

Commission
Agencies financial statement
2012

European Training Foundation - ETF

European Training Foundation - ETF

1 : Overview

- Creation / modification (legal base)

Decision	Date	Mission / Tasks / Functions
Council Regulation (EC) No. 1360/90	07/05/1990	<p>Provide assistance in the definition of training needs and priorities</p> <p>Act as a clearing house to provide information on current initiatives and future needs in the training field, and provide a framework through which offers of assistance can be channelled</p> <p>On the basis of (a) and (b) above:</p> <p>Examine the scope for joint ventures of training assistance</p> <p>Fund the design and the preparation of such projects</p> <p>Implement, at the request of the Commission or of the eligible countries in cooperation with the governing board, vocational training programmes;</p> <p>For activities and projects which are funded by the Foundation: arrange for the appropriate public and/or private bodies with a proven training record and the necessary expertise to design, prepare, implement and/or manage projects on a flexible, decentralized basis;</p> <p>In collaboration with the Commission, assist in the monitoring and evaluation of the overall effectiveness of training assistance to the eligible countries</p> <p>Disseminate information and encourage exchanges of experience, with a focus on the countries of Central and Eastern Europe designated as eligible for economic aid by the Council in Regulation (EEC) No 3906/89 or in any subsequent relevant legal act</p>
Council Regulation (EC) No.2063/90	27/07/1994	Addition to ETF's geographic scope to include the independent States of the former Soviet Union and Mongolia which are the beneficiaries of the programme to assist economic reform and recovery under Regulation (Euratom, EEC) No 2053/93 or in any subsequent relevant legal act.
Council Regulation (EC) No.1572/98	17/07/1998	Addition to ETF's geographic scope to include the Mediterranean non-member countries and territories which are the beneficiaries of the financial and technical measures to accompany the reform of their economic and social structures pursuant to Regulation (EC) No 1488/96 or any subsequent relevant legal act.
Council Regulation (EC) No. 2666 /2000	05/12/2000	Addition to ETF's geographic scope to include Albania, Bosnia-Herzegovina; Croatia; the Federal Republic of Yugoslavia, the Former Yugoslav Republic of Macedonia,
Council Regulation (EC) No. 1648/2003	18/06/2003	Amending Regulation (EEC) No 1360/90 establishing a European Training Foundation, in order to adapt it to the new Financial regulations of ETF.
Council Regulation (EC) No 1339/2008	16/12/2008	<p>Recast of Council Regulation (EC) No 1339/2008 establishing a European Training Foundation. Recasting of ETF Regulation in line with external assistance instruments, greater flexibility in geographic scope, and human capital development. The ETF's functions under the recast regulation are to:</p> <p>provide information, policy analyses and advice on human capital development issues in partner countries;</p> <p>promote knowledge and analysis of skills needs in national and local labour markets;</p> <p>support relevant stakeholders in partner countries in building capacity in human capital development;</p> <p>facilitate the exchange of information and experience among donors engaged in human capital development reform in partner countries;</p> <p>support the delivery of EU assistance to partner countries in the field of human capital development;</p> <p>disseminate information and encourage networking and the exchange of experience and good practice between the EU and partner countries and amongst partner countries in human capital development issues;</p> <p>contribute, at the Commission's request, to the analysis of the overall effectiveness of training assistance to the partner countries;</p>

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Seat Torino, Italy

Budget line 15 02 27 — European Training Foundation

- Human Resources

Human Resources	2010		2011	2012
	Authorised under the EU Budget	Actually filled as of 31/12/2010	Authorised under the EU Budget	DB request
Establishment plan posts: AD	59	57	61	61
Establishment plan posts: AST	37	35	35	35
Total Establishment plan posts	96	92	96	96
Contract Agents	34	32	34	34
Seconded National Experts	2	2	2	2
Total staff	132	126	132	132

* in addition, ETF employs two local agents

- Financial Resources

Revenues	2011		2012
	Revenues estimated by the agency		Budget Forecast
EU contribution	19 850 000		20 810 000
Other Revenue			
Total revenues	19 850 000		20 810 000

Expenditure	2011		2012	
	CA	PA	CA	PA
Title 1	12 897 330	12 897 330	13 725 000	13 725 000
Title 2	1 430 670	1 430 670	1 535 000	1 535 000
Title 3	6 022 000	5 522 000	5 550 000	5 550 000
Total expenditure	20 350 000	19 850 000	20 810 000	20 810 000

2 : Human resources

2.1. Establishment plan posts

Function group and grade	2010			2011		2012				
	Authorised under the EU Budget		Filled as of 31/12/2010		Authorised under the EU Budget		Request of the Agency		DB Request	
	Permanent posts	Temporary Posts	Permanent posts	Temporary Posts	Permanent Posts	Temporary Posts	Permanent posts	Temporary Posts	Permanent posts	Temporary Posts
AD 16										
AD 15										
AD 14	1		1		1		1		1	
AD 13	3				4		4		4	
AD 12	5		5		4		9		9	
AD 11	13		11		12		9		9	
AD 10	4		3		4		4		4	
AD 9	18		12		11		11		11	

Function group and grade	2010				2011		2012			
	Authorised under the EU Budget		Filled as of 31/12/2010		Authorised under the EU Budget		Request of the Agency		DB Request	
	Permanent posts	Temporary Posts	Permanent posts	Temporary Posts	Permanent Posts	Temporary Posts	Permanent posts	Temporary Posts	Permanent posts	Temporary Posts
AD 8		4		4		5		4		4
AD 7		10		20		18		17		17
AD 6		1		1						
AD 5						2		2		2
AD total		59		57		61		61		61
AST 11										
AST 10		3				4		4		4
AST 9		6		6		6		6		6
AST 8		2		4		1		5		5
AST 7		7		5		6		6		6
AST 6		10		6		7		4		4
AST 5		4		2		1		3		3
AST 4		5		4		5		5		5
AST 3				5		2		2		2
AST 2				3		3				
AST 1										
AST total		37		35		35		35		35
TOTAL		96		92		96		96		96
GRAND TOTAL		96		92		96		96		96

2.2. External personnel

Contract Agents	Authorised 2010	Recruited as of 31/12/2010	2011 estimate (*)	DB 2012 estimate (*)
Function Group IV	4	4	4	4
Function Group III	17	17	16	19
Function Group II	13	11	17	11
Function Group I				
Total	34	32	34	34

Seconded National Experts	Authorised 2010	Recruited as of 31/12/2010	2011 estimate (*)	DB 2012 estimate (*)
Total	4	2	2	2

(*) Estimate on the basis of average costs
In addition, ETF employs 2 local agents

3 : Financial Resources

3.1. Revenues

REVENUES	2010	2011	2012		VAR 2012/2011
	Executed Budget	Revenues estimated by the agency	As requested by the agency	Budget Forecast	

REVENUES	2010	2011	2012		VAR 2012/ 2011
	Executed Budget	Revenues estimated by the agency	As requested by the agency	Budget Forecast	
1 REVENUE FROM FEES AND CHARGES					
2. EU CONTRIBUTION	19 297 822	20 350 000	20 810 000	20 810 000	2%
of which Administrative (Title 1 and Title 2)	15 000 000				
of which Operational (Title 3)	3 282 000				
of which assigned revenues deriving from previous years' surpluses	1 015 822				
3 THIRD COUNTRIES CONTRIBUTION (incl. EFTA and candidate countries)					
Of which EFTA					
Of which Candidate Countries					
4 OTHER CONTRIBUTIONS	23 870*				
5 ADMINISTRATIVE OPERATIONS					
6 REVENUES FROM SERVICES RENDERED AGAINST PAYMENT					
7 CORRECTION OF BUDGETARY IMBALANCES					
TOTAL REVENUES	19 321 692	20 350 000	20 810 000	20 810 000	2%

* out of the €23 870 of other contributions, €5 571 represent agreed re-used interest for amounts received from Italian Ministry of Foreign Affairs Trust Fund, and €18 299 represent various recovery orders established during the year. ETF has finalised the MEDA ETE convention during 2010 and no additional income is expected in the future under Title 5, while under Title 4 (Cooperation with International Organisations), which holds the contribution from the Italian Ministry of Foreign Affairs, has received at the end of 2009 the amount of €200 000 for 2 3-year projects that will continue in 2011 and likely in 2011, while no additional amount is currently envisaged.

3.2.Expenditure

EXPENDITURE	Commitment appropriations				
	Executed Budget 2010	Budget 2011	Draft Budget 2012		VAR 2012/ 2011
			Agency request	Budget Forecast	
Title 1 Staff Expenditure	13 450 064	12 897 330	13 725 000		6%
11 Salaries & allowances	12 224 219	12 529 100	13 318 810		6%
- <i>of which establishment plan posts</i>	9 197 371	10 529 100	11 349 864		8%
- <i>of which external personnel</i>	1 586 093	1 665 000	1 726 211		4%
12 Expenditure relating to Staff recruitment (incl in Ch 11)					
13 Mission expenses	912 000	100 000	100 000		0%
14 Socio-medical infrastructure	152 340	131 230	152 390		16%
15 Seconded national Experts	148 130	125 000	141 800		13%
16 External Services					
17 Receptions and events	13 375	12 000	12 000		0%
Title 2 Infrastructure and operating expenditure	1 510 844	1 430 670	1 535 000		7%
20 Rental of buildings and associated costs	480 919	539 818	570 000		6%
21 Information and communication technology	664 985	584 670	570 000		-3%
22 Movable property and associated costs	98 381	48 032	120 000		150%
23 Current administrative expenditure	113 418	102 950	110 000		7%
24 Postage / Telecommunications	34 722	35 200	45 000		28%
25 Meeting expenses	118 419	120 000	120 000		0%
26 Running costs in connection with operational activities					
27 Information and publishing					
28 studies					
Title 3 Operational expenditure	3 847 975	6 022 000	5 550 000		-8%
Operational cost	3 847 975	6 022 000	5 550 000		-8%
Expenditure for Earmarked Revenue (Title 4 and 5)	587 258*				
TOTAL EXPENDITURE	19 396 141	20 350 000	20 810 000		2%

Expenditure for Earmarked revenue is composed of amounts committed on Title 4 (contribution from Italian Ministry of Foreign Affairs Trust fund) and Title 5 (MEDA ETE project) made of 2010 commitments and commitments still to be paid at the end of 2009 (due to the multiannual nature of this earmarked revenue).

EXPENDITURE	Payment appropriations				
	Executed Budget 2010	Budget 2011	Draft Budget 2012		VAR 2012/ 2011
			Agency request	Budget Forecast	
Title 1 Staff Expenditure	13 450 064	12 897 330	13 725 000		6%
11 Salaries & allowances	12 224 219	12 529 100	13 318 810		6%
- <i>of which establishment plan posts</i>	9 197 371	10 529 100	11 349 864		8%
- <i>of which external personnel</i>	1 586 093	1 665 000	1 726 211		4%
12 Expenditure relating to Staff recruitment					
13 Mission expenses	912 000	100 000	100 000		0%
14 Socio-medical infrastructure	152 340	131 230	152 390		16%
15 Seconded National Experts	148 130	125 000	141 800		13%
16 External Services					
17 Receptions and events	13 375	12 000	12 000		0
Title 2 Infrastructure and operating expenditure	1 510 844	1 430 670	1 535 000		7%
20 Rental of buildings and associated costs	480 919	539 828	570 000		6%
21 Information and communication technology	664 985	584 670	570 000		-3%
22 Movable property and associated costs	98 381	48 032	120 000		150%
23 Current administrative expenditure	113 418	102 950	110 000		7%
24 Postage / Telecommunications	34 722	35 200	45 000		28%
25 Meeting expenses	118 419	120 000	120 000		0%
26 Running costs in connection with operational activities					
27 Information and publishing					
28 studies					
Title 3 Operational expenditure	4 238 945	5 522 000	5 550 000		0%
Operational cost	4 238 945	5 522 000	5 550 000		-1%
Expenditure for Earmarked revenue (Title 4 and 5)	424 722*				
TOTAL EXPENDITURE	19 624 575	19 850 000	20 810 000		5%

* Expenditure for Earmarked revenue is composed of €23 016 paid out of Title 4 and €201 705 paid out of Title 5

3.3.Budget outturn

First estimate of the 2010 surplus that should be reimbursed to the EU budget (as general revenue) : € 100 981

4 : Justification of needs

4.1.Human Resources

4.1.1. Number of staff requested

ETF would need resources for 96 TAs, 34 Contract agents, 2 ENDs and 2 Local Agents

From this perspective, while more staff might be required in the future, in 2012 ETF aims at making full use of its available resources, consolidating its staff levels at the maximum foreseen by the establishment plan.

In 2012, it is therefore expected to start the year with the Establishment Plan fully implemented (96 Temporary Agents). In addition, the promotion rate expected to be at least doubled (20%-30%) compared to the past due to the planned implementation of a revised promotion policy, following the EC model (points and average career system), the natural inflation rate of 2%, the automatic increase in step, as well as possible increase in weighting factor and usual yearly salary adaptation must be taken into account.

In terms of human resources, for 2012 the ETF will have to maintain overall the 2011 staffing levels. ETF will aim to deploy 134 temporary, contract and local agents and seconded national experts however with an estimated full-time equivalent of 129.5. Human resources are expected to be distributed as follows:

Year	Contract type	Paid FTE over the year	Posts occupied over the year	Occupation on 1/1	Occupation on 31/12
2010	TA	85	90	88	92
	CA	32.25	32.9	33	32
	LA	2.75	2.75	3	2
	SNEs	2.42	2.42	1	2
2010 Total		122.42	128.07	125	128
2011	TA	89	92	91	96
	CA	32.25	33.3	32	34
	LA	2	2	2	2
	SNEs	2	2	2	2
2011 Total		125.25	129.3	127	134
2012	TA	92	95	96	96
	CA	33.5	34	34	34
	LA	2	2	2	2
	SNEs	2	2	2	2
2012 Total		129.5	133	134	134

By the area of activity, it is evident the trend ETF is following, being a continuous investment in the operational activities:

Staffing on	Operational activities	Corporate coordination & Communication*	Administration	Grand total
31/12/2010	70	27	31	128
31/12/2011	76	30	28	134
31/12/2012	76	30	28	134

The Agency is currently employing (and will likely continue to also in 2011) 2 Local agents, which did not exercise their right to conversion into CA, and which are included in these figures.

4.1.2 Salary assumption for calculating salary lines (% applied)

The growth is meant to cover increased salary adaptation linked to the Court Judgement for 2009 salary adaptation (+1.8% for salary related cost on title 1), as well as the natural increase in staff costs linked to promotions, step-increases and subsequent annual adaptation.

Temporary agents: Assumption that 96 posts are occupied end 2011 and therefore in January 2011. Target of 96 posts occupied by end of the 2011. An estimated 4 FTE are considered that will not need payments, for the following reasons:

1.5 FTE for part time etc.

1.5 FTE by delaying start of service for replacement of staff leaving on pension;

1 FTE not paid due to additional part time or eventual resignation.

There is a reserve for promotions (increase in grade)

No reserve for increase in step and annual leave not taken to be paid at the end of contracts;

Contract agents include 34 posts and 33.5 FTE (0.5 FTE not paid for eventual part time request). No new staff to cover maternity leaves/extra workload is foreseen, no promotion cost accounted for.

Local agents: no new. Current number (2) remains for the whole year;

Seconded National Experts: No new. Current number (2) remains for the whole year;

Trainees: 0 in 2012;

Limited (2%) yearly salary increase and weighting factor (2011, 2012) taken into account

Salary adaptation linked to Court Case of 2009 accounted for

4.1.3. Vacancy rate as of end-2010

ETF Governing Board, on the basis of article 32 of the Financial Regulation, validated:

* for 2009 a reduction in the Establishment Plan in the number of Temporary Agents Function Group AST (from 42 in 2008 to 37 in 2009) in favour of an increase in the number of Function Group AD (from 54 in 2008 to 59 in 2009).

* for 2011 a reduction in the Establishment Plan in the number of Temporary Agents Function Group AST (from 37 in 2010 to 35 in 2011) in favour of an increase in the number of Function Group AD (from 59 in 2010 to 61 in 2011).

* for 2012, it is planned to remain with the same distribution as in 2011 (61 AD and 35 AST)

The above has been done with a view to increase the number of experts positions and therefore to increase ETF expertise in particular.

In 2010, a huge effort to fill in the 10 positions vacant end 2009 has been made. Indeed, 10 new Temporary Agents have been recruited in 2010. However, 4 Temporary Agents have left the ETF during 2010, leaving 4 vacant posts end 2010. For budgetary constraints in 2011, the ETF will only be in the position to fill in those posts gradually in 2011 but expects to fill them all and therefore start 2012 with the Establishment Plan fully filled in.

4.1.4. Standard abatement ("abatement forfaitaire") applied

Budgetary estimations for staffing are considering a 96% fulfilment of the establishment plan, taking into account regular turnover

4.2. Financial Resources

4.2.1. Title 1

The budget reflects the increasing influence of the EU's 2020 strategy on ETF's engagements with partner countries and territories. In 2012, this will call for additional attention to the contribution of vocational education to sustainable development, including links social inclusion and poverty reduction. In 2012, ETF will also provide increased support in the area of new skills for new jobs. This will ensure that partner countries are able to better understand emerging labour market trends in the EU following the recession. The ETF also expects to have additional requests from the EC for support in the dissemination of EU experiences related to the development of the European Qualifications Framework. The appropriation will ensure that the ETF is fully able to support the European Commission in its actions related to the EU as a global player.

In terms of human resources, for 2012 the ETF intends to maintain overall the staffing levels planned to be reached at the end of 2011, while striving to reduce the time jobs remain vacant and therefore increase the occupancy of jobs in terms of full-time equivalents. However, this can only be achieved with an increase for budget allocation for Title 1: ETF will therefore aim to deploy 134 temporary, contract and local agents and seconded national experts with an estimated full-time equivalent staff members of 129.5. The difference between FTE and the number of staff members under contract is explained by part-time working, parental leave, unpaid leave and vacancies resulting from unplanned staff departures as well as voluntary delaying start of service of new staff due to the budgetary restrictions. These are expected to be distributed as follows:

Contract types	Jobs (target occupancy)	Planned FTE
Temporary Agents	96	92
Contract Agents	34	33.5
SNEs	2	2
Local Agents	2	2
Total	134	129.5

The funds allocated to Title 1 in 2012 represent a 6% increase over 2011 – from 12.9m€ in 2011 to 13.7m€ in 2012. This reflects:

- * natural increase of 2% (related to promotions, step-increases, annual salary adaptation)
- * unexpected increase of 1.8% related to Court case on 2009 salary adaptations
- * continuous reinforcement of internal expertise with the focus on recruiting Human Capital Development Specialists and Senior Specialists, reflected in the planned recruitment of 4 experts, leading to complete use of the establishment plan
- * restoring the training levels, especially in the light of priority given to language training for the third language.

4.2.2. *Title 2*

In Title 2, after a very tight budget in 2011 (6% less than actual expenditure 2010) which put on hold most of developments to infrastructure, ETF aims a return to regular levels, consisting in an increase of 7% over the 2011 budget. This increase would allow ETF to perform the upgrades which have been postponed over years (training and meeting rooms, computer equipment, building restructuration, office space, central IT infrastructure). The biggest increase registered in Title 2 (+150% in Chapter 22 - Movable Property and associated Cost) corresponds to needed refurbishment of offices and meeting rooms (most of office furniture is currently 15 years old), and only represents an increase of 20% compared to a more "regular" year as 2010

4.2.3. *Title 3*

In 2012, the ETF will commence a second phase of its evidence based policy initiative - the Torino process. This involves a guided self assessment by partner countries of the assistance needs and priorities in the area of human capital development. The Torino Process is a major feature of the ETF's current MTP and ensures that EU assistance is accurately matched to needs. It aims to promote, where appropriate, complementarities between the needs of partner countries and European initiatives in lifelong learning. In doing so it strengthens the added value of ETF's work to the EU and partner countries by emphasising the development of strategic policies, promotion of development best practices, and facilitation of dialogue between donors and the external dimension of internal Community Policies.

The requested appropriations are necessary for ensuring the ETF achieves the target of 144 outputs set by the European Commission for the ETF for 2012. The outputs cover all the ETF's functions and are essential to the achievement of its Mid Term Perspective. The 144 outputs re-enforce the ETF annual targets of 155 and 158 that were successfully achieved in 2009 and 2010 respectively. The planning of outputs in line with European Commission targets and their achievement as part of Mid Term Perspective objectives reflects the successful adaptation of the ETF to its new mandate. The ETF performance in respect of its outputs is paralleled by improved financial management with higher commitment (99.9% in 2010 and 99.8% in 2009) and payments rates (96.5% in 2010 and 90% in 2009).

As a result, while focusing on the increase of the internal expertise by utilising the complete establishment plan reflected in the increase of Title 1, a balancing reduction of 8% compared to 2011 is applied to Title 3, adjusting the operational appropriations at a level 20% higher than the actual 2010 expenditure (after the correction relative to the newly introduced operation missions in Title 3). As a result, coupled with the operational staff that will become available during 2011, there will actually be an increase in the overall operational investment of ETF in the countries.

This relative decrease of -8% compared to 2011 is mainly due to the fact that two of the countries assisted by ETF (Iceland and Croatia) are expected to become members of EU.

As in 2012 ETF is maintaining a balance between Commitment and Payment Appropriations, the anticipation is that in 2013, while commitment appropriations will not exceed the 2% increase trend, the payment appropriation will have to be supplemented to ensure the payment of the additional commitments entered into during 2011 and 2012.

Amounts in M€	2008	2009	2010	2011	Tot 2008-11	2012	2013	Totals
CA	17.98	19.87	18.99	20.35	77.20	20.81	21.23	119.24
PA	17.98	18.80	19.46	19.85	76.09	20.81	21.73	118.63

5 : Other information

5.1. Buildings

City	Building	Surface Area (square metres)	Annual Rental in euros	Host country grant or support	Agency = owner ?	If yes: present value ?	Other Comment
Torino	Villa Gualino	6 000	1		No		The building is provided by the host government for a symbolic rent of 1€ for the next 30 years. The costs of the renovation were provided partly by the host government and by the European Union. The ETF contributed 5,000,000€ to its original restructuring
Bruxelles	Tour Madou	16	5500	No	no		

5.2. Privileges and immunities

Agency privileges	Privileges granted to staff	
	Protocol of privileges and immunities / diplomatic status	Education / day care
<ul style="list-style-type: none"> * Local premises have been provided by local authorities on the basis of a convention that provides for the following main essential points: ETF to participate in the costs of reconstructing the premises to be used, ETF to pay a symbolic rent, ETF to participate in the costs of maintenance of the building * General support is provided by Italy against unauthorised access or other forms of disturbances to the premises. * ETF is authorised to install and operate communications systems. * ETF official communication is not subject to any restrictions or to confidentiality breaches. * The Protocol of privileges and immunities is applicable to ETF. * ETF, its assets and funds may not be subject to administrative or legal measures of constraints. * Premises (including 	<ul style="list-style-type: none"> * Staff immune from legal proceedings for acts performed in the exercise of their official duties. * Staff exempted from taxes on salaries and emoluments paid by ETF. * Staff, spouses and dependent members of family not subject to immigration restrictions or registration formalities for foreigners. * For currency exchange staff has the same privileges as officials of equal rank in the diplomatic missions. * Staff, spouses and dependent members of family receive assistance for repatriation in the event of international crises. * Staff may, duty-free and without prohibitions and restrictions, import from the country of their last residence or the country of which they are nationals, when they first take up their post, for a period of one year from their appointment for a maximum of two shipments, their own furniture and personal effects, including a vehicle bought at the conditions of that country, which will be registered in special series. * Staff may export, in the year following the date of cessation of their duties, without prohibitions and restrictions, their own furniture and personal effects, including vehicles. * The ETF Director, spouse and dependent members of family, is granted privileges and immunities, facilities and concessions granted by the Italy to members of equivalent rank in the diplomatic corps in Italy. * Staff, who is not permanently resident in Italy at the time of their appointment, may purchase a motor vehicle free from taxes and charges for the period of their residence in Italy. * Italy issues a special identity card to staff, spouses and dependent members of family to prove that the holder is ETF staff and enjoys privileges and 	<p>No provision in Seat agreement</p>

Privileges granted to staff		
<p>temporary premises) and buildings are inviolable, except in case of emergencies/ fire.</p> <p>* ETF, its assets and funds are exempt from taxes or direct duties, except for taxes on public services.</p> <p>* ETF is exempt from the payment of VAT for all purchases of goods or services or for imports above 259 Euros.</p> <p>* ETF imports and exports are exempted from customs duties, taxes, prohibitions or restrictions.</p> <p>* Goods transported as hand baggage are treated as diplomatic luggage.</p> <p>* ETF vehicles are exempted from any taxes, duties or fees or from any import prohibitions/ restrictions.</p> <p>* ETF exempted from payment social security and health insurance contributions on salaries paid to staff, except for local agents</p>	immunities.	

5.3. Evaluation

The last version organised by DG EAC was in 2006. The Conclusions and Recommendations of the External Evaluators (EAC(06/05) were the basis for a Commission Communication (COM(2006) 832 final). Next, the Commission included the main lesson learnt from the Evaluation to produce its proposal for the Recast Regulation (COM(2007) 443 final). The Regulation was finally approved by the Council and the Parliament on 16 December 2008 (Regulation [EC] N. 1339/2008).

The 2006 Commission Communication concluded that:

The Commission shares the evaluator's overall positive assessment of the efficiency and effectiveness of the ETF's work and considers that the Agency has made a valuable contribution to the Community's activities in the field of vocational education and training and labour market reform in the partner regions. The Commission appreciates the ETF's work in providing expert input for the identification and implementation of projects.

The ETF should adapt its organisation and its way of working to a new environment (introduction of the new external aid instruments).

Overall, the Commission believes that the external evaluation report provides useful lessons and recommendations for the development of the ETF as a centre of expertise. The Commission proposal for a revised regulation of ETF will also provide the opportunity for discussion and exchange with the European Parliament and the Council on the future role of the ETF, its objectives and priorities, and its governance structure.

In 2011 the parent DG (EAC) is organising a new External Evaluation. The overall objectives are:

- an assessment of the extent to which the commitments made by the Foundation in its 2006, 2007, 2008, 2009 and 2010 Work Programmes have been achieved;
- an assessment of the extent to which the recommendations made by the last external evaluation have been put into practice;
- an assessment of the extent to which the Foundation has evolved under its new mandate;
- the provision of useful lessons and recommendations for the challenges facing the Foundation for the forthcoming programming period 2014-17.

The specific objective of this evaluation is to procure an external, independent interim evaluation of the activities, outputs and impact of the Foundation between 2006 and the start of the evaluation contract, focussing on the preparation for and

implementation of the new mandate of the agency as defined by Regulation (EC) 1339/2008. Issues that are no longer relevant for the new mandate such as the management of the Tempus programme are excluded from the scope of the evaluation.

Between these two external evaluations, the Commission has contracted two other Evaluations informing the Interinstitutional dialogue on agencies (Meta-study on decentralised agencies [Contract ABAC-101930] and Evaluation of the EU decentralised agencies in 2009 [ABAC Contract No. 30-CE-0230814/00 Specific contract No 003 decentralised 00-05 003-004.] but the focus of these two have been the Decentralised Agencies System and not a specific evaluation of ETF as such.

6 : Budget Outturn

6.1 Calculation

Budget outturn	2008	2009	2010
Revenue actually received (+)	19 186 628	19 119 303	19 321 692
Payments made (-)	- 20 743 095	-19 924 239	-19 511 685
Carry-over of appropriations (-)	-891 357	- 1 107 865	-646 482
Cancellation of appropriations carried over (+)	+ 399 018	+ 213 061	+ 55 597
Exchange rate differences (+/-)	+1 158	+ 1 462	- 1 786
Total	1 182 963	-70 326	100 981

To correctly reflect the elements determining ETF's outturn, the table above misses two rows, which for completion are reproduced below:

Budget outturn	2008	2009	2010
Revenue actually received (+)	19 186 628	19 119 303	19 321 692
Payments made (-)	-20 743 095	-19 924 239	-19 511 685
Carry-over of appropriations (-)	- 891 357	- 1 107 865	- 646 482
Cancellation of appropriations carried over (+)	399 018	213 061	55 597
Negative balance from prev year (-)			- 70 326
Adjustment for CF from prev years from assigned revenue (+)	3 230 610	1 627 951	953 972
Exchange rate differences (+/-)	1 158	1 462	- 1 786
Total	1 182 963	-70 326	100 981

6.2 Justification

In 2010, an intensive budget and activity monitoring has ensured that the resources available were used to full capacity

The relationship between the "payments" amount between Expenditure Tables 3.2 Payments (€19 624 645), the Budget outturn (€19 511 685) and Financial statements (€20 158 168) is as follows:

The Payment Expenditure figure, €19 624 645, considers also the carry forwarded amounts for Title 1 and 2 as being non-dissociated (€646 482), corrected with the amount that could not be carried forward because staff expenditure (€159) and does not consider the appropriations not paid on titles 4 and 5 (€34 751) - as not being executed payments, and also corrected with the 70€ of internal C5 funds that have been committed during 2010.

Therefore, €19 624 645 - €646 482 - € 159 + €34 751 -€70 = €19 511 685

The Financial Statements figure , €20 158 168 includes the carried forward amounts (€646 482), which has been disorporated in order to follow the proposed template for budget outturn present in this fiche.

