



**COUNCIL OF
THE EUROPEAN UNION**

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COVER NOTE

from:	Mr Janusz LEWANDOWSKI, Member of the European Commission
date of receipt:	1 October 2012
to:	Mr Vassos SHIARLY, President of the Council of the European Union
Subject:	Transfer of appropriations No DEC 31/2012 within Section III - Commission - of the general budget for 2012

Delegations will find attached Commission document DEC 31/2012.

Encl.: DEC 31/2012



BRUSSELS, 27/09/2012

GENERAL BUDGET - 2012
SECTION III - COMMISSION TITLES 18, 40

TRANSFER OF APPROPRIATIONS N° **DEC 31/2012**

EUR

FROM

CHAPTER - 4002 Reserves for financial interventions

ARTICLE - 40 02 41 Differentiated appropriations

Commitments	- 5 180 000
Payments	- 6 131 702

TO

CHAPTER - 1802 Solidarity - External borders, return, visa policy and free movement of people

ARTICLE - 18 02 04 Schengen information system (SIS II)

Commitments	5 180 000
Payments	6 131 702

The European Parliament placed part of the 2012 SIS II (Schengen Information System) appropriations into the reserve, with the condition that these appropriations would be released *"when the Commission submits a concrete and realistic schedule for the further development of SIS II in the financial year 2012, specifying in detail the further technical steps, the content and objective of each step, the corresponding costs and the responsibilities for each development step"*.

Since the early summer of 2011, when the European Parliament initially raised the possibility of placing SIS II appropriations into the reserve, the Commission has acted in full transparency, providing full details of contractual and financial matters related to the SIS II project and responding to specific questions placed by the Parliament.

- As a follow-up to the hearing at the LIBE (Civil Liberties, Justice and Home Affairs) Committee at the beginning of July 2012, Commissioner Malmström sent a letter to the European Parliament at the end of July 2012, informing the European Parliament about the latest developments and confirming the successful completion of the Milestone 2 test which was finally acknowledged by the General Affairs Council on 24 July 2012.
- During a technical briefing with the relevant rapporteurs of the European Parliament on 17 July 2012, the Commission provided detailed information on the contractual and financial matters and progress with the project. Exhaustive tables describing all commitments and payments for each contract since the start of the project were also distributed on that occasion.

In addition to this, the Commission very regularly informs the European Parliament on the state of play of the SIS II project:

- Twice a year, the Commission transmits a progress report on SIS II to the EP and the Council which describes the technical developments that occurred during the reporting period, together with a detailed financial state of play of the project.
- Furthermore, the Commissioner regularly informs the Chairman of the LIBE on any SIS II-related outcome of Justice and Home Affairs Councils, and has on several occasions addressed SIS II matters in European Parliament plenary sessions. Additional updates on the general status of SIS II have also been provided in the framework of the discussions in LIBE concerning amendments to the legal instruments for migration from SIS1+ to SIS II. The latest of those updates took place on Monday 3 September 2012.
- The minutes of each SIS-VIS (Visa Information System) committee, which contain extensive information on the latest state of play with the project, are circulated to the European Parliament.

In conclusion, the Commission has provided, in complete transparency, all of the information requested by the European Parliament and considers that the conditions for the release of SIS II appropriations from the reserve have been fully met and therefore requests the release of this reserve, which comprises the amounts of EUR 5 180 000 in commitment appropriations and EUR 6 131 700 in payment appropriations.

I. INCREASE

a) Heading

18 02 04 - Schengen information system (SIS II)

b) Figures at 12/09/2012

	Commitments	Payments
1A. Appropriation in budget (initial budget + AB)	10 360 000	13 678 411
1B. Appropriation in budget (EFTA)	0	0
2. Transfers	0	5 200 000
3. Final appropriation for the year (1A+1B+2)	10 360 000	18 878 411
4. Utilisation of final appropriation	10 175 506	16 899 196
5. Amount not used/available (3-4)	184 494	1 979 215
6. Requirements up to year-end	5 364 494	8 110 917
7. Increase proposed	5 180 000	6 131 702
8. Increase as percentage of appropriation in budget (7/1A)	50.00%	44.83%
9. Increase, as a percentage of the final appropriation for the year, in the sum of transfers referred to in Article 23(1)(b) and (c) of the Financial Regulation, calculated in accordance with Article 17a of the implementing rules	n/a	n/a

c) Receipts arising from recovery (carried over) (C5)

	Commitments	Payments
1. Appropriation available at start of year	993 224	993 224
2. Appropriation available on the 12/09/2012	0	0
3. Rate of utilisation [(1-2)/1]	100.00%	100.00%

d) Detailed grounds for the increase

Please see introduction

II. DECREASE

a) Heading

40 02 41 - Differentiated appropriations

b) Figures at 12/09/2012

	Commitments	Payments
1A. Appropriation in budget (initial budget + AB)	689 589 925	268 395 154
1B. Appropriation in budget (EFTA)	0	0
2. Transfers	-556 237 940	-132 523 197
3. Final appropriation for the year (1A+1B+2)	133 351 985	135 871 957
4. Utilisation of final appropriation	0	0
5. Amount not used/available (3-4)	133 351 985	135 871 957
6. Requirements up to year-end	n/a	n/a
7. Proposed decrease	5 180 000	6 131 702
8. Decrease as percentage of appropriation in budget (7/1A)	0.75%	2.28%
9. Decrease, as a percentage of the final appropriation for the year, in the sum of transfers referred to in Article 23(1)(b) and (c) of the Financial Regulation, calculated in accordance with Article 17a of the implementing rules	n/a	n/a

c) Receipts arising from recovery (carried over) (C5)

	Commitments	Payments
1. Appropriation available at start of year	0	0
2. Appropriation available on the 12/09/2012	0	0
3. Rate of utilisation [(1-2)/1]	n/a	n/a

d) Detail grounds for the transfer

Please see introduction