

**EUROPEAN AGENCY FOR THE MANAGEMENT OF OPERATIONAL COOPERATION AT
THE EXTERNAL BORDERS OF THE MEMBER STATES OF THE EUROPEAN UNION**

DECISION OF THE MANAGEMENT BOARD

**ON
THE BUDGET OF THE AGENCY FOR 2005**

THE MANAGEMENT BOARD

HAVING REGARD to Articles 20 (2) (e) and 29 (9) of Council Regulation (EC) No. 2007/2004 of 26 October 2004¹ establishing the Agency;

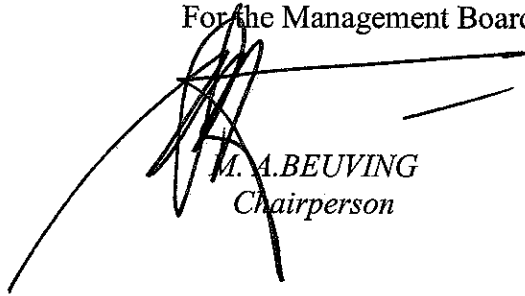
HAS ADOPTED THIS DECISION:

Single Article

The budget of the Agency for 2005 annexed hereto is adopted.

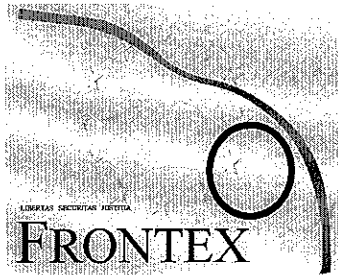
Done at Warsaw, 30 June 2005

For the Management Board



M. A. BEUVING
Chairperson

¹ OJ L 349 of 25 November 2004, p. 1



FRONTEX AGENCY BUDGET 2005

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1. INTRODUCTION

The European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union (FRONTEX) has been created by Council Regulation (EC) N° 2007/2004 of 26 October 2004¹. The Agency has taken up its responsibilities on 1st May 2005. The 2005 budget, which covers the period from 1st May to 31st December 2005, should enable the Agency to meet the objectives, tasks and activities laid down in the 2005 work programme².

The Agency's Preliminary Draft Budget for 2005 amounts to € 6 280 202 of which € 6 157 000 are expected to be provided by the EC 2005 annual subsidy to FRONTEX, € 117 629 by the 2005 budgetary contribution of Norway and € 5 572 by the 2005 budgetary contribution of Iceland³.

€ 2 132 700 of the Agency budget for the year 2005 will be devoted to administrative and staff expenses and € 4 147 502 to the operational tasks.

2. REVENUE

According to Article 29 (1) of Regulation (EC) N° 2007/2004 of 26 October 2004, the revenues of the Agency shall consist, without prejudice to other types of income, of:

2.1. Subsidy from the Community entered in the general budget of the European Union (Commission section)

¹ OJ L 349, of 25.11.2004, p. 1.

² The 2005 Work Programme will be annexed.

³ Iceland and Norway contributions are indicative. The exact figures for 2005 are not yet available.

Budget line	Subsidy for 2005
18 02 03 01 : Administrative expenditure (Titles 1 and 2)	€ 2 132 700 ²
18 02 03 02 : Operational expenditure (Title 3)	€ 4 024 300 ²
Total 18 02 03	€ 6 157 000 ⁴

2.2. Contribution from the countries associated with the implementation, application and development of the Schengen acquis,

Country	Contribution for 2005
Norway	€ 117 629, 12
Iceland	€ 5 570, 24

2.3. Fees for services provided: p.m.

2.4. Any voluntary contribution from the Member States: p.m.

3. EXPENDITURE

The estimates for resource needed during 1 May 2005-31 December 2005 take into account the financial constraints (ceilings established in the financial perspective) and are modest with regard to the nature and quantity of the operational activities that in principle the Agency can carry out.

It is expected that the Agency will mainly focus on its establishing activities (setting up the administrative and financial structure, recruiting the necessary staff, equipping the premises etc.) for the remaining part of the year 2005.

3.1. Administrative expenditure (Title 1 & 2) € 2 132 700

The total administrative expenditure amount of € 2 132 700 and is composed of costs related to the recruitment of staff and other administrative expenditure.

3.1.1 Financial Impact on human resources € 1 722 700 (Title 1)

The Agency's staff shall consist of a limited number of agents and of national experts (ENDs) in the field of control and surveillance of the external borders seconded by the Member States to carry out management duties. The remaining staff shall consist of other employees recruited by the Agency as necessary to carry out its tasks.

To kick-start the functioning of the agency as soon as possible and based on the lessons learned from other EU Agencies recently established, it is foreseen that the staff will be temporarily recruited as auxiliary or contract agents. At the same time recruitment procedures for the temporary agents will be launched. These measures will help rapidly to bridge the initial preparatory period. In order to ensure the quickest possible recruitment of a highly qualified staff, the Agency is foreseeing to contract an experienced recruitment company.

The necessary number of staff in a first operational phase (2005-2006) is estimated at 57 including the senior management of the Agency. The work force will be composed by 38 *A posts (among them 24 ENDs mainly for operational tasks), 5 *B posts, 5 *C posts and 2 *D posts. It is foreseen as well that a limited number contract or auxiliary agents (cca 7 for the initial period) will be hired according to the needs of the Agency to carry out mainly the

⁴ Subject to transfer of credits from the reserve to the budgetary line as proposed by the Commission.

technical tasks. The contract and auxiliary staff and the ENDs, however, are not included in the Establishment plan⁵.

Staff costs are shown on a 12-month basis according to the different category of staff and the expenditure include related administrative expenditure (IT, telecommunications, etc). For the Community agents the administrative cost is € 108.000 a year per person, for the National Detached Experts (END) it is € 45.000 a year per person.

The security personnel for the building and infrastructures is not part of the Agency's staff and is not reflected in the following table. The provision of security services will be outsourced.

The number of staff may also increase following the assignments to the Agency of new tasks by the Council and in accordance with the financial resources allocated to the Agency by the budgetary authority for the post 2007 period.

TABLE: Estimate of human resources - Breakdown by areas of activity and category

ACTIVITIES	*A	*B	*C	*D
Administration	9	3	5	2
Management (this item includes the Executive and Deputy Director).	2		2	1
Human and financial resources	4	2	2	1
Information/IT	2	1		
Legal tasks	1		1	
Operational tasks:	5	2		
Co-ordination of joint operations and pilot projects at the external borders (Article 3)	2			
Carrying out general and tailored risk analyses (Article 4)	1			
Provide training for national instructors and specific training for border guards (Article 5)	1			
Follow-up on research relevant for control and surveillance of EU external borders and provide the Commission and Member States with technical expertise (Article 6)	1			
Management of records of technical equipment of the Member States and procurement of new equipment (Article 7)		1		
Support to Member States confronted with circumstances requiring increased technical and operational assistance in connection with their control and surveillance of the EU external borders (Article 8)				
Co-ordination between Member States in the field of return of third-country nationals illegally resident in Member States (Article 9)		1		
TOTAL	14	5	5	2

The reference amounts are total expenditure for twelve months that include personnel costs and administrative expenditure. Exceptionally for 2005 the costs will be calculated only for a 4-month period (September – December), since the Agency could only start the recruitment of its staff as of 1 July 2005.

⁵ The Establishment plan is a roadmap for recruitment of a statutory staff, which is structured according to the different categories of employed agents. The contracted and auxiliary staff as well as the ENDs do not enter into this plan.

Types of post	No of staff	Amount in €	Method of calculation
Officials or temporary staff	26	936 000	26* (108.000/12 * 4)
External staff (ENDs)	24	360 000	24 * (45.000/12 * 4)
Contracted staff	7	252 000	7 * (108.000/12 * 4)
Total for 4 months period	57	1 548 000	

The recruitment of staff, as well as the first 4 months of their work will demand other related expenditure:

Types of cost	Amount in €	Comments
Other recruitment costs	150 000	Contracting of a recruitment company and other costs from recruitment procedure including publications costs, travel and subsistence expenses of candidates, expenditure for medical examinations upon recruitment)
Administrative missions and duty travels	19 200	Costs for non-operational missions
Reception and other representation expenses	5 500	
Total	174 700	

3.1.2 Other administrative expenditure € 410 000 (Title 2)

Administrative set up and running of the Agency will demand other necessary costs as specified in the table bellow (e.g. rental the premises, movable property costs, etc.).

As for the meetings foreseen, only meetings of the Management Board are indicated here, other costs resulting from missions, conferences or seminars are detailed for each task under the Agency's annual operational expenditure.

Type of cost	Amount in €	Comments
Meetings of Management Board	100 000	
Rental of building and associated costs	120 000	Including insurance, water, gas, heating, cleaning, maintenance and fitting-out premises
Data processing expenditure and associated costs	100 000	Purchase of computers with licenses, fax, printers, servers, support service for helpdesk, Common Support Service for Agencies, Purchase of General Ledger System, Software Development , Access to Databases
Movable property and associated costs	50 000	Furniture, office machinery, networks, equipment
Current administrative expenditure	25 000	Stationery and office supplies, Paper, Financial charges, Legal Expenses, Damages, miscellaneous insurance
postal charges and telecommunications	15 000	Postage on correspondence and delivery charges, Telephone, fax etc

Total	410 000	
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The total administrative expenditure amount of € 2 132 700.

3.2. Operational expenditure (Title 3) € 4 147 502

The core tasks of the Agency such as training, risk assessment, providing technical support or expertise will be executed by its permanent staff and would only generate additional costs for staff missions and meetings (seminars and workshops).

The Member States' proposals for joint operations and pilot projects that are considered of special interest or added value in connection with the Agency's work programme will be awarded by means of grant agreements following the rules laid down in Agency's Financial Regulation.

The Agency will launch the public procurements procedures in accordance with its financial regulation for acquiring the operational equipment or for the provision of services (e.g. studies, consultancy, etc) needed for fulfilling its tasks.

The costs can be divided according to the different tasks of the Agency:

- (1) Co-ordination of joint operations and pilot projects at the external borders proposed by the Member States (co-ordination and evaluation by the Agency). The Agency may award grants to certain operations and projects. There are also costs resulting from missions of agency's staff to the external borders or national premises for coordination, follow-up or evaluation of the projects or operations. The amount per mission within Europe is estimated at € 800 per day and € 1.200 per day for the rest of the world. Meetings at the Agency's premises may also be necessary for coordination and evaluation purposes.
- (2) Risk assessment exercises require some meetings with Member States' experts. The calculations are based on the following assumptions: Travel and subsistence: meetings € 800 per person/day and € 1.150 per person/two days. There is also need for the development of secure electronic channels of communication with the Member States for collecting and exchanging relevant information.
- (3) Training requires monthly meetings, seminars or workshops with national trainers of border guards.
- (4) Follow-up research and providing technical expertise will result in studies to be externalised by the Agency and some meetings or staff missions as well as preparation of reports and evaluations.
- (5) Support to Member States in circumstances requiring increased technical and operational assistance at the external borders. For 2005, coordination meetings, staff missions and transport of the specialised equipment is foreseen.
- (6) Return co-operation, the operational costs of joint return operations of third country nationals (transport, escorts, etc) could be borne by Community funds available in the future in the field of Return. In addition there might be some co-ordination meetings.
- (7) Management of technical equipment (keep records of Member State's equipment) and information exchange systems. The Agency must develop the appropriate database and information system for the exchange of information with Member States and Commission.

The costs indicated in the table bellow correspond to a fully operational agency. From 2005 the Agency will gradually assume its responsibilities and become operational, its main

responsibility this year will be to provide support to joint operations and pilot projects allocating for them a budget comparable to the one of ARGO in the precedent years.

TABLE: Breakdown of costs for operational expenditure

Tasks of the Agency	Type of expenditure (cost per unit)	Number	Total in €
Joint operations and pilot projects at external borders (Article 3)	Grants to projects. (€ 200.000)	* 17	3.400.000
	Missions of agency staff (€ 800)	* 50	40.000
	Coordination/evaluation meetings (€ 20.000)	* 4	80.000
Risk analysis (Article 4)	Meetings for general and tailored risk assessment (€ 20.000)	* 4	80.000
Training (Article 5)	Monthly two-day sessions (€ 25.000)	*10	250.000
Follow-up to research (Article 6)	Studies (€ 25.000)	* 4	100.000
Management of technical equipment and setting up a database (Article 7)	See next row. Separate budget foreseen as of 2006.		0
Support to Member States (technical and operational assistance – Article 8)	Co-ordination meetings (€ 20.000)	*3	60.000
	Missions (€ 800)	*50	40.000
	Transport of equipment (cca.€ 1.000)	*17	17.000
	Other related costs (reserve)		502
Return cooperation (Article 9)	Co-ordination meetings (€ 20.000)	*4	80.000
Total			4 147 502

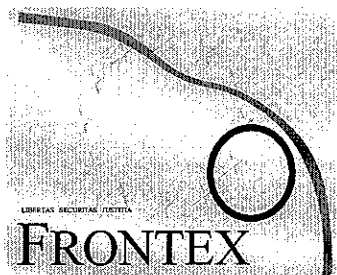


TABLEAU DES EFFECTIFS STATUTAIRES (2005)

	A	B	C	D
Administration	9	3	5	2
Management (this item includes the Executive and Deputy Director).	2		2	1
Human and financial resources	4	2	2	1
Information/IT	2	1		
Legal tasks	1		1	
Operational tasks:	5	2		
Co-ordination of joint operations and pilot projects at the external borders (Article 3)	2			
Carrying out general and tailored risk analyses (Article 4)	1			
Provide training for national instructors and specific training for border guards (Article 5)	1			
Follow-up on research relevant for control and surveillance of EU external borders and provide the Commission and Member States with technical expertise (Article 6)	1			
Management of records of technical equipment of the Member States and procurement of new equipment (Article 7)		1		
Support to Member States confronted with circumstances requiring increased technical and operational assistance in connection with their control and surveillance of the EU external borders (Article 8)				
Co-ordination between Member States in the field of return of third-country nationals illegally resident in Member States (Article 9)		1		
TOTAL	14	5	5	2

The contract or auxiliary staff and the ENDS are not part of the Establishment plan¹.

The necessary number of staff in a first operational phase (2005-2006) is estimated at 57 including the senior management of the Agency. The work force will be composed by 38*A posts (among them 24 ENDS mainly for operational tasks), 5*B posts, 5*C posts and 2*D posts. It is foreseen as well that a limited number of contract or auxiliary agents (cca 7 for the initial period) will be hired according to the needs of the Agency to carry out mainly the technical tasks.

Moreover, for the reasons of relatively long recruitment procedure for the temporary agents, it is foreseen that the majority of staff will temporarily be working on contractual basis or as the auxiliary agents to bridge the initial period.

¹ The Establishment plan is a roadmap for recruitment of a statutory staff, which is structured according to the different categories of employed agents. The contracted and auxiliary staff as well as the ENDS do not enter into this plan.