



EUROPEAN COMMISSION
 DIRECTORATE-GENERAL MIGRATION AND HOME AFFAIRS

Directorate E: Migration and Security Funds; Financial Resources and Monitoring

The Director

AMIF-ISF/2018/14

Asylum, Migration and Integration and Internal Security Funds Committee

Subject: Guidance Note - Revision of ISF National Programmes (Borders and Visa instrument) to add extra funding to cover certain costs related to the implementation of the Entry Exit System (EES)

Dear Members of the AMIF-ISF Committee,

Please find below **detailed information and guidance on the revision of ISF National Programmes** to add extra funding to cover certain costs related to the implementation of the **Entry Exit System (EES)**.

1. INTRODUCTION

In line with Article 64 of Regulation (EU) 2017/2226 of the European Parliament and of the Council establishing an Entry/Exit System (EES), adopted on 30 November 2017, extra EU funding is being provided through the ISF National Programmes, Borders and Visa instrument (hereafter ISF-B&V)¹ to cover certain costs related to the implementation of the EES.

Such extra funding is taken from the financial envelope of EUR 791 million set aside in the ISF-B&V specifically for the development of IT systems supporting the management of migration flows across the external borders (Regulation (EU) No 515/2014, Article 5.5(b)).

As set out in Commission Delegated Regulation C(2018)4362_final supplementing Regulation (EU) No 515/2014 with regard to the allocation of extra funding from the EU budget to the implementation of the EES, a total amount of **EUR 192 378 000** shall be mobilised from this financial envelope and allocated to the **participating Member States** for that purpose.

This extra funding allocated to the Member States aims to cover **exclusively the costs referred to in Article 64(2) of Regulation (EU) 2017/2226, as well as the costs incurred in connection with the establishment and operation of the National Uniform Interface**

¹ Through an amendment in the ETIAS Regulation, a paragraph 5 was inserted in Article 64 of the EES Regulation, which reads as follows: "Funding to be mobilised from the envelope referred to in Article 5(5) point (b) of Regulation (EU) No 515/2014 to cover the costs referred to in the preceding paragraphs shall be implemented under indirect management for the costs incurred by eu-LISA and under shared management for the costs incurred by the Member States."

(NUI), as referred to in Article 64(1) of Regulation (EU) 2017/2226, and can cover up to 100% of those specific costs.

Since the cost per Member State for the integration of its national border infrastructure with the EES via the NUI and subsequent operation of the NUI is very similar, independently of the size of the country, length of external borders, number of border crossing points, number of persons crossing the borders, etc., each participating Member State should receive a similar amount.

Each participating Member State (and Schengen Associated Country) will therefore receive under their respective ISF-B&V NP an extra allocation of EUR 6 412 600 for this specific purpose².

It should be noted that **any other variable costs related to the implementation of the EES** deriving from each Member State's particular needs and infrastructure **are not to be covered by this extra funding** stemming from the EES Regulation.

2. REVISION OF ISF NP

The revision of the ISF-B&V NP will be possible only when the Commission Delegated Regulation C(2018)4362_{final} enters into force, which should happen by mid-September. Only then can the Commission services launch the internal procedures for the adoption of the revised ISF NPs, starting with the Commission's internal Inter-Service Consultation (ISC) and concluding with the adoption of the NPs by the College of Commissioners through written procedure.

On the other hand, since a part of the extra funding envisaged for this purpose was carried over from the EU 2017 budget, and so will be lost if not committed by the Commission before the end of 2018, **this revision of the ISF-B&V NP, and respective commitments, must absolutely take place before the end of this year.**

Considering this tight schedule, it is extremely important that **all the revision works are finalised and the revised ISF-B&V NPs are ready for the Commission's ISC by mid-September.**

Member States are therefore invited to submit the drafts of the revised NP by 7th of September 2018 at the latest along the following lines:

- 1) Each Member State (26 Member States and 4 Schengen Associated Countries) receives an extra allocation of **EUR 6 412 600** under their respective ISF National Programme.
- 2) Such extra allocation should be added in Table 1 (Financing Plan ISF-Borders) of Section 7, under the **SO2 / NO6 (National Capacity)**.

Under Table 1, the following paragraph will be added in the SFC2014 template:

“The amount under SO2 / NO6 includes an envelope of EUR 6 412 600 to be spent in accordance with Article 64(1) and (2) of Regulation (EU) No 2017/2226. This specific

² According to the technical studies on Smart Borders (cost analysis) made in October 2014, the costs for each Member State to integrate their existing infrastructure to the central system through their respective NUI were estimated at approximately EUR 4 million, while the costs of operation 24/7 for an average of 3 years were roughly estimated at approximately EUR 2 -2.5 million.

allocation can support 100% of those costs (including costs of operating the system³) and is provided exclusively for this purpose. It cannot be used to cover other needs/costs, including those referred to in subparagraphs a) to g) of article 64(2) and article 64 (3).

This specific allocation shall not be taken into consideration in the calculation that determines the percentage of funding that may be used to finance operating support, according to Article 10 (1) of Regulation (EU) No 515/2014.”

- 3) In the **corresponding section of the narrative part of the programme** detailing the funding priorities to be covered through the NP, **under SO2 / NO6**, each Member State shall insert the following paragraph:

"Development and implementation of the EU Entry-Exit System (EES). Funding for this priority will be provided as stipulated under Section 7."

- 4) The draft NP revised along these lines should be **submitted through SFC2014 by the 7th of September 2018** at the latest⁴. This revised draft NP should include also, for those Member States whose revision in the framework of the mid term review (MTR) has not been carried out yet, the extra funding provided under the MTR, as well as any adjustments agreed in the respective priorities of the ISF NP, as necessary⁵.

This would allow the Commission services to launch immediately after the entry into force of the Commission Delegated Regulation the internal procedures for the revision of the ISF-B&V NPs, so that the thus **revised NP can be adopted towards October/November 2018** and the respective extra funds can be committed immediately after, still before the end of the year.

3. IMPLEMENTATION AND MONITORING OF ISF NP

The implementation of the above-mentioned activities under the ISF-B&V NP will be **closely monitored**, not only to ensure that the objectives of the programme are reached and that the Entry-Exit System Regulation is duly complied with, but also to ensure that the costs covered through the above-mentioned extra allocation are those referred to in Article 64(1) and 64(2) of Regulation (EU) No 2017/2226. As stated above, **such allocation can support 100% of those costs (no co-financing needed)**.

Member States have the possibility to **use the other resources of the NP to cover any other costs related to the implementation of the EES**, including those referred to in subparagraphs a) to g) of article 64(2) and article 64 (3) of Regulation (EU) No 2017/2226. However, for such costs the general co-financing principle applies, meaning that as a rule the funding from the NP can cover **only up to 75% of those costs**.

³ Costs for "using" the system, i.e. costs required for having a 24/7 operations of the EES components such as additional staff in particular whether that is for monitoring, support and problem resolution, or implementing tools and devices that ensure 24/7 operations.

⁴ Those Member States for which the MTR revision of the ISF NP is already ongoing and not completed by the 7 September 2018 should submit a EES revised ISF NP as soon as possible.

⁵ Those Member States who have been awarded EBCGA/Frontex equipment in the framework of the 2018 pledging exercise for Specific Actions will be asked to add such equipment to their ISF-B&V NP later in September 2018, so that such equipment can still be included in the same revision of the NP, thus reducing the administrative burden and ensuring that the respective commitments are also made before the end of the year.

For that reason, the projects related to the implementation of the EES supported through the NP should be clearly identifiable in the accounts, to be able to **distinguish those related to the activities/costs referred to in Article 64(1) and 64(2) of Regulation (EU) No 2017/2226**.

For that purpose, **in addition to the current “EES” keyword, another keyword “EES-Regulation 2017/2226” will be added in the SFC2014 accounts module**, so that Member States can tick it when reporting on the project supported through the specific extra allocation of EUR 6 412 600. Member States are also encouraged to add a reference to Regulation (EU) 2017/2226 in the title of the project that is supported by that extra allocation.

As noted above, this specific allocation shall not be taken into consideration in the calculation that determines the percentage of 40% of the ISF-B&V NP resources that may be used to finance operating support, according to Article 10 (1) of Regulation (EU) No 515/2014.

Yours sincerely,

Beate GMINDER
Chair of the AMIF-ISF Committee

[e-Signed]

Enclosures (1 document):

- Commission Delegated Regulation (EU) defining the extra funding from the EU Budget to be allocated to the implementation of the Entry Exit System by supplementing Regulation (EU) No 515/2014 of the European Parliament and of the Council of 16 April 2014 establishing, as part of the Internal Security Fund, the instrument for financial support for external borders and visa and repealing Decision No 574/2007/EC