

Schengen: migration from the Schengen Information System (SIS 1+) to the second generation Schengen Information System (SIS II). Regulation

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In accordance with Council Regulation (EC) No 1104/2008 and Council Decision 2008/839/JHA on migration from the Schengen Information System (SIS 1+) to the SIS II, this progress report describes the work carried out in the second semester of 2010, concerning the development of the second generation Schengen Information System (SIS II) and preparations for migration from SIS 1+ to SIS II.

The report states that, following a period of almost two years of technical difficulties, the Conclusions adopted at the JHA Council of 7-8 October 2010 provided a clear, realistic and widely-shared roadmap for the SIS II project's finalisation. Thanks to the joint efforts of all stakeholders, the significant technical and political uncertainties over the future of the SIS II project that characterised the beginning of 2010 have progressively been addressed in the course of the year. This intensive work culminated with the successful outcome of the first milestone test, the consensual definition of final requirements for the system to go live and the conclusion of the corresponding contractual framework. These positive developments all contributed to bringing the SIS II project back on track with a clear and shared vision on the remaining phases of the project, as well as a realistic schedule and an adequate budgetary plan to complete the work outstanding. Closing a parenthesis of almost two years of difficulties, this new momentum provides a framework within which all stakeholders will need to make the necessary efforts to ensure the finalisation of the SIS II project.

Contractual framework for finalising the project: on 15 September 2010, the Commission and the main development contractor reached agreement on the contractual framework for finalising the project. The main features of this agreement are the following:

- **Technical requirements:** the Commission and the contractor agreed on all definitive requirements for the SIS II system to go live, in full compliance with the consensus reached with Member States' experts. One of the chief upgraded features of the system concerns its capacity, which is about **five times bigger than originally envisaged (from 15-22 million alerts in the initial contract to 70-100 million alerts now required)**. The high performance requirements of the system have been maintained, so as to meet all the operational needs of its future end-users. It is important to note that the core obligations stemming from the SIS II legal instruments remained unaffected by the revised requirements.
- **Schedule:** the global schedule, announced to the June 2010 Council, was confirmed and became an integral part of the contract. The further development and extensive testing of SIS II will be carried out over a period of 30 months. The system will thus be ready for entry into operation during the first quarter of 2013. The short term focus, which will last until the second quarter of 2011, will be the adaptation of both the central and national systems to the updated requirements. To that purpose, a new Interface Control document (ICD), which is the basic technical reference document for the development of the central and national components of the SIS II, was issued in October and the hardware upgrade was delivered to the main and back-up sites at the end of the year. The subsequent phase will be devoted to testing activities to ascertain the proper functioning of SIS II as a whole. This will take approximately one year and will culminate in the second milestone test in 2012. The final phases of the project will consist of the 'comprehensive test' (a test campaign

provided for in the SIS II legal instruments) and the actual data migration. **The entry into operation of the system is to take place during the first quarter of 2013.**

- **Budget:** the budget of the negotiated procedure for completing the development and testing of SIS II was set at EUR 34.95 million. More specifically, out of the EUR 34.95 million, EUR 22.02 million was allocated to development (including testing and migration) and EUR 12.93 to hardware upgrades (justified by the system's increased capacity and the need for additional testing environments that allow development and testing tasks to be carried out in parallel). Development costs are in line with the budget estimated in the Commission comparative report of June 2009 (EUR 21.74 million, without hardware upgrade). Global costs will be kept within the budgetary envelope agreed for SIS II until 2013.
- **Preparations for migration:** in order to successfully perform the migration from SIS 1+ to SIS II an interim migration architecture will be put in place. Due to the period of technical and political discussion over the SIS II project, which lasted from the failure of the operational system tests in December 2008 until the successful first milestone test in March 2010, migration activities were placed, to a certain degree, on hold. With the clarity gained during the second half of 2010 these activities regained their position of importance. All the previous work on migration has been reviewed to align it with the refined requirements.

Financial implications: by the end of the reporting period the total budgetary commitments made by the Commission on the SIS II project, since 2002, amounted to EUR 133 170 429. The corresponding contracts include feasibility studies, the development of the central SIS II itself, support and quality assurance, the SIS II network, preparation for operational management in Strasbourg, security, biometrics preparations, communication and experts' mission expenses. Of this amount, EUR 68 152 710 had actually been paid between 2002 and the end of December 2010. The main expenditure items were development (EUR 33 435 295), the network (EUR 20 371 388) and support and quality assurance (EUR 8 124 387).

European Parliament: the Commission continued to keep the European Parliament closely informed on the state of play on SIS II on the basis of correct, verifiable and up-to-date facts and data. The announcements by the Committee on Budgets to hold funds allocated to the migration to the SIS II in reserve pending successful testing and a comprehensive audit, were followed up during the 2011 budget procedure. On 15 December, the European Parliament put the appropriations for SIS II in the reserve for the 2011 budget. Parliament set out the conditions for lifting the reserve: (i) the presentation by the Commission of a concrete and realistic schedule for the further development of the SIS II, as well as an overview of the budgetary implications; and (ii) full access to the service contract signed between the Commission and the service provider for the development of the SIS II system to both the Parliament and the Council. The report notes that two thirds of appropriations for both commitments and payments have been released in January 2011.

In order to satisfy the first condition described above, the Commission provided, in November, a detailed overview of progress to members of relevant Parliamentary Committees in the context of a technical briefing. Extensive budgetary information, covering both past and future budgetary commitments and payments, was circulated by the Commission. Furthermore, the Commission expressed its readiness to share the requested contractual information in a confidential environment (to protect the contractor's legitimate business interests). This meeting also offered the opportunity for discussing practical ways of handling the budgetary issue, ensuring that Parliament could demonstrate its role of control and overview without impeding progress on the project and the processing of invoices.

Further meetings with MEPs regularly took place, a letter was sent by Commissioner Malmström to the Chairman of the LIBE Committee of the European Parliament (and to rapporteurs) on the main outcomes of the October JHA Council. The report on the schedule and budgetary plan was forwarded to the chairs of both LIBE and BUDG committees, and presentations on the state of play of SIS II have been made in the LIBE Committee.

Priorities for the next reporting period: the initial focus, which will last until the second quarter of 2011, will be the upgrading of both the central and national systems to comply with the updated requirements. The subsequent phase will be devoted to testing activities to ascertain the proper functioning of the SIS II as a whole. This will take approximately one year and will culminate in the second milestone test in the first quarter of 2012. The final phases of the project will consist of the 'comprehensive test' (a test campaign set out in the SIS II legal instruments) and the actual data migration. The entry into operation of the system is to take place during the first quarter of 2013.