



Council of the
European Union

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COVER NOTE

From:	Mr Günther OETTINGER, Member of the European Commission
date of receipt:	28 February 2018
To:	Ms Marinela PETROVA, President of the Council of the European Union
Subject:	Proposal for transfer of appropriations No DEC 04/2018 within Section III - Commission - of the general budget for 2018

Delegations will find attached Commission document DEC 04/2018.

Encl.: DEC 04/2018



BRUSSELS, 28/02/2018

GENERAL BUDGET - 2018
SECTION III - COMMISSION TITLES: 06, 09

TRANSFER OF APPROPRIATIONS N° DEC 04/2018

FROM

CHAPTER - 0901 Administrative expenditure of the `Communications networks, content and technology` policy area

ITEM - 09 01 04 01 Support expenditure for Connecting Europe Facility (CEF) -- information and communication technologies (ICT)	Non-Diff	-347 000,00
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CHAPTER - 0903 Connecting Europe Facility (CEF) -- Telecommunications networks

ARTICLE - 09 03 04 WiFi4EU -- Support the deployment of free local wifi	Commitments	-377 123,15
	Payments	-377 123,15

TO

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	724 123,15
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I. DECREASE

I.1

a) Heading

09 01 04 01 - Support expenditure for Connecting Europe Facility (CEF) -- information and communication technologies (ICT)

b) Figure at 23/02/2018

	Non-Diff
1 Appropriation in budget (Initial Budget + AB)	1 009 000,00
2 Transfers	0,00
3 Final appropriation for the year (1+2)	1 009 000,00
4 Utilisation of final appropriation	153 840,00
5 Amount not used/available (3-4)	855 160,00
6 Requirements up to year-end	508 160,00
7 Proposed decrease	347 000,00
8 Decrease as percentage of appropriation in budget (7/1)	34,39 %
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	0,00
2 Appropriations available on 23/02/2018	0,00
3 Rate of utilisation [(1-2)/1]	n/a

d) Detailed grounds for the transfer

The amount of EUR 347 000 in non-differentiated appropriations was earmarked for support expenditure for the WiFi4EU initiative on budget item 09 01 04 01, Support expenditure for CEF-ICT. The management of this initiative being delegated to the Innovation and Networks Executive Agency (INEA), the Commission requests the transfer of the corresponding support appropriations to the subsidy line of the Agency.

I.2

a) Heading

09 03 04 - WiFi4EU -- Support the deployment of free local wifi

b) Figure at 23/02/2018

	Commitments	Payments
1 Appropriation in budget (Initial Budget + AB)	49 653 000,00	40 841 000,00
2 Transfers	0,00	0,00
3 Final appropriation for the year (1+2)	49 653 000,00	40 841 000,00
4 Utilisation of final appropriation	0,00	0,00
5 Amount not used/available (3-4)	49 653 000,00	40 841 000,00
6 Requirements up to year-end	49 275 876,85	40 463 876,85
7 Proposed decrease	377 123,15	377 123,15
8 Decrease as percentage of appropriation in budget (7/1)	0,76 %	0,92 %
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	n/a

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

	Commitments	Payments
1 Appropriations available at start of the year	0,00	0,00
2 Appropriations available on 23/02/2018	0,00	0,00
3 Rate of utilisation [(1-2)/1]	n/a	n/a

d) Detailed grounds for the transfer

In 2017, given the late adoption of the WiFi4EU legal base, an amount of EUR 580 000 in commitment and payment appropriations initially foreseen to cover the costs of the Agency for the launch of the WiFi4EU initiative was transferred from the Agency subsidy line to the WiFi4EU operational line 09 04 03 01 (DEC 30/2017) to be used for the first call for proposals. As the Agency is now tasked to implement the initiative, a total amount of EUR 724 123,15 in commitment and payment appropriations is necessary to cover its additional running costs, of which EUR 347 000 are covered from the CEF-ICT support line (09 01 04 01) and EUR 377 123,15 are to be returned from the WiFi4EU operational line.

II. INCREASE

II.1

a) Heading

06 01 06 01 - Innovation and Networks Executive Agency -- Contribution from Connecting Europe Facility (CEF)

b) Figure at 23/02/2018

	Non-Diff
1 Appropriation in budget (Initial Budget + AB)	14 272 055,00
2 Transfers	0,00
3 Final appropriation for the year (1+2)	14 272 055,00
4 Utilisation of final appropriation	14 272 055,00
5 Amount not used/available (3-4)	0,00
6 Requirements up to year-end	724 123,15
7 Proposed increase	724 123,15
8 Increase as percentage of appropriation in budget (7/1)	5,07 %
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	0,00
2 Appropriations available on 23/02/2018	0,00
3 Rate of utilisation [(1-2)/1]	n/a

d) Detailed grounds for the transfer

Regulation (EU) 2017/1953, adopted on 25 October 2017, provides for the promotion of internet connectivity in local communities (WiFi4EU) under the Connecting Europe Facility. The cost-benefit analysis shows that the delegation of the management of the initiative to the Innovation and Networks Executive Agency, which already manages parts of the Connecting Europe Facility, would contribute to achieving the objectives of this initiative more effectively. Such delegation would inter alia deliver cost savings of about EUR 1,4 million over the period 2018-2023, compared to management in-house, increase efficiency and flexibility in the management of the initiative, provide simplification of procedures, increase proximity to the beneficiaries as well as visibility of Union funding. In order to ensure a rapid and smooth launch of the first call, the Agency will have to commit sufficient resources upfront. The amount necessary to cover the additional costs of the Agency for the launch of the WiFi4EU initiative in 2018 is estimated to EUR 724 123,15 in non-differentiated appropriations.