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COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE EUROPEAN COUNCIL AND THE COUNCIL

Second Progress report towards an effective and genuine Security Union

I. INTRODUCTION

This is the second monthly report on the progress made towards an effective and genuine Security Union and covers developments under two main pillars: tackling terrorism and organised crime and the means that support them; and strengthening our defences and building resilience against those threats. The first progress report, adopted on 12 October 2016[1], covered the period from April to October 2016: this Communication reports on progress since then and looks ahead to December 2016.

A year since the Paris attacks where reactivated military assault weapons were used with devastating effect, negotiations on the revision of the Firearms Directive tabled by the Commission on 18 November 2015 remain deadlocked by attempts to water down the proposals. The work must now be finalised before the end of this month if we are to honour the memory of the Paris victims and also to deliver on the legitimate expectation of our citizens that military grade weapons should not be in private hands. Negotiations also need urgently to be concluded on the Directive on Combatting Terrorism to criminalise terrorism and support for terrorism across the Union and on amendment of the Schengen Borders Code to help tackle returning Terrorist Fighters by introducing systematic checks of all persons crossing the external border.

In line with the priority underlined in President Juncker's 2016 State of the Union address and as elaborated in the Commission's Communication of 14 September 2016 on enhancing security in a world of mobility[2], the Commission is driving forward other important measures to close down the space for terrorists through proposals to strengthen borders. This includes bringing forward today a proposal for an EU Travel and Identification Authorisation System (ETIAS) to allow for prior checks of third country nationals who do not require a visa to travel to the Union, and taking the necessary operational steps following the launch of the EU Border and Coast Guard to tighten controls at the external border. The Commission has also further strengthened its work on countering radicalisation by reinforcing the Radicalisation Awareness Network to stop those who are young and vulnerable falling prey to terrorist recruiters and propaganda. December's report will be accompanied by the final proposals under the terrorist financing Action Plan to deny terrorists the financial means through proposals on the criminalisation of money laundering, strengthening the mutual recognition of assets freezing and confiscation orders as well as a proposal on tackling illicit cash payments.

II. STRENGTHENING OUR FIGHT AGAINST TERRORISM AND ORGANISED CRIME, AND MEANS TO SUPPORT THEM

a) Legal framework for combatting terrorism and cutting access to financing and firearms

With the anniversary of the 13 November 2015 Paris attacks, the EU urgently needs to strengthen the legal framework[3] and its capacity to fight terrorism and the means that support it. Co-legislators need now to agree, by the end of November, on the proposal for a **Directive**

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[1] Communication COM(2016) 670 final, of 12 October 2016 First progress report towards an effective and genuine Security Union.
[2] Communication COM(2016) 602 final of 14 September 2016 Enhancing security in a world of mobility: improved information exchange in the fight against terrorism and stronger external borders.
[3] In particular on the Commission proposals for a Directive on combatting terrorism, COM(2015) 625 final, and for a Directive amending Council Directive 91/477/EEC on control of the acquisition and possession of weapons, COM(2015) 750 final.

on combatting terrorism to establish terrorism, terrorist travel and helping and supporting terrorists as criminal offences across the Union, and to address the needs of victims of terrorism.

Following two trilogue meetings, the co-legislators were still unable to agree on the revision of the **Firearms Directive**. These negotiations must be unblocked to take military grade assault weapons off the streets including those converted to semi-automatic use. The Commission's position is clear that semi-automatic assault weapons derived from the "AK 47 Kalashnikov family" and the "AR 15 family" should be banned for civilian use given that they were designed for military use. Magazine sizes for short and long firearms should be limited to 10 rounds and should be subject to authorisation and stringent checks and any derogation should be strictly limited and tightly controlled. EU citizens expect swift progress in this area to ensure their protection, so we must reach agreement before the end of 2016 on this key piece of legislation. In parallel, the Commission will launch a renewed push to clamp down on the illegal firearms trade including at the EU/Western Balkans Justice and Home Affairs Ministers' Conference on 15-16 December.

To cut off terrorists' access to funds, the Council has adopted the acts necessary for EU autonomous listings against Al Qaida and ISIL/Da'esh.

b) Preventing and fighting radicalisation

Preventing radicalisation is a key component of the EU's approach to tackling terrorism: using "soft" tools to deliver hard results. Terrorist recruiters target young and vulnerable groups, exploiting feelings of exclusion, isolation and disaffection. We need to target the same individuals through grassroots community projects to offer them an alternative and better path. That is why the Commission set up and supports the Radicalisation Awareness Network (RAN) bringing together local actors and sharing best practice on what works in the fight against radicalisation. The 9 November 2016 **High Level Conference of the Radicalisation Awareness Network** (RAN) launched a new "RAN Young" platform to empower young people to take an active role in the prevention of radicalisation of a key target group for terrorist recruiters. The Commission also presented the "repository of prevent strategies, approaches and policies in Member States" underpinned by a new network of contact points to ensure an efficient exchange of best practices across the EU. The Radicalisation Awareness Network has also published a comprehensive guide on training programmes for police officers in Europe covering various aspects of radicalisation. Work was launched to develop a checklist for Member States of actions to take when identifying returning foreign terrorist fighters.

Preventing radicalisation also means denying terrorists the on-line propaganda channels they use to deliver their message. On 8 December, the Commission will host the second EU Internet Forum bringing together the Commission, Member States, EUROPOL and key Internet companies. The meeting will deliver a new Joint referrals Platform to speed up the removal of terrorist content and will launch a Civil Society Empowerment Programme to reinforce counter-narratives.

The Commission is also using its education and research resources in the fight against radicalisation as set out in the Communication on **preventing radicalisation leading to violent extremism**[4] including:

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[4] COM(2016) 679 final.

- **Erasmus+ programme -** in 2016, the Commission mobilised EUR 200 million for grass-root education projects to promote social and civic skills; non-discrimination; social inclusion; critical thinking and media literacy as well as intercultural understanding. There are now over 300 **youth projects** in the field of learning mobility dealing specifically with areas linked to the Paris Declaration[5], and more than 1700 projects on broader issues linked to intercultural dialogue, social inclusion and solidarity.
- **Financing research** into the mechanisms leading to violent radicalisation to prevent, identify more rapidly and to address individual extreme cases under Horizon 2020.
- Through on-going financing of EUR 100 million to promote activities to counter violent extremism in third countries.

c) Improving operational cross-border cooperation with the support of EU Agencies

EU agencies play a key role in the implementation of the security agenda. The Commission has delivered on its commitment to reinforce **Europol** by proposing a further additional 20 staff for the European Counter-Terrorism Centre to increase its capacity to respond on 24/7 basis to Member States in the case of a major terrorist attack. This proposed reinforcement is in addition to the 35 staff granted following the EU amending budget 1/2016 adopted by the budgetary authority on 13 April 2016.[6]

Eurojust is also playing an important role in the fight against terrorism including the current situation in Iraq and Syria and the increased risk of returning foreign terrorist fighters. Eurojust is already assisting Member States in complex cross-border investigations and the Commission encourages Member States to use Eurojust in joint investigations teams (JITs) to strengthen the judicial response to foreign terrorist fighters. In this context, Member States need to take the necessary steps to meet the transposition deadline of 22 May 2017, of the **European Investigation Order**[7] as it will facilitate and accelerate the gathering and transfer of evidence.

III. STRENGTHENING OUR DEFENCES AND RESILIENCE

a) Improving information exchange

Effective and targeted information exchange is a key tool in the fight against terrorism. The Commission is actively driving the implementation of the **EU Passenger Name Record (PNR) Directive** to ensure that implementation is on track for the May 2018 deadline. The Directive not only requires all Member States to collect data of airline passengers but also to be able to process that data to detect patterns and anomalies. Following the last progress report, the Commission has written to eleven Member States who have yet to start work on implementing PNR to offer further support in this area. The Commission will bring forward a Better Regulation implementation plan before the end of November 2016. This Implementation Plan will provide guidance to Member States by identifying milestones for key elements towards establishing a PNR system and setting out the various types of support (legal, technical and financial) that the Commission provides to help and support the timely and effective implementation.

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[5] Paris Declaration of 17 March 2015 promoting citizenship and the common values of freedom, tolerance and non-discrimination through education.
[6] COM(2016) 679 final.
[7] Directive 2014/41/EU of 3 April 2014 on the European Investigation Order in criminal matters.

Fighting cross-border crime and terrorism requires effective cooperation channels between different law enforcement authorities. In border regions, the **Police and Customs Cooperation Centres (PCCCs)** bring together the law enforcement authorities of different Member States. The 50 PCCCs across Europe met at Europol headquarters in October 2016 to identify ways to improve the PCCCs´ core tasks, information exchange and cooperation with Europol and the European Border and Coast Guard.

b) Strengthening information systems and closing information gaps

As the October 2016 European Council recognised in its support for the Commission proposal for the setting up of a **European Travel Information and Authorisation System (ETIAS)**[8] to allow for advance security checks on visa-exempt travellers.. On 16 November the Commission tabled a proposal for a Regulation to set up ETIAS which will be an automated pre-clearance system used to identify possible immigration or security risks prior to the arrival of visa exempt travellers at the EU´s external border. While today the information of visa-holders is registered in the Visa Information System (VIS), the only information on visa-exempt persons comes from their travel document when they arrive. Currently, no advance information is available for visa-exempt persons entering the EU through land borders prior to their arrival at the EU's external border. It will also support the EU's visa liberalisation policy and strengthen the quality of Schengen border management.

Stronger borders underpinned by connected information systems are a central tool in detecting returning terrorist fighters and other potential terrorists. The Paris attacks highlighted the weaknesses of having multiple self-standing information systems making it impossible for those on the ground to ensure a comprehensive check of an individual across all databases. The Commission is working actively on how to improve the interoperability of information systems for borders and security through the process that it initiated earlier this year.[9] The Commission is working on the establishment of a **Single Search Interface** - a key tool that would deliver real benefits for Member States law enforcement, border and immigration authorities - that would create a single technical portal to the systems operated by the Agency for the operational management of large-scale IT systems in the area of freedom, security and justice (EU-LISA). Such a Single Search Interface would not replace national interfaces, but would complement them and be available to all Member States in line with existing rules on access and use of the systems. The Commission has asked the **High Level Expert Group** on Information Systems and Interoperability (HLEG) to present an interim report of its findings before the end of the year.

On 14 October 2016, the Commission presented an evaluation report on the implementation of the Visa Information System (VIS) to analyse the way checks are conducted at the EU´s external border using fingerprinting and biometrics as well as the use of the system by law enforcement authorities for the prevention, detection and investigation of terrorist offences and other serious criminal offences. VIS remains one of the most advanced systems of its kind, with close to 23 million visa applications and 18.8 million fingerprints registered by the end of March 2016. However, only one in two issued visas is being checked by Member States against VIS at external borders and the use of VIS for law enforcement purposes is still fragmented. The Commission will address these challenges in the use of VIS with the Member States concerned on the basis of best practices by those Member States that already make full use of the system.

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[8] EUCO 31/16 of 21 October 2016.
[9] COM(2016) 205 final of 6 April 2016.

c) Enhancing security at the external border

A key step in strengthening the security of the EU external border was the 6 October launch of the **European Border and Coast Guard**. Each Member State must now contribute to the rapid reaction pool, which is a standing corps of border guards and other relevant staff at the Agency's disposal. The Agency will be able to draw on this pool at short notice to address an urgent situation at the external border or to launch a rapid border intervention. In line with the Conclusions of the October European Council[10], the staff and equipment should be deployed to reach full capacity for rapid reaction by the end of the year. As a concrete example of cooperation with the European Border and Coast Guard outside the EU's border, it was agreed to increase the analytical, preventive and operational capacities of third countries' authorities, notably in Africa, in the fight against criminal networks responsible for migrant smuggling and to build meaningful trust and networking amongst key countries.

The October European Council[11] also called for the swift adoption of the revised **Schengen Borders Code** proposed by the Commission to enforce systematic controls on all travellers crossing EU external borders to reinforce security. Given the central importance of these revisions to the fight against terrorism and particularly in helping to detect returning foreign fighters, the co-legislators need now to reach rapid agreement on the changes before the end of this year

In December the Commission will present a first set of proposals to improve the **Schengen Information System** (SIS) functionalities, in particular for law enforcement purposes. To maximise its effectiveness, border guards need to systematically check all persons crossing the external border against the system. Pending agreement on the amendments to the Schengen Borders Code, the Member States should ensure that the **common risk indicators** as regards foreign terrorist fighters are fully applied, in conjunction with the updated guidance provided by the European Border and Coast Guard.

Travel document and identity fraud is a growing security threat as highlighted by the use of false identities by the Paris attackers. The Commission will present in December an Action Plan to improve the security features in travel documents.

Strengthening security at the external border not only relates to individual travellers but also to goods where customs authorities are in the front line. The reform of the **Advance Cargo Information System (ICS 2.0)** seeks to expand and modernise the system to capture, via a secure EU repository, more and better quality information on goods movements from traders and making this information available to all customs authorities. The aim is to overcome existing constraints (no comprehensive data, from a qualitative and quantitative point of view; limited availability to Member States concerned; limited capacity to use intelligence). The Council intends to adopt Conclusions on this issue in December 2016.

d) Enhancing EU security with dialogues beyond EU borders

Given that terrorism is international in nature and terrorists do not respect borders, the EU continues to be actively engaged in discussions with its neighbours and other international partners to develop effective security and counterterrorism partnerships.

Recent developments include:

- Increased coordination between EU Delegations and Member States' embassies with three additional **Counter-Terrorism / Security experts** being appointed in Bosnia-Herzegovina, Chad and Lebanon, bringing the total number of experts to 14.

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[10] EUCO 31/16 of 21 October 2016.
[11] EUCO 31/16 of 21 October 2016.

- **EU-Israel** counter-terrorism Dialogue held in Israel on 13 September discussed greater cooperation in countering terrorist financing, violent extremism, non-conventional terrorism, as well as in PNR and transport security.
- A joint visit by the Commission services, the EEAS and the EU Counter-Terrorism Coordinator to **Egypt** on 6-7 September agreed to cooperate on a wide range of security matters.
- A workshop was organised by the EU authorities in **Iraq** on 26-27 September to share the best practices in countering terrorism.

e) Protecting citizens and critical infrastructures

A key area of building resilience within the Union is in **transport security.** The Commission is working to strengthen the EU´s regulatory framework. Although this work has already been done for aviation, it is necessary to maintain the level of protection and anticipate future threats such as security of inbound flights and landside protection. The Commission hosted a conference on the protection of public areas on 7-8 November 2016 with national and international experts from the fields of transport, intelligence, and industry, focusing on how to secure public transport areas.

The Commission is also focusing on **risk assessment** in the transport sector. It has recently finalised the 6th round of **air cargo** security risk assessment as well as the 3rd round of the assessment of risks to **aviation from conflict zones** in cooperation with Member States and the EEAS.

The Commission is also conducting work on **maritime and land transport**, particularly for cruise and ferry services, where large number of passengers may be affected, and for railway services, work to define a risk based, proportionate and sustainable common approach. The Commission has just concluded an impact assessment study on policy options for the security of European **high-speed and international rail services**.

Finally, the Commission has further strengthened its **cooperation with strategic partners** through the cooperation with the Department of Homeland Security in the US and Public Safety Canada as regards **critical infrastructure protection**. In September, the Commission met these partners to deepen the discussion on key issues of critical infrastructure protection, cyber security and resilience and to deepen cooperation in key areas regarding **explosives** including detection, training and information sharing.

V. CONCLUSION

One year after the horrific terrorist attacks in Paris on 13 November, the Commission, EU Agencies and Member States have taken a wide range of non-legislative action that contributes to the progressive development of an effective and genuine Security Union. But further progress is urgently needed to close down the space exploited by terrorists. The co-legislators now urgently need to reach an agreement this month on the proposed Directive on combatting terrorism, the proposed revision of the Firearms Directive and the proposed amendments to the Schengen Borders Code. Further delay benefits only the terrorists who seek to destroy our way of life.

The work on strengthening external border systems including ETIAS, the operationalisation of the European Border and Coast Guard and the proposed amendments to the Schengen Borders Code are important components of the EU response to the threat posed by returning Terrorist Fighters and need now to be taken forward as a priority by the co-legislators.

Although the grassroots work to prevent radicalisation through the Radicalisation Awareness Network is a long-term endeavour, it is vital and requires immediate and strong engagement and support at EU level.

The Commission will continue to drive forward work on the implementation of the European Agenda on Security, towards an effective and genuine Security Union, and will report on further progress in December. In addition to key milestones set out below, the December report will include updates on progress made in the area of cybercrime and cyber security and developments in the ongoing work with IT companies to tackle online radicalisation.

KEY ISSUES AND EVENTS IN THE MONTHS TO COME:

STRENGTHENING OUR FIGHT AGAINST TERRORISM AND ORGANISED CRIME, AND MEANS TO SUPPORT THEM

a) Legal framework for combatting terrorism and cutting access to financing and firearms

- The European Parliament and the Council need urgently, and by the end of 2016 at the latest, to agree on the draft Directive on Combatting Terrorism, and to reach agreement on the revision of the Firearms Directive before the end of the year.

- The Commission will present a package of proposals in December to strengthen the fight against terrorist financing through proposals on the criminalisation of money laundering, strengthening the mutual recognition of assets freezing and confiscation orders as well as a proposal on tackling illicit cash payments.

b) Preventing and fighting radicalisation

- The second high-level meeting of the EU Internet Forum on 8 December 2016, will steer further work on preventing online radicalisation and tackling terrorist propaganda on the internet. It will establish a new Joint Referrals Platform and a Civil Society Empowerment Programme.

STRENGTHENING OUR DEFENCES AND RESILIENCE

a) Improving information exchange

- The Commission will present a Better Regulation Implementation Plan on PNR before the end of November 2016.

b) Strengthening information systems and closing information gaps

- The Commission urges the co-legislators to start working on its proposal to establish an EU Travel and Information Authorisation System (ETIAS) as a matter of urgency.

- The High-Level Expert Group on Information Systems and Interoperability will present its interim report before the end of December 2016.

c) Enhancing security at the external border

- The Commission urges the co-legislators to agree the targeted amendment of the Schengen Borders Code for systematic checks, to allow adoption before the end of the year.

- The Commission will present in December a Communication on an action plan to improve the overall security of travel documents.

d) Protecting citizens and critical infrastructures

- The Commission will accelerate its work on defining a common approach to security in maritime and land transport, which should be risk-based, proportionate and sustainable.