



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

**Amending for the second time the Joint Undertaking's budget for the 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;

Having regard to the Decision ECSEL GB 2016.74 adopting the budget for the year 2017,

Having regard to the Decision ECSEL GB 2017.83 amending for the first time the budget for the year 2017,

WHEREAS:

- (1) The Financial year shall run from 01 January to 31 December;
- (2) The Annual Budget for year 2017 has been adopted by the Governing Board on 15 December 2016, per Decision ECSEL GB 2016.74;
- (3) The Governing Board has amended for the first time Annual Budget for year 2017, per Decision ECSEL GB 2017.83;
- (4) The Annual Budget for year 2017 shall be amended for the second time to increase the appropriations for commitments for operations (Title 3);
- (5) The additional revenues are relating to unused appropriations from the Joint Undertaking's budgets for the years 2014-2017 for a total of 3.243.666,00 €;
- (6) The Annual Budget for year 2017 as amended for the second time, shall also record the transfers of appropriations approved by the Executive Director in year 2017, for transparency purposes;
- (7) The Governing Board shall approve the amended budget 2017 as amended for the second time;

HAS ADOPTED THIS DECISION:

Article 1

The Joint Undertaking's Budget for year 2017, as amended for the second time and as annexed to this Decision, is hereby adopted.

Article 2

Decision ECSEL GB 2017.83 of 10 March 2017 is repealed and replaced by the present decision.

Article 3

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

Done at Brussels, on 15th November 2017,

A handwritten signature in black ink, appearing to read 'Andrea Cuomo', with a horizontal line underneath the name.

Andrea Cuomo

Chairperson of the Governing Board

Annex: Budget for year 2017 as amended for the second time

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 programs and plans in 2017 as initially adopted by the Governing Board on 15 December 2016 and now amended for the second time. 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 are now increased as follows:

- 180,581,386.00 € in 2017: +1.81% **compared to the initial budget for year 2017.**

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) are not modified with the present amendment:

- 287,710,000.00 € in 2017: **no change compared to the initial budget for year 2017.**

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

- with regard to commitments: 2.88% in 2017.
- with regard to payments: 1.81% in 2017.

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 (initial/amended/proposed)**1.1 Appropriations for Commitments (p.m.)**

€	2015	2016 (amended 2x)	2017 (i)	2017 (a)	2017 (p)	Δ % a-p
-Revenue EU Budget (*) (incl. for running costs)	104,664,814.00 2,210,000.00	159,414,391.00 2,106,952.00	174,143,725.00 2,006,005.00	174,143,725.00 2,006,005.00	174,143,725.00 2,006,005.00	0% 0%
-Revenue Industry (incl. for running costs)	2,990,000.00 2,990,000.00	3,093,048.00 3,093,048.00	2,455,998.00 2,455,998.00	2,455,998.00 2,455,998.00	2,455,998.00 2,455,998.00	0% 0%
-Other contributions(**)	p.m.	6,844,365.32	737,997.00	737,997.00	737,997.00	0%
-Revenue generated by ECSEL	p.m.	p.m.	p.m.	p.m.	3,243,666.00	100%
-Budget result 2016 (if>0)	p.m.	p.m.	p.m.	p.m.	p.m.	
Total Revenues	107,654,814.00	169,351,804.32	177,337,720.00	177,337,720.00	180,581,386.00	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 (p.m.)

€	2015	2016 (amended 2x)	2017 (i)	2017 (a)	2017 (p)	Δ % a-p
-Revenue EU Budget	163,710,000.00	240,976,082.00	284,516,005.00	284,516,005.00	284,516,005.00	0%
(incl. for running costs)	2,210,000.00	2,106,952.00	2,006,005.00	2,006,005.00	2,006,005.00	0%
-Revenue Industry	2,990,000.00	3,093,048.00	2,455,998.00	2,455,998.00	2,455,998.00	0%
(incl. for running costs)	2,990,000.00	3,093,048.00	2,455,998.00	2,455,998.00	2,455,998.00	0%
-Other contributions (**)	p.m.	p.m.	737,997.00	737,997.00	737,997.00	0%
-Revenue generated by ECSEL	p.m.	p.m.	p.m.	p.m.	p.m.	
-Budget result 2016 (if<0)	p.m.	p.m.	p.m.	p.m.	p.m.	
Total Revenues	166,700,000.00	244,069,130.00	287,710,000.00	287,710,000.00	287,710,000.00	0%

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

2. Expenditure**II. Budget expenditure (approved/proposed)****2.1 Appropriations for Commitment**

€	2015	2016 (amended 2x)	2017 (i)	2017 (a)	2017 (p)	Δ % a-p
Title1: Staff	3,200,000.00	3,200,000.00	3,200,000.00	3,200,000.00	3,257,000.00	2%
Title2: Buildings-Equipment and Services	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	1,943,000.00	-3%
Title 1 + 2: Running costs	5,200,000.00	5,200,000.00	5,200,000.00	5,200,000.00	5,200,000.00	0%
Title 3: Operations = projects	102,454,814.00	164,151,804.32	172,137,720.00	172,137,720.00	175,381,386.00	2%
Titles 1 + 2 + 3: Total budget	107,654,814.00	169,351,804.32	177,337,720.00	177,337,720.00	180,581,386.00	2%

2.2 Appropriations for Payment

€	2015	2016 (amended 2x)	2017 (i)	2017 (a)	2017 (p)	Δ % a-p
Title1: Staff	3,200,000.00	3,200,000.00	3,200,000.00	3,200,000.00	3,257,000.00	2%
Title2: Buildings-Equipment and Services	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	1,943,000.00	-3%
Title 1 + 2: Running costs	5,200,000.00	5,200,000.00	5,200,000.00	5,200,000.00	5,200,000.00	0%
Title 3: Operations = projects	161,500,000.00	238,869,130.00	282,510,000.00	282,510,000.00	282,510,000.00	0%
Titles 1 + 2 + 3: Total budget	166,700,000.00	244,069,130.00	287,710,000.00	287,710,000.00	287,710,000.00	0%

2.3 Details by Title and Chapter

COMMITMENTS	Budget 2015	Budget 2016	Budget 2017 amended	Budget 2017 proposed	VAR %
TITLE 1 STAFF	3,200,000.00	3,200,000.00	3,200,000.00	3,257,000.00	2%
11 Staff salaries	3,000,000.00	3,000,000.00	2,980,000.00	3,009,000.00	1%
- of which establishment plan posts	2,460,000.00	2,460,000.00	2,460,000.00	2,489,000.00	1%
- of which external personnel	540,000.00	540,000.00	520,000.00	520,000.00	0%
12 Staff recruitment & associated costs	30,000.00	30,000.00	30,000.00	30,000.00	0%
13 Missions and representation	135,000.00	135,000.00	150,000.00	150,000.00	0%
14 Socio-medical infrastructure & Training	35,000.00	35,000.00	40,000.00	68,000.00	70%
TITLE 2 BUILDINGS. EQUIPMENT AND MISCELLANEOUS OPERATING EXPENDITURE	1,980,000.00	2,000,000.00	2,000,000.00	1,943,000.00	-3%
20 Buildings and associated costs	550,000.00	600,000.00	620,000.00	620,000.00	0%
21 IT equipment	130,000.00	110,000.00	140,000.00	255,000.00	82%
22 Furniture	14,400.00	40,000.00	25,000.00	10,000.00	-60%
23 Others Administratives Expenditures	25,000.00	25,000.00	30,000.00	10,000.00	-67%
24 Telecommunications	15,000.00	80,000.00	30,000.00	15,000.00	-50%
25 Formal and other meetings	-	-	-	-	100%
26 R&D support (evaluations and reviews)	686,600.00	570,000.00	580,000.00	523,000.00	-10%
27 Innovation activities	20,000.00	40,000.00	35,000.00	0.00	0%
28 Communication	450,000.00	450,000.00	440,000.00	460,000.00	5%
29 Audit, Legal and external services	89,000.00	85,000.00	100,000.00	50,000.00	-50%
TITLE 3 OPERATIONAL EXPENDITURE	102,454,814.00	164,151,804.32	172,137,720.00	175,381,386.00	2%
to be specified by chapter					
TOTAL EXPENDITURE	107,634,814.00	169,351,804.32	177,337,720.00	180,581,386.00	2%

PAYMENTS	Budget 2015	Budget 2016	Budget 2017 amended	Budget 2017 proposed	VAR %
TITLE 1 STAFF	2,766,001.00	3,200,000.00	3,200,000.00	3,257,000.00	2%
11 Staff salaries	2,559,637.00	3,000,000.00	2,980,000.00	3,009,000.00	1%
- of which establishment plan posts	2,559,637.00	2,460,000.00	2,460,000.00	2,489,000.00	1%
- of which external personnel		540,000.00	520,000.00	520,000.00	0%
12 Staff recruitment & associated costs	34,615.00	30,000.00	30,000.00	30,000.00	0%
13 Missions and representation	136,175.00	135,000.00	150,000.00	150,000.00	0%
14 Socio-medical infrastructure & Training	35,574.00	35,000.00	40,000.00	68,000.00	70%
TITLE 2 BUILDINGS. EQUIPMENT AND MISCELLANEOUS OPERATING EXPENDITURE	1,881,633.00	2,000,000.00	2,000,000.00	1,943,000.00	-3%
20 Buildings and associated costs	522,526.00	600,000.00	620,000.00	620,000.00	0%
21 IT equipment	133,484.00	110,000.00	140,000.00	255,000.00	82%
22 Furniture	3,944.00	40,000.00	25,000.00	10,000.00	-60%
23 Others Administratives Expenditures	26,469.00	25,000.00	30,000.00	10,000.00	-67%
24 Telecommunications	10,812.00	80,000.00	30,000.00	15,000.00	-50%
25 Formal and other meetings	-	-	-	-	100%
26 R&D support (evaluations and reviews)	699,289.00	570,000.00	580,000.00	523,000.00	-10%
27 Innovation activities	-	40,000.00	35,000.00	0.00	0%
28 Communication	425,324.00	450,000.00	440,000.00	460,000.00	5%
29 Audit, Legal and external services	59,785.00	85,000.00	100,000.00	50,000.00	-50%
TITLE 3 OPERATIONAL EXPENDITURE	147,354,652.00	238,869,130.00	282,510,000.00	282,510,000.00	0%
to be specified by chapter					
TOTAL EXPENDITURE	152,002,286.00	244,069,130.00	287,710,000.00	287,710,000.00	0%

2.4 Details on the use of financial resources

2.4.1 TITLE 1 - STAFF

Chapter 11 – Staff salaries

This appropriation is intended to cover the cost of remuneration of temporary and contractual staff in accordance with the Staff Regulations. This chapter also covers the costs of the employer's social security contributions in accordance with the applicable Staff Regulations. It covers as well the cost of non statutory staff like interim and trainees who are contracted for a short period (external personnel).

Chapter 12 – Staff recruitment & associated costs

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 and representation

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 & Training

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.

2.4.2 TITLE 2 - BUILDINGS. EQUIPMENT AND MISCELLANEOUS OPERATING EXPENDITURE

Chapter 20 – 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 – IT equipment

Year 2017 is a critical year for IT equipment of ECSEL Office where key software and hardware developments will take place as well as the migration of the shared drives of the JU to a cloud based system. This chapter also includes the helpdesk function which is externalised.

Chapter 22 – Furniture

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

Chapter 23 – Other Administrative Expenditures

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

Chapter 24 – Telecommunications

This chapter relates to the costs for internet connections and telecom equipment as needed (including for replacement and upgrade).

Chapter 26 – R&D support (evaluations and reviews)

This chapter includes the costs related to the evaluation, selection and review of projects, as well as 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 activities

From year 2018, activities relating to innovation are now included in the chapter 28.

In accordance with its mandate, 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 – Communication

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

- Conferences, info days and workshops, and events
- 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 JUs communication plan and in coordination with Industry Associations members of ECSEL. They will include the activities the purpose of which is to promote innovation.

Chapter 29 – Audits, Legal and external services

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

2.4.3 Title 3 OPERATIONAL EXPENDITURE

Chapter 31 – Selected projects

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

Multiannual Cash flow forecast (updated on 01.03.2017):

										In Meur		
Payments Appropriations												
FP7		Y2015	Y2016	Y2017	Y2018	Y2019	Y2020	Y2021	Y2022	Y2023	Y2024	Totals
		92	118	150	55	8						423
H2020												
Call 2014	155	56	40	50	9							155
Call 2015	145		59	45	34	7						145
Call 2016	150			80	45	18	7					150
Call 2017	160				85	50	17	8				160
Call 2018	170					90	50	21	9			170
Call 2019	190						100	50	30	10		190
Call 2020	200							106	60	24	10	200
Total H2020	1170	56	99	175	173	165	174	185	99	34	10	1170
Payments H2020+FP7		148	217	325	228	173	174	185	99	34	10	1593

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	
	Permanen t Posts	Temporari y 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				
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

Seconded national experts

Seconded National Experts	Authorised 2016	Proposed Budget 2017 (*)
Total	1	1

(*) 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.
