

MANAGEMENT BOARD DECISION No 33/2015 of 10 September 2015

on Unit Costs for Operational Activities

THE MANAGEMENT BOARD

Having regard to Frontex Regulation¹, in particular Articles 3(4) and 9(1) of thereof,

Having regard to the General Financial Regulation², in particular Article 123(1) and 124 thereof,

Having regard to Frontex Financial Regulation³, in particular Article 90 thereof,

Whereas:

- (1) Pursuant to Articles 3(4) and 9(1) of the Frontex Regulation, Frontex finances or co-finances joint operations, pilot projects and joint return operations with grants from its budget;
- (2) Pursuant to Article 90 of Frontex Financial Regulation, the relevant provisions of the General Financial Regulation apply to Frontex grants used to finance or co-finance Frontex operational activities;
- (3) In accordance with Article 123(1) of the General Financial Regulation, the use of simplified forms of grants is allowed (lump sums, unit cost and flat rates) and therefore the need to strive for efficiency gains in grant management in Frontex has been recognised;
- (4) In accordance with Article 124 of the General Financial Regulation, the use of lump sums, unit costs or flat rate financing should be authorised, by analogy, by the Management Board, ensuring respect for the principle of equal treatment of beneficiaries for the same category of actions or work programs;
- (5) The aforementioned authorisation should be supported by a justification concerning the appropriateness of such forms of financing, clear identification of cost categories, and description of the methodology for determining lump sums, unit costs, or flat rate financing;
- (6) The methods used for this calculation should be based on either statistical data or similar objective means or a beneficiary-by-beneficiary approach taking as reference certified and auditable historical data of the beneficiary or its usual cost accounting practices.

¹ Council Regulation (EC) No 2007/2004 of 26 October 2004 establishing a European Agency for the Management of Operational cooperation at the External Borders of the Member States of the European Union (OJ L 349, 25.11.2004, p. 1), as last amended.

² Regulation (EU, EURATOM) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 (OJ L 298, 26.10.2012, p1).

³ Frontex Management Board Decision 01/2014 of 08 January 2014.

(7) The use of unit costs was authorised by MB decision No 9/2014 of 7 May 2014 and there is a need to update the procedure based on the experience gained until now.

HAS DECIDED AS FOLLOWS:

Article 1

Definitions

For the purposes of this Decision, the following definitions apply:

1. Beneficiary - National Authority of a European Union Member State, of a Schengen Associated Country or of a Third Country which is a recipient of Frontex grants;
2. Unit Cost - unit measure that covers all or certain specific categories of eligible costs, which are clearly identified in advance by reference to an amount per unit.

Article 2

Scope and purpose

1. This Decision applies to operational activities financed by means of grants.
2. This Decision aims to:
 - a) ensure respect for the principle of equal treatment of beneficiaries for the same category of actions or work programs;
 - b) clearly identify the costs covered by each unit cost;
 - c) present a methodology ensuring that the no-profit and co-financing principles are complied with.

Article 3

Calculation of the unit cost

1. The amount of the unit cost has been determined on the basis of the analysis of final payments executed to grant Beneficiaries in the period 2011-2014, as shown below and explained in the Annex.
2. The following unit costs have been established:

Unit cost	Definition	Amount/unit
Service car	Costs related to use and maintenance of the service car (fuel, car washing, parking fees, tolls, etc.) excluding insurance. Covers both local travel and between MS.	0,22 EUR/km
Rented standard car	Costs related to car rental and its use (fuel, car washing, parking fees, tolls, full insurance, etc.)	40 EUR/day
Rented patrol car (heavy duty car)	Costs related to car rental and its use (fuel, car washing, parking fees, tolls, full insurance, etc.) for border control	85 EUR/day

	and surveillance activities in difficult road conditions.		
Additional deployment costs	Communication, laundry and local public transport costs of a deployed officer (excluding crew members).	6 EUR /day/officer	
Running costs of Focal Point Offices	Costs related to creating appropriate working conditions enabling guest officers to perform their work effectively.	20 EUR/activated day	
Catering for participants of JRO	Food and beverages provided during JRO ordered by PMS and/or OMS for returnees, escorts and other relevant participants in JRO.	6 EUR/meal	
Per diems for interpreters/cultural mediators	Accommodation and DSA (i.e. all subsistence expenses, including meals, local transport, insurance, telecommunication and other sundries).		Per diem
		Athens	162 EUR/day
		Alexandroupolis	152 EUR/day
		Orestiada	132 EUR/day
		Samos	162 EUR/day
		Lesvos	142 EUR/day
		Elhovo	105 EUR/day
		Svilengrad	120 EUR/day
Sofia	98 EUR/day		
Thermo Vision Van daily use	Eligible costs related to use of thermo vision van: driving costs, maintenance, service, repair, spare parts, insurance. Excluding transfer costs by other means (i.e. when not driven by Beneficiary's staff but transported by other body: private company or intergovernmental agency).	50 EUR/day	

Article 4

Reimbursement on the basis of unit costs

1. Reimbursement on the basis of unit costs is obligatory for the costs categories defined in this decision.
2. For the reimbursement on the basis of unit costs, the Beneficiaries are not requested to provide financial documents proving the costs borne.
3. For statistical, methodological or fraud-prevention and detection purposes, it is necessary to have access to general accounting information from a beneficiary, even if those are financed by way of unit costs. Those verifications, however, should not be used for questioning the unit value of unit costs already agreed upon.

Article 5

Repeal

This decision repeals the decision No 9/2014 of 7 May 2014.

Article 6

Entry into force

This decision enters into force on 1 October 2015 and it is applicable to all grants awarded as of 1 October 2015.

Done in Warsaw, 10 September 2015

For the Management Board

[signed]

Ralf Göbel
Chairperson



ANNEX - Methodology and justification for the unit costs:

The introduction of unit costs is justified by the need to:

- offer to Frontex' beneficiaries an option of simplified reimbursement procedures
- simplify the management of grants on Frontex' side, supported by the simplification in Title VI "Grants" of the General Financial Regulation.

Frontex introduced unit costs in 2014 (MB decision no 09/2014 of 7 May 2014). Following the experience from the first year of functioning of unit costs, an analysis was carried out which led to:

1. Defining new unit costs
2. Revising the amount of some of the previously established unit costs
3. Clarification of the definitions of some of the unit costs

The methodology used for the establishment of unit costs was as follows:

1. The most recent final payments were selected for the sample. This means that for newly introduced unit costs and for the revised unit costs, the records relate mainly to 2014 and 2013 deployments. For those unit cost which were not subject of revision, the records relate to 2011-2013 deployments, as justified in MB decision 09/2014.
2. The unit costs were defined only for those cost categories where there was a sufficient number of data available. The average costs resulting from the sample for a given cost category were rounded to further simplify the use of unit costs.

Moreover:

1. As concerns the introduction of the unit cost of 0,22/km for service cars, it is based on the provisions included in the Mission Guide⁴.
2. As concerns running costs of Focal Point Offices, the methodology for the introduction of unit costs is described in detail in ED decision no 2013/90 of 5 December 2013.
3. As concerns per diems for interpreters/cultural mediators, the methodology for the introduction of unit costs is described in detail in ED decision no 2013/46 of 4 July 2013. Furthermore, based on the experience drawn from the deployment of Frontex' staff, an additional unit cost was introduced (for Sofia) and one unit cost was reduced (for Athens).

The table below presents the summary of the collected records and the average costs.

Unit cost	Records collected in 2014	Records collected in 2015	Average cost
Rented standard car	68	45	39,55
Rented patrol car (heavy duty car)	0	18	85,55
Additional deployment costs	165	0	6,22
Running costs of Focal Point Offices	43	0	20
Catering for participants of JRO	19	16	6,48

⁴ Commission Decision of 18.11.2008 on general implementing provisions adopting the Guide for missions for officials and other servants of the European Commission.

Per diems for interpreters/cultural mediators	30	n/a	various
TVV daily use	0	43	51,22
Total number of records	325	122	