



COMMISSION OF THE EUROPEAN COMMUNITIES

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**PRELIMINARY DRAFT AMENDING BUDGET No 2  
TO THE GENERAL BUDGET FOR 2005**

**GENERAL STATEMENT OF REVENUE**

**STATEMENT OF REVENUE AND EXPENDITURE BY SECTION**

**Section I - Parliament**

**Section II - Council**

**Section III - Commission**

**Section IV - Court of Justice**

**Section V - Court of Auditors**

**Section VI – European Economic and Social Committee**

**Section VII - Committee of the Regions**

**Section VIII Part A - European Ombudsman**

**Section VIII Part B - European Data-protection Supervisor**

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***Section VI – European Economic and Social Committee***

***Section VII - Committee of the Regions***

***Section VIII Part A - European Ombudsman***

***Section VIII Part B - European Data-protection Supervisor***

Having regard to:

- the Treaty establishing the European Community, and in particular Article 272 thereof,
- the Treaty establishing the European Atomic Energy Community, and in particular Article 177 thereof,
- the Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities<sup>1</sup>, and in particular Article 37 thereof,

The European Commission hereby presents to the budgetary authority the preliminary draft amending budget No 2 to the 2005 budget for the reasons set out in the explanatory memorandum.

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<sup>1</sup> OJ L 248, 16.09.2002, p.1.

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### **GENERAL STATEMENT OF REVENUE**

#### **STATEMENT OF REVENUE AND EXPENDITURE BY SECTION**

The general statement of revenue and the statement of revenue and expenditure by section are forwarded separately via the SEI-BUD system. An English version of the general statement of revenue and of the statement of revenue and expenditure by section is attached as a budgetary annex by way of example.

## EXPLANATORY MEMORANDUM

### 1. INTRODUCTION

The purpose of this Amending Budget is to incorporate the decisions taken during the conciliation of 25 November 2004<sup>2</sup>, regarding the adjustment of the administrative appropriations resulting from the annual adaptations of the salaries and pensions. In fact, the parameter used, in April 2004, when calculating these appropriations for the 2005 budget was 2.6 %. But the increase decided in December 2004 was 0.7 %.

In this framework the Institutions proceeded to a mechanical calculation of the related reductions of the appropriations as well as of the revenue, taking into account the cuts that had already been made by the budgetary authority, in anticipation of the reduction of the parameter.

It should be stressed finally that owing to the uncertainties of the effects of the new staff regulations during the transition period, some Institutions could be confronted, at the end of 2005, with a shortage of appropriations for remunerations. Should it be the case, the budgetary authority will be informed in due course. Each Institution will try to cover its needs by transfers. However the need to present an Amending Budget can not be excluded at this stage.

Additionally, some further modifications related to administrative expenditure are also proposed.

### 2. ADJUSTMENTS OF APPROPRIATIONS FOR REMUNERATIONS AND PENSIONS

– Parliament:	-7 975 278 EUR
– Council:	-5 180 000 EUR
– Commission: (incl. pensions: -15 197 000 EUR)	-39 031 022 EUR
– Court of Justice:	-3 394 000 EUR
– Court of Auditors:	-1 612 000 EUR
– European Economic and Social Committee:	-984 709 EUR
– Committee of the Regions:	-209 446 EUR
– European Ombudsman:	-88 060 EUR
– European Data-protection Supervisor:	-38 572 EUR
	TOTAL -58 513 087 EUR

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<sup>2</sup> *"The Budgetary Authority invites the Commission to submit not later than March 2005 an amending budget containing exclusively the reductions of appropriations for administrative expenditure of the institutions resulting from the annual adaptation of the salaries and pensions."*

## 2.1. Section I (Parliament)

The breakdown by budget line of the appropriations requested by the Parliament is as follows:

Line	Heading	Budget 2005	PDAB 2/2005	Budget 2005 + PDAB 2/2005
1 1 0 0	Basic salaries	322 664 167	-5 975 262	316 688 905
1 1 0 1	Family allowances	28 200 849	-522 238	27 678 611
1 1 0 2	Expatriation and foreign residence allowances (including those granted in accordance with Article 97 of the ECSC Staff Regulations)	45 068 797	-824 586	44 244 211
1 1 1 0	Auxiliary staff	11 982 790	-257 879	11 724 911
1 1 1 2	Local staff	650 192	-12 040	638 152
1 1 3 0	Insurance against sickness	11 454 576	-212 122	11 242 454
1 1 3 1	Insurance against accidents and occupational disease	2 968 514	-54 972	2 913 542
1 1 3 2	Insurance against unemployment for temporary staff	734 251	-13 597	720 654
1 1 5	Overtime	1 441 255	-26 690	1 414 565
1 1 9 1	Provisional appropriation	5 837 994	-75 892	5 762 102
<b>Total Chapter 1 1 – Staff in active employment</b>		<b>455 965 084</b>	<b>-7 975 278</b>	<b>447 989 806</b>
<b>TOTAL TITLE 1</b>		<b>703 977 018</b>	<b>-7 975 278</b>	<b>696 001 740</b>
<b>TOTAL PARLIAMENT</b>		<b>1 272 000 000</b>	<b>-7 975 278</b>	<b>1 264 024 722</b>

## 2.2. Section II (Council)

The breakdown by budget line of the appropriations requested by the Council break is as follows:

Line	Heading	Budget 2005	PDAB 2/2005	Budget 2005 + PDAB 2/2005
1 0 3 0	Retirement pensions	175 000	-3 000	172 000
1 0 9 0	Weightings	44 000	-1 000	43 000
<b>Total Chapter 1 0 – Member of the institution</b>		<b>221 000</b>	<b>-4 000</b>	<b>217 000</b>
1 1 0 0	Basic salaries	201 131 118	-3 757 828	197 373 289
1 1 0 1	Family allowances	17 884 233	-330 000	17 554 232
1 1 0 2	Expatriation and foreign residence allowances (including those granted in accordance with Article 97 of the ECSC Staff Regulations)	28 543 439	-528 992	28 014 447
1 1 0 3	Secretarial allowances	2 378 000	-44 000	2 334 000
1 1 3 0	Insurance against sickness	7 105 473	-131 997	6 973 476
1 1 3 1	Insurance against accidents and occupational disease	1 831 164	-33 999	1 797 164
1 1 4 7	Allowances for shift work or standby duty at the official's place of work or at home	530 000	-10 000	520 000
1 1 5	Overtime	2 727 000	-52 000	2 675 000
1 1 8 2	Installation, resettlement and transfer allowances	3 827 000	-69 000	3 758 000
1 1 8 4	Temporary daily subsistence allowances	2 739 000	-48 000	2 691 000
1 1 9 0	Salary weightings	2 681 987	-188	2 681 800
1 1 9 1	Provisional appropriation	3 624 469	-67 996	3 556 473
<b>Total Chapter 1 1 – Staff in active employment</b>		<b>289 708 699</b>	<b>-5 074 000</b>	<b>284 634 699</b>
1 2 1 0	Allowances in the case of retirement in the interest of the service in application for Articles 41 and 50 of the Staff Regulations	292 000	-5 000	287 000
1 2 1 8	Benefits and allowances for staff covered by special retirement measures	5 703 000	-93 000	5 610 000
1 2 3	Sickness insurance	181 000	-3 000	178 000
1 2 9 1	Provisional appropriation	74 000	-1 000	73 000
<b>Total Chapter 1 2 – Various allowances and contributions relating to termination of service</b>		<b>6 698 000</b>	<b>-102 000</b>	<b>6 596 000</b>
<b>TOTAL TITLE 1</b>		<b>307 970 699</b>	<b>-5 180 000</b>	<b>302 790 699</b>
<b>TOTAL COUNCIL</b>		<b>568 343 403</b>	<b>-5 180 000</b>	<b>563 163 403</b>

### 2.3. Section III (Commission)

The breakdown by budget line of the appropriations requested by the Commission is as follows:

LINE	Heading	Budget 2005	PDAB 2/2005	Budget 2005 + PDAB 2/2005
XX 01 01 01	Expenditure related to staff in active employment working with the institution	1 426 968 900	-22 350 000	1 404 618 900
XX 01 01 01 01	Remuneration and allowances	1 387 950 900	-22 350 000	1 365 600 900
XX 01 01 02	Expenditure related to staff in active employment of Community delegations	146 443 000	1 982 000	148 425 000
XX 01 01 02 01	Remuneration and allowances	136 916 000	1 982 000	138 898 000
XX 01 02 01	External staff working with the institution	<b>163 429 436</b>	<b>-1 100 000</b>	<b>162 329 436</b>
XX 01 02 01 01	Auxiliary staff	62 774 936	-1 100 000	61 674 936
24 01 06	European Anti-Fraud Office (OLAF)	47 140 900	-465 900	46 675 000
(A3 01 01)	<i>Expenditure related to staff in active employment</i>	<i>30 442 900</i>	<i>-465 900</i>	<i>29 977 000</i>
25 01 01 03	Salaries, allowances and payments of Members of the institution	7 505 000	-133 000	7 372 000
26 01 09 01	Publications Office	80 978 052	-655 252	80 322 800
(A2 01 01)	<i>Expenditure related to staff in active employment</i>	<i>45 623 652</i>	<i>-655 252</i>	<i>44 968 400</i>
26 01 20	European Personnel Selection Office (EPSO)	25 121 640	-80 000	25 041 640
(A4 01 01)	<i>Expenditure related to staff in active employment</i>	<i>7 280 700</i>	<i>-80 000</i>	<i>7 200 700</i>
26 01 21	Office for the Administration and Payment of Individual Entitlements (Paymaster Office)	30 442 870	-347 870	30 095 000
(A5 01 01)	<i>Expenditure related to staff in active employment</i>	<i>18 625 870</i>	<i>-347 870</i>	<i>18 278 000</i>
26 01 22	Office for Infrastructure and Logistics (Brussels) (OIB)	56 135 834	-513 000	55 622 834
(A6 01 01)	<i>Expenditure related to staff in active employment</i>	<i>31 667 000</i>	<i>-513 000</i>	<i>31 154 000</i>
26 01 23	Office for Infrastructure and Logistics (Luxembourg) (OIL)	22 575 397	-171 000	22 404 397
(A7 01 01)	<i>Expenditure related to staff in active employment</i>	<i>13 490 000</i>	<i>-171 000</i>	<i>13 319 000</i>
30 01 13 04	Allowances for staff assigned to non-active status, retired in the interests of the service or dismissed	37 924 000	-702 000	37 222 000
30 01 13 07	Pensions and severance grants	775 107 000	-14 495 000	760 612 000
	<b>Total Administrative expenditure (incl. pensions: -15 197 000 EUR)</b>	<b>3 995 658 309</b>	<b>-39 031 022</b>	<b>3 956 627 287</b>
	<b>TOTAL COMMISSION</b>	<b>114 198 594 749</b>	<b>-39 031 022</b>	<b>114 159 563 727</b>

The appropriations related to the staff of Community delegations (Sub-item XX 01 01 02 01) present a unique situation. At the time of the second reading, the Parliament stated that the appropriations reduced in the first reading should be “...reviewed once the information on the salary adjustment for 2005 is available”. In fact the reduction operated on this line is already too important to cover the needs and the adjustment proposed for this item is therefore positive (EUR 1 982 000).

## 2.4. Section IV (Court of Justice)

The breakdown by budget line of the appropriations requested by the Court of Justice is as follows:

Line	Heading	Budget 2005	PDAB 2/2005	Budget 2005 + PDAB2/2005
1 0 0 0	Basic salaries	13 087 000	-241 000	12 846 000
1 0 0 1	Residence allowances	1 964 000	-42 000	1 922 000
1 0 0 2	Family allowances	916 000	-16 000	900 000
1 0 0 3	Representation allowances	568 000	-11 000	557 000
1 0 1	Accident and sickness insurance and other social security charges	731 000	-11 000	720 000
1 0 2	Temporary allowances	1 875 000	-35 000	1 840 000
1 0 3 0	Retirement pensions	2 379 000	-44 000	2 335 000
1 0 3 2	Survivors' pensions	1 574 000	-29 000	1 545 000
1 0 5 1	Installation, resettlement and transfer allowances	170 000	-10 000	160 000
1 0 9 0	Weightings	170 000	-10 000	160 000
1 0 9 1	Provisional appropriations to cover adjustments to emoluments	314 000	-6 000	308 000
<b>Total Chapter 1 0 – Member of the institution</b>		<b>24 423 000</b>	<b>-455 000</b>	<b>23 968 000</b>
1 1 0 0	Basic salaries	113 741 022	-2 108 000	111 633 022
1 1 0 1	Family allowances	9 109 000	-169 000	8 940 000
1 1 0 2	Expatriation and foreign residence allowances (including those granted in accordance with Article 97 of the ECSC Staff Regulations)	18 106 000	-336 000	17 770 000
1 1 0 3	Flat-rate allowances	496 000	-9 000	487 000
1 1 1 0	Auxiliary staff	1 618 000	-30 000	1 588 000
1 1 1 8	National experts on secondment	524 000	-10 000	514 000
1 1 3 0	Insurance against sickness	3 963 000	-73 000	3 890 000
1 1 3 1	Insurance against accidents and occupational disease	1 047 000	-20 000	1 027 000
1 1 3 2	Unemployment insurance for temporary staff	212 000	-2 000	210 000
1 1 4 0	Birth and death grants	61 000	-1 000	60 000
1 1 5	Overtime	690 000	-13 000	677 000
1 1 8 2	Installation, resettlement and transfer allowance	1 183 000	-13 000	1 170 000
1 1 8 4	Temporary daily subsistence allowances	1 001 000	-45 000	956 000
1 1 9 0	Salary weightings	1 976 000	-71 000	1 905 000
1 1 9 1	Provisional appropriation	2 012 000	-39 000	1 973 000
<b>Total Chapter 1 1 – Staff in active employment</b>		<b>158 260 022</b>	<b>-2 939 000</b>	<b>155 321 022</b>
<b>TOTAL TITLE 1</b>		<b>195 053 972</b>	<b>-3 394 000</b>	<b>191 659 972</b>
<b>TOTAL COURT OF JUSTICE</b>		<b>232 346 872</b>	<b>-3 394 000</b>	<b>228 952 872</b>

## 2.5. Section V (Court of Auditors)

The breakdown by budget line of the appropriations requested by the Court of Auditors is as follows:

Line	Heading	Budget 2005	PDAB 2/2005	Budget 2005 + PDAB 2/2005
1 0 0 0	Basic salaries	5 364 000	-99 000	5 265 000
1 0 0 1	Residence allowances	805 000	-15 000	790 000
1 0 0 2	Family allowances	305 000	-6 000	344 000
1 0 1	Accident and sickness insurance and other social security charges	302 000	-6 000	296 000
1 0 3 0	Retirement pensions	1 669 000	-31 000	1 638 000
1 0 3 2	Survivors' pensions	295 000	-5 000	295 000
1 0 9 0	Weightings	307 000	-6 000	301 000
1 0 9 1	Provisional appropriation	123 000	-2 000	121 000
<b>Total Chapter 1 0 – Members of the institution</b>		<b>9 620 000</b>	<b>-170 000</b>	<b>9 450 000</b>
1 1 0 0	Basic salaries	53 973 000	-999 000	52 974 000
1 1 0 1	Family allowances	4 626 000	-86 000	4 540 000
1 1 0 2	Expatriation and foreign residence allowances (including those granted in accordance with Article 97 of the ECSC Staff Regulations)	8 699 000	-161 000	8 538 000
1 1 0 3	Fixed allowances	304 000	-6 000	298 000
1 1 1 0	Auxiliary staff	1 447 000	-27 000	1 420 000
1 1 1 4	Auxiliary translators	295 000	-5 000	290 000
1 1 1 5	Contractual agents	420 000	-8 000	412 000
1 1 3 0	Insurance against sickness	1 835 000	-34 000	1 801 000
1 1 3 1	Insurance against accidents and occupational disease	470 000	-9 000	461 000
1 1 3 3	Constitution or maintenance of pension rights for temporary staff	53 000	-1 000	52 000
1 1 5	Overtime	625 000	-12 000	612 000
1 1 8 2	Installation, resettlement and transfer allowances	1 417 000	-26 000	1 391 000
1 1 8 4	Temporary daily subsistence allowances	1 644 000	-30 000	1 614 000
1 1 9 0	Weightings	1 097 000	-20 000	1 077 000
1 1 9 1	Provisional appropriation	988 000	-18 000	970 000
<b>Total Chapter 1 1 – Staff in active employment</b>		<b>79 648 000</b>	<b>-1 442 000</b>	<b>2 047 000</b>
<b>TOTAL TITLE 1</b>		<b>95 580 500</b>	<b>-1 612 000</b>	<b>93 968 500</b>
<b>TOTAL COURT OF AUDITORS</b>		<b>108 560 579</b>	<b>-1 612 000</b>	<b>106 948 579</b>

## 2.6. Section VI (European Economic and Social Committee)

The breakdown by budget line of the appropriations requested by the European Economic and Social Committee is as follows:

Line	Heading	Budget 2005	PDAB 2/2005	Budget 2005 + PDAB 2/2005
1 1 0 0	Basic salaries	39 036 292	-726 026	39 762 318
1 1 0 1	Family allowances	3 391 881	-62 821	3 454 702
1 1 0 2	Expatriation and foreign residence allowances (including those granted in accordance with Article 97 of the ECSC Staff Regulations)	5 037 511	-93 299	5 130 810
1 1 0 3	Secretarial allowances	388 287	-7 192	395 479
1 1 1 3	Special advisers	59 000	-1 000	60 000
1 1 1 5	Contractual agents	859 804	-16 440	876 244
1 1 3 0	Insurance against sickness	1 383 960	-25 632	1 409 592
1 1 3 1	Insurance against accidents and occupational disease	354 135	-6 559	360 694
1 1 5	Overtime	108 613	-2 049	110 662
1 1 8 2	Installation, resettlement and transfer allowances	430 000	-10 000	440 000
1 1 8 4	Temporary daily subsistence allowances	499 000	-9 000	508 000
1 1 9 0	Weightings	634 398	-11 749	646 147
1 1 9 1	Provisional appropriation	707 297	-12 942	720 239
<b>Total Chapter 1 1 – Staff in active employment</b>		<b>55 416 505</b>	<b>-984 709</b>	<b>54 431 796</b>
<b>TOTAL TITLE 1</b>		<b>79 827 105</b>	<b>-984 709</b>	<b>78 842 396</b>
<b>TOTAL EUROPEAN ECONOMIC AND SOCIAL COMMITTEE</b>		<b>103 820 925</b>	<b>-984 709</b>	<b>102 836 216</b>



## 2.7. Section VII (Committee of the Regions)

Apart from the change for the salary review, the budgetary authority imposed on the Committee of the Regions a further 5% reduction in the appropriations for new posts (additional posts received in 2005). This is mentioned by way of information to put the salaries budgets into a proper perspective. The result is a “salaries” budget that was very tight from the outset.

The creation of 156 “enlargement” posts in 2004, an increase of 63 % of the CoR staff, made the Committee of the Regions the institution where the impact of enlargement was heaviest in terms of the increase in staff. This special circumstance made it especially tricky to estimate the 2005 salaries budget on the basis of past outturn.

The Committee of the Regions also had to contend with various effects of the new Staff Regulations (which came into force on 1 May 2004) which were difficult to predict in budgetary terms when the preliminary draft 2005 budget was being drawn up early in 2004 and which have meant that the appropriations for payments for certain components of remunerations have been used faster than expected.

In particular, recruitment to the 156 new "enlargement" posts has had an additional impact for the CoR budget, as the 2005 budget assumed that 50% of the new recruits would be at step 1 in the grade and 50% at step 2. But in fact around 80% of the new recruits – most of them from the new Member States – have been placed at step 2 under the general rules on grading of new officials and on the basis of the length of their professional experience prior to taking up their duties. The estimated cost of this is €107 803.

Late recruitment to these 156 "enlargement" posts – as a result of the delay in constituting the EPSO (European Personnel Selection Office) recruitment lists – means that the budget earmarked for paying daily allowances (line 1 1 8 4) to the new officials is likely to be overspent in 2005. The bulk of the expenditure will be incurred in 2005 rather than in 2004. As a result a further €71 000 will be required in 2005 to cover the additional needs.

There is a similar overrun with the appropriations for expatriation allowances, as the number of the new officials from the new Member States entitled to this allowance has turned out to be higher than assumed in the 2005 budget. Line 1 1 0 2 will accordingly need an additional €140 000 in 2005.

Despite the efforts made to absorb these unexpected costs, it would now seem wiser to budget for the impact. It is therefore proposed that the reduction to be applied in the amending budget being drawn up for the CoR take into account the various factors. It is also planned that adjustments be made in the course of the year in order to deal with the deficits on the budget lines mentioned and requests for transfers be made to the budgetary authority if necessary.

The end-result is that the amending budget for the Committee of the Regions will involve a reduction of €209 446 in the appropriations for Chapter 11.

The breakdown by budget line of the appropriations requested by the Committee of the Regions is as follows:

Line	Heading	Budget 2005	PDAB 2/2005	Budget 2005 + AB 2/2005
1 1 9 1	Provisional appropriation	736 257	-209 446	526 811
<b>Total Chapter 1 1 – Staff in active employment</b>		<b>31 063 928</b>	<b>-209 446</b>	<b>30 854 482</b>
<b>TOTAL TITLE 1</b>		<b>43 679 655</b>	<b>-209 446</b>	<b>43 470 209</b>
<b>TOTAL COMMITTEE OF THE REGIONS</b>		<b>60 277 251</b>	<b>-209 446</b>	<b>60 067 805</b>

## 2.8. Section VIII part A (European Ombudsman)

The breakdown by budget line of the appropriations requested by the European Ombudsman is as follows:

Line	Heading	Budget 2005	PDAB 2/2005	Budget 2005 + PDAB 2/2005
1 0 0	Salaries, allowances and payments related to salaries	284 580	-5 093	279 487
1 0 1	Accident and sickness insurance and other social security charges	13 518	-140	13 378
1 0 2	Temporary allowances	268 842	-1 810	267 032
1 0 9	Adjustments of emoluments	50 500	-921	49 579
<b>Total Chapter 1 0 – Members of the institution</b>		<b>752 440</b>	<b>- 7 964</b>	<b>744 476</b>
1 1 0 0	Basic salaries	2 721 732	-50 223	2 671 509
1 1 0 1	Family allowances	289 942	-5 298	284 644
1 1 0 2	Expatriation and foreign residence allowances (including those granted in accordance with Article 97 of the ECSC Staff Regulations)	413 277	-7 551	405 726
1 1 0 3	Secretarial allowance	18 000	-525	17 475
1 1 3	Sickness, accident, occupational disease and unemployment insurance and maintenance of pension rights	152 354	-2 784	149 570
1 1 4	Miscellaneous allowances and grants	35 355	-160	35 195
1 1 5	Overtime	5 000	0	5 000
1 1 8	Allowances and expenses in connection with officials entering and leaving the service and transfers	205 104	-3 748	201 356
1 1 9	Adjustments to salaries of officials and other servants	536 722	-9 807	526 915
<b>Total Chapter 1 1 – Staff in active employment</b>		<b>4 622 486</b>	<b>-80 096</b>	<b>4 542 390</b>
<b>TOTAL TITLE 1</b>		<b>6 239 614</b>	<b>-88 060</b>	<b>6 151 554</b>
<b>TOTAL EUROPEAN OMBUDSMAN</b>		<b>7 312 614</b>	<b>-88 060</b>	<b>7 224 554</b>

## 2.9. Section VIII part B (European Data-protection Supervisor)

The breakdown by budget line of the appropriations requested by the European Data-protection Supervisor is as follows:

Line	Heading	Budget 2005	PDAB 2/2005	Budget 2005 + PDAB 2/2005
1 0 0	Salaries, allowances and payments related to salaries	555 367	-10 552	544 815
1 0 1	Accident and sickness insurance and other social security charges	19 197	-365	18 832
1 0 9	Adjustments of emoluments	20 000	-380	19 620
<b>Total Chapter 1 0 – Members of the institution</b>		<b>671 056</b>	<b>-11 297</b>	<b>659 759</b>
1 1 0 0	Basic salaries	978 304	-18 588	959 716
1 1 0 1	Family allowances	68 225	-1 296	66 929
1 1 0 2	Expatriation and foreign residence allowances (including those granted in accordance with Article 97 of the ECSC Staff Regulations)	119 743	-2 275	117 468
1 1 3	Sickness, accident, occupational disease and unemployment insurance and maintenance of pension rights	50 613	-962	49 651
1 1 4	Miscellaneous allowances and grants	18 858	-358	18 500
1 1 5	Overtime	2 979	-57	2 922
1 1 8	Allowances and expenses in connection with officials entering and leaving the service and transfers	130 910	-2 487	128 423
1 1 9	Adjustments to salaries of officials and other servants	65 878	-1 252	64 626
<b>Total Chapter 1 1 – Staff in active employment</b>		<b>1 649 583</b>	<b>-27 275</b>	<b>1 622 308</b>
<b>TOTAL TITLE 1</b>		<b>2 472 692</b>	<b>-38 572</b>	<b>2 434 120</b>
<b>TOTAL EUROPEAN DATA-PROTECTION SUPERVISOR</b>		<b>2 879 305</b>	<b>-38 572</b>	<b>2 840 733</b>

## 3. OTHER MODIFICATIONS TO THE 2005 BUDGET

### 3.1. Section III (Commission)

#### 3.1.1. Section III (Commission) – Revenue

A modification is necessary on the revenue side of the budget of the "Publications Office" due to harmonising the method of calculating the revenue with that used by the Commission. The amount involved is an increase of EUR 255 022 under Article 4 1 0 "Staff contributions to the pension scheme", and it will be reflected in the relevant revenue part of the budgetary annex.

#### 3.1.2. Section III (Commission) - Expenditure

Concerning Item 22 01 04 03, the expenditure on temporary support staff for the ex-Phare delegations is lower than initially estimated for several reasons outside the Commission's control (duration of the contract offered, difficulties in replacing the staff leaving the ex-delegation etc.). In order to ensure the continuity of operations, the tasks performed by this staff have to be repatriated to headquarters earlier than initially planned when establishing the 2005 budget. Hence, the expenditure on temporary support staff needed for tasks repatriated to headquarters will be higher than expected. The activities concerned are the validation of all requests for payments, the evaluation and approval of requests for extensions, modifications, derogations related to programmes/projects, the follow up of Joint Monitoring Committees, the follow-up of corrective actions deriving from the EDIS accreditation audits. The original planning was based only on six months needs at headquarters - from July to December rather than on nine to ten months as now appears likely. It is therefore requested to modify the budget comment of the item as regards the amount of the ceiling for staff at headquarters to raise it from EUR 500 000 to EUR 850 000. The overall credit of the line is unchanged.

The Commission therefore proposes to modify as follows the third indent of Item 22 01 04 03:

- expenditure on temporary support staff at headquarters (auxiliaries, detached national experts, staff from employment agencies and temporary staff) working on tasks directly related to the completion of the pre-accession programmes. Expenditure on such staff is limited to EUR **850 000**. This estimate is based on an annual unit cost per man-year, of which 97 % is accounted for by remuneration for the staff concerned and 3 % by the additional cost of training, meetings, missions, IT and telecommunications relating to those staff members.

### **3.2. Section V (Court of Auditors)**

In its initial contribution to AB n° 4/2004 (transformation of the Establishment Plan in view of the revised Staff Regulations) and in accordance with the approach agreed at the interinstitutional level, the Court of Auditors initially identified those posts that were accorded in the 2004 budget and still anticipated to be vacant on 30 April 2004 for downgrading to the new basic recruitment grades (after adjustment for the promotions exercise with effect from 1 January 2004 that had still not been completed).

Following the dialogue that took place on 16 March 2004, the Presidency of the Council requested on 18 March 2004 that all institutions provide information as to the anticipated occupation of all permanent posts in their Establishment Plans as at 30 April 2004. The Court duly responded to this request.

As a result of the above, the following downgradings of posts were included in AB n° 4/2004:

- 58 "new 2004" and 12 "pre-2004" vacant A7 posts transformed to A\*6;
- 5 "new 2004" and 9 "pre-2004" vacant B5 posts transformed to B\*3; and
- 7 "new 2004" and 12 "pre-2004" vacant C5 posts transformed to C\*1;

Towards the end of 2004, it became increasingly clear within the Court's administrative services that there had been a problem in the adaptation of the Establishment Plan brought about by AB n° 4/2004. Intensive and detailed examination of the supporting documents has revealed:

- whilst the number of permanent posts occupied by permanent officials was correctly communicated, four A7, one B5 and twelve C5 posts declared as anticipated as being vacant on 30 April 2004 were in fact filled with temporary staff and should have been regraded as A\*8, B\*5 and C\*2 accordingly; and
- that, following an exercise under Article 47(1) of the Financial Regulation early in 2004, seven B-grade posts were converted into A8 posts and immediately occupied. In order to preserve the normal career progression profiles in place in the Court before the introduction of the revised Staff Regulations and, in particular, to permit promotions from A8 to A7 with effect from 1 January 2004, these seven officials should have been transferred to under-occupy A7 posts before 30 April 2004 and these posts then regraded as A\*8. This would have led to the seven now-vacant A8 posts being downgraded to A\*5, instead of seven A7 posts being downgraded to A\*6.

It is necessary to make adjustments for these oversights as soon as possible. Urgency arises because:

- the Court presently has insufficient C\*2 (or higher vacant C\*) posts to cover the total number of staff actually in the grade: legally, the employment of these staff is presently covered by vacant posts in other categories and it is necessary to vacate these posts as quickly as possible for recruitment purposes;
- the Court was not able to make any promotions at all in 2004 from A8 to A7, with a significant impact upon the moral and motivation of the staff concerned.
- the correct "starting position" for the application of the revised career progression arrangements set out in the revised Staff Regulation should be established, taking account of the real and correct situation as at 30 April/1 May 2004.

For the reasons outlined above, the Court now seeks the following adjustments to its 2005 Establishment Plan, *without any additional corresponding appropriations in the present financial year*:

- the regrading of four A\*6, one B\*3 and twelve C\*1 permanent posts as A\*8, B\*5 and C\*2 respectively, to take account of posts declared vacant but actually occupied on 30 April 2004 by temporary staff; and
- the regrading of seven A\*6 posts to A\*8 and, correspondingly, the downgrading of seven A\*7 posts to A\*5 to restore the promotion possibilities of some of the A8 (now A\*7) staff in post on 30 April 2004.

The Court is including these adjustments in the present Preliminary Draft Amending Budget. It is to be noted that these adjustments cannot be made through Article 47(1) of the Financial Regulation as the volume of staff appropriations corresponding to a full financial year will be affected in 2006 and beyond.

The proposed revision to the Establishment Plan is summarised in the table overleaf. The revision affects only permanent staff in the Establishment Plan.

Category and grade	Establishment plan <sup>3</sup>			
	Permanent posts		Temporary posts <sup>4</sup>	
	2004 <sup>5</sup>	2005	2004 <sup>6</sup>	2005
Non-category	—	—	1	1
A*16	—	—	—	—
A*15	8	9	—	—
A*14	32 <sup>7</sup>	31 <sup>8</sup>	28	28
A*13	—	3	—	—
A*12	54 <sup>9</sup>	53 <sup>10</sup>	13 <sup>11</sup>	12 <sup>12</sup>
A*11	51	49	28	28
A*10	47	52	1	1
A*9	20	40 <sup>13</sup>	—	—
A*8	92	92	—	—
A*7	7	—	—	—
A*6	70	73 <sup>14</sup>	—	—
A*5	—	7 <sup>15</sup>	—	—
Total	381	409	71	70
B*11	-	3	—	—
B*10	20	17	—	—
B*9	—	3	—	—
B*8	13	10	—	—
B*7	15	15	26 <sup>16</sup>	26 <sup>17</sup>
B*6	7	7	—	—
B*5	7	8	—	—
B*4	—	—	—	—
B*3	14	16 <sup>18</sup>	—	—
Total	76	79	26	26
C*7	—	3	—	—
C*6	34 <sup>19</sup>	33	—	—
C*5	28	28	—	—
C*4	26	28	25	26 <sup>20</sup>
C*3	15	16	—	—
C*2	12	19	—	—
C*1	19	17 <sup>21</sup>	—	—
Total	134	144	25	26

<sup>3</sup> The table takes account of the amendments introduced by the Institution with effect from financial year 2003 in accordance with Article 47(1) of the Financial Regulation of 25 June 2002.

<sup>4</sup> The actual grade at which the posts assigned to the Private Offices are occupied will follow the same grading criteria as for officials recruited before 1 May 2004.

<sup>5</sup> The figures shown have taken amending budget No 4/2004 into account.

<sup>6</sup> The figures shown have taken amending budget No 4/2004 into account.

<sup>7</sup> Of which one A\*15 *ad personam*.

<sup>8</sup> Of which one A\*15 *ad personam*.

<sup>9</sup> Of which one A\*14 *ad personam*.

<sup>10</sup> Of which one A\*14 *ad personam*.

<sup>11</sup> Removal of three NAI posts.

<sup>12</sup> Removal of one NAI post.

<sup>13</sup> Fourteen new posts which can be converted into A\*13 posts for nationals from the new Member States.

<sup>14</sup> Of which 7 new posts.

<sup>15</sup> Seven new posts.

<sup>16</sup> Secretarial assistant posts, of which two B\*8 *ad personam*.

<sup>17</sup> Secretarial assistant posts, of which one B\*8 *ad personam*.

<sup>18</sup> Of which three new posts.

<sup>19</sup> Of which two B\*7 *ad personam*.

<sup>20</sup> Of which one new post.

<sup>21</sup> Of which 10 new posts.

D*5	—	2	—	—
D*4	9	7	—	—
D*3	—	—	—	—
D*2	1	1	13	13
Total	10	10	13	13
Grand total <sup>22</sup>	601 <sup>23</sup>	642 <sup>24</sup>	135	135

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<sup>22</sup> Part-time working in certain posts may be offset by the employment of other staff, within the limit of the balance of posts thus released in each category.

<sup>23</sup> Not including the virtual reserve, without allocation of appropriations, for seconded officials in Private Offices (one A\*14, six A\*11, seven A\*10, five A\*8, one B\*10, one B\*8, one B\*7, one B\*6, one B\*5, 12 C\*6, four C\*5, five C\*4, two C\*3, two C\*2, one D\*4, three D\*3).

<sup>24</sup> Not including the virtual reserve, without allocation of appropriations, for seconded officials in Private Offices (one A\*14, six A\*11, seven A\*10, five A\*8, one B\*10, one B\*8, one B\*7, one B\*6, one B\*5, 12 C\*6, four C\*5, five C\*4, two C\*3, two C\*2, one D\*4, three D\*3).

### **3.3. Section VI (European Economic and Social Committee)**

A modification is necessary on the revenue side of the budget of the EESC due to an error of the method of calculation of the revenue occurred in the establishment of its budget estimates for 2005. The amount involved is a decrease of EUR 2 949 944 under Article 4 0 4 "Proceeds of special levy from the salaries of members of the institutions, officials and other servants in active employment", and it will be reflected in the relevant revenue part of the budgetary annex.

### **3.4. Section VIII part B (European Data-protection Supervisor)**

The European Data-protection Supervisor proposes two further changes to his budget having a neutral financial consequence.

The first is dictated by the fact that the budget does not envisage any line for the recruitment of agency staff; but it is necessary to leave the possibility open for such an event. The EDPS therefore proposes the creation in personal Chapter B-11 "in activity", in article B-117 "complementary Services", of a B-1176 heading "Other benefits and work to be entrusted to the outside", with the indication "token entry" in the part reserved for the appropriations.

Moreover, in accordance with the list of the posts for 2004, the EDPS proposes to transform the three new temporary posts (2 A and 1 B) mentioned in the list of the posts for 2005 in permanent posts. There are for this several reasons: a) the EDPS would like to be able to recruit first of all officials, by transfer or by selection on the lists of candidates; and b) it would also make it possible to ensure the same treatment for all newly recruited persons.



These proposals are made within this Amending Budget because of the need of publishing urgently the relevant posts.

Category and grade	European Data-protection Supervisor			
	2005		2004	
	Permanent posts	Temporary posts	Permanent posts	Temporary posts
Non-category	—	—	—	—
A*16	—	—	—	—
A*15	—	—	—	—
A*14	1	—	1	—
A*13	—	—	—	—
A*12	—	—	—	—
A*11	2	—	2	—
A*10	2	—	2	—
A*9	1	—	1	—
A*8	1	—	1	—
A*7	—	—	—	—
A*6	1	—	1	—
A*5	2	—	—	—
Total	10	0	8	—
B*11	—	—	—	—
B*10	—	—	—	—
B*9	—	—	—	—
B*8	—	—	—	—
B*7	1	—	1	—
B*6	1	—	1	—
B*5	—	—	—	—
B*4	1	—	—	—
B*3	2	—	2	—
Total	5	0	4	—
C*7	—	—	—	—
C*6	—	—	—	—
C*5	—	—	—	—
C*4	—	—	—	—
C*3	1	—	1	—
C*2	1	—	1	—
C*1	2	—	1	—
Total	4	—	3	—
D*5	—	—	—	—
D*4	—	—	—	—
D*3	—	—	—	—
D*2	—	—	—	—
Total	—	—	—	—
Grand total	19	0	15	—

#### 4. EFFECT ON THE HEADING 5 MARGIN

This Amending Budget increases the margin of heading 5. Taken into account exclusively the reduction due to the adaptation of the salaries and pensions (EUR -58 513 087) the margin will be EUR 67 313 829.

Indeed, all the other modifications are budgetary neutral.

**SUMMARY TABLE BY HEADING OF THE FINANCIAL PERSPECTIVE**

Financial perspective Heading/subheading	2005 Financial perspective		Budget 2005 incl. PDAB 1/2005		PDAB 2/2005		Budget 2005 incl. PDAB 1/2005 and PDAB 2/2005	
	CA	PA	CA	PA	CA	PA	CA	PA
1. AGRICULTURE								
- Agricultural expenditure	44 598 000 000		42 835 450 000	42 835 450 000			42 835 450 000	42 835 450 000
- Rural development and accompanying measures	6 841 000 000		6 841 000 000	6 279 400 000			6 841 000 000	6 279 400 000
Total	51 439 000 000		49 676 450 000	49 114 850 000			49 676 450 000	49 114 850 000
Margin			1 762 550 000				1 762 550 000	
2. STRUCTURAL ACTIONS								
- Structural funds	37 247 000 000		37 291 564 455	29 390 527 704			37 291 564 455	29 390 527 704
- Cohesion fund	5 194 000 000		5 131 932 989	3 005 500 000			5 131 932 989	3 005 500 000
Total	42 441 000 000		42 423 497 444	32 396 027 704			42 423 497 444	32 396 027 704
Margin			17 502 556				17 502 556	
3. INTERNAL POLICIES								
Margin	9 012 000 000		9 052 000 000	7 923 781 439			9 052 000 000	7 923 781 439
			-40 000 000				-40 000 000	
4. EXTERNAL ACTIONS								
Margin	5 119 000 000		5 219 000 000	5 476 162 603			5 219 000 000	5 476 162 603
			-100 000 000				-100 000 000	
5. ADMINISTRATION								
Margin	6 360 000 000		6 351 199 258	6 351 199 258	-58 513 087	-58 513 087	6 292 686 171	6 292 686 171
			8 800 742				67 313 829	
6. RESERVES								
- Guarantee reserve	223 000 000		223 000 000	223 000 000			223 000 000	223 000 000
- Reserve for emergency aid	223 000 000		223 000 000	223 000 000			223 000 000	223 000 000
Total	446 000 000		446 000 000	446 000 000			446 000 000	446 000 000
Margin			0				0	
7. PRE-ACCESSION AID								
Margin	3 472 000 000		2 081 000 000	3 286 990 000			2 081 000 000	3 286 990 000
			1 391 000 000				1 391 000 000	
8. COMPENSATION								
Margin	1 305 000 000		1 304 988 996	1 304 988 996			1 304 988 996	1 304 988 996
			11 004				11 004	
<b>TOTAL</b>	<b>119 594 000 000</b>	<b>114 235 000 000</b>	<b>116 554 135 698</b>	<b>106 300 000 000</b>	-58 513 087	-58 513 087	<b>116 495 822 611</b>	<b>106 241 486 913</b>
Margin			3 039 864 302	7 935 000 000			3 098 177 389	7 993 513 087