



Council of the
European Union

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COVER NOTE

From: Günther H. Oettinger
Acting Commissioner for Budget and Human Resources

date of receipt: 13 October 2016

To: Mr Peter Kažimír
President of the Council of the European Union

Subject: Proposal for transfer of appropriations No DEC 28/2016 within Section III -
Commission - of the general budget for 2016

Delegations will find attached Commission document DEC 28/2016.

Encl.: DEC 28/2016



BRUSSELS, 11/10/2016

GENERAL BUDGET - 2016
SECTION III - COMMISSION TITLES: 26, 30

TRANSFER OF APPROPRIATIONS N° DEC 28/2016

FROM

CHAPTER - 2601 Administrative expenditure of the `Commission's administration`
policy area

ITEM - 26 01 22 02 Acquisition and renting of buildings in Brussels	Non-Diff	-20 300 000,00
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TO

CHAPTER - 3001 Administrative expenditure of the `Pensions and related expenditure`
policy area

ITEM - 30 01 15 01 Pensions, invalidity allowances and severance grants	Non-Diff	20 300 000,00
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Introductory Information

The present request for the transfer of non-differentiated appropriations of EUR 20 300 000 is intended to cover the needs for pension expenditure for staff in all institutions and EU bodies (line 30 01 15 01 Pensions, invalidity allowances and severance grants), which are budgeted under Section III, Commission, of heading 5 Administration.

The increase is to cover the deficit in pension expenditure stemming from statutory obligations following the higher than estimated pension update as of 1 July 2015 (2.4 %, as compared to the rate of 1.2 % used for the calculation of the budget 2016).

It is proposed to cover these needs by a transfer of appropriations from budget item 26 01 22 02 Acquisition and renting of buildings in Brussels, and the intention to do this was already announced in the justification of the budgetary authority transfer DEC 40/2015¹.

DEC 40/2015 and other internal transfers reinforced item 26 01 22 02 at the end of 2015 so that the rent and other payments due for the early months of 2016 (which had to be paid before 1 January 2016) could be charged on the 2015 budget rather than the 2016 budget. This made room in the 2016 budget to cover the additional expenditure for pensions, resulting from the higher than originally expected adjustment rate, while seeking to avoid the request of additional appropriations in 2016 for this purpose.

¹ DEC 40/2015: "During 2016, the Commission will submit a request to the budgetary authority to transfer a corresponding amount back to the salaries and pension lines, and thereby reduce, as far as possible, any request for additional appropriations in 2016."

I. DECREASE

I.1

a) Heading

26 01 22 02 - Acquisition and renting of buildings in Brussels

b) Figure at 20/09/2016

	Non-Diff
1A Appropriation in budget (Initial Budget + AB)	214 138 000,00
1B Appropriation in budget (EFTA)	453 610,00
2 Transfers	-18 993 000,00
3 Final appropriation for the year (1A+1B+2)	195 598 610,00
4 Utilisation of final appropriation	165 980 000,00
5 Amount not used/available (3-4)	29 618 610,00
6 Requirements up to year-end	9 318 610,00
7 Proposed decrease	20 300 000,00
8 Decrease as percentage of appropriation in budget (7/1A)	9,48 %
9 Decrease, as a percentage of the final appropriation for the year, in the sum of transfers referred to in Article 26(1)(b) of the Financial Regulation, calculated in accordance with Article 14 of the Rules of Application	n/a

c) Receipts arising from recovery (carried over from previous year)

	Non-Diff
1 Appropriations available at start of the year	5 721 998,93
2 Appropriations available on 20/09/2016	0,00
3 Rate of utilisation [(1-2)/1]	100,00 %

d) Detailed grounds for the transfer

Please see Introductory Information.

II. INCREASE

II.1

a) Heading

30 01 15 01 - Pensions, invalidity allowances and severance grants

b) Figure at 20/09/2016

	Non-Diff
1A Appropriation in budget (Initial Budget + AB)	1 516 912 000,00
1B Appropriation in budget (EFTA)	0,00
2 Transfers	0,00
3 Final appropriation for the year (1A+1B+2)	1 516 912 000,00
4 Utilisation of final appropriation	1 516 912 000,00
5 Amount not used/available (3-4)	0,00
6 Requirements up to year-end	20 300 000,00
7 Proposed increase	20 300 000,00
8 Increase as percentage of appropriation in budget (7/1A)	1,34 %
9 Increase, as a percentage of the final appropriation for the year, in the sum of transfers referred to in Article 26(1)(b) of the Financial Regulation, calculated in accordance with Article 14 of the Rules of Application	n/a

c) Receipts arising from recovery (carried over from previous year)

	Non-Diff
1 Appropriations available at start of the year	149 572,14
2 Appropriations available on 20/09/2016	149 572,14
3 Rate of utilisation [(1-2)/1]	0,00 %

d) Detailed grounds for the transfer

Please see Introductory Information.