

DECISION
ADB(D)12-2016

**On Budget transfers between Titles and Chapters
and amending Budget 2016**

THE ADMINISTRATIVE BOARD OF THE SESAR JOINT UNDERTAKING (SJU),

Having regard to:

- Council Regulation (EC) No 219/2007 of 27 February 2007, on the establishment of a Joint Undertaking to develop the new generation of the European Air Traffic Management system (SESAR)¹ as amended by Council Regulation (EC) No 1361/2008 of 16 December 2008² and by Council Regulation (EU) No 721/2014 of 16 June 2014³ ('SJU Regulation'), and in particular Article 5(1)(c) of the SJU Statutes annexed thereto ('SJU Statutes');
- SJU Financial Rules, adopted by the Administrative Board on 25 June 2015 and in particular to Article 26 and Article 33 thereof,

Whereas:

- The SJU Financial Rules establish that "the Executive Director may transfer appropriations: (a) from one title to another up to a maximum of 10 % of the appropriations for the year shown on the line from which the transfer is made; (b) from one chapter to another and from one article to another without limit";
- Article 26.2 of the aforementioned SJU Financial Rules, establishes that "beyond the limit referred in paragraph 1, the Executive Director may propose to the Administrative Board transfers of appropriations from one title to another. The Administrative Board shall have three weeks in which to oppose such transfers. After this time-limit they shall be deemed to be adopted";
- In Article 2 of Decision ADB(D)10-2016 on the Final Annual Accounts 2015 the Administrative Board confirms the authorization to the Executive Director to inscribe the Budget Result 2015 in terms of commitments and payments into the Budget 2016 of the SJU and make use of it in accordance with the Budget 2016 and Annual Work Programme 2016, and requests the Executive Director to submit a Revised Budget 2016 including the Budget Result 2015 by the last Board meeting of the year at the latest;
- In order to ensure the adequate management of the budget appropriations, the Executive Director authorized budget transfers within the limits defined in Article 26.1 of the SJU Financial Rules;

¹ OJ L 64, 2.3.2007, p. 1

² OJ L 352, 31.12.2008, p. 12

³ OJ L 192, 1.7.2014, p. 1

- Section 4.1.2.5 of the Budget for 2016 adopted by the Administrative Board with decision ADB(D)14-2015 on 15 December 2015 foresaw a revision of the SESAR1 Payment appropriations, if necessary, depending on the actual net amounts to be paid to Members during 2016;
- Requests for Payments for cost incurred in 2015 have been submitted by 10 out of 15 Members for SESAR1;
- Although in all these 10 cases the maximum 80% cash ceilings of the MFA have been reached and therefore the actual net amounts to be paid to Members during 2016 are expected to be far lower than the Cost claims, it is nevertheless not required to amend the SESAR1 Payment Appropriations for 2016 as they will be made available again as Budget Result for final payments in 2017;
- There is a need to amend the Budget 2016 in order to accommodate one-off ICT transition services ensuring the proper close down of the SESAR1 Programme and business continuity with the SESAR2020 Programme, and that EUROCONTROL has agreed to fully finance these services as part of the contribution to the SESAR1 Running Costs;
- There is the need to amend the Budget 2016 for SESAR2020 (Section 2) in order to re-allocate funds and to align with changes as introduced in the Amendment No. 1 to the Annual Work Programme 2016;
- The management of additional funds to be used for demonstration activities are entrusted to the SJU through a dedicated Delegation Agreement between the European Commission and the SJU;
- The additional funds entrusted to the SJU under the Delegation Agreement are estimated at EUR 0.5 million and shall be introduced in the 2016 Revised Budget as Assigned Revenue for specific contributions to Very Large Scale Demonstration Activities under the SESAR2020 programme in accordance with Articles 7 and 22 of the SJU Financial Rules;
- EUR 14.5 million Payment Appropriations initially budgeted for Pre- Financing and Interim payments in 2016 for SESAR2020 will not be needed in the budget year 2016 as a result of the changes introduced in the Amendment No. 1 to Annual Work Programme 2016, however, they shall be re-introduced in the Draft Budget 2017 (and following years) as additional Payment Appropriations;
- The Budget 2016 was adopted by the Administrative Board on 15 December 2015 (ADB(D)14-2015);
- A Written Procedure for the approval of Amendment No. 1 to the Annual Work Programme was launched on 3 August 2016 and complemented with information related to the amended Budget 2016 on 9 August 2016;

HAS DECIDED AS FOLLOWS:

Article 1
(Budget transfers SESAR1)

The Administrative Board takes note of the following budget transfers between Chapters and/or Titles until 31 July 2016 within the Authority of the Executive Director:

- EUR 35.000 from Chapter 2.3 (“Pr And Events”) to Chapter 2.6 (“Current Administrative Expenditure”) to align the nature of the planned expenditure (Printing Services) with the appropriate budget line;

Article 2
(Budget amendment and Outturn SESAR1)

For the Programme SESAR 1 (Section 1 of the amending Budget), the Administrative Board takes note of and adopts the following budget changes proposed by the Executive Director with respect to the Budget 2016 adopted by the Administrative Board on 15 December 2015:

1. Statement of Revenue (Section 1)

- In accordance with ADB(D)10-2016, alignment of the Budget Result 2015 to the actual figures of the Final Annual Accounts 2015 (additional EUR 497 for commitment appropriations and EUR 10.398.808 for payment appropriations);
- Increase of EUR 750.000 for maximum contribution in cash by EUROCONTROL for ICT transition services;

2. Statement of Expenditure (Section 1)

- An increase of EUR 497 of Commitment Appropriations for Chapter 3.1 (“Studies...by the SJU”) from the Budget Result 2015 to ensure that revenue and expenditure are in balance;
- An increase of EUR 10.398.808 of Payment Appropriations for Chapter 3.3 (“Studies...by the Members”) from the Budget Result 2015 to ensure that revenue and expenditure are in balance;
- An increase of EUR 750.000 of Commitment and Payment Appropriations for Chapter 2.7 (“It Expenditure And Technical Facilities”) for maximum ICT one-off transition services financed by EUROCONTROL;

Article 3
(Budget SESAR2020)

For the Programme SESAR2020 (Section 2 of the amending Budget), the following changes with respect to the Budget 2016 are approved:

1. Statement of Expenditure (Section 2)

- Increase of Commitment Appropriations related to Chapter 3.1 (“Studies...by the SJU”) for EUR 500.000 EUR stemming from Assigned Revenue for additional contributions from the Commission to Very Large Scale Demonstration Activities;
- Decrease of the Payment Appropriations related to Chapter 3.1 (“Studies...by the SJU”) for EUR 14.500.000 due to external factors beyond the control of the SJU leading to the postponed launch of various SESAR2020 calls and activities as outlined the table below;
- Re-allocation of Commitment Appropriations within Chapter 3.1 (“Studies...by the SJU”) following the changes in the Amendment No. 1 to the Annual Work Programme and as outlined in the table below:

Million EUR

<u>BUDGET 2016</u>		<u>AMENDING BUDGET 2016</u>	
Commitment Appropriations	Payment Appropriations	Commitment Appropriations	Payment Appropriations

Exploratory Research (Core ATM)
Exploratory Research (RPAS)
Very Large Demonstration Activities (Wave 1)
SESAR Development Support Services (SDSS)
Airspace Users
Professional Staff Associations
Airports Expertise
Programme Support, Strategy and Experts
Ad hoc studies (in complement to the core working programme)
Total

8,6	9,3	10,0	5,0
9,0	4,5	9,0	4,5
18,0	6,0	18,5	-
15,0	2,5	15,0	-
6,0	1,0	4,5	-
2,0	-	0,5	-
0,8	-	0,4	-
-	-	2,8	-
2,2	0,9	1,4	0,2
61,6	24,2	62,1	9,7

2. Statement of Revenue (Section 2)

- Increase of Revenue-Commitments as Assigned Revenue from the Delegation Agreement with the Commission currently under preparation for additional contributions to Very Large Scale Demonstration Activities;
- Decrease of Revenues from EU Horizon 2020 Funds for EUR 14.500.000 to ensure that revenue and payment expenditure are in balance.

Article 4

This decision shall enter into force on the date of its adoption.

Done in Brussels, 30 September 2016.

For the Administrative Board



The Chairperson
Henrik Hololei

Annex: Financial tables Amending Budget 2016