



Council of the  
European Union

Brussels, 10 July 2014  
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**COVER NOTE**

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From: Mr Andris PIEBALGS, Member of the European Commission  
date of receipt: 9 July 2014  
To: Mr Enrico ZANETTI, President of the Council of the European Union

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Subject: Transfer of appropriations No DEC 18/2014 within Section III - Commission  
- of the general budget for 2014

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Delegations will find attached Commission document DEC 18/2014.

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Encl.: DEC 18/2014



BRUSSELS, 08/07/2014

GENERAL BUDGET - 2014  
SECTION III - COMMISSION TITLES 12, 26

TRANSFER OF APPROPRIATIONS N° **DEC 18/2014**

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EUR

**FROM**

**CHAPTER** - 2602 Multimedia production

**ARTICLE** - 26 02 01 Procedures for awarding and advertising public supply, works and service contracts

Commitments	- 960 000
Payments	- 100 000

**TO**

**CHAPTER** - 1202 A Single Market Policy and Free Movement of Services

**ARTICLE** - 12 02 01 Implementation and development of the internal market

Commitments	960 000
Payments	100 000

## I. INCREASE

### a) Heading

#### 12 02 01 - Implementation and development of the internal market

### b) Figures at 12/06/2014

	<b>Commitments</b>	<b>Payments</b>
1A. Appropriation in budget (initial budget + AB)	7 670 000	7 800 000
1B. Appropriation in budget (EFTA)	0	0
2. Transfers	0	0
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3. Final appropriation for the year (1A+1B+2)	7 670 000	7 800 000
4. Utilisation of final appropriation	1 038 563	2 225 357
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<b>5. Amount not used/available (3-4)</b>	<b>6 631 437</b>	<b>5 574 643</b>
<b>6. Requirements up to year-end</b>	<b>7 591 437</b>	<b>5 674 643</b>
<b>7. Increase proposed</b>	<b>960 000</b>	<b>100 000</b>
8. Increase as percentage of appropriation in budget (7/1A)	12.52%	1.28%
9. Increase, as a percentage of the final appropriation for the year, in the sum of transfers referred to in Article 26(1)(b) and (c) of the Financial Regulation, calculated in accordance with Article 14 of the Rules of Application	n/a	n/a

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

	<b>Commitments</b>	<b>Payments</b>
1. Appropriation available at start of year	0	0
2. Appropriation available on the 12/06/2014	0	0
3. Rate of utilisation [(1-2)/1]	n/a	n/a

### d) Detailed grounds for the increase

The budget line "Implementation and development of the internal market" supports actions aimed at the completion of the internal market and its operation and development, inter alia the measures which contribute to strengthening and developing financial and capital markets and financial services.

The Single Resolution Mechanism (SRM) will ensure that if a bank subject to the Single Supervisory Mechanism (SSM) faces serious difficulties, its resolution can be managed efficiently with minimal costs to taxpayers and the real economy.

A critical role is to be played by the Single Resolution Board (the Board), a new body which will carry out the preparation for the resolution of credit institutions and their actual resolution where they are failing or are likely to fail. It will also administer the Single Resolution Fund and manage any use of it during the resolution procedure.

The Board will be established from the entry into force of the Regulation on the SRM, which is expected by September 2014. The Board will become fully self-financed from contributions from the banking sector on a structural basis as from the second quarter of 2015.

Taking into account the lead time required to actually set up the Board and to create the contribution mechanism by the banking sector, a bridging contribution from the EU budget is requested to cover the start-up expenses of the Board in 2014, which are estimated at EUR 0.96 million. This amount notably covers the recruitment expenses of the Members of the Board and of a first wave of staff and the costs of the information and technology infrastructure.

The reinforcement focuses on the commitment appropriations which are necessary to sign the contracts already in preparation and provides the necessary payments for the initial actions.

The EU contribution will be made under the form of an advance. In the course of 2015, once the first annual contributions due by the banks to cover the administrative expenditures of the SRB will have been collected, the bridging contribution will be returned to the EU budget, thus offsetting the temporary expenditure requirements for this self-financed body.

## II. DECREASE

### a) Heading

#### 26 02 01 - Procedures for awarding and advertising public supply, works and service contracts

### b) Figures at 12/06/2014

	<b>Commitments</b>	<b>Payments</b>
1A. Appropriation in budget (initial budget + AB)	10 890 000	10 022 520
1B. Appropriation in budget (EFTA)	0	0
2. Transfers	0	0
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3. Final appropriation for the year (1A+1B+2)	10 890 000	10 022 520
4. Utilisation of final appropriation	4 989 722	3 104 360
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<b>5. Amount not used/available (3-4)</b>	<b>5 900 278</b>	<b>6 918 160</b>
<b>6. Requirements up to year-end</b>	<b>4 940 278</b>	<b>6 818 160</b>
<b>7. Proposed decrease</b>	<b>960 000</b>	<b>100 000</b>
8. Decrease as percentage of appropriation in budget (7/1A)	8.82%	1.00%
9. Decrease, as a percentage of the final appropriation for the year, in the sum of transfers referred to in Article 26(1)(b) and (c) of the Financial Regulation, calculated in accordance with Article 14 of the Rules of Application	n/a	n/a

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

	<b>Commitments</b>	<b>Payments</b>
1. Appropriation available at start of year	322 239	324 485
2. Appropriation available on the 12/06/2014	0	15 679
3. Rate of utilisation [(1-2)/1]	100.00%	95.17%

### d) Detail grounds for the transfer

The commitment appropriations available on this budget item are based on the cost of the contract as estimated in January 2013, in the framework of the preparation of the Draft Budget 2014. The estimate is the result of the terms of the contract applicable at that moment combined with the expected volume of production. A new contract has been enforced in 2013, whose cost terms are consistently lower for the Office's current production levels. Therefore, the estimate has been updated and a surplus of EUR 960 000 has been identified which can be used for important and urgent measures in another title of the budget.

Moreover, the scheduled payments have also been revised and a surplus of EUR 100 000 can be released in payment appropriations. The identified amount of payment appropriations is the maximum figure that can be released on this budget line at the moment, taking into account the cut on the payment appropriations decided by the Budget authority in the final budget 2014 in comparison to the request by the Commission in the Draft Budget.