



Council of the
European Union

**Brussels, 14 November 2016
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COVER NOTE

From:	Ms Kristalina GEORGIEVA, Vice-President of the European Commission
date of receipt:	14 November 2016
To:	Mr Peter KAZIMIR, President of the Council of the European Union
Subject:	Proposal for transfer of appropriations No DEC 34/2016 within Section III - Commission - of the general budget for 2016

Delegations will find attached Commission document DEC 34/2016.

Encl.: DEC 34/2016



EUROPEAN COMMISSION

BRUSSELS, 10/11/2016

GENERAL BUDGET - 2016

SECTION III - COMMISSION TITLES: 02, 05, 06, 08, 15, 18, 21, 22, 32

TRANSFER OF APPROPRIATIONS N° DEC 34/2016

Introduction:

The Commission has identified surpluses on administrative lines of spending programmes and proposes to move the available appropriations - related to the savings achieved on the Executive Agencies lines, Horizon 2020 (H2020) administrative lines and other support expenditure lines - to the operational lines of the same programmes allowing the financing of a larger number of projects. The Commission would like to highlight the need of reinforcement for the recipient lines covering main EU priorities under the H2020, Erasmus + and Connecting Europe Facility (CEF) programmes. The total amount included in this transfer request is EUR 18 507 705,94 in commitments and payments.

GENERAL BUDGET - 2016
SECTION III - COMMISSION TITLES: 02, 05, 06, 08, 15, 18, 21, 22, 32

TRANSFER OF APPROPRIATIONS N° DEC 34/2016

FROM

CHAPTER - 0501 Administrative expenditure of the `Agriculture and rural development` policy area

ITEM - 05 01 05 01 Expenditure related to officials and temporary staff implementing research and innovation programmes -- Horizon 2020 Non-Diff -116 659,00

ITEM - 05 01 05 03 Other management expenditure for research and innovation programmes -- Horizon 2020 Non-Diff -483 341,00

CHAPTER - 0601 Administrative expenditure of the `Mobility and transport` policy area

ITEM - 06 01 06 01 Innovation and Networks Executive Agency -- Contribution from Connecting Europe Facility (CEF) Non-Diff -2 097 183,00

CHAPTER - 0801 Administrative expenditure of the `Research and innovation` policy area

ITEM - 08 01 05 03 Other management expenditure for research and innovation programmes -- Horizon 2020 Non-Diff -5 271 160,40

ITEM - 08 01 06 02 Research Executive Agency -- Contribution from Horizon 2020 Non-Diff -1 912 488,54

ITEM - 08 01 06 03 Executive Agency for Small and Medium-sized Enterprises -- Contribution from Horizon 2020 Non-Diff -3 757 884,00

ITEM - 08 01 06 04 Innovation and Networks Executive Agency -- Contribution from Horizon 2020 Non-Diff -494 213,00

CHAPTER - 1501 Administrative expenditure of the `Education and culture` policy area

ITEM - 15 01 06 01 Education, Audiovisual and Culture Executive Agency -- Contribution from Erasmus+ Non-Diff -1 052 372,00

CHAPTER - 2101 Administrative expenditure of the `International cooperation and development` policy area

ITEM - 21 01 06 01 Education, Audiovisual and Culture Executive Agency -- Contribution from Development Cooperation Instruments (DCIs) Non-Diff -82 283,00

CHAPTER - 2201 Administrative expenditure of the `Neighbourhood and enlargement negotiations` policy area

ITEM - 22 01 06 01 Education, Audiovisual and Culture Executive Agency -- Contribution from the Instrument for Pre-accession Assistance Non-Diff -44 172,00

ITEM - 22 01 06 02 Education, Audiovisual and Culture Executive Agency -- Contribution from European Neighbourhood Instrument (ENI) Non-Diff -138 300,00

CHAPTER - 3201 Administrative expenditure in the `Energy` policy area

ITEM - 32 01 05 21 Expenditure related to officials and temporary staff implementing research and innovation programmes -- ITER	Non-Diff	-1 180 000,00
ITEM - 32 01 05 23 Other management expenditure for research and innovation programmes -- ITER	Non-Diff	-1 877 650,00

TO**CHAPTER - 0204** Horizon 2020 -- Research relating to enterprises

ITEM - 02 04 02 01 Leadership in space	Payments	2 746 288,54
ITEM - 02 04 02 03 Increasing innovation in small and medium-sized enterprises (SMEs)	Commitments	589 430,00
	Payments	1 066 200,00
ITEM - 02 04 03 01 Achieving a resource-efficient and climate change resilient economy and a sustainable supply of raw materials	Commitments	1 310 570,00

CHAPTER - 0509 Horizon 2020 -- Research and innovation related to agriculture

ITEM - 05 09 03 01 Securing sufficient supplies of safe and high quality food and other bio-based products	Commitments	600 000,00
	Payments	600 000,00

CHAPTER - 0602 European transport policy

ITEM - 06 02 01 03 Optimising the integration and interconnection of transport modes and enhancing interoperability	Commitments	2 097 183,00
	Payments	597 183,00

CHAPTER - 0603 Horizon 2020 -- Research and innovation related to transport

ITEM - 06 03 03 01 Achieving a resource-efficient, environmentally-friendly, safe and seamless European transport system	Commitments	494 213,00
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CHAPTER - 0802 Horizon 2020 -- Research

ITEM - 08 02 03 01 Improving lifelong health and well-being	Commitments	5 271 160,40
	Payments	5 271 160,40
ARTICLE - 08 02 04 Spreading excellence and widening participation	Commitments	956 244,27

CHAPTER - 1502 Erasmus+

ITEM - 15 02 01 01 Promoting excellence and cooperation in the European education and training area and its relevance to the labour market	Payments	1 052 372,00
ITEM - 15 02 01 02 Promoting excellence and cooperation in the European youth area and the participation of young people in European democratic life	Commitments	1 052 372,00

CHAPTER - 1805 Horizon 2020 -- Research related to security		
ITEM - 18 05 03 01 Fostering secure European societies	Commitments	956 244,27
CHAPTER - 2102 Development Cooperation Instrument (DCI)		
ARTICLE - 21 02 20 Erasmus+ -- Contribution from the development cooperation instrument (DCI)	Commitments	82 283,00
	Payments	82 283,00
CHAPTER - 2202 Enlargement process and strategy		
ITEM - 22 02 04 02 Contribution to Erasmus+	Commitments	44 172,00
	Payments	44 172,00
CHAPTER - 2204 European Neighbourhood Instrument (ENI)		
ARTICLE - 22 04 20 Erasmus+ -- Contribution from the European Neighbourhood Instrument (ENI)	Commitments	138 300,00
	Payments	138 300,00
CHAPTER - 3202 Conventional and renewable energy		
ITEM - 32 02 01 01 Further integration of the internal energy market and the interoperability of electricity and gas networks across borders	Payments	1 500 000,00
CHAPTER - 3204 Horizon 2020 -- Research and innovation related to energy		
ITEM - 32 04 03 01 Making the transition to a reliable, sustainable and competitive energy system	Commitments	1 857 884,00
	Payments	2 352 097,00
CHAPTER - 3205 ITER		
ITEM - 32 05 01 02 Construction, operation and exploitation of the ITER facilities -- European Joint Undertaking for ITER -- Fusion for Energy (F4E)	Commitments	3 057 650,00
	Payments	3 057 650,00

Line/Heading							
Initial Budget + AB (1A)	EFTA (1B)	Transfers (2)	Utilisation (3)	Available amount (4)=(1A)+(1B)+(2)-(3)	Transfer proposed (5)	Change (5/1A)	Total (4±5)
Payment - 02 04 02 01 - Leadership in space							
147 533 544,00	4 027 666,00	3 912 869,00	117 466 480,01	38 007 598,99	2 746 288,54	1,86 %	40 753 887,53
Payment - 02 04 02 03 - Increasing innovation in small and medium-sized enterprises (SMEs)							
18 500 000,00	505 050,00	3 562 494,67	18 865 673,73	3 701 870,94	1 066 200,00	5,76 %	4 768 070,94
Commitment - 02 04 02 03 - Increasing innovation in small and medium-sized enterprises (SMEs)							
35 738 414,00	975 659,00	0,00	36 500 000,00	214 073,00	589 430,00	1,65 %	803 503,00
Commitment - 02 04 03 01 - Achieving a resource-efficient and climate change resilient economy and a sustainable supply of raw materials							
75 016 498,00	2 047 950,00	0,00	53 508 312,00	23 556 136,00	1 310 570,00	1,75 %	24 866 706,00
Non-Diff - 05 01 05 01 - Expenditure related to officials and temporary staff implementing research and innovation programmes -- Horizon 2020							
1 483 475,00	40 499,00	0,00	1 407 315,00	116 659,00	-116 659,00	-7,86 %	0,00
Non-Diff - 05 01 05 03 - Other management expenditure for research and innovation programmes -- Horizon 2020							
830 664,00	22 677,00	0,00	345 236,98	508 104,02	-483 341,00	-58,19 %	24 763,02
Payment - 05 09 03 01 - Securing sufficient supplies of safe and high quality food and other bio-based products							
79 277 928,00	2 164 287,00	0,00	64 043 932,18	17 398 282,82	600 000,00	0,76 %	17 998 282,82
Commitment - 05 09 03 01 - Securing sufficient supplies of safe and high quality food and other bio-based products							
214 205 269,00	5 847 804,00	0,00	66 375 118,03	153 677 954,97	600 000,00	0,28 %	154 277 954,97
Non-Diff - 06 01 06 01 - Innovation and Networks Executive Agency -- Contribution from Connecting Europe Facility (CEF)							
15 010 344,00	21 087,00	0,00	12 934 248,00	2 097 183,00	-2 097 183,00	-13,97 %	0,00
Payment - 06 02 01 03 - Optimising the integration and interconnection of transport modes and enhancing interoperability							
92 100 505,00	0,00	200 000 000,00	101 158 341,34	190 942 163,66	597 183,00	0,65 %	191 539 346,66
Commitment - 06 02 01 03 - Optimising the integration and interconnection of transport modes and enhancing interoperability							
203 641 042,00	0,00	329 196 614,00	530 054 069,81	2 783 586,19	2 097 183,00	1,03 %	4 880 769,19
Commitment - 06 03 03 01 - Achieving a resource-efficient, environmentally-friendly, safe and seamless European transport system							
110 916 737,00	3 028 027,00	0,00	101 983 685,78	11 961 078,22	494 213,00	0,45 %	12 455 291,22
Non-Diff - 08 01 05 03 - Other management expenditure for research and innovation programmes -- Horizon 2020							
49 036 366,00	1 338 693,00	-783 167,27	40 695 118,61	8 896 773,12	-5 271 160,40	-10,75 %	3 625 612,72
Non-Diff - 08 01 06 02 - Research Executive Agency -- Contribution from Horizon 2020							
59 972 046,00	1 637 237,00	0,00	59 696 794,46	1 912 488,54	-1 912 488,54	-3,19 %	0,00
Non-Diff - 08 01 06 03 - Executive Agency for Small and Medium-sized Enterprises -- Contribution from Horizon 2020							
24 877 409,00	679 153,00	0,00	21 798 678,00	3 757 884,00	-3 757 884,00	-15,11 %	0,00
Non-Diff - 08 01 06 04 - Innovation and Networks Executive Agency -- Contribution from Horizon 2020							
4 849 202,00	132 383,00	0,00	4 487 372,00	494 213,00	-494 213,00	-10,19 %	0,00
Payment - 08 02 03 01 - Improving lifelong health and well-being							
299 890 040,00	8 186 998,00	180 063,37	122 128 761,26	186 128 340,11	5 271 160,40	1,76 %	191 399 500,51
Commitment - 08 02 03 01 - Improving lifelong health and well-being							
524 745 272,00	14 325 546,00	32 760,00	538 240 538,95	863 039,05	5 271 160,40	1,00 %	6 134 199,45
Commitment - 08 02 04 - Spreading excellence and widening participation							
105 470 711,00	2 879 350,00	0,00	108 350 061,00	0,00	956 244,27	0,91 %	956 244,27
Non-Diff - 15 01 06 01 - Education, Audiovisual and Culture Executive Agency -- Contribution from Erasmus+							

26 112 100,00	720 694,00	0,00	25 780 422,00	1 052 372,00	-1 052 372,00	-4,03 %	0,00
Line/Heading							
Initial Budget + AB (1A)	EFTA (1B)	Transfers (2)	Utilisation (3)	Available amount (4)=(1A)+(1B)+(2)-(3)	Transfer proposed (5)	Change (5/1A)	Total (4±5)
Payment - 15 02 01 01 - Promoting excellence and cooperation in the European education and training area and its relevance to the labour market							
1 503 812 182,00	41 505 216,00	8 349 157,00	1 384 310 264,1	169 356 290,82	1 052 372,00	0,07 %	170 408 662,82
Commitment - 15 02 01 02 - Promoting excellence and cooperation in the European youth area and the participation of young people in European democratic life							
172 700 000,00	4 766 520,00	600 000,00	177 881 278,92	185 241,08	1 052 372,00	0,61 %	1 237 613,08
Commitment - 18 05 03 01 - Fostering secure European societies							
136 092 171,00	3 715 316,00	0,00	12 957 555,00	126 849 932,00	956 244,27	0,70 %	127 806 176,27
Non-Diff - 21 01 06 01 - Education, Audiovisual and Culture Executive Agency -- Contribution from Development Cooperation Instruments (DCIs)							
2 332 000,00	64 363,00	0,00	2 314 080,00	82 283,00	-82 283,00	-3,53 %	0,00
Payment - 21 02 20 - Erasmus+ -- Contribution from the development cooperation instrument (DCI)							
61 455 647,00	1 696 176,00	0,00	52 241 867,12	10 909 955,88	82 283,00	0,13 %	10 992 238,88
Commitment - 21 02 20 - Erasmus+ -- Contribution from the development cooperation instrument (DCI)							
105 000 000,00	2 898 000,00	0,00	73 561 421,51	34 336 578,49	82 283,00	0,08 %	34 418 861,49
Non-Diff - 22 01 06 01 - Education, Audiovisual and Culture Executive Agency -- Contribution from the Instrument for Pre-accession Assistance							
820 000,00	22 632,00	0,00	798 460,00	44 172,00	-44 172,00	-5,39 %	0,00
Non-Diff - 22 01 06 02 - Education, Audiovisual and Culture Executive Agency -- Contribution from European Neighbourhood Instrument (ENI)							
2 550 000,00	70 380,00	0,00	2 482 080,00	138 300,00	-138 300,00	-5,42 %	0,00
Payment - 22 02 04 02 - Contribution to Erasmus+							
27 877 772,00	769 427,00	2 121 164,00	23 093 206,67	7 675 156,33	44 172,00	0,16 %	7 719 328,33
Commitment - 22 02 04 02 - Contribution to Erasmus+							
32 035 349,00	884 176,00	0,00	18 894 421,74	14 025 103,26	44 172,00	0,14 %	14 069 275,26
Payment - 22 04 20 - Erasmus+ -- Contribution from the European Neighbourhood Instrument (ENI)							
75 481 736,00	2 083 296,00	14 947 671,00	68 507 832,92	24 004 870,08	138 300,00	0,18 %	24 143 170,08
Commitment - 22 04 20 - Erasmus+ -- Contribution from the European Neighbourhood Instrument (ENI)							
95 410 000,00	2 633 316,00	0,00	54 283 748,80	43 759 567,20	138 300,00	0,14 %	43 897 867,20
Non-Diff - 32 01 05 21 - Expenditure related to officials and temporary staff implementing research and innovation programmes -- ITER							
7 181 658,00	0,00	-250 000,00	5 751 658,00	1 180 000,00	-1 180 000,00	-16,43 %	0,00
Non-Diff - 32 01 05 23 - Other management expenditure for research and innovation programmes -- ITER							
2 499 000,00	0,00	0,00	321 350,00	2 177 650,00	-1 877 650,00	-75,14 %	300 000,00
Payment - 32 02 01 01 - Further integration of the internal energy market and the interoperability of electricity and gas networks across borders							
43 223 000,00	0,00	0,00	36 557 196,57	6 665 803,43	1 500 000,00	3,47 %	8 165 803,43
Payment - 32 04 03 01 - Making the transition to a reliable, sustainable and competitive energy system							
256 130 706,00	6 992 368,00	49 490 000,00	221 853 676,17	90 759 397,83	2 352 097,00	0,92 %	93 111 494,83
Commitment - 32 04 03 01 - Making the transition to a reliable, sustainable and competitive energy system							
324 676 361,00	8 863 665,00	0,00	292 400 480,42	41 139 545,58	1 857 884,00	0,57 %	42 997 429,58
Payment - 32 05 01 02 - Construction, operation and exploitation of the ITER facilities -- European Joint Undertaking for ITER -- Fusion for Energy (F4E)							
115 160 012,00	0,00	-5 000 000,00	103 915 000,07	6 245 011,93	3 057 650,00	2,66 %	9 302 661,93
Commitment - 32 05 01 02 - Construction, operation and exploitation of the ITER facilities -- European Joint Undertaking for ITER -- Fusion for Energy (F4E)							

275 475 092,00	0,00	0,00	275 475 092,00	0,00	3 057 650,00	1,11 %	3 057 650,00
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Total DECREASE Payments	0,00	
Total INCREASE Payments	18 507 705,94	
Total DECREASE Commitments	0,00	
Total INCREASE Commitments	18 507 705,94	
Total DECREASE Non-Diff	-18 507 705,94	
Total INCREASE Non-Diff	0,00	

Justifications

Increased 02 04 02 01

Leadership in space

The total transfer proposal to this line concerns EUR 2,7 million in payment appropriations, consisting of two parts:

- An increase of EUR 0,8 million in payment appropriations for the Executive Agency for Small and Medium-sized Enterprises (EASME) will serve to cover payments of pre-financing as well as interim payments for the call "Engaging SMEs in space research and development - space activities".

- An increase of EUR 1,9 million in payment appropriations for the Research Executive Agency (REA). These appropriations will allow one more project retained under the 2016 calls for proposals for "space research" (i.e. the call "Earth Observation", or the call "Competitiveness of the European Space Sector: Technology and Science") to start in 2016, rather than in 2017, including the initial pre-financing payments. The deadline of the above-mentioned calls for proposals was 3 March 2016. With a maximum of eight months from the call deadline to the signature of all grants, all the grant agreements should be signed before 3 November 2016. As a result, the number of projects with starting dates before 31 December 2016 is higher than anticipated.

Increased 02 04 02 03

Increasing innovation in small and medium-sized enterprises (SMEs)

It is proposed to increase the level of commitment appropriations on this budget line by EUR 0,6 million, in order to meet the requirements of the H2020 work programme 2016-2017 (Innovation in SME's).

In parallel, it is proposed to increase the level of payment appropriations by EUR 1,1 million, in order to meet the average funding for all H2020 actions in the call "For a better innovation support to SMEs". The main challenge of the call is to develop new cross-sectoral industrial value chains across the EU, by building upon the innovation potential of SMEs.

Increased 02 04 03 01

Achieving a resource-efficient and climate change resilient economy and a sustainable supply of raw materials

The additional EUR 1,3 million commitment appropriations will increase the budget available for the SME instrument, call "Engaging SMEs in space research and development". The SME instrument addresses the financing needs of internationally oriented SMEs, in implementing high-risk and high-potential innovation ideas and will allow to fund appropriate proposals which otherwise would not be selected due to lack of commitment appropriations. The SME instrument is one of the key H2020 initiatives dedicated to SMEs. It promotes SMEs innovation activities from concept to market which fall within the societal challenges or the specific objective "Leadership in Enabling and Industrial Technologies".

Decreased 05 01 05 01

Expenditure related to officials and temporary staff implementing research and innovation programmes -- Horizon 2020

An updated estimation of the appropriations expected to be used until the end of 2016 for covering the salaries of officials is now available. This latest analysis is showing a surplus due to the current situation of the Directorate-General for Agriculture and Rural Development, where no further recruitment is allowed for research staff. As a result, the amount of EUR 0,1 million in commitment and in payment appropriations is returned.

Decreased 05 01 05 03

Other management expenditure for research and innovation programmes -- Horizon 2020

A careful and precise analysis of activities (missions, meetings and communication) remaining to be implemented before the end of 2016 shows that some activities are being postponed to 2017. The resulting surplus amounts to EUR 0,5 million and it is returned in commitment and in payment appropriations.

Increased 05 09 03 01

Securing sufficient supplies of safe and high quality food and other bio-based products

The amount of EUR 0,6 million in commitment appropriations transferred to this line will reinforce the appropriations dedicated to financing projects selected under the "Societal Challenge 2" 2016 calls or the SME and/or FTI 2016 calls ("Fast Track to Innovation Pilot"). As last year, the current commitment appropriations will be exhausted by the end of November when commitment(s) will be issued based on the ranking lists.

Regarding payment appropriations, an identical transfer of EUR 0,6 million is requested for increasing the appropriations currently available for paying pre-financing and/or interim/final payments of projects selected in H2020- 2016: call "Sustainable Food Security – Resilient and resource-efficient value chains" and (single stage) call "Rural Renaissance - Fostering innovation and business opportunities"; call "Fast Track to Innovation Pilot", and/or experts costs.

Decreased 06 01 06 01

Innovation and Networks Executive Agency -- Contribution from Connecting Europe Facility (CEF)

The Innovation and Networks Executive Agency (INEA) has identified savings in its annual subsidy distributed across budget lines. One of these lines, 06 01 06 01, covers the management of the Connecting Europe Facility and the savings concerned are of EUR 2,1 million in commitment and in payment appropriations. These savings are mainly due to the postponement of the agency's relocation to a new building, after the procedure to rent additional office space was put on hold following one of the unsuccessful bidders' appeal. The agency thus negotiated an extension of its current lease with savings on the costs linked to the relocation. Additional savings have been possible on staff expenditure as a consequence of unexpected vacancies in management functions, a higher turnover of staff over the last months and difficulties to recruit staff on some specific profiles. Finally, some savings have been achieved on INEA's operational activities thanks to the lower than foreseen price of the contract for externalised ex-post financial audits (signed in June 2016) and a revision of the communication budget.

Increased 06 02 01 03

Optimising the integration and interconnection of transport modes and enhancing interoperability

The calls for proposals under the CEF transport strand have been successful in previous years. The proposed increase of commitment appropriations by EUR 2,1 million will ensure that a sufficient level of appropriations is available to meet the expected demand under the calls launched in October 2016.

The proposed increase of payment appropriations by EUR 0,6 million will be used to cover the first pre-financing obligations which will fall due by the end of the year, following the signature of grant agreements under the 2015 call for proposals.

Increased 06 03 03 01

Achieving a resource-efficient, environmentally-friendly, safe and seamless European transport system

The reinforcement of EUR 0,5 million in commitment appropriations will be used to finance one additional project under the 2016 calls (call '2016 Mobility for Growth '). The appropriations will be used in addition to any remaining third country contributions.

Decreased 08 01 05 03

Other management expenditure for research and innovation programmes -- Horizon 2020

Since 2014, a Common Support Center (CSC) has been established within the Research Family Directorates-General (DGs) and Executive Agencies. This department offers different services such as legal, information technology and audits to all research DGs. This centralisation has allowed better synergies among the Research and Innovation Family and at the same time economies of scale which have generated savings compared to the initial estimates. This has been particularly the case for the audit expenditure in 2016. The resulting surplus amounts to EUR 5,3 million in commitment and in payment appropriations and it is returned.

Decreased 08 01 06 02

Research Executive Agency -- Contribution from Horizon 2020

A detailed screening of the Research Executive Agency (REA) spending on its administrative budget to date and an assessment of further needs until the end of the year indicates that the agency will have a budget surplus for 2016 which is estimated at EUR 1,9 million in commitment and in payment appropriations. As a result, the budget line 08 01 06 02 covering the "Subsidy to the Research Executive Agency (REA)" can be reduced by this amount. The saving results primarily from a decrease of 6% for the remunerations, allowances and charges (under the REA budget chapter 11) and a decrease of 3.5% for the building expenditure (under the REA budget chapter 21). These decreases are mainly due to the following elements:

- Delays in the planned recruitments due to the rapid depletion of reserve lists. New recruitment procedures have been launched and new recruitments will be effective towards the end of the year, later than initially planned.
- The decrease in prices of the new framework contract for interim agents, entered into force only during 2016, in addition to the decreasing needs for interim agents by the agency.
- A reduction of the rent charges for 2016 due to the occupation of less office space than initially foreseen. The non-availability of empty office space at the Covent Garden building did not allow the REA to expand its premises according to initial plans.

Decreased 08 01 06 03

Executive Agency for Small and Medium-sized Enterprises -- Contribution from Horizon 2020

The Steering Committee of the Executive Agency for Small and Medium-sized Enterprises (EASME) has adopted a downward revision of its administrative budget for the H2020 part, which has resulted in a surplus of EUR 3,8 million in commitment and in payment appropriations, that could be redeployed on the operational H2020 budget. This surplus is mainly caused by the delayed recruitment of staff, which has an impact on the staff expenditures.

Decreased 08 01 06 04

Innovation and Networks Executive Agency -- Contribution from Horizon 2020

As outlined already with line 06 01 06 01 above, the Innovation and Networks Executive Agency (INEA) has identified savings in its annual subsidy distributed across budget lines. Another of these lines, 08 01 06 04, covers the management of Horizon 2020 and the savings concerned are of EUR 0,5 million in commitment and in payment appropriations. These savings are mainly due to the postponement of the agency's relocation to a new building, after the procedure to rent additional office space was put on hold following one of the unsuccessful bidders' appeal. The agency thus negotiated an extension of its current lease with savings on the costs linked to the relocation. Additional savings have been possible on staff expenditure as a consequence of unexpected vacancies in management functions, a higher turnover of staff over the last months and difficulties to recruit staff on some specific profiles. Finally some savings have been achieved on INEA's operational activities thanks to the lower than foreseen price of the contract for externalised ex-post financial audits (signed in June 2016) and a revision of the communication budget.

Increased 08 02 03 01

Improving lifelong health and well-being

The increase of EUR 5,3 million in commitment and in payment appropriations will be used to face the Zika crisis by allowing the funding of more than one proposal under the Zika call and one or two proposals on Zika vaccine development. This would demonstrate Europe's global leadership in addressing public health emergencies, in accordance with the commitments outlined by the G7 Summits in 2015 (Germany) and 2016 (Japan). It would also respond to the expectations of the European Parliament and demonstrate the commitment to contribute to joint priorities. Furthermore, this action would assist the affected countries and territories to respond to the Zika outbreak, as well as mitigate the considerable social, economic and political impact. It would also allow for significant preparedness research, the results of which will strengthen EU preparedness in case the Zika virus becomes endemic in Europe.

Increased 08 02 04

Spreading excellence and widening participation

'Widening' is a politically sensitive and highly regarded programme as it promotes Research & Development (R&D) capacity in low R&D performing countries through institution building/networking, learning from the experience of advanced partners. It is unique in its nature compared to the typical H2020 Research & Innovation actions. In particular teaming actions, aiming at creating Centre of Excellence in Widening countries, have a great leverage effect as they require mobilisation of a high amount of resources to complement EU contribution (maximising also synergies with European Structural and investment Funds). Through this extra budget (proposed increase of EUR 1,0 million in commitment appropriations), it will be possible to fund extra teaming proposals, which will raise the current success rate, which is currently very low (169 proposals submitted – 30 moving to phase 2 – 9 finally funded).

Decreased 15 01 06 01

Education, Audiovisual and Culture Executive Agency -- Contribution from Erasmus+

The move of the agency, which was initially planned for the first quarter of 2016, took place only in September 2016. This led to significant cost savings in particular as regards double rental payments due. Other savings relate to the decrease of translation, mission and audit costs as well as the recalculation of the contribution due by the European Free Trade Association (EFTA) countries. In total, the redeployment proposed from the 2016 subsidy for the Education, Audiovisual and Culture Executive Agency amounts to EUR 1,3 million, of which EUR 1,1 million in commitment and in payment appropriations is under the contribution due for the management of the Erasmus+ programme under Heading 1a.

Increased 15 02 01 01

Promoting excellence and cooperation in the European education and training area and its relevance to the labour market

The additional payment appropriations of EUR 1,1 million would be used to cover pre-financing due for mobility actions managed by the Erasmus National Agencies .

Increased 15 02 01 02

Promoting excellence and cooperation in the European youth area and the participation of young people in European democratic life

The proposed increase of EUR 1,1 million in commitment appropriations aims at reinforcing the initial budget foreseen for the Strategic Partnerships under Erasmus Key Action 2 "Cooperation for Innovation and the Exchange of Good Practices" in order to finance additional projects currently on reserve lists. Those additional appropriations are in line with the flexibility rule of the Erasmus+ work programme 2016.

Increased 18 05 03 01

Fostering secure European societies

The commitment appropriations of EUR 1,0 million proposed to be transferred to this line will allow the funding of one additional proposal from the reserve list of the call for proposals "Security" which is part of the "Security Union" initiative of the European Commission President Juncker.

Decreased 21 01 06 01

Education, Audiovisual and Culture Executive Agency -- Contribution from Development Cooperation Instruments (DCIs)

The move of the agency, which was initially planned for the first quarter of 2016, took place only in September 2016. This led to significant cost savings in particular as regards double rental payments due. Other savings relate to the decrease of translation, mission and audit costs as well as the recalculation of the contribution due by the European Free Trade Association (EFTA) countries. In total, the redeployment proposed from the 2016 subsidy for the Education, Audiovisual and Culture Executive Agency amounts to EUR 1,3 million, of which EUR 0,1 million in commitment and in payment appropriations is under the contribution due for the management of the Development Cooperation Instruments under Heading 4.

Increased 21 02 20

Erasmus+ -- Contribution from the development cooperation instrument (DCI)

Additional EUR 0,1 million appropriations in commitments and payments are needed on this budget line in order to optimize the budget covered by the Delegations Agreements signed with the partner countries. This budget will be used to implement "Mobility projects for higher education students and staff with Partner Countries" actions through indirect management (National Agencies). The availability of these additional appropriations complies with the budget flexibility rule of the Erasmus+ work programme 2016.

Decreased 22 01 06 01

Education, Audiovisual and Culture Executive Agency -- Contribution from the Instrument for Pre-accession Assistance

The move of the agency, which was initially planned for the first quarter of 2016, took place only in September 2016. This led to significant cost savings in particular as regards double rental payments due. Other savings relate to the decrease of translation, mission and audit costs as well as the recalculation of the contribution due by the European Free Trade Association (EFTA) countries. In total, the redeployment proposed from the 2016 subsidy for the Education, Audiovisual and Culture Executive Agency amounts to EUR 1,3 million, of which EUR 44 172 in commitment and in payment appropriations are under the contribution due for the management of the Instrument for the Pre-accession Assistance under Heading 4.

Decreased 22 01 06 02

Education, Audiovisual and Culture Executive Agency -- Contribution from European Neighbourhood Instrument (ENI)

The move of the agency, which was initially planned for the first quarter of 2016, took place only in September 2016. This led to significant cost savings in particular as regards double rental payments due. Other savings relate to the decrease of translation, mission and audit costs as well as the recalculation of the contribution due by the European Free Trade Association (EFTA) countries. In total, the redeployment proposed from the 2016 subsidy for the Education, Audiovisual and Culture Executive Agency amounts to EUR 1,3 million, of which EUR 0,1 million in commitment and in payment appropriations are under the contribution due for the management of the European Neighbourhood Instrument under Heading 4.

Increased 22 02 04 02

Contribution to Erasmus+

Additional appropriations of EUR 44 172 in commitments and payments are needed on this budget line in order to optimise the budget covered by the Delegations Agreements signed with the partner countries. This budget will be used to implement "Mobility projects for higher education students and staff with Partner Countries" actions through indirect management (National Agencies). The availability of these additional appropriations complies with the budget flexibility rule of the Erasmus+ work programme 2016.

Increased 22 04 20

Erasmus+ -- Contribution from the European Neighbourhood Instrument (ENI)

Additional appropriations of EUR 0,1 million in commitments and payments are needed on this budget line in order to optimise the budget covered by the Delegations Agreements signed with the partner countries. This budget will be used to implement "Mobility projects for higher education students and staff with Partner Countries" actions through indirect management (National Agencies). The availability of these additional appropriations complies with the budget flexibility rule of the Erasmus+ work programme 2016.

Decreased 32 01 05 21

Expenditure related to officials and temporary staff implementing research and innovation programmes -- ITER

A recent review of the level of appropriations needed for staff and temporary agents working at the European Commission's Directorate-General for Energy on the ITER programme (International Thermonuclear Experimental

Reactor) resulted in a surplus of EUR 1,2 million in commitment and in payment appropriations, which can therefore be transferred to the operational part of the ITER programme.

Decreased 32 01 05 23

Other management expenditure for research and innovation programmes -- ITER

An improved forecasting method has allowed the administrative needs for ITER (International Thermonuclear Experimental Reactor) to be revised downwards. The remaining commitment and payment appropriations of EUR 1,9 million can be transferred to the operational part of ITER.

Increased 32 02 01 01

Further integration of the internal energy market and the interoperability of electricity and gas networks across borders

The proposed increase of EUR 1,5 million in payment appropriations will be used to cover all the payment obligations which fall due by the end of the year, in particular the first pre-financing payments stemming from the 2016 calls for proposals and the interim/final payment requests received under the 2014 and 2015 calls.

Increased 32 04 03 01

Making the transition to a reliable, sustainable and competitive energy system

A reinforcement of EUR 1,9 million in commitment and in payment appropriations is needed for the part of this line which is managed by the Executive Agency for Small and Medium-sized Enterprises (IEEA). The additional appropriations will increase the IEEA budget available for the call for energy efficiency related to the H2020 energy challenge, which is designed to support the transition to a secure, clean and efficient energy system for Europe, and where a big number of appropriate proposals are not selected due to insufficient commitment appropriations available. The EU aims to progressively decrease primary energy consumption by 2020 and 2030. Research and demonstration activities within this area will focus on buildings, industry, heating and cooling, SMEs and energy-related products and services, integration of Information and Communication Technologies (ICT) and cooperation with the telecommunications sector. For IEEA, the proposed increase in commitment appropriations will be allocated to the second deadline of the call 2016 delegated to the agency, whereas the proposed increase in payment appropriations will serve to cover the pre-financing payments of the reserve list projects.

Moreover, a reinforcement of EUR 0,5 million in payment appropriations is needed for the part of this line which is managed by the Innovation and Networks Executive Agency (INEA), in order to enable the agency to fulfil all the payments obligations by the end of the year. More specifically, the additional appropriations for INEA will be used for the following purposes: a) To carry out the first pre-financing payments on both 2016 calls, namely the call for competitive low-carbon energy and the call for smart and sustainable cities, where the process has started officially on 4 July 2016 – two months in advance compared to the planning. As a consequence, the grants will be signed earlier than expected and the pre-financing payments will have to be made in 2016. b) To execute the interim payments already received, where the total EU contribution requested is much higher than the initial forecasts.

In a summary, the total increase of line 32 04 03 01 in commitment appropriations is proposed to be of EUR 1,9 million (for IEEA only), whereas for payment appropriations it is proposed to be of EUR 2,4 million (for IEEA and INEA).

Increased 32 05 01 02

Construction, operation and exploitation of the ITER facilities -- European Joint Undertaking for ITER -- Fusion for Energy (F4E)

In addition to the EUR 120 million requested in the framework of the Global Transfer (DEC 23) for chapter 32 05, ITER, a supplementary contribution of EUR 3,1 million in commitment and in payment appropriations would be necessary for the full implementation of the programme in 2016.