



**COUNCIL OF  
THE EUROPEAN UNION**

**Brussels, 14 June 2013**

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**COSDP 563  
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**COVER NOTE**

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From:	European External Action Service
To:	PSC
No EEAS doc.:	EEAS 01287/13
Subject :	High Representative proposal for a new Council Decision for the EU Satellite Centre

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Delegations will find attached EEAS document with reference EEAS 01287/13.

Encl.: EEAS 01287/13

# EUROPEAN EXTERNAL ACTION SERVICE



**Crisis Management and  
Planning Directorate (CMPD)**

**Brussels, 14 June 2013**

**EEAS 01287/13**

**COSDP  
PESC  
CSDP/PSDC**

## **NOTE**

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From:	European External Action Service
To:	PSC
Subject :	High Representative proposal for a new Council Decision for the EU Satellite Centre

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Delegations will find attached the HR proposal for a new Council Decision and, in accordance with the recommendations of the PMG of 9 November 2012, a roadmap for the revision of the Joint Action of the European Union Satellite Centre and the implementation of the extension of the cost recovery principle.

**COUNCIL DECISION 2013/.../CFSP**

**of**

**on the European Union Satellite Centre**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on European Union, and in particular Articles 28 and 31(1) thereof,

Having regard to the proposal from the High Representative of the Union for Foreign Affairs and Security Policy,

Whereas:

- (1) On 20 July 2001 the Council adopted Joint Action 2001/555/CFSP on the establishment of a European Union Satellite Centre<sup>1</sup>.
- (2) The functioning of the European Union Satellite Centre, as European autonomous capability providing products and services resulting from the exploitation of relevant space assets and collateral data, including satellite and aerial imagery, is essential for strengthening early warning and crisis monitoring functions within the context of the Common Foreign and Security Policy (CFSP) and in particular of the Common Security and Defence Policy (CSDP).
- (3) On 14 September 2012, pursuant to Article 22 of Joint Action 2005/555/CFSP, the High Representative of the Union for Foreign Affairs and Security Policy presented a report to the Council on the functioning of the European Union Satellite Centre.
- (4) On 27 November 2012 the PSC took note of that report and recommended that the Council amend Joint Action 2001/555/CFSP as appropriate in the light thereof.

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<sup>1</sup> OJ L 200, 25.7.2001, p. 5.

- (5) It is appropriate, for reasons of legal clarity, to repeal Joint Action 2001/555/CFSP, as amended, and to replace it by a new Decision.
- (6) In accordance with Article 5 of Protocol (No 22) on the position of Denmark annexed to the Treaty on European Union and to the Treaty on the Functioning of the European Union, Denmark does not participate in the elaboration and implementation of decisions and actions of the Union which have defence implications. This provision, however, does not exclude the participation of Denmark in the civilian activities of SATCEN on the basis of a declared willingness of Denmark to contribute to covering the expenses of SATCEN not having defence implications.

HAS ADOPTED THIS DECISION:

*Article 1*

**Establishment**

1. The European Union Satellite Centre, established by Joint Action 2001/555/CFSP<sup>2</sup>, hereinafter referred to as ‘SATCEN’, shall continue its activities as provided in this Decision.
2. All existing rights and obligations and all rules adopted in the framework of Joint Action 2001/555/CFSP shall remain in effect. In particular, all existing employment contracts and rights arising therefrom shall remain valid.
3. SATCEN shall have its headquarters at Torrejón de Ardoz, Spain.

*Article 2*

**Mission**

1. SATCEN shall, support the decision-making and actions of the European Union in the field of

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<sup>2</sup> OJ L 200, 25.7.2001, p. 5

the CFSP, in particular of the CSDP, including European Union crisis management operations, by providing, as appropriate, products and services resulting from the exploitation of relevant space assets and collateral data, including satellite and aerial imagery, and related services, in accordance with Articles 3 and 4.

2. In the framework of this mission, the High Representative of the Union for Foreign Affairs and Security Policy (HR) shall, upon a corresponding request and if the capacity of SATCEN so allows, direct SATCEN to provide products or services to:

(i) a Member State, the European External Action Service (EEAS), the Commission or Union Agencies or bodies with which SATCEN cooperates pursuant to Article 21;

(ii) third States having agreed to the provisions set out in the Annex on the association with SATCEN's activities;

(iii) if the request is relevant in the field of the CFSP, in particular of the CSDP, international organisations such as the United Nations (UN), the Organisation for Security and Cooperation in Europe (OSCE) and the North Atlantic Treaty Organisation (NATO).

3. SATCEN may, in accordance with Article 21, cooperate with the Commission and other Union agencies or bodies, with a view to maximising synergies and complementarity with other Union activities that have a bearing on SATCEN and where SATCEN's activities are relevant to those Union activities, in particular in the area of space and security.

4. Following the dissolution of the Western European Union (WEU), SATCEN shall perform the administrative tasks set out in Article 26.

### *Article 3*

#### **Political supervision**

The Political and Security Committee (PSC) shall, under the responsibility of the Council and of the HR, in accordance with its responsibilities for CFSP and in particular for the CSDP, exercise political supervision over SATCEN's activities.

#### *Article 4*

#### **Operational direction**

1. The HR shall give operational direction to SATCEN, without prejudice to the responsibilities of the Board and of the Director of SATCEN, respectively, as set out in this Decision.
2. In the execution of her tasks as set out in this Article, the HR shall report as appropriate and at least once every six months to the Council.

#### *Article 5*

#### **Products and services of SATCEN**

1. The products and services of SATCEN in response to requests made in accordance with Articles 2(1), 2(2)(ii) and 2(2)(iii) shall be made available to Member States, the EEAS, the Commission or Union agency or body with which SATCEN cooperates pursuant to Article 21, and the requesting party, in accordance with applicable security provisions. They shall be made available to Third States having agreed to the Provisions set out in the Annex and in accordance with those Provisions.
2. In the interest of transparency, the HR shall make available all tasking requests made in accordance with Article 2 to the Member States, the EEAS and the Commission or Union agency or body with which SATCEN cooperates pursuant to Article 21, and to Third States having agreed to the Provisions set out in the Annex in accordance with the detailed rules specified in those Provisions.
3. The products and services of SATCEN resulting from requests made in accordance with Article 2(2)(i) shall be made available to the Member States, the EEAS, the Commission or Union agency or body with which SATCEN cooperates pursuant to Article 21, and/or Third States having agreed to the Provisions set out in the Annex, upon decision of the requesting Party.
4. The PSC may direct the HR to make available products of SATCEN resulting from requests made in accordance with Article 2(1) to any designated third State on a case-by-case basis.

## *Article 6*

### **Legal personality**

SATCEN shall have the legal personality necessary to perform its functions and attain its objectives. Each of the Member States shall take steps to accord it the legal capacity accorded to legal persons under its laws. SATCEN may, in particular, enter into contracts, acquire or dispose of movable and immovable property and be a party to legal proceedings. SATCEN shall be non profit-making.

## *Article 7*

### **Board**

1. SATCEN shall have a Board that approves its annual and long- term programme of work and the appropriate budget. The Board shall be a forum for discussing issues related to SATCEN's functioning, staff and equipment. The Board shall adopt all relevant decisions relating to the fulfilment of SATCEN's mission not reserved for the Council or the Director in this Decision.
2. The Board shall be chaired by the HR or, in the event of that person's absence, by his or her representative. The HR shall report to the Council on the work of the Board.
3. The Board shall be composed of one representative appointed by each Member State and one appointed by the Commission. Each member of the Board may be represented or accompanied by an alternate. Letters of appointment, duly authorised by the Member State or the Commission, as appropriate, shall be directed to the HR.
4. The Director of SATCEN or its representative shall, as a rule, attend Board meetings. Representatives of other relevant EU structures may also be invited to Board meetings.
5. Unless provided otherwise in this Decision, decisions of the Board shall be taken on a vote by the representatives of the Member States by qualified majority, the votes being weighted in accordance with paragraphs 4 and 5 of Article 16 of the Treaty on European Union.

6. The Board shall adopt its rules of procedure.

7. The Board shall be convened by the Chairman at least twice a year and at the request of at least one third of its members.

8. The Board may decide to create ad-hoc working groups or standing committees with the same format as the Board dealing with specific subjects or issues within its overall responsibility and acting under its supervision. The decision to create such a group or committee shall set out its mandate, composition and duration.

### *Article 8*

#### **Director**

1. The Board shall appoint the Director of SATCEN, from among Member States' nationals, on the basis of a recommendation from the HR. Member States shall submit candidatures to the HR who shall inform the Board thereof. The Director shall be appointed for three years, with the possible extension of one two year term.

2. The Director shall appoint the Deputy Director of SATCEN after approval by the Board. The Deputy Director shall be appointed for a period of three years, with the possible extension of one three-year term. The Director shall be responsible for recruiting all other staff of SATCEN.

3. The Director shall ensure the execution of the mission of SATCEN in accordance with Article 2. The Director shall furthermore uphold a high level of expertise and professionalism at SATCEN, as well as efficiency and effectiveness in the pursuit of its mission. The Director shall take all necessary measures to this end, including the training of personnel and the conduct of research and development projects in support of its mission.

4. The Director shall also be responsible for the tasks assigned to him in this Decision, including:

- preparing the work of the Board, in particular the draft annual work programme of SATCEN;
- the day-to-day administration of SATCEN;
- preparing the statement of income and expenditure and implementing SATCEN's budget;



- security aspects;
- all personnel matters;
- informing the Political and Security Committee on the annual work programme;
- establishing working relations and cooperation with the Commission and Union agencies or bodies, in accordance with Article 21;
- establishing working relations and cooperation with Member States' institutions, in accordance with Article 22;
- establishing working relations and cooperation with third countries, organisations or entities, in accordance with Article 23;
- negotiating administrative arrangements in accordance with the procedure laid down in Articles 21 and 23.

5. Within the work programme and budget of SATCEN, the Director shall be empowered to enter into contracts, to recruit staff approved in the budget and to incur any expenditure necessary for the operation of SATCEN.

6. The Director shall prepare an annual report on SATCEN's activities by 31 March the following year. The report shall be forwarded to the Board and to the Council, which shall forward the report to the European Parliament and the Commission.

7. The Director shall be accountable to the Board.

8. The Director shall be the legal representative of SATCEN.

#### *Article 9*

#### **Staff**

1. The staff of SATCEN, including the Director, shall consist of contract staff members recruited on the broadest possible basis from among nationals of the Member States and of seconded experts.

2. The contract staff shall be appointed by the Director on the basis of merit and through fair and transparent competition procedures.

3. In agreement with the Director, experts from Member States and officials from the EEAS, European Union institutions or agencies may be seconded to SATCEN for a fixed period either to posts within SATCEN's organisational structure and/or for specific tasks and projects. The need for, and the length of, such secondments shall be determined by the HR in consultation with the Director of SATCEN.

4. Staff members may be seconded for a fixed period in the interest of the service to a post outside SATCEN, in accordance with the provisions relating to the staff of SATCEN.

5. The provisions relating to the staff members of SATCEN shall be adopted by the Council acting on a recommendation from the Director.

6. The provisions relating to seconded experts shall be adopted by the Board on a proposal from the Director.

#### *Article 10*

##### **Security**

SATCEN shall apply Council Decision 2011/292/EU of 31 March 2011 on the security rules for protecting EU classified information<sup>3</sup>.

#### *Article 11*

##### **Work programme**

1. By 30 September each year the Director shall establish a draft annual work programme for the following year accompanied by a draft long-term work programme containing indicative perspectives for two additional years, and shall submit it to the Board.

2. By 30 November of each year, the Board shall approve the annual and long-term work programme.

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<sup>3</sup> OJ L 141, 27.5.2011, p. 17.

## *Article 12*

### **Budget**

1. All items of income and expenditure of SATCEN shall be included in estimates to be drawn up for each financial year, which shall correspond to the calendar year, and shall be shown in the budget of SATCEN, which shall include a list of the staff.
2. The income and expenditure shown in the budget of SATCEN shall be in balance.
3. The income of SATCEN shall consist of contributions from the Member States except Denmark according to the gross national income (GNI) scale, payments made in remuneration for services rendered and miscellaneous income.
4. Products and services provided in accordance with Article 2(2) and those concerning crisis management operations may be subject to cost recovery charges pursuant to the guidelines laid down in SATCEN's Financial Rules referred to in Article 16.
5. Third party cost recovery may be waived upon a decision by the PSC.

## *Article 13*

### **Earmarked revenue**

1. SATCEN may receive in its budget as earmarked revenue for a specific purpose financial contributions:
  - (a) from the general budget of the European Union on a case-by-case basis, in full respect of the rules, procedures and decision-making processes applicable to it;
  - (b) from Member States, third countries or other third parties.
2. Earmarked revenue may only be used for the specific purpose to which it is assigned.

#### *Article 14*

##### **Budgetary procedure**

1. By 30 September each year, the Director shall submit to the Board an annual draft budget for SATCEN covering administrative expenditure, operational expenditure and expected income for the following financial year as well as long-term indicative estimates on expenditure and income in view of the draft long-term work programme.
2. By 30 November of each year, the Board shall approve the annual budget of SATCEN by unanimity of the representatives of Member States.
3. In the case of unavoidable, exceptional or unforeseen circumstances, the Director may propose a draft amending budget to the Board. The Board, with due regard to any urgency, shall approve the amending budget by unanimity of the representatives of the Member States.

#### *Article 15*

##### **Control of the budget**

1. Control of the commitment and payment of all expenditure and the recording and collection of all income shall be carried out by an independent financial controller appointed by the Board.
2. By 31 March each year at the latest, the Director shall submit to the Council for information, and to the Board the detailed accounts of all income and expenditure from the previous financial year and the report on SATCEN's activities.
3. The Board shall give discharge to the Director in respect of the implementation of the budget.

#### *Article 16*

##### **Financial rules**

The Board, with the assent of the Council, shall draw up, on a proposal from the Director, detailed

financial rules specifying in particular the procedure to be followed for establishing and implementing the budget of SATCEN.

#### *Article 17*

##### **Privileges and immunities and relations with the host States**

1. Privileges and immunities of SATCEN are provided for in Protocol (No 7) on the privileges and immunities of the European Union, annexed to the Treaty on European Union (TEU) and to the Treaty on the Functioning of the European Union (TFEU).
2. Privileges and immunities of the Director and SATCEN staff are provided for in the Decision of the Governments of the Member States, meeting within the Council, on the privileges and immunities granted to the European Union Institute for Security Studies and the European Union Satellite Centre, and to their bodies and staff members, dated 15 October 2001.
3. Upon a proposal by the HR and approval by the Council SATCEN may enter into a seat agreement with the host States in order to implement the provisions of the instruments referred to in paragraphs 1 and 2 and to regulate its relations with the host States.

#### *Article 18*

##### **Legal liability**

1. The contractual liability of SATCEN shall be governed by the law applicable to the contract concerned.
2. The Court of Justice of the European Union shall have jurisdiction pursuant to any arbitration clause contained in a contract concluded by SATCEN.
3. The personal liability of staff towards SATCEN shall be governed by the relevant Provisions applying to staff of SATCEN.

## *Article 19*

### **Access to documents**

Upon a proposal by the Director, the Board shall adopt rules on public access to the documents of SATCEN, taking into account the principles and limits laid down in the Regulation EC No 1049/2001 of the European Parliament and of the Council of 30 May 2001 regarding public access to European Parliament, Council and Commission documents<sup>4</sup>.

## *Article 20*

### **The position of Denmark**

The Danish member of the Board shall take part in the work of the Board in full respect of Article 5 of Protocol (No 22) on the position of Denmark annexed to the TEU and to the TFEU.

Denmark may address requests not having defence implications to the HR in accordance with Article 2(2)(i).

Products and services arising from the missions under Article 2 shall be made available to Denmark under the same conditions as to the other Member States except requests having defence implications under Article and the resulting products.

Denmark has the right to second staff to SATCEN in accordance with Article 9.

## *Article 21*

### **Cooperation with other Union activities**

1. SATCEN may establish working relations and cooperate with the Commission and Union agencies or bodies, with a view to maximising synergies and complementarity with other Union activities that have a bearing on SATCEN's mission and where SATCEN's activities are relevant to those Union activities, in particular in the area of space and security.

2. In the framework of such cooperation, upon the proposal by the HR approved by the Board,

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<sup>4</sup> OJ L 145, 31.5.2001, p. 43.

SATCEN may *inter alia* liaise, exchange expertise and advice, contribute to relevant Union programmes and projects, receive contributions from relevant Union programmes and projects, and make available products in accordance with article 2(2)(i).

3. To further such cooperation, SATCEN may enter into administrative arrangements with the Commission and other relevant Union agencies or bodies. Upon a proposal by the HR, the Board shall decide to authorise the Director to negotiate such administrative arrangements and shall address directives to the Director. The negotiations shall be conducted in consultation with the Board. Each such arrangement shall be concluded by SATCEN upon approval by the Board.

## *Article 22*

### **Cooperation with Member State institutions**

Upon the proposal by the HR approved by the Board, SATCEN may establish working relations and cooperate with Member State institutions in the area of space and security that have a bearing on SATCEN's mission and where SATCEN's activities are relevant to those institutions.

## *Article 23*

### **Cooperation with third countries, organisations and entities**

1. For the purpose of fulfilling its mission, SATCEN may establish working relations and cooperate with third countries, organisations or entities. To this effect, it may enter into administrative arrangements with competent authorities of third countries, international organisations or entities.

2. Upon a proposal by the HR, the Board shall decide to authorise the Director to negotiate such administrative arrangements and shall address directives to the Director. The negotiations shall be conducted in consultation with the Board. Each such arrangement shall be concluded by SATCEN upon approval by the Council and shall be signed by the Director.

3. Non-EU NATO members and other States which are candidates for accession to the EU shall be entitled to be involved in SATCEN's activities in accordance with Article 5 and the Provisions set out in the Annex.

#### *Article 24*

#### **Data Protection**

Upon a proposal by the Director, the Board shall adopt implementing rules concerning Regulation (EC) N°45/2001 of the European Parliament and of the Council of 30 May 2001 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data<sup>5</sup>, or its successor regulation.

#### *Article 25*

#### **Reporting**

By 31 July 2016, the HR shall present a report to the Council on the functioning of SATCEN accompanied, if necessary, by appropriate recommendations with a view to its further development.

#### *Article 26*

#### **Administrative tasks following the dissolution of the WEU**

1. Following the dissolution of the WEU SATCEN shall, on behalf of Belgium, Germany, Greece, Spain, France, Italy, Luxembourg, the Netherlands, Portugal, and the United Kingdom (hereinafter ‘the Ten Member States’), perform the following residual administrative tasks of the WEU:

- (a) the administration of the pensions of former staff of the WEU;
- (b) the administration of the medical insurance of retired former staff members of the WEU;
- (c) the administration of the WEU Social Plan;
- (d) the administration of any disputes lodged with the WEU Appeals Board and any member of its former staff and of the WEU Appeals Board's decisions;
- (e) assistance to the Ten Member States in relation to WEU residual and other administrative tasks, including the liquidation of the WEU's assets.

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<sup>5</sup> OJ L 8, 12.1.2001, p. 1.



2. The administration of the pensions of former staff of the WEU shall:

(a) take place in accordance with the pension scheme of the WEU, as in force on 30 June 2011.

This scheme may be amended by the Board referred to in paragraph 7, within the framework of the Coordinated Organisations;

(b) be managed by a specialised authority, organisation or financial institution as approved by the Board referred to in paragraph 7 upon proposal by the Director of SATCEN.

Any disputes relating to these pensions and involving former staff of the WEU shall be settled in accordance with paragraph 5.

3. The administration of the medical insurance of retired former staff members of the WEU shall take place in accordance with the WEU staff rules as in force on 30 June 2011 and as subsequently amended by the Board referred to in paragraph 7.

4. The administration of the WEU Social Plan shall take place in accordance with the Social Plan adopted by the WEU on 22 October 2010. It shall also be in accordance with any subsequent binding decision by the competent Appeals Board and with any decisions taken by the WEU or the Board referred to in paragraph 7, to implement such a decision.

5. Any disputes in relation to former WEU staff members arising from the implementation of the residual tasks of the WEU shall be subject to the dispute settlement procedure of WEU staff rules as in force on 30 June 2011 and subsequently amended by the Board referred to in paragraph 7.

The status of former WEU staff shall be governed by the WEU staff rules as in force on 30 June 2011, as subsequently amended by the Board referred to in paragraph 7, and any applicable decision, including WEU Social Plan.

6. Assistance to the Ten Member States shall include the administration of current affairs and of any legal or financial issue arising from the closure of the WEU, performed under the guidance by the Board referred to in paragraph 7.

7. Any decisions in relation to the tasks set out in this Article, including decisions by the Board referred to in this Article, shall be adopted unanimously by the Board composed of representatives

of the Ten Member States. This configuration of the Board shall decide on how it is to be chaired by one of its members. The Director of SATCEN or its representative shall, as appropriate, attend Board meetings in this configuration. The Board shall be convened by the Chairperson at least once a year or at the request of at least three of its members. Ad-hoc meetings of the Board may be convened at expert level in order to deal with specific subjects or issues. Decisions of the Board may be taken by written procedure.

8. SATCEN shall recruit the staff necessary to perform the tasks mentioned in paragraph 1. If any of the Ten Member State offers to second a person for this purpose, that person shall be recruited. If that is not the case, or if secondment does not allow to fill all the required posts, the necessary staff shall be recruited. SATCEN's staff regulations shall be applicable, subject to the provisions of this Article.

9. All items of expenditure resulting from and revenue related to the implementation of this Article shall be part of a separate budget from SATCEN's (hereinafter 'the budget'). The budget shall be drawn up for each financial year, which shall correspond to the calendar year, and shall be adopted by the Board referred to in paragraph 7, acting upon a proposal by the Director of SATCEN, by 30 November of each year. The revenue and expenditure shown in the budgets shall be in balance. The budgets shall include a list of the staff recruited in accordance with paragraph 8. The revenue shall consist of contributions from the Ten Member States, determined in accordance with the rules applicable to their contributions to the WEU as in force on 30 June 2011, and of miscellaneous revenue.

The Board as referred to in paragraph 7 shall adopt detailed financial rules, separate from SATCEN's, specifying in particular the procedure to be followed for establishing and implementing the budgets referred to in this Article.

10. A Start-Up Fund of EUR 5.3 million funded by the Ten Member States shall constitute a further guarantee of availability of financial resources for the implementation of the residual administrative tasks of the WEU referred to in this Article, notably with regard to pension rights.

#### *Article 26*

### **Repeal of Joint Action 2001/555/CFSP**

Joint Action 2001/555/CFSP is hereby repealed.

*Article 27*

**Entry into force**

This Decision shall enter into force on the day of its adoption.

## ANNEX

### **PROVISIONS ON THE ASSOCIATION OF THIRD STATES WITH THE EUROPEAN UNION SATELLITE CENTRE'S ACTIVITIES**

#### *Article 1*

##### **Purpose**

These Provisions set up the scope of and detailed rules for the involvement of Third States in the activities of SATCEN.

#### *Article 2*

##### **Scope**

Third States mentioned in Article 23(3) of the Decision shall be entitled:

- to submit national requests for imagery analysis to be implemented by SATCEN;
- to submit candidates for secondment as image analysts to SATCEN for a limited time;
- to have access to products and services of SATCEN in accordance with Article 5 of these Provisions.

#### *Article 3*

##### **Task requests**

1. Any requests for imagery analysis tasks to be implemented by SATCEN may be submitted by Third States to the High Representative of the Union for Foreign Affairs and Security Policy (HR) in accordance with Article 2(2)(ii) of the Decision.
2. If the capacity of SATCEN allows, the HR, shall direct SATCEN accordingly, in conformity with Article 4 of the Decision.
3. Third States shall accompany each request by collateral data as appropriate, and shall reimburse SATCEN in accordance with Article 12(4) of the Decision and the rules for cost recovery charges

specified in SATCEN's Financial Rules. Third States shall indicate whether tasking requests and/or products should be made available to other third States and international organisations.

#### *Article 4*

### **Secondment of experts**

1. Third States shall be entitled to submit to SATCEN candidates for secondment as experts for a limited time with a view to familiarising themselves with its functioning.
2. Candidatures shall be taken into consideration subject to the availability of positions.
3. The duration of the stay shall be based on a proposal by the Director of SATCEN and depending on SATCEN's available capabilities. The broadest possible rotation among candidates from interested Third States shall be taken into consideration.
4. Candidates shall be experienced experts possessing sufficient professional qualifications. Experts on secondment shall normally take part in those operational activities of SATCEN that use commercial imagery.
5. Experts from Third States shall comply with the relevant Centre security regulations and enter into a confidentiality commitment with SATCEN.
6. Third States shall cover the salary of its seconded experts, all related costs such as allowances, social charges, installation and travel costs, as well as any additional costs to the budget of SATCEN as determined in the detailed rules referred to in paragraph 8.
7. Mission expenses inherent to the activities of the seconded image analyst from Third States in SATCEN shall be met by SATCEN's budget.
8. The detailed rules for the secondment shall be established by the Director of SATCEN.

## *Article 5*

### **Availability of SATCEN's products**

1. The HR shall inform Third States when products requested in accordance with Article 2 of the Decision are available at the EEAS.
2. Tasking requests and products made in accordance with Article 2(1) of the Decision shall be made available to Third States when the HR judges it relevant for the dialogue, consultation and cooperation with the European Union on CSDP.
3. Tasking requests and products of SATCEN resulting from requests made in accordance with Article 2(2) of the Decision shall be made available to Third States upon decision of the requesting Party.

## *Article 6*

### **Security**

In their relations with SATCEN and with respect to its products and services, the Third States shall, in an Exchange of Letters with SATCEN, confirm that they apply the security principles and minimum standards established by Council Decision 2011/292/EU, as well as those set out by possible providers of classified data.

## *Article 7*

### **Consultative Committee**

1. A Consultative Committee shall be set up, chaired by the Director of SATCEN, or his or her representative, and composed of representatives of the members of the Board and representatives of Third States having accepted the present Provisions. The Consultative Committee may meet in different compositions.
2. The Committee shall address matters of common interests falling within the scope of these Provisions.

3. The Committee shall be convened by the Chairman at his or her initiative or at the request of at least one third of its members.

#### *Article 8*

#### **Entry into force**

1. These Provisions shall become effective with regard to each Third State on the first day of the month following a notification to the HR by the competent authority of the Third State on acceptance of the terms set out in these Provisions.

2. The Third State shall notify the HR at the latest one month before its decision not to avail itself any longer of these Provisions.

**Roadmap for the revision of the EU Satellite Centre Joint annex**

The HR proposal for a new Council Decision will be presented in June to the Council bodies. It will also be sent for information to the SATCEN Board. It should be possible for the Council to adopt the new legal text in September 2013.

The governance of the EUSC is set out in three legal texts : the Joint Action, the Financials Rules and the Staff Regulations approved by the Council, respectively, in 2001, 2007 and 2009.

These documents were established when the sole source of income for the Centre was the MS contributions. New contributions have since emerged from other sources - EEAS, FPI and Commission. In recent years, while the MS contributions to the EUSC budget have not increased, the income from these latter sources has gradually increased. The new composition of the EUSC budget is more complex.

It should be noted that the Centre is a body of the European Union, but remains affiliated for the purpose of the determination of staff remuneration (salaries and pensions) to the Coordinated Organisations<sup>6</sup>. The discussion on the annual adjustment of salaries and pensions for the SATCEN 2013 budget highlighted the need for clarification of the legal texts with regard to the mechanism for the establishment of that budget.

For the reasons given above, once the new Council decision comes into force, EEAS will propose to the EUSC Board that the Financial Rules and the Staff Regulations of the Centre be reviewed. Upon the decision of the EUSC Board, such revisions would be carried out with a view to their approval by the Council.

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<sup>6</sup> The term Co-ordinated Organisations (CO) refers to five independent intergovernmental organisations (NATO, OECD, CoE, ESA, ECMWF), which have the same mechanism for the determination of remunerations and pensions.



### **Implementation of the extension of cost recovery principle**

The PMG proposed to apply the cost recovery principle to third party users, CSDP military operations and civilian missions as well as for non-CFSP/CSDP related tasks in order to help reinforce the EUSC budget. It stressed that further elaboration of this principle needs to take into account that:

- a. the budget of the EUSC relies on MS's contributions;
- b. EUSC products will continue to be made available to all MS;
- c. third party cost recovery may be waived upon decision by PSC;
- d. civilian CSDP missions, in line with the practice of military CSDP operations, would need to identify their requirement of EUSC products as early as possible and include related costs in their budgets on a case by case basis.

The PMG noted that taskings for products under the framework of the core mission of the Centre would continue to be financed from the EUSC's operational budget. The PMG considered it necessary to implement the extension of the cost recovery principle through a phased approach.

In line with such an approach, in 2012, a Service Level Agreement (SLA) between the EUSC and the EEAS was elaborated in order to cover the incremental costs including :

- the acquisition of new images not available in the EUSC archive and of collateral data to process the images to meet the requirements;
- the purchase of services that the EUSC cannot provide with its own assets/means.

This SLA was renewed in 2013.

Gradually, as the mandate of civilian and military operations will be reviewed, the recovery cost principle will be implemented.