

AMENDING BUDGET 2004 N° 1

Proposal to ETF Governing Board

Background

Information on and clearance of appropriations transfers by the Governing Board

- On the basis Article 23.2 of the financial regulation, the ETF Director may authorise the transfer of appropriations between budget chapters and titles up to a total ceiling of 10%. The Governing Board is to be informed of such transfers.
- For appropriations, transfers above the limit of 10% mentioned above, the Financial Regulation foresees that the Director should seek the formal agreement of the Governing Board.

Inclusion of contributions from Member States in ETF budget

- ETF Governing Board gave approval to the Director to accept a €300 000 donation from the Italian authorities through a written procedure which took place between 13 August to 6 September. The €300 000 donation was in addition to the annual €500 000 trust fund granted by the Italian authorities under an agreement cleared with the ETF Governing Board in 2002.
- In application of Article 19 of the ETF financial regulations, additional earmarked revenues shall be included in the budget. Where such revenue occurs during the execution of the budget, the Board should approve an amended budget specifying the additional revenues.

Adaptation of ETF Establishment Plan to revised Staff Regulations

- The introduction of revised Staff Regulations in May 2004 has introduced a revision of the grading system for the different categories of Temporary Agent employed by ETF.
- Article 27 of the Financial Regulations foresees that the establishment plan shall be an integral part of the ETF Budget.

Proposal

The Governing Board is asked to approve the attached revision to the ETF 2004 budget. The main amendments are:

1) Transfers of appropriations:

- **Title 1 (Staff Costs).** There has been an above-average number of staff departures during 2004 (due to resignations and retirement). This has led to a decrease in the consumption of Chapter 11 (staff in active employment) and Chapter 15 (staff exchanges between the ETF and the public sector). These changes are expected to generate a surplus of €150 000 in Title I at year-end, amounting to 1.29% of the original appropriations in Title 1.
- **Title II (building equipment and miscellaneous operating expenditures).** Although in normal years, the ETF Governing Board meets twice, 2004 has seen a third meeting due to the exceptional need to recruit the director. In addition, the ETF is upgrading its office layout/technical facilities in line with regulatory requirements and its mission as a centre of expertise. As a result, a further €80 000 is required in Title II. This represents 5.76 % of the original appropriations in Title II.

- **Title III Operational Expenses¹**. The successful enlargement of the EU to 25 Member States has led in particular to an increase in translation costs (Article 304) and general publication costs (Article 301). ETF proposes to increase appropriations by €70 000 amounting to 1.51% of the original appropriations in Title III
- 2) Updated Establishment Plans.
- In line with requirements and guidelines of the revised staff regulation which entered into force on 1 May, the ETF has adapted its establishment plan to the new grading system. Please see the adaptation in annex
- 3) Inclusion of the two donations from Italian authorities adding up to €800 000 in Title IV.

Brussels, 9 November 2004

Nikolaus G. van der Pas
Chairman

¹ This mainly covers ETF projects and activities in support of the Commission in the partner countries, as well as publications and translations attributable to them.