 components. The correlation between the fraud prevention risk management objectives and the EASO Internal control Framework's internal control components and principles are depicted below:

<sup>10</sup> Council Regulation (EC, Euratom) No 2988/95 of 18 December 1995 on the protection of the European Communities' financial interests, (OJ L 312, 23.12.1995, p. 1).

<sup>11</sup> Commission Decision (EC, ECSC, Euratom) No 352/1999 of 28 April 1999 establishing the European Anti-Fraud Office (OLAF), OJ L 136, 31.5.1999, p. 20, as amended.

<sup>12</sup> Management Board Decision No 42 of 21 December 2018 on the Internal Control Framework of EASO (EASO/MB/2018/159).

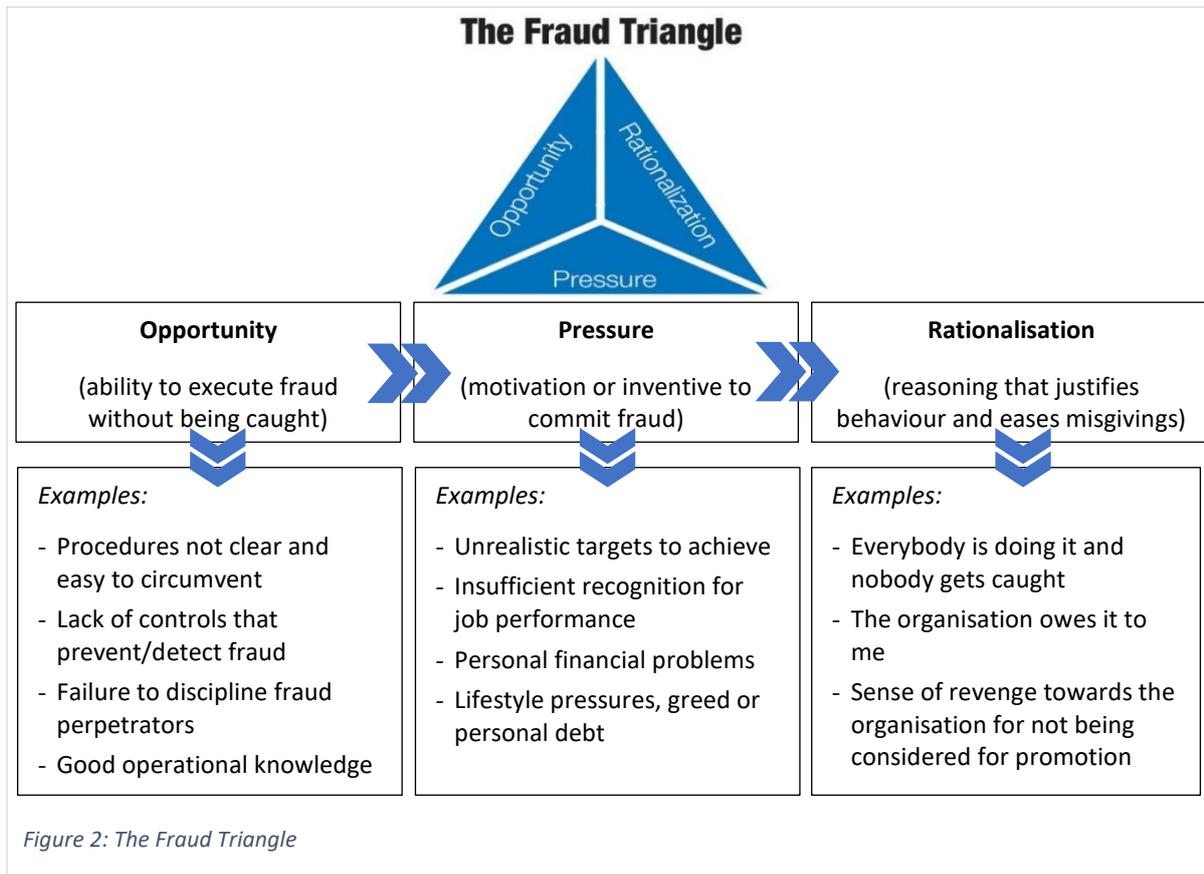
EASO Internal Control Components	Fraud Prevention Risk Management Objectives
<p><b>Control Environment</b></p>	<p><b>Fraud Risk Governance:</b> EASO Management Team ('MT') and Management Board ('MB') demonstrate in their instructions and actions commitment to high integrity and ethical values regarding managing fraud risk by establishing and communicating to all staff a sound and solid ethical framework and Anti-Fraud Strategy.</p>
<p><b>Risk Assessment</b></p>	<p><b>Fraud Risk Assessment:</b> Based on EASO fraud prevention risk management objectives and priorities, the MT performs comprehensive fraud risk assessments to identify specific fraud incentives, pressures and opportunities, evaluates existing fraud control activities and implements actions to mitigate residual fraud risks.</p>
<p><b>Control Activities</b></p>	<p><b>Fraud Control Activity:</b> EASO mitigates the risk of fraud events occurring or not detected in a timely manner through selecting, developing, and deploying preventive and detective fraud control activities through all the priority areas.</p>
<p><b>Information &amp; Communication</b></p>	<p><b>Fraud Investigation and Corrective Action:</b> EASO establishes a communication process to obtain information about potential fraud and deploys a coordinated approach to investigation and corrective action to address fraud appropriately and in a timely manner.</p>
<p><b>Monitoring Activities</b></p>	<p><b>Fraud Risk Management Monitoring Activities:</b> EASO selects, develops, and performs ongoing evaluations to ascertain whether each of the five fraud prevention risk management objectives are present and functioning and communicates the Anti-Fraud Strategy Action Plan in a timely manner to parties responsible for taking corrective action, including the MT and MB.</p>

## G. THE MOTIVES THAT LEAD TO FRAUD

There are three interrelated elements that enable someone to commit fraud as depicted in the table below:

- **Opportunity** - Fraud is more likely to arise in an organisation where there is a weak internal control system (e.g. poor detective/preventive controls in place), little fear of exposure and likelihood of detection, or unclear policies with regard to acceptable behaviour.
- **Pressure/Motivation** – This is typically based on either greed or need. It might be a real financial need, such as high debts, or it could be a perceived financial need, such as a person who has a desire for material goods but not the means to get them. The motivational factors can also be non-financial. There may be high pressure for good results at work or a need to cover up someone’s poor performance.
- **Rationalisation** - Many people obey the law because they believe in it and/or are afraid of being shamed or rejected if they are caught. However, others may be able to rationalise fraudulent actions as:
  - necessary – especially when done for the business;
  - harmless – because the organisation is large enough to absorb the impact;

- justified – because ‘I deserve it as I work hard and I am underpaid’ or ‘I was mistreated’.



## H. GUIDING PRINCIPLES AND TARGET STANDARDS

The following guiding principles and target standards govern the Anti-Fraud Strategy:

- I. zero tolerance for fraud;
- II. fight against fraud as an integral part of internal control;
- III. cost-effectiveness of controls;
- IV. effective fraud risk management;
- V. professional integrity and competence of EASO staff;
- VI. transparency on how EASO funds are used;
- VII. fraud prevention, notably fraud-proofing of spending programmes;
- VIII. effective investigation capacity and timely exchange of information;
- IX. swift correction (including recovery of defrauded funds and judicial/administrative sanctions);
- X. good cooperation between internal and external players, in particular between EASO and national authorities responsible, and among the departments of all EU institutions and bodies concerned;
- XI. effective internal and external communication on the fight against fraud.

Furthermore, in order to resolve possible conflicts between principles I and III above, three factors are key:

- It is imperative to take any reputational aspect fully into account when applying the requirement of cost-effectiveness to anti-fraud controls, especially in cases of internal fraud.
- It is not possible to prevent fraud entirely, but as soon as there are genuine prima-facie indications that fraud may have occurred<sup>13</sup>, quick action is essential: OLAF and/or the EPPO should be informed without delay, precautionary measures may have to be taken, and timely corrective action should be taken as soon as possible. In accordance with Article 45(12) of EASO Financial Regulation, *“in the event of any illegal activity, fraud or corruption which may harm the interest of the Union, a member of staff or other servant, including national experts seconded to the Agency, shall inform their immediate superior, the Executive Director or the Management Board of the Agency or the European Anti-Fraud Office or the European Public Prosecutor’s Office directly”*.
- Any reporting of a suspected case of fraud by a staff member should take place in accordance with Management Board Decision No 57 of 20 September 2019 establishing the EASO Guidelines on Whistleblowing<sup>14</sup>. Pursuant to Section 1.4 thereof, staff members who make a report in bad faith, particularly if it is based knowingly on false or misleading information shall normally be subject to disciplinary measures.

## I. FUNCTIONS ADDRESSING AND PREVENTING FRAUD

The Agency has at its disposal the following functions engaged in addressing and preventing fraud:

	Function	Unit/Sector/External stakeholder
1	Ethics Correspondent	Payroll & Entitlement Sector (HRSU)
2	Legal Officer	Legal Affairs and Data protection Sector (EXO)
3	Internal Control Coordinator	Internal Control and Risk Management Sector (EXO)
4	Internal and ex-post controls function	Internal Control and Risk Management Sector (EXO)
5	Ex-ante financial verifying Agents	Finance Sector (FPU)
6	Ex-ante procurement verifying agents	Procurement Sector (FPU)
7	Internal Audit	Internal Audit Service of the Commission
8	External Auditors	European Court of Auditors
9	Fraud Investigators (administrative <sup>15</sup> )	European Anti-Fraud Office (OLAF)
10.	Fraud Investigators (criminal <sup>16</sup> )	European Public Prosecutors Office (EPPO)

<sup>13</sup> In this sense, Article 5.4 of the Guidelines on Investigation procedures for OLAF staff of 1 October 2013 provides that upon receiving information, consideration shall be given by OLAF to the: (i) reliability of the source and (ii) the credibility of the allegations in evaluating whether the information is sufficient to justify the opening of an investigation or coordination case.

<sup>14</sup> In particular, Section 2 thereof sets out the applicable reporting procedures.

<sup>15</sup> In this sense, it should be recalled that the EPPO will have the power to investigate, prosecute, and bring to judgment **crimes** against the EU budget, such as fraud, corruption, or serious cross-border VAT fraud. OLAF continues its **administrative** investigations into irregularities and fraud affecting the EU's financial interests, in all EU countries.

<sup>16</sup> *Ibid.*



## J. PRIORITY MEASURES AND CONTROL ACTIVITIES

Based on the pre-defined fraud prevention risk management objectives, EASO's MT, with the support of the Internal Control Coordinator ('ICC'), has adopted the **priority measures** outlook for 2020-2022 (as set out in the table below) to consider and address possible incentives, pressures, opportunities and attitudes which may lead to any type of fraud, notably fraudulent reporting, loss of assets, disclosure of sensitive information and corruption.

For each priority measure, the MT has documented the **control activities**<sup>17</sup> defined or planned in EASO in order to provide reasonable assurance to the ED on the achievement of the fraud prevention objectives and priority measures.

The Agency has at its disposal or has planned the following control activities "strengths" which are engaged in tackling fraud:

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<sup>17</sup> Please note that this overview entails a 'snapshot' of the situation at the time of adoption of this present MB Decision. As such, the most up to date overview is subject to regular change over time.



Fraud Prevention Risk Management Objectives	Priority Measures <sup>18</sup>	Control Activities <sup>19</sup> (IMPLEMENTATION STATUS: Implemented / in progress/ planned)
<p><b>1. Fraud Risk Governance</b></p> <p>EASO’s MT and MB demonstrate in their instructions and actions commitment to high integrity and ethical values regarding managing fraud risk by establishing and communicating to all staff a sound and solid ethical framework and Anti-Fraud Strategy</p>	<p><b>1.1 Makes an Organisational Commitment to Fraud Risk Management</b> – With the support of the ICC, the MT is involved in and demonstrates commitment to the fraud risk management process by establishing and documenting objectives and priority measures to prevent and detect fraud.</p>	<ul style="list-style-type: none"> <li>The ED establishes and documents objectives and priority measures to prevent and detect fraud (EASO/EDD/2020/078<sup>20</sup>) - <b>Implemented</b></li> <li>Fraud risk assessment results and action plan are re-assessed and endorsed by the MB - <b>Implemented</b></li> </ul>
	<p><b>1.2 Supports Fraud Risk Governance</b> - The MT supports fraud risk management as a ‘key element’ of corporate governance by sponsoring and communicating the fraud risk register to the MB and EASO staff.</p>	<ul style="list-style-type: none"> <li>The EASO Fraud Risk Register is communicated to the MB - <b>In progress</b></li> <li>An Info session for Risk Management Correspondents raises awareness on fraud prevention and the fraud risk register - <b>In progress</b></li> <li>The Fraud Risk Register is made available on the EXO intranet site and is accessible to all EASO staff members - <b>In progress</b></li> </ul>
	<p><b>1.3 Establishes a comprehensive Anti-Fraud Strategy</b> - The MT provides a solid foundation of fraud risk management by establishing a “comprehensive” anti-fraud strategy.</p>	<ul style="list-style-type: none"> <li>A “comprehensive” Anti-Fraud Strategy is established, based on the fraud risk management exercise process that followed a pre-defined agreed methodology by the MT (EASO/EDD/2020/078) – <b>Implemented</b></li> </ul>
	<p><b>1.4 Establishes Fraud Risk Governance Roles and Responsibilities throughout the Agency</b> - The MT identifies and appoints the appropriate function</p>	<ul style="list-style-type: none"> <li>The ED to agree with the MT on the key governance roles and responsibilities throughout the Agency on fraud risk management. These shall be documented and approved by the ED. (EASO/EDD/2020/078) - <b>Implemented</b></li> </ul>

<sup>18</sup> This priority measures have been proposed by the ICC but may be modified by EASO MT during the fraud risk management process.

<sup>19</sup> The control activities are to be proposed by the ICC and endorsed by the MT. Some control activities may be the MT risk response to an identified fraud risk.

<sup>20</sup> Decision of the Executive Director of 8 April 2020 on the Manual for Fraud Risk Management (EASO/EDD/2020/078).



Fraud Prevention Risk Management Objectives	Priority Measures <sup>18</sup>	Control Activities <sup>19</sup> (IMPLEMENTATION STATUS: Implemented / in progress/ planned)
	<p>with a key role and responsibilities regarding the implementation of the Anti-Fraud Strategy.</p>	<ul style="list-style-type: none"> <li>• The EASO MT has identified the Head of ICRM sector (ICC) as a key function with a key role and responsibility to coordinate the implementation of EASO fraud risk management and the process to up-date the Anti-Fraud Strategy. This is documented and approved by the ED. (EASO/EDD/2020/078) - <b>Implemented</b>.</li> <li>• EASO has appointed an Ethical Correspondent function in the HRSU to increase awareness and maintain the highest ethical standards, as well as guide staff to be able make ethical decisions, including taking the necessary actions for fraud prevention – <b>Implemented</b></li> </ul>
	<p><b>1.5 Communicate the Anti-Fraud Strategy at all levels</b>            - The MT supports the ongoing effectiveness of the Anti-Fraud Strategy by maintaining and communicating a continuous focus on fraud deterrence, prevention and detection throughout the Agency.</p>	<ul style="list-style-type: none"> <li>• The EASO Anti-Fraud Strategy is communicated at all levels (Staff, MT and MB) by making it available on the EXO intranet - <b>In progress</b></li> <li>• An info session to all staff to explain and increase awareness on fraud prevention and introduce the EASO Anti-Fraud Strategy -<b>In progress</b></li> <li>• Continuous training, focusing on fraud risk management, fraud deterrence, prevention and detection is compulsory and needs to be provided regularly (<u>every two years</u>) to all staff involved on financial circuits and budget implementation (through ICRM 02 - half day training on risk management and fraud prevention) - <b>In Progress</b></li> <li>• Updated and appropriate information including new fraud prevention controls and the Anti-Fraud Strategy process information should be included on the content and training material (through ICRM 02 - half day training on risk management and fraud prevention) - <b>In progress</b></li> </ul>



Fraud Prevention Risk Management Objectives	Priority Measures <sup>18</sup>	Control Activities <sup>19</sup> (IMPLEMENTATION STATUS: Implemented / in progress/ planned)
<p><b>2. Fraud Risk Assessment</b></p> <p>Based on EASO fraud prevention risk management objectives and priorities, the MT performs comprehensive fraud risk assessments to identify specific fraud incentives, pressures and opportunities, evaluates existing fraud control activities and implements actions to mitigate residual fraud risks.</p>	<p><b>2.1 Involves appropriate levels of management and staff from across the different entities and functions of the Agency</b> - The fraud risk assessment process includes appropriate levels and recognises that fraud can happen at any level or component of the Agency.</p> <p><b>2.2 Analyses Internal and External Factors</b> – The fraud risk assessment process considers both internal and external factors and their impact on the achievement of objectives.</p> <p><b>2.3 Considers risk of management override of controls</b> - The fraud risk assessment considers specifically the risk of management override of controls</p>	<ul style="list-style-type: none"> <li>• The fraud risk assessment process follows a bottom up approach in line with the methodology suggested in EASO’s Manual for Risk Management (EASO/ED/2019/254<sup>21</sup>), by including Risk Management Correspondents from every Unit before the ICC proposes the critical and significant risks to the MT for re-assessment - <a href="#">Implemented</a></li> <li>• During the fraud risk assessment exercise, both internal and external factors that might lead to fraud risk are considered. The critical and significant fraud risks that might impact the achievement of EASO’s objectives are documented in the central Risk Register in line with the methodology specified in EASO’s Manual for Risk Management (EASO/ED/2019/254) - <a href="#">Implemented</a></li> <li>• Exceptional circumstances that may impose decisions by management which represent a deviation from established controls are to be approved by the ED and documented in the central register of exception in accordance with an agreed methodology and monitored by the ICRM sector (EASO/ED/2019/417 - <a href="#">Implemented</a>).</li> <li>• The ex-post control function is reinforced, with among other objectives, to detect irregularities and red flags of fraud and prevent the risk of management overriding of controls - <a href="#">In progress</a></li> <li>• The roles and responsibilities of RAOs are duly explained, documented and agreed upon in a charter of tasks and</li> </ul>

<sup>21</sup> Decision of the Executive Director of 29 September 2019 on the Risk Management Manual (EASO/EDD/2019/254).



Fraud Prevention Risk Management Objectives	Priority Measures <sup>18</sup>	Control Activities <sup>19</sup> (IMPLEMENTATION STATUS: Implemented / in progress/ planned)
		<p>responsibilities, which is acknowledged and signed by all RAOs. The Charter conforms to requirements under the Financial Regulation and explain the responsibilities and consequences when a manager overrides controls - <b>Implemented</b></p> <ul style="list-style-type: none"> <li>• The roles and responsibilities of staff responsible for ex-ante and ex-post financial verification are explained, documented and agreed in a Code of professional standards. The Code conforms to legislative requirements in the Financial Regulation - <b>Implemented</b></li> <li>• The Internal Audit Service (IAS) evaluates EASO’s internal controls, including the efficiency and effectiveness of controls in place to mitigate the risk of management override of controls - <b>Implemented</b></li> <li>• The Finance Manual<sup>22</sup> to be updated with new EASO FR provisions, particularly the roles and responsibilities of financial actors regarding conflicts of interest, fraud and irregularities reporting, financial irregularities panel, Governance and Internal Control - <b>In progress</b></li> <li>• An info session is annually provided by the ICRM sector to all RAOs to explain them how EASO internal control systems in place (components, principles and characteristics) and associated mitigate the risk of management overriding of control as well as their roles and responsibilities when a RAO overrides controls. - <b>In progress</b></li> <li>• The External Court of Auditors (ECA) assesses whether expenditure operations comply with relevant legal and</li> </ul>

<sup>22</sup> Decision of the Executive Director of 15 February 2019 on the adoption of a new Finance Manual for EASO (EASO/ED/2019/95)



Fraud Prevention Risk Management Objectives	Priority Measures <sup>18</sup>	Control Activities <sup>19</sup> (IMPLEMENTATION STATUS: Implemented / in progress/ planned)
		<p>regulatory framework requirements, and amongst other purposes, it may reduce the risk of management override of controls - <a href="#">Implemented</a></p> <ul style="list-style-type: none"> <li>• A specific workflow-code "OV" is available to the Initiating function in ABAC to guarantee that all instances of RAOs overriding ex-ante controls are documented. The use of this code is explained in the Finance Manual and can only be issued by the Initiating Agent after a rejection "SR" by the verification function - <a href="#">Implemented</a></li> </ul>
	<p><b>2.4 Estimates the Likelihood and Significance of Risks Identifies</b> - The fraud risk assessment team carefully evaluates the probability that each particular fraud risk could occur and the potential effects on the Agency if that particular fraud occurs</p>	<ul style="list-style-type: none"> <li>• A continuous, proactive and systematic process of identifying, assessing and managing risks in line with the acceptable risk levels, is carried out at every level of EASO and considers the risk of fraud to provide reasonable assurance as to the achievement of objectives. Each fraud risk's identified severity is based on two criteria: Likelihood of each particular risk's occurrence &amp; Impact of the potential effects if the fraud risk occurs (EASO/ED/2019/254) <a href="#">Implemented</a></li> </ul>
	<p><b>2.5 Assess Personnel or Centres/Units/Sectors involved and all aspects of the Fraud Triangle</b> - The fraud risk assessment team focuses on incentives and pressures, opportunities, attitudes and rationalisations to commit fraud.</p>	<ul style="list-style-type: none"> <li>• All actors involved in the annual risk management process are to be trained on fraud prevention and all aspects of the Fraud Triangle, so that during the exercise they can focus on incentives and pressures, opportunities, attitudes and rationalisations to commit fraud (Three training sessions of three hours each to be provided to the following target audiences: all staff<sup>23</sup>, risk management correspondents and the MT) - <a href="#">In progress</a></li> </ul>

<sup>23</sup> Statutory Staff, SNEs and Interims



Fraud Prevention Risk Management Objectives	Priority Measures <sup>18</sup>	Control Activities <sup>19</sup> (IMPLEMENTATION STATUS: Implemented / in progress/ planned)
		<ul style="list-style-type: none"> <li>Guidance on fraud prevention and identification, including all aspects of the fraud triangle, are documented and made available to staff on the ICRM sector intranet - <a href="#">In progress</a></li> <li>The MT, together with the support of the ICC, to assess and define sensitive functions based on pre-defined risk factors: a) decision making capacity; b) capacity to influence decisions; c) regular access to sensitive information; d) high level contacts; e) high level of expertise (EASO/ED/2019/301) - <a href="#">In progress</a></li> </ul>
	<p><b>2.6 Identifies Existing Fraud Control Activities and Assesses Their Effectiveness</b> - The fraud risk assessment team identifies and evaluates existing and missing controls for effectiveness to determine residual fraud risks that require mitigation.</p>	<ul style="list-style-type: none"> <li>During the fraud risk management process, the ICC will propose for each fraud prevention objective and priority measure, existing and missing control activities to the MT. In doing so, the ICC will also assess the effectiveness / appropriateness of the control activities to determine the residual fraud risks that require mitigation - <a href="#">Implemented</a></li> </ul>
	<p><b>2.7 Determines How to Respond to Risks</b> - The fraud risk assessment team's ultimate goal is to formulate effective and appropriate responses to all fraud risks.</p>	<ul style="list-style-type: none"> <li>As a result of the fraud risk management process, the main risk responses are summarised and documented in the Fraud Risk Register Action Plan annexed to this Strategy - <a href="#">Implemented</a></li> </ul>
	<p><b>2.8 Performs Periodic Reassessments and Assesses Changes to Fraud Risk</b> – The Agency repeats the risk assessment process periodically and at least once per year and considers changes affecting EASO, including changes in the external environment, operations, personnel and leadership that can affect fraud risks.</p>	<ul style="list-style-type: none"> <li>In accordance with EASO/ED/2020/078, the ICC will coordinate periodic re-assessments, and assess changes to fraud risk. Furthermore, the MT will - at least annually - re-assess the results of the fraud risk management process - <a href="#">Implemented</a></li> </ul>



Fraud Prevention Risk Management Objectives	Priority Measures <sup>18</sup>	Control Activities <sup>19</sup> (IMPLEMENTATION STATUS: Implemented / in progress/ planned)
<p><b>3. Fraud Control Activity</b></p> <p>EASO mitigates the risk of fraud events occurring or not being detected in a timely manner through selecting, developing, and deploying preventive and detective fraud control activities through all the priority areas.</p>	<p><b>3.1 Promotes Fraud Deterrence through Preventive and Detective Control Activities</b> – The Agency addresses its fraud deterrence as a process of eliminating factors that may cause fraud to occur and understand that deterrence results from having effective preventive and detective fraud control activities in place.</p>	<ul style="list-style-type: none"> <li>• The Code of professional standards for staff responsible for financial verification<sup>24</sup>, which conforms to legislative requirements in the EASO Financial Regulation<sup>25</sup>, explains amongst other things the mission of verifying agents to support the ED in the achievement of internal control objectives that include fraud prevention - <b>Implemented</b></li> <li>• The Internal Audit Service (IAS) evaluates EASO’s internal controls, including the efficiency and effectiveness of controls in place to mitigate the risk of management override of controls - <b>Implemented</b></li> <li>• The External Court of Auditors (ECA) assesses whether expenditure operations comply with relevant legal and regulatory framework requirements, and amongst other purposes it may also reduce the risk of management override of controls - <b>Implemented</b></li> </ul>
	<p><b>3.2 Integrates with the Fraud Risk Assessment</b> – The Agency ensures that the design and implementation of fraud control activities link directly to the fraud risk assessment.</p>	<ul style="list-style-type: none"> <li>• EASO has documented and identified fraud control activities in an Anti-Fraud Strategy. These control activities are also linked directly to the fraud prevention objectives and priority measures as a result of carrying out the fraud risk assessment process (EASO/EDD/2020/078) - <b>Implemented</b></li> </ul>
	<p><b>3.3 Considers the Application of Control Activities to Different Levels of the Agency</b> – EASO ensures that fraud control activities exist throughout the Agency at all appropriate levels.</p>	<ul style="list-style-type: none"> <li>• The EASO Internal Control Framework<sup>26</sup> (components, principles and characteristics) defines the control activities to be implemented at different levels of the Agency (Departments/Centres, Units, Sectors) based on the minimum</li> </ul>

<sup>24</sup> Annex 9 “Code of Professional Standards for Staff Responsible for ex-ante or ex-post Financial Verification” of the Decision of the Executive Director of 6 November 2017 on the Delegation of Financial Authority and Nominations to carry out one or more specific tasks in preparation for/or ancillary to budget implementation (EASO/ED/2017/308)

<sup>25</sup> Management Board Decision no 54 of 14 August 2019 on the EASO Financial Regulation (EASO/MB/2019/167)

<sup>26</sup> Management Board Decision no 42 of 21 December 2018 on the Internal Control Framework of EASO (EASO/MB/2018/159)



Fraud Prevention Risk Management Objectives	Priority Measures <sup>18</sup>	Control Activities <sup>19</sup> (IMPLEMENTATION STATUS: Implemented / in progress/ planned)
	<p><b>3.4 Uses a Combination of Fraud Control Activities –</b> The Agency ensures that fraud control activities include a range of preventive and detective</p>	<p>standards adopted by the Commission for its own services) - <b>Implemented</b></p> <ul style="list-style-type: none"> <li>• The EASO Anti-Fraud Control Strategy to define and include the relevant preventive and detective control activities to prevent fraud and irregularities by estimating, assessing and concluding on:               <ul style="list-style-type: none"> <li>- The trend analysis of the costs and resources deployed to such controls;</li> <li>- the benefits, efficiency, effectiveness and economy of these controls;</li> <li>- improvement of the cost benefit of controls.</li> </ul> </li> </ul> <p>The Control Strategy is to further explain to what extent the applied control activities are best suited to fulfil the intended fraud prevention internal control objectives efficiently and at reasonable cost - <b>In progress</b></p> <ul style="list-style-type: none"> <li>• EXO to provide a workshop to all RAOs on performance supervision arrangements and cost effectiveness analysis of controls - <b>In progress</b></li> <li>• EXO to propose a work programme to the ED for approval of ad-hoc ex-post controls to be implemented on the definition of performance supervision arrangement for RAOs to assess cost effectiveness of the controls under their responsibility. The results will feed into the EASO Control Strategy to guide all RAOs on how to implement homogeneous supervision arrangements through all steps of the financial circuits – <b>In progress</b></li> </ul> <ul style="list-style-type: none"> <li>• The MT, with the support of the ICC, is to identify the control activities aimed at mitigation and is to address the possibility of</li> </ul>



Fraud Prevention Risk Management Objectives	Priority Measures <sup>18</sup>	Control Activities <sup>19</sup> (IMPLEMENTATION STATUS: Implemented / in progress/ planned)
	<p>controls that also address the possibility of management to override controls.</p>	<p>pre-defined sensitive functions to override controls (EASO/ED/2019/301<sup>27</sup>) - <a href="#">In progress</a></p> <ul style="list-style-type: none"> <li>• EASO exceptions and non-compliance procedures provide for documenting in a central register any exception or non-compliance events. RAOs propose preventive controls to mitigate the risk of those exceptions and non-compliance events from happening again – <a href="#">Implemented</a></li> <li>• EXO to assess and monitor implementation of those proposed corrective controls and measures to address exceptions and non-compliances deficiencies reported by RAOs and to report the result to the MT (EASO/ED/2019/417<sup>28</sup>) - <a href="#">In progress</a></li> <li>• A specific workflow-code "OV" is available to the Initiating function in ABAC to guarantee that all instances of RAOs overriding ex-ante controls are documented. The use of this code is explained in the Finance Manual and can only be issued by the Initiating Agent after a rejection "SR" by the verification function – <a href="#">Implemented</a></li> </ul>
	<p><b>3.5 Deploys Control Activities through Policies and Procedures</b> – EASO ensures that fraud control activities are thoroughly documented and implemented through policies and procedures.</p>	<ul style="list-style-type: none"> <li>• Fraud control activities implemented through policies and procedures linked to EASO Internal Control Principles to be duly documented in ERDMS and up-dated based on an in-depth assessment implemented by an EASO quality officer – <a href="#">In progress</a></li> <li>• Up-dated list of policies linked to each Internal Control Principle will be made available to all the staff on the ICRM sector intranet - <a href="#">In progress</a></li> </ul>

<sup>27</sup> Decision of the Executive Director of 30 September 2019 on the identification and management of sensitive functions within EASO (EASO/ED/2019/301).

<sup>28</sup> Decision of the Executive Director of 2 October 2019 on the manual for the management of exceptions and non-compliance events (EASO/ED/2019/417).



Fraud Prevention Risk Management Objectives	Priority Measures <sup>18</sup>	Control Activities <sup>19</sup> (IMPLEMENTATION STATUS: Implemented / in progress/ planned)
		<ul style="list-style-type: none"> <li>• EXO to provide all EASO staff with an in-depth analysis guidance and quizzes of new internal control and governance requirements of EASO new FR adopted by MB in July 2019 (including fraud, irregularities and conflict of interest new provisions) including an info session to all staff. Surveys after the training to be implemented – <a href="#">In progress</a></li> <li>• EXO, with the support of DoA, to assess the possibility of developing specific fraud risk assessment methodology for procurement and HR processes to be developed – <a href="#">In progress</a></li> <li>• Specific guidance and attention to fraud issues when drafting contracts is provided in the Procurement Standards Operation procedures approved by the ED - <a href="#">Implemented</a></li> <li>• A policy for the identification and assessment of sensitive functions where there is a risk of the jobholders deliberately using their decision-making power or influence with a view to gaining some personal advantage (financial or otherwise) is in place (EASO/ED/2019/254) - <a href="#">Implemented</a></li> </ul>
<p><b>4. Fraud Investigation and Corrective Action</b></p> <p>EASO establishes a communication process to obtain information about potential fraud and deploys a coordinated approach for investigation and corrective action to address fraud appropriately and in a timely manner.</p>	<p><b>4.1 Establishes Fraud Investigation and Response Protocols</b> - The Agency establishes processes for communications relating to potential fraud.</p>	<ul style="list-style-type: none"> <li>• Conditions and terms for internal investigation in relation to fraud, corruption and any illegal activity - <a href="#">Implemented</a></li> <li>• Guidelines on Whistleblowing<sup>29</sup> are made available to staff on EASO’s HR and EXO Intranet sites and explained through appropriate training (for example ethics and integrity training, fraud prevention) - <a href="#">Implemented</a></li> <li>• Staff members are sufficiently made aware of the rules to report fraud and irregularities through trainings (Ethics and integrity, fraud prevention) - <a href="#">Implemented</a></li> </ul>

<sup>29</sup> Management Board Decision no 57 of 20 September 2019 establishing the EASO’s Guidelines on Whistleblowing (EASO/MB/2019/172)



Fraud Prevention Risk Management Objectives	Priority Measures <sup>18</sup>	Control Activities <sup>19</sup> (IMPLEMENTATION STATUS: Implemented / in progress/ planned)
		<ul style="list-style-type: none"> <li>• Whistleblowing hotlines to be made available to staff by creating a link on EASO’s Intranet site to OLAF’s online forms for fraud allegation, also including more information on what to do in case of red-flag of fraud - <a href="#">In progress</a></li> <li>• In line with the ‘Commission Decision of 12.6.2019 laying down general implementing provisions on the conduct of administrative inquiries and disciplinary proceedings’ which became applicable to EASO by analogy on 17/03/2020, and in accordance with the EPPO Regulation (and in particular Recital 51 thereof): <ul style="list-style-type: none"> <li>- LDPS might perform a preliminary evaluation of whether each potential case of fraud reported has prima-facie grounds for conducting a further, more thorough examination. This will be a preliminary assessment phase independently of the whistleblowing facilities provided to staff. - <a href="#">In progress</a></li> </ul> </li> </ul> <p>and;</p> <ul style="list-style-type: none"> <li>- Simultaneously, in order to comply fully with the Agency’s obligation to inform the EPPO where a suspicion of an offence within its competence is identified, LDPS might carry out a preliminary evaluation of the reported allegations to determine whether there are prima-facie grounds for a potential criminal offence against the EU budget. Additionally and/or alternatively, the Agency may make use of OLAF for this. - <a href="#">In progress</a></li> </ul> <p>While carrying out the above preliminary evaluations, all business units and other internal entities are to promptly</p>



Fraud Prevention Risk Management Objectives	Priority Measures <sup>18</sup>	Control Activities <sup>19</sup> (IMPLEMENTATION STATUS: Implemented / in progress/ planned)
		<p>provide EXO/LDPS with any requested information and/or documents.</p> <p>- EXO/LDPS subsequently issues a report with its preliminary assessment to the Executive Director, for further decision-making on referral to OLAF and/or the EPPO<sup>30</sup>. - <a href="#">In progress</a></p>
	<p><b>4.2 Conducts Investigations</b> – The Agency has in place the means to undertake investigations of potential fraud, giving due consideration to the scope, severity, credibility and implications of communicated matter.</p>	<ul style="list-style-type: none"> <li>• Framework contract BUDG-19-PO for Audits and Controls has been made available to EASO by DG BUDG and provide for forensic audit services where the purpose is to uncover or disprove a fraud and determine the amount of the damages suffered. The findings might be used in a legal proceeding (subject to prior approval by OLAF and IAS to avoid jeopardizing any ongoing investigation) - <a href="#">Implemented</a></li> </ul>
	<p><b>4.3 Communicates Investigation Results</b> – OLAF or other investigators communicates the results of its investigation to the appropriate internal authority, and where necessary to external third parties.</p>	<ul style="list-style-type: none"> <li>• OLAF or other investigators communicates the results of its investigation to the ED and MB - <a href="#">Implemented</a>.</li> </ul>
	<p><b>4.4 Takes timely Corrective Action</b> – The Agency selects transparent corrective measures and particularly discipline, remediation, asset recovery, training, civil action and/or criminal referral to address timely the findings of the investigation.</p>	<ul style="list-style-type: none"> <li>• COMMISSION DECISION of 12.6.2019 laying down general implementing provisions on the conduct of administrative inquiries and disciplinary proceedings became applicable to EASO by analogy on 17/03/2020 - <a href="#">Implemented</a>.</li> </ul>
<p><b>5. Fraud Risk Management Monitoring Activities</b></p>	<p><b>5.1 Considers a Mix of Ongoing and Separate Evaluations</b> - Management includes a combination of ongoing and annual monitoring processes.</p>	<ul style="list-style-type: none"> <li>• The Fraud Risk Register Action Plan (that is annexed to the Anti-Fraud Strategy) is monitored by EXO on a quarterly basis and the</li> </ul>

<sup>30</sup> In accordance with Article 8(1) of the OLAF Regulation, as well as Article 24(1) of the EPPO Regulation.



Fraud Prevention Risk Management Objectives	Priority Measures <sup>18</sup>	Control Activities <sup>19</sup> (IMPLEMENTATION STATUS: Implemented / in progress/ planned)
<p>EASO selects, develops, and performs ongoing evaluations to ascertain whether each of the five fraud prevention risk management objectives are present and functioning and communicates the Anti-Fraud Strategy Action Plan in a timely manner to parties responsible for taking corrective action, including the MT and MB.</p>		<p>result is reported quarterly to the MT and during info sessions to the Risk Management Correspondents - <a href="#">In progress</a></p>
	<p><b>5.2 Establishes Appropriate Measurement Criteria</b> - Management establishes appropriate measurement criteria to assist in the objective evaluation of the Anti-Fraud Strategy.</p>	<ul style="list-style-type: none"> <li>• A performance indicator to be introduced in the quarterly reporting to the MB and MT indicating the % of the corrective actions included in the fraud action plan that are implemented on time - <a href="#">In progress</a></li> </ul>
	<p><b>5.3 Evaluates, Communicates and Remediates Deficiencies</b> – Management evaluates the results of fraud risk management program monitoring assessment, communicates deficiencies to those tasked with corrective action and ensures appropriate remediation is implemented promptly.</p>	<ul style="list-style-type: none"> <li>• The action plan is re-assessed by the MT on an annual basis to determine whether the fraud prevention risk management objectives and priority measures are effectively achieved. The results are reported to the MB in the CAAR (first time 1<sup>st</sup> July 2020 for CAAR 2019) - <a href="#">In progress</a></li> </ul>

## **K. FRAUD RISK ASSESSMENT AND ACTION PLAN**

The Anti-Fraud Strategy is part of EASO's risk management process, but given the importance and complexity of the issue, fraud should be addressed in a dedicated, comprehensive specific fraud risk management process, which runs in parallel of the annual risk management exercise, though closely interlinked with it and based on the COSO fraud risk management methodology. Therefore, despite it being part of the internal control system, the EASO fraud risk management process must be deemed as a separate, additional tool to further strengthen the internal control systems.

As a result, this Strategy defines how anti-fraud objectives and priority measures are addressed based on the outcome of the fraud risk assessment exercise that took into account the Agency's control activities that are in place to prevent fraud.

A qualitative fraud risk assessment was carried out by the MT and coordinated by ICC, based on a pre-defined methodology approved by the ED. It focused on vulnerabilities to fraud in the EASO's internal control systems and identified the areas for improvement in the Annex to this Anti-Fraud Strategy (the Fraud Risk Register Action Plan).

## **L. MONITORING AND REPORTING**

The different aspects of the Anti-Fraud Strategy are discussed and evaluated in an annual dedicated meeting by the MT on Fraud Risk Management.

In addition, the Anti-Fraud Strategy is firmly integrated in the Agency's annual strategic planning, programming and reporting cycle (including the Single Programming Document and CAAR). Therefore, the results of the annual fraud risk assessment will also be communicated at least once a year to the MB.

These discussions will include systemic aspects including not only the Anti-Fraud Strategy, but also follow-up on OLAF investigation-based recommendations, as well as the overall progress of corrective actions included in the Fraud Risk Register Action Plan. The Action Plan will be reviewed annually. This is aimed at increasing EASO's accountability for its activities in detecting and preventing fraud.



## ANNEX - FRAUD RISK REGISTER ACTION PLAN SUMMARY

No.	Fraud Prevention Risk Management Objective	Priority	Owner	Risk Response Proposed (Control Activity)	Target Date	State of Play of Implementation: In Progress
1	1. Fraud Risk Governance	1.2 Support Fraud Risk Governance	EXO	1.1 The EASO Fraud Risk Register is communicated to the MB.	Q2 2020	In progress
				1.2 An info session for Risk Management Correspondents raises awareness on fraud prevention and the fraud risk register once endorsed by MT.	Q3 2020	In progress
				1.3 The Fraud Risk Register is made available on the EXO Intranet site and is accessible to all EASO staff members.	Q2 2020	In progress
	1. Fraud Risk Governance	1.5 Communicate the Anti-Fraud Strategy at all level		1.4 The EASO Anti-Fraud Strategy is communicated at all levels (Staff, MT and MB) by making it available on the EXO intranet.	Q2 2020	In progress
	1.5 An info session to all staff to explain and increase awareness on fraud prevention and introduce the EASO Anti-Fraud Strategy.			Q3 2020	In progress	
	1.6 Continuous training focusing on fraud risk management, fraud deterrence, prevention and detection is compulsory and needs to be provided			Q2 2020	In progress	



No.	Fraud Prevention Risk Management Objective	Priority	Owner	Risk Response Proposed (Control Activity)	Target Date	State of Play of Implementation: In Progress
				regularly ( <u>every two years</u> ) to all staff involved on financial circuits and budget implementation though ICRM 02 half day training on risk management and fraud prevention).		
				1.7 Updated and appropriate information including new fraud prevention controls and the Anti-Fraud Strategy process information should be included on the content and training material (ICRM 02 half day training on risk management and fraud prevention).	Q2 2020	In progress
2	2. Fraud Risk Assessment 3. Fraud Control Activity	2.3 Consider risk of management override of controls 3.1 Promotes fraud deterrence through preventive and detective control activities	MT / EXO	2.1 An ex-post control function that is adequately resourced is established in EXO, with among other objectives, to detect irregularities and red flags of fraud and prevent the risk of management overriding of controls.	Q1 2021	In progress
			FPU / EXO	2.2 The Finance Manual to be updated with new FR provisions, particularly the roles and responsibilities of financial actors regarding conflicts of interest, fraud and	Q2 2020	In progress



No.	Fraud Prevention Risk Management Objective	Priority	Owner	Risk Response Proposed (Control Activity)	Target Date	State of Play of Implementation: In Progress
				irregularities reporting, financial irregularities panel, Governance and Internal Control.		
			EXO	2.3 An info session is annually provided by the ICRM sector to all RAOs to explain them how EASO internal control systems in place (components, principles and characteristics) and associated mitigate the risk of management overriding of control as well as their roles and responsibilities when a RAO override controls.	Q2 2020	In progress
3	2. Fraud Risk Assessment	2.5 Assess personnel or Centres/ Units/ Sectors involved	EXO	3.1 All actors involved in the annual risk management process are to be trained on fraud prevention and all aspects of the Fraud triangle so that during the exercise they can focus on incentives and pressures, opportunities, attitudes and rationalisations to commit fraud (Three training session of three / two hours each	Q4 2020	In progress



No.	Fraud Prevention Risk Management Objective	Priority	Owner	Risk Response Proposed (Control Activity)	Target Date	State of Play of Implementation: In Progress
		and all aspects of the Fraud Triangle		to be provided to the following target audiences: staff, risk management correspondents and the MT).		
			EXO	3.2 Guidance on fraud prevention and identification, including all aspects of the fraud triangle, are documented and made available to the staff on the ICRM sector intranet.	Q2 2020	In progress
			EXO	3.3 The MT, together with the support of the ICC, to assess sensitive functions based on pre-defined risk factors: a) decision making capacity; b) capacity to influence decisions; c) regular access to sensitive information; d) high level contacts; e) high level of expertise (EASO/ED/2019/301).	Q4 2020	In progress



No.	Fraud Prevention Risk Management Objective	Priority	Owner	Risk Response Proposed (Control Activity)	Target Date	State of Play of Implementation: In Progress
4	3. Fraud Control Activity	3.3 Considers the Application of Control Activities to Different Levels of the Agency	EXO	<p>4.1 The EASO Anti- Fraud Control Strategy to define and include the relevant preventive and detective control activities to prevent fraud and irregularities by estimating, assessing and making conclusions on:</p> <ul style="list-style-type: none"> <li>- the trend analysis of the costs and resources deployed to such controls.</li> <li>- the benefits, efficiency, effectiveness and economy of these controls.</li> <li>- improvement of the cost benefit of controls.</li> </ul> <p>The Control Strategy to further explain to what extent the applied control activities are best suited to fulfil the intended fraud prevention internal control objectives efficiently and at a reasonable cost.</p>	Q2 2021	In progress
			EXO	<p>4.2 EXO to provide a workshop to all RAO on performance supervision arrangements and cost effectiveness analysis of controls.</p>	Q4 2020	In progress



No.	Fraud Prevention Risk Management Objective	Priority	Owner	Risk Response Proposed (Control Activity)	Target Date	State of Play of Implementation: In Progress
			EXO	4.3 EXO to propose a work programme to the ED for approval of ah-hoc ex-post controls to be implemented on the definition of performance supervision arrangement for RAO to assess cost effectiveness of the controls under their responsibility. The results will feed into the EASO Control Strategy to guide all RAOs on how to implement homogeneous supervision arrangements through all steps of the financial circuits.	Q3 2020	In progress
5	3. Fraud Control Activity	3.4 Use a combination of fraud control activities	EXO	5.1 The MT, with the support of the ICC, is to identify the control activities aimed at mitigation and is to address the possibility of pre-defined sensitive functions to override controls (EASO/ED/2019/301).	Q4 2020	In progress
			EXO	5.2 EXO to assess and monitor implementation of those proposed corrective controls and measures to address exceptions and non-compliances deficiencies reported by RAOs and to report the result to the MT (EASO/ED/2019/417).	Q1 2020	In progress
6		3.5 Deploy control activities through	EXO	6.1 Fraud control activities implemented through policies and procedures linked to EASO Internal Control	Q4 2020	In progress



No.	Fraud Prevention Risk Management Objective	Priority	Owner	Risk Response Proposed (Control Activity)	Target Date	State of Play of Implementation: In Progress
	3. Fraud Control Activity	policies and procedures		Principles to be duly documented in ERDMS and up-dated based on an in-depth assessment implemented by an EASO quality officer.		
			EXO	6.2 Up-dated list of policies linked to each Internal Control Principle will be made available to all the staff on the ICRM sector intranet.	Q2 2020	In progress
			EXO	6.3 EXO to provide all EASO staff with an in-depth analysis guidance and quizzes of new internal control and governance requirements of EASO new FR adopted by MB in July 2019 (including fraud, irregularities and conflict of interest new provisions) including an info session to all staff. Surveys after the training to be implemented.	Q2 2020	In progress
			DoA/ EXO	6.4 EXO, with the support of DoA, to assess the possibility of developing specific fraud risk assessment methodology for procurement and HR processes to be developed.	Q4 2021	In progress



No.	Fraud Prevention Risk Management Objective	Priority	Owner	Risk Response Proposed (Control Activity)	Target Date	State of Play of Implementation: In Progress
7	4. Fraud Investigation and Corrective Action	4.1 Establish fraud investigation and response protocols	EXO	7.1 Whistleblowing hotlines to be made available to EASO staff by creating a link on EASO's Intranet site to OLAF's online forms for fraud allegation, also including more information on what to do in case of red-flag of fraud.	Q2 2020	In progress
			EXO	7.2 In line with the 'Commission Decision of 12.6.2019 laying down general implementing provisions on the conduct of administrative inquiries and disciplinary proceedings' which became applicable to EASO by analogy on 17/03/2020, and in accordance with the EPPO Regulation (and in particular Recital 51 thereof):  - LDPS might perform a preliminary evaluation of whether each potential case of fraud reported has prima-facie grounds for conducting a further, more thorough examination. This will be a preliminary assessment phase independently of the whistleblowing facilities provided to staff;  and;	Q4 2020	In progress



No.	Fraud Prevention Risk Management Objective	Priority	Owner	Risk Response Proposed (Control Activity)	Target Date	State of Play of Implementation: In Progress
				<p>- Simultaneously, in order to comply fully with the Agency's obligation to inform the EPPO where a suspicion of an offence within its competence is identified, LDPS might carry out a preliminary evaluation of the reported allegations to determine whether there are prima facie-grounds for a potential criminal offence against the EU budget. Additionally and/or alternatively, the Agency may make use of OLAF for this.</p> <p>While carrying out the above preliminary evaluations, all business units and other internal entities are to promptly provide EXO/LDPS with any requested information and/or documents.</p> <p>- EXO/LDPS subsequently issues a report with its preliminary assessment to the Executive Director, for further decision-making on referral to OLAF and/or EPPO<sup>31</sup>.</p>	<p>Q1 2021 *</p> <p>Q4 2020</p>	<p>In progress -</p> <p>* depending on when the EPPO commences its operational activities</p> <p>In progress</p>

<sup>31</sup> In accordance with Article 8(1) of the OLAF Regulation, as well as Article 24(1) of the EPPO Regulation.



No.	Fraud Prevention Risk Management Objective	Priority	Owner	Risk Response Proposed (Control Activity)	Target Date	State of Play of Implementation: In Progress
8	5. Fraud Risk Management Monitoring Activities	5.1 Consider a mix of ongoing and separate evaluations	EXO	7.3 The Fraud Risk Register Action Plan (that is annexed to the Anti-Fraud Strategy) is monitored by EXO on a quarterly basis and the result is reported quarterly to the MT and during info sessions to the Risk Management Correspondents.	Q2 2020	In progress
9	5. Fraud Risk Management Monitoring Activities	5.2 Establish appropriate measurement criteria	EXO	7.4 A performance indicator to be introduced in the quarterly reporting to the MB and MT indicating the % of the corrective actions included in the fraud action plan that are implemented on time.	Q3 2020	In progress
10	5. Fraud Risk Management Monitoring Activities	5.3 Evaluates, communicates and remediates deficiencies	EXO	7.5 The action plan is re-assessed by the MT on an annual basis to determine whether the fraud prevention risk management objectives and priority measures are effectively achieved. The results are reported to the MB in the CAAR (first time 1 <sup>st</sup> July 2020 for CAAR 2019).	Q2 2020	In progress