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THE EUROPEAN UNION**

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NOTE

From: Belgium, Bulgaria, the Czech Republic, Germany, Estonia, Greece, Spain, France, Croatia, Italy, Cyprus, Latvia, Lithuania, Luxembourg, Hungary, Malta, the Netherlands, Austria, Poland, Portugal, Romania, Slovenia, Slovakia, Finland and Sweden

To: Delegations

Subject: Initiative of Belgium, Bulgaria, the Czech Republic, Germany, Estonia, Greece, Spain, France, Croatia, Italy, Cyprus, Latvia, Lithuania, Luxembourg, Hungary, Malta, the Netherlands, Austria, Poland, Portugal, Romania, Slovenia, Slovakia, Finland and Sweden for a Regulation of the European Parliament and of the Council amending Decision 2005/681/JHA establishing the European Police College (CEPOL)

- Impact assessment

Delegations will find enclosed an impact assessment relating to the initiative by a group of Member States for a Regulation of the European Parliament and of the Council amending Decision 2005/681/JHA establishing the European Police College (CEPOL).

IMPACT ASSESSMENT

The Common Approach annexed to the Joint Statement of the European Parliament, the Council of the European Union and the Commission of 19 July 2012 on decentralised agencies, without prejudice to the political decision on an agency's seat taken by common agreement between the representatives of the Member States or by the Council sets out objective criteria to be taken into account when choosing an agency's seat. The impact assessment of locating CEPOL seat in Budapest demonstrates that the proposal complies with these criteria, allowing the European Parliament and the Council to assess the impact of the relocation and the functioning of CEPOL in Budapest.

The present assessment addresses those factors in detail that:

- have a financial impact on the general budget of the European Union and
- cover social aspects of the work of CEPOL staff members.

Furthermore it indicates the budgetary implications relating to the relocation and functioning of the CEPOL in Budapest.

1. Fulfilment of the criteria of the Common Approach aiming to decrease the burden on the general budget of the European Union

1.1. Easy accessibility of the offered location

- The headquarters offered by Hungary for the purposes of the seat of the CEPOL are situated in the city centre of Budapest. Due to the central location of Budapest, it is easily accessible from most European capitals by cost-effective flights.

- A further advantage of the proposed headquarters is that they are located only 22 kilometres from Budapest Liszt Ferenc International Airport. The airport can be reached quickly at a low price by public transport (bus and metro lines, where one ticket costs 1.2 EUR (350 HUF) or shuttle bus (between 17-47 EUR depending on the number of passengers, but above eight persons the cost is limited to 2000 HUF (7 EUR)). This is a very cost-effective alternative to the current location which requires the use of a taxi.

1.2. Setting up the Agency on site: Facilities to be put at the disposal of CEPOL

- Hungary offers to make the premises fully available to CEPOL by 31 August 2014. This date respects the social aspect of the work at CEPOL as the children of staff would be able to start the new school year in Budapest in September 2014.
- The proposed headquarters in Budapest will meet and even exceed the requirements defined by the CEPOL Secretariat. Rooms for at least 50 employees, one big conference room, which can be subdivided into smaller rooms, two smaller seminar rooms with multimedia access and a cafeteria will be at the disposal of the staff of the CEPOL Secretariat and the participants in training sessions and seminars.
- The sports facilities of the Ministry of the Interior's International Training Centre (ITC) will be made available to CEPOL free of charge by prior arrangement.
- ITC is part of the CEPOL network and the seat and partner institution of two further law enforcement training academies with wide-ranging international experience (the Central European Police Academy and the International Law Enforcement Academy). In the event of greater demand for capacity, it is also possible to use further premises belonging to the ITC by prior arrangement. These premises are nearby, in a green area of Buda, at a distance of 4 km from the building offered.
- The ITC is equipped with accommodation possibilities and infrastructure (modern classrooms with the possibility of simultaneous interpretation, a tactical house, sport and training facilities, medical attendance etc.), all of which is accessible in case the Agency needs extra space for accommodation and training.

Hungary offers to make the following premises available free of charge:

- furnished premises
- ready-installed video conference centre
- conference rooms and educational technology equipment
- ready-installed security system
- VoIP-based switchboard
- equipped cafeteria
- fully functional sanitary facilities and plumbing
- fully functional heating and air-conditioning equipment
- fully functional supply of electrical power with cabling and sockets
- cabling and connection points for telephone/IT systems/networks

In addition, Hungary also offers the following services free of charge for a period of at least ten years:

- real estate maintenance and upkeep
- 24 hour reception and security services
- cleaning
- clearing away of snow
- cleaning of the external surfaces and real estate facades and fronts
- cost of public utilities and facilities (for instance lighting), operational and renovation costs, such as maintenance, repairs, renovation and charges of surface-cover, structural elements as well as the mechanical and electricity systems of the building
- fire service training and fire security equipment
- insect and rodent clearing
- removal of litter (normal amount)
- space for the ICT backup facility in a location different from the main site

As for the functioning of the premises in Budapest, Hungary assessed in its application that CEPOL's contribution would be limited to the following expenses:

- The costs of the server, PCs, technical devices and facilities, mobile and land-line phones for CEPOL's exclusive use.
- If needed, parking can be provided in the car park located nearby and a certain number of parking spaces in front of the building can be rented by CEPOL at its own cost.

2. Further criteria aiming to decrease the burden on the general budget of the European Union

2.1. Hungary offers CEPOL an extensive range of privileges and immunities

As regards the impact on the general budget of the EU, it should be highlighted that CEPOL's assets, revenues and other property would be exempt from all direct taxes. CEPOL would further be exempt from excise duties, sales charges and other indirect taxes and from paying motor vehicle registration duty.

2.2. Internationally affordable price range of hotels near the proposed headquarters

If accommodation is needed for delegates or participants, a number of four star hotels belonging to international hotel chains and further three star hotels are available at an internationally affordable price range near the proposed headquarters. The indicative price range of four star hotels is currently 59 to 100 euros and of three star hotels 27 to 60 euros.

3. Fulfilment of the criteria of the Common Approach covering social aspects of the work of CEPOL staff members

3.2. Existence of adequate education facilities for the children of staff members

Budapest offers a wide range of schooling facilities for the children of staff members. There are several international nurseries, kindergartens, elementary, secondary and high schools, even within one educational facility, where their children can receive education in English, French, German or Spanish.

3.3. Appropriate access to the labour market, social security and medical care for both children and spouses

Budapest is a city of 1.7 million inhabitants where a number of multinational companies are located. For social security and medical care, the national health service and private clinics are both at the disposal of staff in Budapest.

4. Budgetary implications relating to the relocation and functioning of the CEPOL Secretariat in Budapest

The estimated savings in CEPOL's functioning costs per year due to the proposed relocation from Bramshill to Budapest as well as an estimated tentative budgetary calculation of the one-off expenditure of the relocation are set out below.

A. Estimated savings in CEPOL's functioning costs per year due to the proposed relocation from Bramshill to Budapest

| CEPOL's functioning costs per year | | Amounts in Euro | |
|---|----------------|-----------------|----------------|
| Item | United Kingdom | Hungary | Savings/ year |
| Water, gas, electricity & heating | 19 000 | 0 | 19 000 |
| Cleaning and maintenance | 131 500 | 0 | 131 500 |
| Fitting-out of premises | 20 000 | 3 000 | 17 000 |
| Acquisition of equipment and software | 43 000 | 43 000 | 0 |
| Maintenance of equipment and software | 56 000 | 56 000 | 0 |
| Communication Technology Services | 40 000 | 40 000 | 0 |
| Outside assistance for analysing, programming & operation of computer systems | 92 000 | 92 000 | 0 |
| ABAC - licences and services | 35 040 | 35 040 | 0 |
| Purchase and replacement of office machinery | 5 000 | 5 000 | 0 |
| Purchase and replacement of furniture | 10 000 | 10 000 | 0 |
| Purchase of books & other works in hard copy & in electronic form | 1 000 | 1 000 | 0 |
| Stationery | 32 500 | 32 500 | 0 |
| Bank charges | 3 000 | 3 000 | 0 |
| Legal expenses | 8 000 | 8 000 | 0 |
| Miscellaneous insurance | 9 000 | 9 000 | 0 |
| Postal and delivery charges | 10 000 | 10 000 | 0 |
| Local transport | 56 000 | 20 000 | 36 000 |
| Buildings, equipment and miscellaneous expenditure per year | 571 040 | 367 540 | 203 500 |

B. Estimated tentative budgetary calculation of the one-off expenditure for relocating CEPOL from Bramshill to Budapest (might need to be reviewed after final decision)

| Staff related cost | Amount in Euro | Description |
|--|-----------------------|--|
| Taking up duties - travel costs | 45 000 | To cover the travel expenses of CEPOL staff, their spouses and dependants currently living in their households from Bramshill to Budapest to meet the requirements of Article 7 of Annex VII to the Staff Regulations and Articles 22 67 of the Conditions of employment of other servants of the European Communities |
| Removal expenses for staff members | 333 000 | To cover the removal expenses related to furniture and personal effects for the change of staff member's place of residence. (Article 9 of Annex VII to the Staff Regulations & Article 22 of the conditions of employment of other servants of the European Communities). In order to be cost effective, CEPOL will launch a call for tender which will cover removal expenses for staff and CEPOL's furniture. |
| Cost for the termination of staff contract | 350 000 | CEPOL will have to terminate the contract and pay off 1/3 of the basic salary for the remaining contractual period of staff members who won't be available to move to Budapest. It is estimated that 10 % of the total staff members will be in this situation (10 % corresponds to approximately five staff members). |
| Installation allowance | 204 899 | The installation allowance is paid to established officials and temporary/contractual staff who provide proof that they had to change their place of residence to meet the requirements of Article 20 of the Staff Regulations. |
| Daily allowance | 136 230 | A daily subsistence allowance is paid to officials who provide evidence that a change in their place of residence is required in order to comply with Article 20 of the Staff Regulations. |
| Seconded National Expert (SNE) taking up duties - travel costs | 4 500 | To cover the travel expenses of Seconded National Experts from Bramshill to Budapest. |
| Two days' induction training for CEPOL staff in Budapest | 27 520 | |
| Mission expenses | 15 000 | To cover mission costs that will be necessary to ensure a smooth transition for the relocation to Budapest |
| Total staff related costs | 1 116 149 | |

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|--|------------------|--|
| Logistics related costs | | |
| Relocation of archive and other office items to Budapest | 57 000 | To cover the removal expenses related to CEPOL's IT furniture, servers and archive. CEPOL will launch a call for tender which will cover removal expenses for staff and CEPOL's furniture. |
| Server system | 300 000 | A server system is required in Budapest in order to ensure CEPOL's business continuity during and after the relocation. For a proper and secure functioning of the server system, the following non exhaustive requirements are necessary: servers, server blades, docking station, keyboard, rack rails, KMM cables, security bundle, ethernet switch interface card, AV/Spy subscription, Catalyst, Paxton controller, Fibre Optic Storage, Check Point Smart-1 Security Management, Storage Area Network and Accessories, Tape Library. |
| Mobile phones + line rental | 22 000 | New mobile phones are needed as the current ones are locked to a UK provider and can not be used in Budapest. |
| VDI System, E-net system & Symantec system | 330 600 | The VDI system tool needs to be implemented for remote accessibility by officials to CEPOL's servers and computers. CEPOL needs to upgrade its e-net system to fit with the new IT environment in Budapest. The Symantec system is required for a proper implementation of the new IT environment. |
| SIP land-line phone | 9 700 | To cover expenses related to the purchase of new fixed phones for the offices and meeting rooms. |
| Total logistics related costs | 719 300 | |
| Extraordinary Governing Board meeting | 40 000 | |
| Grand total | 1 875 449 | |