MANAGEMENT BOARD DECISION 38/2018
of 18 December 2018
adopting Unit Costs for Operational Activities for
central States

THE MANAGEMENT BOARD

Having regard to the European Border and Coast Guard Regulation (hereinafter “the Regulation”)¹, in particular Articles 14(3) and 28(9) thereof,

Having regard to the EU Financial Regulation², in particular Articles 125(1) and 180(3) thereof,

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

Whereas:

(1) Pursuant to Articles 14(3) and 28(9) of the Regulation, Frontex shall, inter-alia, finance or co-finance joint operations, rapid border interventions, pilot projects and return operations from its budget;

(2) Pursuant to Article 90 of the Frontex Financial Regulation, the relevant provisions of the EU Financial Regulation apply to grants awarded by Frontex (which are used to finance or co-finance Frontex operational activities);

(3) In accordance with Articles 125(1) and 180(3) of the EU Financial Regulation, the use of simplified forms of grants (lump sums, unit costs and flat rates) is allowed;

(4) The extended use of unit costs was authorised by Management Board Decision No 33/2017⁴, as amended by Management Board Decision 36/2017⁵, in order to simplify the rules governing the use of funds and reduce the associated administrative burden;

(5) Following the experience gained with the application of unit costs it is necessary to update the applicable procedures.

⁴ Management Board Decision 33/2017 of 22 November 2017 adopting Unit Costs for Operational Activities.
⁵ Management Board Decision 36/2017 of 15 December 2017 amending MB decision 33/2017 adopting Unit Costs for Operational Activities.
HAS DECIDED AS FOLLOWS:

Article 1
Definitions
For the purposes of this Decision, the following definitions apply:
(a) “grant beneficiary” or “beneficiary” means a National Authority of a Member State acting as participating Member State, which is the recipient of a Frontex grant;
(b) “unit cost” means a simplified form of cost reimbursement in a grant, identified by reference to an amount per unit covering certain categories of eligible costs clearly identified in advance.

Article 2
Scope and purpose
1. This Decision applies to operational activities financed by means of grants.
2. This Decision:
   (a) Establishes unit costs for certain categories of costs incurred by grant beneficiaries.
   (b) Presents the methodology for determining unit costs and the conditions for reasonably ensuring that the no-profit principle is complied with, and that double financing of costs is avoided.

Article 3
Determining unit costs
1. The methods for determining unit costs are based on:
   (a) Statistical data or similar objective means in case of unit costs determined by Frontex; or
   (b) A beneficiary-by-beneficiary approach, by reference to certified or auditable historical data of the beneficiary or its usual cost accounting practices.
2. The methodology used by Frontex when determining unit costs follows the provisions of Article 181(4)(c)(i) of the EU Financial Regulation. The methodology to be used by beneficiaries when determining their unit costs is described below in Articles 9 to 11.
3. The specific unit costs determined by Frontex are indicated in Articles 4 to 7 below.

Article 4
Travel cost in Europe
1. Travel cost covers the return ticket between European countries and all additional travel costs from the place of residence to the place of deployment, as well as related expenses such as: excess luggage, transport of weapons, visa and other justified travel-related expenditures. If an additional travel (additional leg) is required during the deployment (due to the redeployment or briefing/debriefing meetings taking place in another location), it is claimed separately.
2. The unit cost is 600 EUR.

Article 5
Daily rate
1. The daily rate covers the beneficiary’s costs related to a one-day deployment of an officer/expert/official. It covers: the daily subsistence allowance (‘DSA’), accommodation, insurance, health care, vaccination, communication, laundry, local public transport, other sundry expenses and

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6 For the purposes of this decision the term “Member States” covers also the Schengen Associated Countries (SAC).
related administrative costs. The number of daily rates claimed depends on the number of deployment
days and related justified travel days. The daily rate is counted for each overnight stay\(^7\) during the
operational activity/travel days.

2. Crew members are not covered by the daily rate.
3. The amounts depend on the country of deployment as indicated below. Where the deployment location
is not known in advance, an average rate applies for the estimation purposes. In case of countries not
mentioned in the table below, the applicable rates are those indicated in Commission Decision C(2002)
98 of 24 January 2002\(^8\).

<table>
<thead>
<tr>
<th>Country</th>
<th>Maximum rate of DSA (EUR)</th>
<th>Remaining costs (EUR)</th>
<th>DAILY RATE (EUR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austria</td>
<td>102</td>
<td>132</td>
<td>234</td>
</tr>
<tr>
<td>Belgium</td>
<td>102</td>
<td>148</td>
<td>250</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>57</td>
<td>135</td>
<td>192</td>
</tr>
<tr>
<td>Croatia</td>
<td>75</td>
<td>110</td>
<td>185</td>
</tr>
<tr>
<td>Cyprus</td>
<td>88</td>
<td>140</td>
<td>228</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>70</td>
<td>124</td>
<td>194</td>
</tr>
<tr>
<td>Denmark</td>
<td>124</td>
<td>173</td>
<td>297</td>
</tr>
<tr>
<td>Estonia</td>
<td>80</td>
<td>105</td>
<td>185</td>
</tr>
<tr>
<td>Finland</td>
<td>113</td>
<td>142</td>
<td>255</td>
</tr>
<tr>
<td>France</td>
<td>102</td>
<td>180</td>
<td>282</td>
</tr>
<tr>
<td>Germany</td>
<td>97</td>
<td>128</td>
<td>225</td>
</tr>
<tr>
<td>Greece</td>
<td>82</td>
<td>112</td>
<td>194</td>
</tr>
<tr>
<td>Hungary</td>
<td>64</td>
<td>120</td>
<td>184</td>
</tr>
<tr>
<td>Ireland</td>
<td>108</td>
<td>159</td>
<td>267</td>
</tr>
<tr>
<td>Italy</td>
<td>98</td>
<td>148</td>
<td>246</td>
</tr>
<tr>
<td>Latvia</td>
<td>73</td>
<td>116</td>
<td>189</td>
</tr>
<tr>
<td>Lithuania</td>
<td>69</td>
<td>117</td>
<td>186</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>98</td>
<td>148</td>
<td>246</td>
</tr>
<tr>
<td>Malta</td>
<td>88</td>
<td>138</td>
<td>226</td>
</tr>
<tr>
<td>Netherlands</td>
<td>103</td>
<td>166</td>
<td>269</td>
</tr>
<tr>
<td>Poland</td>
<td>67</td>
<td>116</td>
<td>183</td>
</tr>
<tr>
<td>Portugal</td>
<td>83</td>
<td>101</td>
<td>184</td>
</tr>
<tr>
<td>Romania</td>
<td>62</td>
<td>136</td>
<td>198</td>
</tr>
<tr>
<td>Slovakia</td>
<td>74</td>
<td>100</td>
<td>174</td>
</tr>
<tr>
<td>Slovenia</td>
<td>84</td>
<td>117</td>
<td>201</td>
</tr>
<tr>
<td>Spain</td>
<td>88</td>
<td>128</td>
<td>216</td>
</tr>
<tr>
<td>Sweden</td>
<td>117</td>
<td>187</td>
<td>304</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>125</td>
<td>209</td>
<td>334</td>
</tr>
<tr>
<td><strong>average:</strong></td>
<td><strong>89</strong></td>
<td><strong>137</strong></td>
<td><strong>226</strong></td>
</tr>
</tbody>
</table>

\(^7\) In case of return operations, a night spent on the plane or at the airport does not count as an overnight stay.

\(^8\) Commission Decision C(2002) 98 of 24 January 2002 fixing the rates of the daily subsistence allowances and the ceilings
for the reimbursement of hotel expenses for missions outside the European territory of the Member States of the
European Union.
**Article 6**

**Cars**

1. Car related costs cover:
   (a) In case of a service car: all costs related to the use and maintenance of the service car (fuel, car washing, parking fees, tolls, full insurance).
   (b) In case of a rented car: all costs related to rental and use of the vehicle (fuel, car washing, parking fees, tolls, full insurance).

2. The amounts depend on the type of the car as indicated below. The unit costs of the service patrol car are determined by the beneficiary in accordance with Articles 9 to 11.

<table>
<thead>
<tr>
<th>Service standard car</th>
<th>0.28 EUR/km</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rented standard car</td>
<td>55 EUR/day</td>
</tr>
<tr>
<td>Rented patrol car (heavy duty car)</td>
<td>85 EUR/day</td>
</tr>
</tbody>
</table>

3. In case of use of a private standard car for professional purposes, the rules for the service standard car apply by analogy.

**Article 7**

**Catering on the ground for participants in return operations**

1. The costs of catering on the ground for participants in return operations (RO) cover food and beverages provided during RO by charter and ordered by Participating Member States and/or Organising Member States for returnees, escorts and other relevant participants in RO.

2. The unit cost per meal is 6 EUR.

**Article 8**

**Identification of the costs or categories of costs covered by unit costs determined by grant beneficiaries**

1. The categories of costs determined by grant beneficiaries include:
   (a) Asset in the pilot project on asset deployment\(^9\) - the eligible costs that may be taken into account when determining a unit cost are those identified in the REM guidelines\(^10\).
   (b) Binoculars/night vision binoculars/night vision goggles: costs related to the use of such binoculars/goggles (full insurance, maintenance, local transportation costs as well as transfer costs if not claimed separately), counted by unit to be defined by the beneficiary.
   (c) Bus/minibus/transportation of migrants: running costs related to the use of means for transportation of persons (fuel, service, spare parts, insurance, tolls, transfer costs by other means (i.e. when not driven by the beneficiary’s staff but transported by another entity: private company or public

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\(^9\) "Pilot project on asset deployment": the deployment of assets, the cost of which is calculated on the basis of unit cost per hour established by the beneficiary.

\(^10\) Decision of Executive Director No 2013/25 of 17 April 2013 on introduction of REM Guidelines for internal use in Frontex.
entity), counted by unit to be defined by the beneficiary (hour, day, person, km or any other justified unit).

(d) Camera or thermal/infrared camera: costs related to the use of such a camera (full insurance, maintenance, local transportation cost as well as transfer costs if not claimed separately), counted by unit to be defined by the beneficiary.

(e) Deployment of dogs: all costs including transport, food, lodging, veterinary costs, counted by day.

(f) Domestic travel: domestic (within one country) return ticket and all additional travel costs from the place of residence to the place of deployment/start of the activity as well as related expenses such as: excess luggage and other justified travel-related expenditure.

(g) Expert’s (e.g. cultural mediator/interpreter, psychologist, medical support, monitor) cost: all costs including fees, DSA, accommodation, travel, and related administrative costs, counted by calendar day.

(h) Expert’s (e.g. cultural mediator/interpreter, psychologist, medical support, monitor) fee: a fee related to the provision of a given service, counted by working or calendar day. It is applied where no unit cost for expert’s cost is determined and the beneficiary uses the daily rate. This category may include also costs related to external staff contracted to support specific technical equipment if the cost is not included already in the unit cost for specific technical equipment.

(i) Heart beat detector: costs related to the use of a heart beat detector (full insurance, maintenance, local transportation costs as well as transfer costs if not claimed separately), counted by unit to be defined by the beneficiary.

(j) Mobile carbon dioxide (CO2) detector: costs related to the use of a mobile CO2 detector (full insurance, maintenance, local transportation costs as well as transfer costs if not claimed separately), counted by unit to be defined by the beneficiary.

(k) Mobile surveillance equipment: costs related to the use of mobile surveillance equipment (full insurance, maintenance, local transportation costs as well as transfer costs if not claimed separately), counted by unit to be defined by the beneficiary.

(l) Rented motorbike: all costs related to the rental and use of a motorbike (fuel, parking fees, tolls, full insurance), counted by day.

(m) Schengen Bus (mobile document laboratory): running costs related to the use of a laboratory (fuel, service, spare parts, insurance, tolls, transfer costs by other means (i.e. when not driven by the beneficiary’s staff but transported by other body: private company or public entity)), counted by unit to be defined by the beneficiary.

(n) Service patrol car: all costs related to the use and maintenance of a service car (fuel, car washing, parking fees, tolls, full insurance), counted by km.

(o) Thermo-vision vehicle (TVV): running costs related to the use and maintenance of TVV (fuel, service, spare parts, insurance, tolls, transfer costs by other means (i.e. when not driven by the beneficiary’s staff but transported by another entity: private company or public entity)), counted by day.

2. If, in exceptional cases, any of the costs listed in the above definitions (e.g. transportation of technical equipment) may not be included in the unit cost calculation, they may be claimed separately on the basis of eligible costs actually incurred.
**Article 9**
The methodology for determining unit costs by beneficiaries - general principles

When determining their unit costs the following conditions shall be respected by grant beneficiaries:

1. Only eligible costs may be taken into account in accordance with the definition of each unit cost above (in Article 8). In addition, the following costs are not eligible:
   (a) VAT in case of activities engaged in as public authorities;
   (b) salaries and related social security charges of deployed officers/crew;
   (c) costs of major repairs of equipment;
   (d) costs of purchase/leasing/depreciation of equipment in case of land means;

2. The no-profit principle must be followed. Profit is defined as a surplus of the receipts over the eligible costs incurred. Profit shall not be interpreted as deviation from the actual costs covered by the unit cost, which is legal and regular. The no-profit principle means the prohibition of using commercial rates or unit costs which include a profit margin, i.e. unit costs are to be established on the basis of real costs incurred over a period of time not inflated by any commercial component.

3. No double financing principle must be followed. A unit cost may not include:
   (a) costs declared as eligible under another grant funded by or contribution received from Frontex/EU/EU body grant;
   (b) the same costs as eligible under different categories.

**Article 10**
The methodology for determining unit costs by beneficiaries by reference to certified or auditable historical data

1. The unit costs are established following the collection of historical data from accounting statements of the grant beneficiary on actual costs incurred for the categories of eligible costs to be covered by unit costs.

2. The reference period from which the data will be collected shall be at least one year so as to identify any potential exceptional circumstance which would have affected actual costs in a specific year as well as the tendencies in the cost amounts. Unless justified, for the purpose of revision of unit costs, the length of the reference period should remain consistent.

3. The average cost over the reference period rounded up to a full number shall count as a unit cost with the exception of the unit costs counted by km.

4. Frontex may, depending on its risk assessment, require that those data are certified by an approved auditor or, in the case of public bodies, by a competent and independent accounting officer, so as to ensure reliability of the reference data used. This certification of data may be made in the framework of statutory audits or contractual audits. Where the risk of error or irregularity in the accounting statements used is deemed low, the calculation method may be made on the basis of non-audited data (without any requirement of a certificate), provided they may be checked if needed.

**Article 11**
The methodology for determining unit costs by beneficiaries by reference to usual cost accounting practices

1. The beneficiary’s usual cost accounting practices (such as: collection of historical data, data drawn from existing contracts of the beneficiary, rates established in the national legislation) may be used to determine unit costs if they comply with the following boundary conditions:
(a) the cost accounting practices used constitute the beneficiary’s usual cost accounting practices and are applied in a consistent manner, based on objective criteria independent from the source of funding;

(b) the costs declared can be directly reconciled with the amounts recorded in its general accounts.

2. The unit cost established by reference to usual cost accounting practices is rounded up to a full number with the exception of the unit costs counted by km.

3. In case of unit costs determined by reference to usual cost accounting practices of the beneficiary, verification of the compliance of the cost accounting practices of the beneficiary with the boundary conditions may be conducted ex-ante or ex-post, based on the risk analysis carried out by Frontex. This verification may be carried out by Frontex or a contracted auditor.

Article 12
Validity and evolution of unit costs

1. The unit costs determined by Frontex are valid for operational activities starting in and financed from the 2019 budget and onwards. They may be adjusted following the collection of data.

2. On a yearly basis, Frontex initiates the collection of unit costs determined by beneficiaries for operational activities of the following year. The beneficiary determines new unit costs and revises the unit costs applied in the previous year. In case of revised amounts, the adjustment is based on:
   (a) New calculation following the methodology described in this decision; or
   (b) Indexation (e.g. on the basis of evolution of the national consumer price index or other officially recognised indexes).

3. In exceptional cases, justified in particular by a change of legislation or unprecedented increase/decrease of the prices, unit costs may be adjusted during the implementation phase of operational activities.

Article 13
Checks and audits

1. The grant beneficiary is obliged to preserve all documentation that is relevant to the grant for the period of five years from the date of payment of the balance.

2. The supporting documents related to unit costs claimed shall be kept by the beneficiaries and made available in case of checks and audits and they shall be such as to prove the number of units claimed.

3. Audits or controls of costs declared or covered on the basis of unit costs may not lead to correction of the amounts of those unit costs where those have been determined by Frontex or by application of the beneficiaries’ usual accounting practices that have been approved by Frontex ex-ante.

4. In all other cases when Frontex carries out the verification of the unit costs determined by beneficiaries and the beneficiary’s usual cost accounting practices, and the latter do not comply with the conditions laid down in this Decision, the amounts declared as eligible shall be corrected. The same applies in case Frontex considers, after the beneficiary has requested assessment of its cost accounting practices, that they are not compliant.

Article 14
Repeal and transitional measure

This decision repeals and replaces Management Board Decision No 33/2017 of 22 November 2017 adopting Unit Costs for Operational Activities and Management Board Decision no 36/2017 of 15 December 2017
amending MB decision 33/2017. However, Management Board Decision 33/2017 and Management Board Decision 36/2017 continue to apply to operational activities starting in and financed from the 2018 budget.\footnote{As defined in the respective Annual Work Programme.}

\textbf{Article 15}

\textbf{Entry into force}

This Decision enters into force on the day following the date of its signature. It is applicable to operational activities starting in and financed from the 2019 budget and onwards.\footnote{As defined in the respective Annual Work Programme.}

Done by written procedure, 18 December 2018.

For the Management Board

[signed]
Marko Gašperlin
Chairperson