



**DECISION OF THE GOVERNING BOARD OF THE ECSEL JOINT  
UNDERTAKING**

**Adopting the Joint Undertaking's budget for year 2017**

THE GOVERNING BOARD OF THE ECSEL JOINT UNDERTAKING,

Having regard to the Statutes annexed to Council Regulation (EC) 561/2014 of 6 May 2014 on the establishment of the 'ECSEL Joint Undertaking', and in particular its Articles 20 and 21 thereof;

Having regard to the Financial Rules of the 'ECSEL Joint Undertaking' (ECSEL-GB-2016.67 of 10 October 2016) and in particular its Article 15 thereof;

WHEREAS:

- (1) The Financial year shall run from 01 January to 31 December;
- (2) The Annual Budget shall be adopted by the Governing Board by the end of the previous year;

HAS ADOPTED THIS DECISION:

*Article 1*

The Joint Undertaking's Budget for year 2017, as annexed to this Decision, is hereby adopted.

*Article 2*

This Decision shall enter into force upon its adoption by the Governing Board.

Done at Brussels, on 15 December 2016,

A handwritten signature in black ink, appearing to read 'Andrea Cuomo', with a stylized flourish underneath.

Andrea Cuomo

Chairperson of the Governing Board

Annex: Budget for year 2017 with first estimates for year 2018

## **Annex:**

### **Introduction**

The budget is established in accordance with the provisions of the Council Regulation (EC) No 561/2014 of 06 May 2014 setting up the ECSEL Joint Undertaking.

The budget includes the description of human and financial resources deployed by the ECSEL JU for the implementation of its programmes and plans in 2017 as well as estimates for 2018. The budget execution is a key performance indicator assuring the progress towards the ECSEL JU objectives.

Budget commitments which form the basis for the new legal obligations of the ECSEL JU will continue increasing in 2017:

- 177 337 720 € in 2017: + 5 % year to year
- 180 200 000 € in 2018: + 2 % year to year.

Budget payments which are dedicated for the main part to payments of participants in the selected running projects and for the minor part to the running costs (including the payments of experts involved in the reviews and evaluations) will continue to increase in 2017 and 2018, with respect of the follow up of certificates received from the Participating States for the legacy, and in accordance with the rules under H 2020 for the new programme.

- 287 710 000 € in 2017: + 18 % year to year
- 235 200 000 € in 2018: - 18 % year to year

The part of the running costs in the total budget will be as follows:

- with regard to commitments: 2.9 % in 2017 and 2.9 % in 2018.
- with regard to payments: 1.8 % in 2017, and 2.2 % in 2018.

Should there be a need not yet identified, the Governing Board will be invited to enter the necessary adaptations for the appropriations.

## A. Budget information

### 1. Revenue

In accordance with the provisions of the legal framework applicable to the ECSEL JU, there are 2 main contributors to the budget of the JU:

- The EU budget with a decision of the European Parliament and Council upon proposal of the Commission. This contribution is intended to fund projects (operational costs) and a part of the running costs.
- The Industry represented by the Private Members (for the time being AENEAS, ARTEMIS-IA and EPOSS) contributing to a part of the running costs in accordance with the JU statutes.

Until now, none of the ECSEL Participating states have opted in favor of entrusting the ECSEL JU with the management of their financial contribution, as foreseen in the provisions of Article 17.1 of the Statutes of the ECSEL JU.

#### I. Budget Revenue (authorised/proposed/estimate)

##### 1.1 Appropriations for Commitments (p.m.)

€	2015	2016 (a)	2017 (p)	Δ %	2018 (e)	Δ %
-Revenue EU Budget (*) (incl.for running costs)	104 664 814 (2 210 000)	159 414 391 (2 106 952)	174 143 725(*) (2 006 005)	+9 -5	177 010 000 (2 010 000)	2 0
-Revenue Industry (incl.for running costs)	2 990 000 (2 990 000)	3 093 048 (3 093 048)	2 455 998 (2 455 998)	-21 (-21)	2 690 000 (2 690 000)	+9 (+9)
-Other contributions(**)	p.m.	6.844.365,32	737 997		500 000	-32
-Revenue generated by ECSEL	p.m.	p.m.	p.m.		p.m.	-
-Budget result 2016 (if>0)	p.m.	p.m.	p.m.		p.m.	-
<b>Total Revenues</b>	107 654 814	169 351 804,32	177 337 720	+5	180 200 000	+2

(\*) The EU contribution (including EFTA contribution est.at 2.44%) is based on the budget for the ECSEL JU in the general Union Budget.

(\*\*) Unused appropriations from the previous budget exercises (Art.6.5 of the ECSEL Financial Rules).

1.2 Appropriations for Payments

€	2015	2016 (a)	2017 (p)	Δ %	2018 (e)	Δ %
-Revenue EU Budget (incl.for running costs)	163 710 000 (2 210 000)	240 976 082 (2 106 952)	284 516 005 (2 006 005)	+18 (-5)	232 010 000 (2 010 000)	-18 0
-Revenue Industry (incl.for running costs)	2 990 000 (2 990 000)	3 093 048 (3 093 048)	2 455 998 (2 455 998)	-21 (-21)	2 690 000 (2 690 000)	+9 (+9)
-Other contributions (**)	p.m.	p.m.	737 997		500 000	
-Revenue generated by ECSEL	p.m.	p.m.	p.m.		p.m.	-
-Budget result 2016 (if<0)	p.m.	p.m.	p.m.		p.m.	-
<b>Total Revenues</b>	166 700 000	244 069 130	287 710 000	+18	235 200 000	-18

(\*\*) Unused appropriations from the previous budget exercises (Art.6.5 of the ECSEL Financial Rules).

2. ExpenditureII. Budget expenditure (authorized/proposed/estimated)2.1 Appropriations for Commitment

€	2015(a)	2016 (a)	2017 (p)	Δ%	2018 (e)	Δ%
Title1:Staff	3 200 000	3 100 000	3 200 000	+3	3 200 000	0
Title2: Buildings-Equipment and Services	2 000 000	2 100 000	2 000 000	-5	2 000 000	0
<b>Title 1 + 2 : Running costs</b>	5 200 000	5 200 000	5 200 000	0	5 200 000	0
Title 3 : Operations = projects	102 454 814	164 151 804,32	172 137 720	+5	175 000 000	+2
<b>Titles 1 + 2 + 3: Total budget</b>	107 654 814	169 351 804,32	177 337 720	+5	180 200 000	+2

2.2 Appropriations for Payment

€	2015 (a)	2016 (a)	2017 (p)	Δ%	2018 (e)	Δ%
Title1:Staff	3 200 000	3 100 000	3 200 000	+3	3 200 000	0
Title2:Buildings-Equipment and Services	2 000 000	2 100 000	2 000 000	-5	2 000 000	0
<b>Title 1 + 2 : Running costs</b>	5 200 000	5 200 000	5 200 000	0	5 200 000	0
Title 3 : Operations = projects	161 500 000	238 869 130	282 510 000	+18	230 000 000	-18
<b>Titles 1 + 2 + 3: Total budget</b>	166 700 000	244 069 130	287 710 000	+18	235 200 000	-18

EXPENDITURE  Commitments	Executed Budget 2015	Budget 2016 amended	Budget 2017	VAR %
			Budget Proposed	
<b>Title 1</b>  Staff Expenditure	<b>3.200.000,00</b>	<b>3.100.000,00</b>	<b>3.200.000,00</b>	3%
<b>11 Salaries &amp; allowances</b>	3.000.000,00	2.885.000,00	2.980.000,00	3%
- of which establishment plan posts	2.460.000,00	2.760.000,00	2.460.000,00	-11%
- of which external personnel	540.000,00	125.000,00	520.000,00	316%
<b>12 Expenditure relating to Staff recruitment</b>	30.000,00	35.000,00	30.000,00	-14%
<b>13 Mission expenses</b>	135.000,00	140.000,00	150.000,00	7%
<b>14 Socio-medical infrastructure &amp; training</b>	35.000,00	40.000,00	40.000,00	0%
<b>Title 2</b>  Infrastructure and operating expenditure	<b>1.980.000,00</b>	<b>2.100.000,00</b>	<b>2.000.000,00</b>	-5%
<b>20 Rental of buildings and associated costs</b>	550.000,00	560.000,00	620.000,00	11%
<b>21 Information and communication technology</b>	130.000,00	165.000,00	140.000,00	-15%
<b>22 Movable property and associated costs</b>	14.400,00	30.000,00	25.000,00	-17%
<b>23 Current administrative expenditure</b>	25.000,00	30.000,00	30.000,00	0%
<b>24 Postage / Telecommunications</b>	15.000,00	40.000,00	30.000,00	-25%
<b>26 R&amp;D support (evaluations and reviews)</b>	686.600,00	700.000,00	580.000,00	-17%
<b>27 Innovation</b>	20.000,00	40.000,00	35.000,00	-13%

<b>28 Communication</b>	450.000,00	450.000,00	440.000,00	-2%
<b>29 Audits</b>	89.000,00	85.000,00	100.000,00	18%
<b>Title 3</b>	<b>102.454.814,00</b>	<b>164.151.804,32</b>	<b>172.137.720,00</b>	5%
<b>Operational expenditure</b>				
<b>to be specified by chapter</b>				
<b>TOTAL EXPENDITURE</b>	<b>107.634.814,00</b>	<b>169.351.804,32</b>	<b>177.337.720,00</b>	5%

EXPENDITURE				
	Executed Budget 2015	Budget 2016 amended	Budget 2017	
Payments			Budget Proposed	VAR %
<b>Title 1</b>	<b>2.766.001,00</b>	<b>3.100.000,00</b>	<b>3.200.000,00</b>	3%
<b>Staff Expenditure</b>				
<b>11 Salaries &amp; allowances</b>	2.559.637,00	2.885.000,00	2.980.000,00	3%
<i>- of which establishment plan posts</i>	2.559.637,00	2.760.000,00	2.460.000,00	-11%
<i>- of which external personnel</i>		125.000,00	520.000,00	316%
<b>12 Expenditure relating to Staff recruitment</b>	34.615,00	35.000,00	30.000,00	-14%
<b>13 Mission expenses</b>	136.175,00	140.000,00	150.000,00	7%
<b>14 Socio-medical infrastructure &amp; training</b>	35.574,00	40.000,00	40.000,00	0%
<b>Title 2</b>	<b>1.881.633,00</b>	<b>2.100.000,00</b>	<b>2.000.000,00</b>	-5%
<b>Infrastructure and operating expenditure</b>				



<b>20 Rental of buildings and associated costs</b>	522.526,00	560.000,00	620.000,00	11%
<b>21 Information and communication technology</b>	133.484,00	165.000,00	140.000,00	-15%
<b>22 Movable property and associated costs</b>	3.944,00	30.000,00	25.000,00	-17%
<b>23 Current administrative expenditure</b>	26.469,00	30.000,00	30.000,00	0%
<b>24 Postage / Telecommunications</b>	10.812,00	40.000,00	30.000,00	-25%
<b>26 R&amp;D support (evaluations and reviews)</b>	699.289,00	700.000,00	580.000,00	-17%
<b>27 Innovation</b>		40.000,00	35.000,00	-13%
<b>28 Communication</b>	425.324,00	450.000,00	440.000,00	-2%
<b>29 Audits</b>	59.785,00	85.000,00	100.000,00	18%
<b>Title 3 Operational expenditure</b>	<b>147.354.652,00</b>	<b>238.869.130,00</b>	<b>282.510.000,00</b>	18%
<b>to be specified by chapter</b>				
<b>TOTAL EXPENDITURE</b>	<b>152.002.286,00</b>	<b>244.069.130,00</b>	<b>287.710.000,00</b>	18%

### Details on the use of financial resources

#### 4.2.1. Title 1

##### Chapter 11 – Salaries and allowances

This appropriation is intended to cover the cost of remuneration of temporary and contractual staff in accordance with the Staff Regulations. Concerning the remuneration, detailed tables of staff costs per type of agent and per year have been established. This chapter also covers the costs of the employer's social security contributions in accordance with the applicable Staff Regulations.

##### Chapter 12 – Expenditure relating to staff recruitment

This appropriation is intended to cover the recruitment costs for new staff as well as expenditure foreseen in the relevant provisions of the Staff Regulations, e.g. installation allowances for staff changing residence after taking up duties or when they cease definitively their duties and settle

elsewhere and the daily subsistence allowances due to staff able to prove that they were obliged to change their place of residence after taking up duties.

#### Chapter 13 – Missions expenditure

The missions' appropriation is intended to cover expenditure on transport, the payment of daily mission allowances and the ancillary or exceptional expenses incurred by the staff in the interest of the service in accordance with the Staff Regulations.

#### Chapter 14 – Socio-medical infrastructure

This appropriation is intended to cover the costs of the annual medical check-up of staff and associated analyses required, complementary health insurance and schooling allowances. Under this chapter are also covered costs for training of staff.

#### *4.2.2. Title 2*

#### Chapter 20 – Rental of buildings and associated costs

The JU is operating since 2011 in its final premises located in the White Atrium building, 60 avenue de la Toison d'Or in Brussels. This office location is shared with 5 other JUs in order to minimise maintenance costs and share a number of expenses, like security and safety of staff and installations, cleaning and maintenance. Common space shared by JUs in that location has been augmented from the end of year 2014 to offer more possibilities for meetings.

#### Chapter 21 – Information and communication technology

Further to new purchases and applications taking place in years 2011 and 2014, the costs will not increase in 2016 with mainly developments relating to the consolidation of tools for project management, with a view to secure and facilitate data exchange. This chapter also includes the helpdesk function which is externalised.

#### Chapter 22 – Movable Property

This chapter relates to purchase of furniture, office equipment and archiving facilities with the total costs gradually reduced.

#### Chapter 23 – Current Administrative expenditures

This chapter relates to legal costs, insurance and stationery, as well as financial costs (e.g. interest due in case of late payments).

#### Chapter 24 – Postage and Telecommunications

The costs for internet connexions and telecom equipment as needed (e.g. for replacement) are also included in this chapter.

#### Chapter 25 – Formal and other meetings

The chapter has been included to cover the issue of financing meetings which are taking place outside of the JU's premises, with the ECSEL JU secretariat having to support/share the costs.

#### Chapter 26 – R&D support

This chapter contains the costs related to the evaluation, selection and review of projects, including the costs incurred for evaluators and reviewers. It includes the costs of evaluation for the calls launched under H2020 and the costs of reviews of projects selected both under H2020 and FP7.

#### Chapter 27 – Innovation

In accordance with its mandate, the ECSEL JU will continue to promote SMEs contribution, to support scientific guidance and to liaise with regional activities and worldwide initiatives. This decision is the direct consequence of the entry into force of the new H2020 programme.

#### Chapter 28 – Information and Communication

ECSEL JU is a PPP and in its actual configuration: 3 industry associations are involved in 3 different areas: Embedded Computing Systems, Nanoelectronics and Smart Systems Integration.

Dissemination and communication actions are entrusted to the Industry Associations with three different forums and groups of interest.

Like in previous years, communication actions will be organised under five headings:

- Conferences, info days and workshops,
- Internal communication,
- Publication and acquisition of information (DB),
- Website developments and consolidation,
- General public relations (PR) and publicity.

Actions will be implemented in accordance with the communication plan and may be coordinated with Industry Associations members of ECSEL under a service level agreement to be revised each year.

#### Chapter 29 – Evaluation and Audits

This provision is for external and internal audits needs, legal assistance and other costs. It will cover actions initiated under FP7 as well as under H2020.

#### 4.2.3. Title 3

##### Chapter 31 – Selected projects

These are exclusively the costs related to Calls for proposals for R&D projects.

											In Meur
Multiannual Cash Flow Forecast											
	RAL	Y2015	Y2016	Y2017	Y2018	Y2019	Y2020	Y2021	Y2022	Y2023	Totals
FP7	470	90	113	160	85	22					470
<b>H2020</b>											
<i>Pre-financing assumed 160% of first reporting period for call 2016</i>											
Call 2014	155	55	50	50							155
Call 2015	143		41,0	51,0	51,0						143
Call 2016	150			65,0	42,5	42,5					150
Call 2017	160				69,3	45,3	45,3				160
Call 2018	170					73,7	48,2	48,2			170
Call 2019	190						82,3	53,8	53,8		190
Call 2020	200							86,7	56,7	56,7	200
<b>Total H2020</b>	<b>1168</b>	<b>55</b>	<b>91,0</b>	<b>166,0</b>	<b>162,8</b>	<b>161,5</b>	<b>175,8</b>	<b>188,7</b>	<b>110,5</b>	<b>56,7</b>	<b>1168</b>
Payments H2020+FP7	1638	145	204,0	326,0	247,8	183,5	175,8	188,7	110,5	56,7	1638

Figures relating to December 2016.

### Chapter 32 – Overview on the Budget decisions relating to operations

Budget Implement Operations (Mios €)	2014	2015	2016	2017	Sum 2014-2017
EU Budget (OJ) (1)	135,0	102,5	153,1	168,0	558,6
EFTA Contribution (2)	3,6	2,5	4,1	4,1	14,3
EU Budget (OJ)+EFTA (1+2)	138,6	105	157,2	172,1	572,9
ECSEL Budget (3) *	155,0	102,5	157,3	172,1	586,9
ECSEL PAB calls (4) **	155	141,7	167,1	(172,1)	635,9

\* ECSEL budgets as approved by the Governing Board:

2014: GB 2014.08 and GB 2014.27

2015: GB 2014.24 and GB 2015.45

2016: GB 2015.54 and GB 2016.71

\*\* Decisions on selection of proposals and allocation of funding, as approved by the Public Authorities Board:

2014: PAB 2014.05 and 06, PAB 2015.10 and 11

2015: PAB 2015.15 and 16, and PAB 2016.18 and 19

2016: PAB 2016.24 and 25

## B. Staff Establishment Plan

Establishment plan (authorised/proposed/estimate)

Staff nb	2016 (a)	2017 (p)	Δ nb	2018(e)	Δ nb
Temporary agents	14	14	=	14	=
Contract agents	16	16	=	16	=
Total staff	30	30	=	30	=

In addition to the statutory staff, one seconded national expert (SNE) is also member of the staff and this position is to be maintained.

### Human Resources

Human Resources	2016	2017
	Authorised	Proposed
Establishment plan posts: AD	14	14
Establishment plan posts: AST		
Establishment plan posts: AST/SC		
Total AD+AST posts	14	14
Contract Agents	16	16
Seconded National Experts	1	1
Total staff	31	31

### Establishment plan posts for temporary agents

Function group and grade	2016		2017	
	Authorised under the EU Budget		Proposed Budget	
	Permanent Posts	Temporary Posts	Permanent posts	Temporary Posts
AD 16				
AD 15				
AD 14		1		1
AD 13				
AD 12		1		1
AD 11		3		3
AD 10				
AD 9		3		4
AD 8		6		5
AD 7				
AD 6				

Function group and grade	2016		2017	
	Authorised under the EU Budget		Proposed Budget	
	Permanent Posts	Temporary Posts	Permanent posts	Temporary Posts
AD 5				
AD total		14		14
AST 11				
AST 10				
AST 9				
AST 8				
AST 7				
AST 6				
AST 5				
AST 4				
AST 3				
AST 2				
AST 1				
AST total				
AST/SC 6				
AST/SC 5				
AST/SC 4				
AST/SC 3				
AST/SC 2				
AST/SC 1				
AST/SC total		0		0
TOTAL		14		14
GRAND TOTAL	14		14	

**Contract agents**

Contract Agents	Authorised 2016	Proposed Budget 2017 (*)
Function Group IV	4	4
Function Group III	7	7
Function Group II	5	5
Function Group I		
Total	16	16

(\*) Estimated full time equivalent units (FTE) on the basis of average costs

***Secoded national experts***

Secoded National Experts	Authorised 2016	Proposed Budget 2017 (*)
<b>Total</b>	<b>1</b>	<b>1</b>

(\*) Estimated full time equivalent units (FTE) on the basis of average costs

The estimation of the cost of human resources is based on the actual staff costs at ECSEL JU. The budget appropriations covering staff expenditure for year 2016 are based on the estimate (average Full Time Equivalents on a yearly basis) of 14 temporary agents and 16 contract agents and 1 SNE. Remuneration and social costs are estimated in accordance with the EU staff regulations and rules applicable, including pension rights.

**\* \* \***