



Innovation and Networks Executive Agency

REPORT ON BUDGETARY AND FINANCIAL MANAGEMENT 2018

Innovation and Networks Executive Agency (INEA)

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INTRODUCTION

Executive Agencies are established by the European Commission in accordance with the Council Regulation (EC) No 58/2003¹ with the purpose of delegating certain tasks relating to the management of EU programmes, including budget implementation.

Based in Brussels, the Innovation and Networks Executive Agency (INEA) was delegated new responsibilities by the European Commission that cover the management of new EU funding schemes under the 2014-2020 Multi-Annual Financial Framework (MFF)²: parts of the Connecting Europe Facility (CEF)³; parts of the Part III Societal Challenges Specific Programme under the H2020 research and innovation funding programme⁴. The delegation of powers and definition of INEA's tasks, as well as the regulations and procedures with which it has to comply, are set out in its Delegation Act⁵.

The Agency was also entrusted with two legacy programmes: the Trans-European Transport Network Programme (TEN-T)⁶ and the Marco Polo Programme⁷. In addition, INEA accepted the delegation to manage the WiFi4EU initiative⁸, part of the CEF Telecom programme, from May 2018.

INEA's administrative budget is governed by a specific regulation for Executive Agencies, which closely follows the Financial Regulations while allowing specific requirements. The Director acts as Authorising Officer for the administrative budget, and the accounting for administrative expenses is the responsibility of the Agency's Accounting Officer.

I. 2018 ADMINISTRATIVE BUDGET MAIN FIGURES

Final Administrative Budget after amendments (including EEA/EFTA and Third country contributions):	EUR 26,670,000
Amendments (overall decrease):	(EUR 533,000)
% Budget Execution in commitments:	99.5%
% Budget Execution in payments:	94.0%
% Budget Carry-Forward:	5.5%
Average Time To Pay (TTP):	7.4 days

¹ [Council Regulation \(EC\) No 58/2003](#) laying down the statute for Executive Agencies to be entrusted with certain tasks in the management of Community programmes; Commission Regulation (EC) No 1653/2004 of 21 September 2004 on the Financial Regulation for the Executive Agencies pursuant to Council Regulation (EC) No 58/2003, as amended by (EC) No 651/2008 of 9 July 2008.

² <https://publications.europa.eu/en/publication-detail/-/publication/d2cf202e-f36a-45b2-84e7-1ac6ad996e90>

³ <https://ec.europa.eu/inea/en/connecting-europe-facility>

⁴ <https://ec.europa.eu/programmes/horizon2020/en/h2020-section/secure-clean-and-efficient-energy>

⁵ [Decision C\(2013\) 9235 of 23 December 2013](#) delegating powers to the Innovation and Networks Executive Agency with a view to the performance of tasks linked to the implementation of Union programmes in the field of transport, energy and telecommunications infrastructure and in the field of transport and energy research and innovation comprising, in particular, implementation of appropriations entered in the general budget of the Union, as last amended by [Decision C\(2018\)1281](#) as regards promotion of internet connectivity in local communities.

⁶ <https://ec.europa.eu/inea/en/ten-t/ten-t-projects>

⁷ <https://ec.europa.eu/inea/en/marco-polo>

⁸ <https://ec.europa.eu/inea/en/connecting-europe-facility/cef-telecom/wifi4eu>

II. OVERVIEW OF THE IMPLEMENTATION OF THE ADMINISTRATIVE BUDGET

A. REVENUE

The 2018 revenue was covered by a subsidy from the general budget of the European Union. The subsidy is broken down into three budget lines as follows:

a) Connecting Europe Facility⁹:

- 06 01 06 01 - Contribution from Connecting Europe Facility (CEF): **EUR 14,192,186** - covering administrative expenditures related to the implementation of the transport, energy and telecommunication sectors;
- 06 01 06 03 – Contribution from the Cohesion Fund: **EUR 5,754,548** - representing the cohesion fund's contribution to cover part of administrative expenditures related to the implementation of the transport sector.

b) Horizon 2020

- 08 01 06 04 - Contribution from Horizon 2020: **EUR 6,401,478** - covering the administrative expenditures related to the implementation of the parts of the energy and transport Societal Challenges delegated to the Agency.

In addition, there was an additional revenue of EUR 321,788 coming from the European Economic Area contributions (EEA) for Horizon 2020 and the CEF programmes (Telecommunication sector), as well as from third parties for Horizon 2020 as outlined in the table below.

The total subsidy amounted therefore to **EUR 26,670,000**.

Table 1: Distribution of the subsidy by budget lines in 2018 (EUR)

Subsidy Budget Line	EU General Budget	EEA/EFTA contributions	Third country receipts	Total
06 01 06 01	14,192,186	17,217	0	14,209,403
06 01 06 03	5,754,548	0	0	5,754,548
08 01 06 04	6,401,478	159,712	144,859	6,706,049
	26,348,212	176,929	144,859	26,670,000

⁹ The management of the legacy of TEN-T and Marco Polo II as well as the new programme Wifi4EU are covered by the CEF subsidy budget lines.

B. INITIAL BUDGET, AMENDING BUDGET AND FINAL BUDGET

Administrative expenditures are non-dissociated appropriations (commitment and payment appropriations are in unison), therefore any transfers or budget amendments are authorised or adopted in both commitment and payment appropriations.

Transfers¹⁰ are approved by the Director or the Steering Committee for all modifications in the detailed allocation of the administrative expenditure. Amendments¹¹ are approved by the Steering Committee.

The administrative budget¹² for 2018 initially amounted to EUR 27,203,000 which represented an increase of about 11.7% compared to the 2017 amended budget.

The budget for Title 1 increased by 13.6%, or EUR 2,591,000 as a consequence from the increase in staffing (3 additional Temporary Agents and 9 additional Contract Agents) as well as the new prices for SLA with DG HR related to staff administration (SYSPER, medical service, training etc.)

The budget for Title 2 increased by 2.5 %, or EUR 103,400 as a result from the new prices related to the SLA with DG HR (security services) in "Chapter 21 – Building expenditure".

The budget for Title 3 increased by 13.5%, or EUR 162,000, mainly due to a higher budget for missions and audits that gave us the capacity to increase the number of outsourced audit assignments.

¹⁰ Transfers are appropriations moved between budget lines/chapters/titles

¹¹ Amendments are changes to the global amount budgeted (either increase or reduction)

¹² The structure of the administrative budget follows the same simplified structure as used by the other five Executive Agencies in order to allow a straightforward comparison and simplify the work of parent DGs involved in the Steering Committees of several Executive Agencies.

Table 2: Evolution of the 2018 budget (EUR)

2018 INEA administrative budget	Initial Budget (EUR)	Amendment #1 (EUR)	Amendment #2 (EUR)	Final Budget (EUR)
	27,203,000	724,123	-1,257,123	26,670,000
I - STAFF EXPENDITURE	21,682,000	622,123	-1,113,123	21,191,000
11 - Remuneration allowances and charges	20,332,000	568,123	-990,123	19,910,000
1111 - Temporary agents	8,086,000	100,000	79,000	8,265,000
1121 - Contract Agents	11,846,000	468,123	-939,123	11,375,000
1131 - Interim and trainees	400,000	0	-130,000	270,000
12 - Socio, medical and training expenditure	1,350,000	54,000	-123,000	1,281,000
1211 - Medical services	133,000	5,000	-38,000	100,000
1221 - Training	255,000	8,000	-63,000	200,000
1231 - Administration of staff	337,000	10,000	0	347,000
1241 - Recruitment	39,000	15,000	-17,000	37,000
1251 - Representation and internal meetings	10,000	0	-5,000	5,000
1261 - Other social expenditure	576,000	16,000	0	592,000
II - INFRASTRUCTURE AND OPERATING EXPENDITURE	4,156,000	52,000	94,000	4,302,000
21 - Building expenditure	3,110,000	0	-20,000	3,090,000
2111 - Rental of building	1,934,000	0	-100,000	1,834,000
2121 - Charges of the building	1,176,000	0	80,000	1,256,000
22 - ICT expenditure	882,000	42,000	94,000	1,018,000
2211 - Hardware and software	382,000	25,000	129,000	536,000
2221 - ICT Services	500,000	17,000	-35,000	482,000
23 - Movable property and current operating expenditure	164,000	10,000	20,000	194,000
2311 - Furniture, technical installations, handling and removal services	56,000	10,000	20,000	86,000
2321 - Office supplies, archive, subscription and correspondence	88,000	0	0	88,000
2331 - Other expenditure related to work environment	20,000	0	0	20,000
III - PROGRAMME SUPPORT EXPENDITURE	1,365,000	50,000	-238,000	1,177,000
31 - Programme Support Expenditure	1,365,000	50,000	-238,000	1,177,000
3111 - Missions and related expenditure	370,000	0	0	370,000
3121 - Audit	221,000	0	-46,000	175,000
3131 - Operational related IT expenditure	385,000	0	0	385,000
3141 - Communication, events and other Programme support expenditure	389,000	50,000	-192,000	247,000

1. Budget amendments

Table 3: List of amending budgets adopted by the Steering Committee in 2018 (EUR)

Date of adoption	Main subject	Impact on Commitment appropriations	Impact on Payment appropriations
26/06/2018	Increase of the administrative budget following the acceptance by INEA of a new mandate to manage the WiFi4EU programme	+724,123	+724,123
05/10/2018	Decrease of the administrative budget and revision of all chapters.	-1,257,123	-1,257,123

1st Amendment (26/06/2018)

On 1st May 2018, the Director of the Agency accepted the delegation¹³ under CEF of the new initiative aiming at the promotion of internet connectivity in local communities, WiFi4EU.

Consequently, the administrative budget of the Agency was increased by EUR 724,123, and additional 14 posts to manage this new programme were added (13 Contract Agents and 1 Temporary Agent) in line with the cost-benefit analysis underpinning the delegation of that new activity.

The total budget was then set at EUR 27,927,123.

The following budget lines were affected by this increase.

The budget for Title 1 increased by 2.87 %, or EUR 622,123. The main increase was due to Chapter 11 "Remuneration allowances and charges". It represented an 8-month average remuneration for the additional 14 posts. Concerning Chapter 12 "Socio, medical and training expenditures", it increased by EUR 54,000 reflecting expenses for recruitment, training and other staff expenditure of the additional staff.

The increase in **the budget for Title 2** of 1.25%, or EUR 52,000, reflected the increase in "Chapter 22 – ICT Expenditures" due to acquisition of hardware and software and additional ICT Services as well as an increase by EUR 10,000 of "Chapter 23 – Movable property and current operating expenditure" to purchase furniture for the new staff recruited under WiFi4EU.

The increased budget for Title 3 by 3.66 %, or EUR 50,000, was due to the communication budget and the need for additional translations related to WiFi4EU.

2nd Amendment (05/10/2018)

Following the review of the 2018 administrative budget implementation finalised in September, a decrease of the budget to a total of € 26,670,000 was agreed with the Steering Committee (i.e. a reduction of € 1,257,123).

The main factor explaining the decrease of the administrative budget was the reduction of the budget for the salaries of Contract Agents ("CA") by EUR 939,000. During 2018, INEA had to recruit 42 CA staff to fully fill the number of posts included in the budget¹⁴. The Agency effectively recruited 48 staff, but only covering partially the 17 staff who also left, resulting in 11 posts still to be filled. Moreover, most of the new recruitments arrived later than foreseen in our budget, resulting in a lower amount of salaries to be paid.

Besides, the budget foreseen for 'interimaires' was reviewed downwards resulting in savings of about EUR 130,000.

Similarly, savings on 'medical services', 'trainings' and 'recruitments' represented a total of EUR 123,000.

¹³ [Commission Decision C\(2018\)1281 of 27.02.2018](#), amending Commission Decision C(2013)9235

¹⁴ 20 posts vacant from 2017, 9 additional posts for 2018 and 13 posts approved during the year for Wifi4EU initiative.

All of the above combined with a reinforcement of the budget for Temporary Agents (TA) by EUR 79,000 (resulting of one-off costs linked to the individual situation of a few staff members e.g. re-location costs at the end of the contract, regularisation of management allowances, etc.), explained an overall reduction of Title 1 of about EUR 1,113,000.

In relation to title 2 expenditure, 'building expenditures' were decreased by EUR 20,000. Initially, EUR 100,000 had been foreseen for the construction of a staircase to connect the 5th floor (where one unit of the Agency is located) with the rest of the building, as it has a different entrance. The project was cancelled due to the architectural difficulties for the works, and to the estimation of the price by the new landlord, which was considered excessive. On the other hand, the estimation for the building charges for the 3rd and 4th quarter were revised upwards by EUR 80,000 to cover the higher consumption and unit prices of water, gas, and in particular of electricity.

Under ICT expenditures, despite savings of EUR 35,000 related to ICT services, the Agency decided to anticipate the acquisition of hardware expenditures, initially foreseen for 2019, for a total of EUR 129,000.

An increase of EUR 20,000 was also approved under 'technical installations' to cover the costs of Wifi antennas and related cabling in all parts of the Agency, in order to extend INEA's Wifi network to the whole premises.

Under Title 3, EUR 46,000 for financial audits of grants' beneficiaries, were kept as a reserve.

There were also savings on the 'communication' budget for a total of EUR 192,000. These savings resulted from Info-days being organised as virtual events instead of physical events, the intra muros Webmaster consultant being replaced by a CA, some publication costs postponed to 2019, and lower than expected translation costs.

2. Budget transfers

Table 4: List of transfers adopted by the Director in 2018 (EUR)

2018 INEA administrative budget	Transfer No 1 21/11/2018 (EUR)		Transfer No 2 7/12/2018 (EUR)	
I - STAFF EXPENDITURE	0.00		0.00	
11 - Remuneration allowances and charges	1,500.00		0.00	
1111 - Temporary agents		-53,000.00	24,000.00	
1121 - Contract Agents	37,000.00			-24,000.00
1131 - Interim and trainees	17,500.00			
12 - Socio, medical and training expenditure	-1,500.00		0.00	
1211 - Medical services	4,000.00			
1221 - Training				
1231 - Administration of staff				
1241 - Recruitment	1,000.00			
1251 - Representation and internal meetings				
1261 - Other social expenditure		-6,500.00		
II - INFRASTRUCTURE AND OPERATING EXPENDITURE	0.00		0.00	
21 - Building expenditure	-14,000.00		-60,000.00	
2111 - Rental of building				
2121 - Charges of the building		-14,000.00		-60,000.00
22 - ICT expenditure	0.00		60,000.00	
2211 - Hardware and software			60,000.00	
2221 - ICT Services				
23 - Movable property and current operating expenditure	14,000.00		0.00	
2311 - Furniture, technical installations, handling and removal services	14,000.00			
2321 - Office supplies, archive, subscription and correspondence				
2331 - Other expenditure related to work environment				
III - PROGRAMME SUPPORT EXPENDITURE	0.00		0.00	
31 - Programme Support Expenditure	0.00		0.00	
3111 - Missions and related expenditure				
3121 - Audit		-672.00		
3131 - Operational related IT expenditure		-3,552.40		
3141 - Communication, events and other Programme support expenditure	4,224.40			

In 2018, 2 transfers of appropriations were necessary to make sure the Agency's financial needs were met.

Transfer #1 (21/11/2018)

In view to reinforce the commitment covering the Contract Agents' salaries, a transfer from budget line 1111 "Temporary Agents" to budget line 1121 "Contract Agents" of EUR 37,000 was made.

A transfer of EUR 16,000 from budget line 1111 "Temporary Agents" and EUR 1,500 from budget line 1261 "Other social expenditure" to reinforce budget line 1131 "Interim and trainees" was completed in order to cover interims and trainees with a total of EUR 17,500, of

which EUR 5,000 to cover an additional trainee of the 2019 spring session to be requested in December.

Smaller amounts were also transferred to allow for the increase of existing provisional commitments as a safety margin, i.e. EUR 5,000 from budget line 1261 "Other social expenditure" to budget line 1211 "Medical services" (EUR 4,000) and budget line 1241 "Recruitment" (EUR 1,000).

Under title 2, INEA transferred from budget line 2121 "Charges of the building" an amount of EUR 14,000 to budget line 2311 "Furniture, technical installations, handling and removal services" in order to complement the provisional commitment covering works implemented by OIB. This allowed the replacement of the carpet on several floors and the installation of the cabling needed to deploy WiFi antennas on all floors.

Under title 3, INEA transferred the available balance on budget lines 3121 "Audit" and 3131 "Operational related IT expenditure" to budget line 3141 "Communication, events and other Programme support expenditure" to cover the expenses for translations related to Court cases (not initially forecasted).

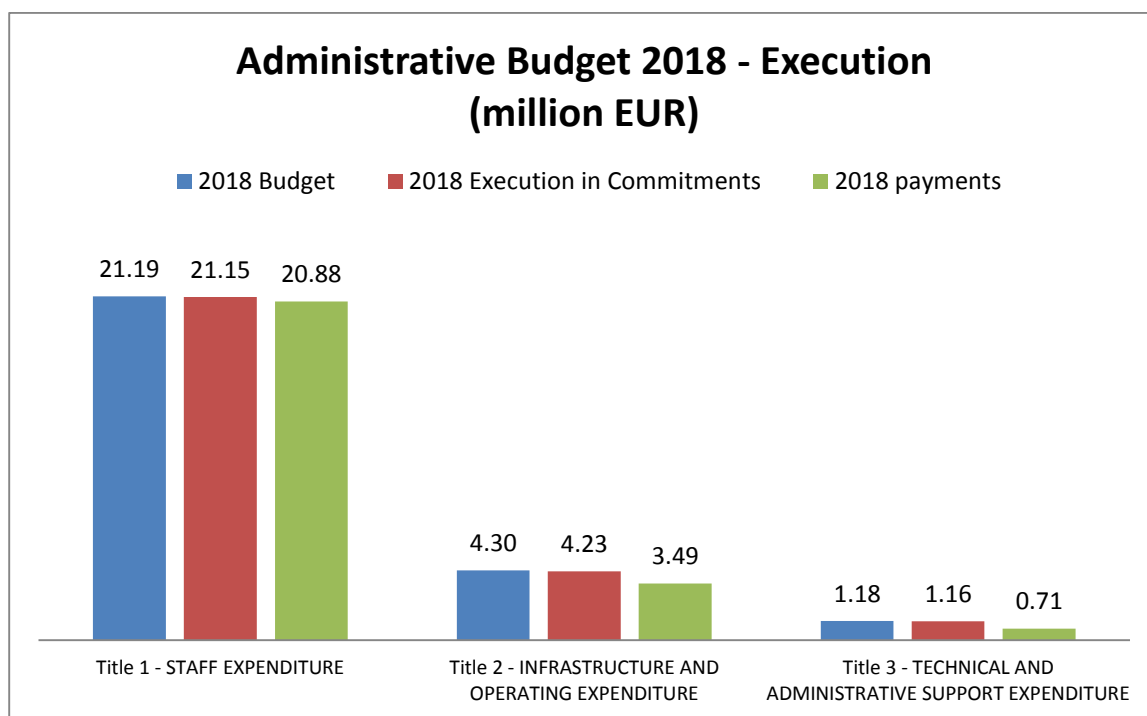
Transfer #2 (07/12/2018)

Under title 1, a transfer of EUR 24,000 from budget line 1121 to budget line 1111 was agreed following the final TA & CA salary figures.

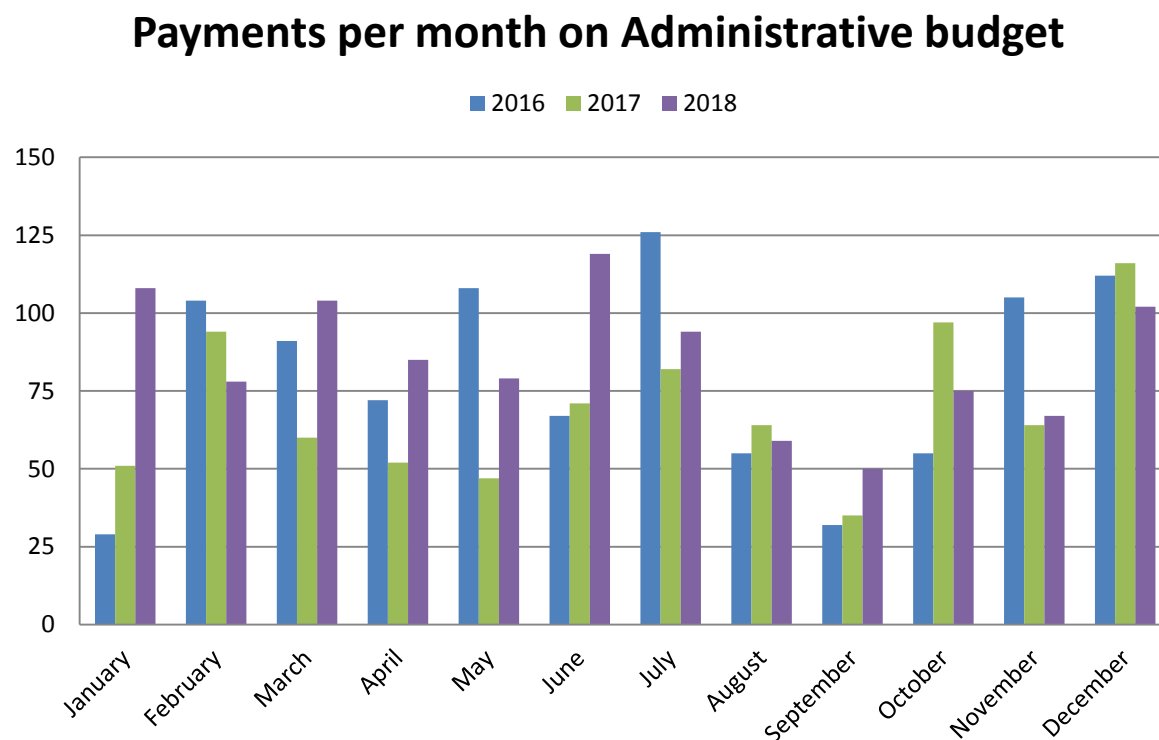
Under title 2, a transfer from budget line 2121 "Charges of the Building" an amount of EUR 60,000 to budget line 2211 "Hardware and Software" was made in order to allow purchasing an additional storage unit. For the latter, the costs were higher than initially estimated but the unit used a better technology.

3. Budget implementation

Graph 1. Administrative budget implementation in 2018



Graph 2. Number of payments on administrative budget in 2018



Implementation 2018

By end of 2018, 99.5% of the commitment appropriations was implemented (same level as in 2017).

For payment appropriations, the implementation rate reached 94% (similar to 2017). INEA continued to have a proactive approach in order to get invoiced by suppliers and especially Commission's services in due time, to avoid a high level of carry forward.

Carry Forward exercise 2018-2019

The split of the total amount carried forward from 2018 to 2019, to cover services provided in 2018 not yet invoiced and/or services to be provided in 2019 in the framework of legal commitments taken in 2018 is presented in table 5.

In 2018, the amount of EUR 1,463,890 was carried forward which represented 5.5% of the committed appropriations (compared to EUR 1,434,300 or 6% of the committed appropriations in 2017).

The carry forward was unevenly spread over the three titles of the budget due to the different nature of expenditure. The European Court of Auditors (ECA) recommends respectively a carry-forward rate of $\leq 10\%$, $\leq 20\%$ and $\leq 30\%$. The figures of 2% for Title 1, 17% for Title 2 and 39% for Title 3 for the carry-forward from 2018 to 2019 showed uneven trends compared to respectively 2%, 10% and 51% for the carry-forward from 2017 to 2018. The threshold of the ECA for Title 3 improved while the percentage for Title 2 degraded slightly, however staying within the recommended threshold.

The detailed analysis of the carry forward on 2018 funds reveals that 53% or EUR 777,452 corresponded to services provided to INEA in 2018 but not yet invoiced and that 47% or EUR 686,438 corresponded to services to be delivered in 2019 on the basis of contracts signed in 2018. The situation per title is summarized in table 5 below.

From the 2017 budget carried-forward to 2018, i.e. EUR 1,434,300, about 84% (or EUR 1,212,872) was paid and about 16% (or EUR 221,427) was de-committed, leading to an outturn of 99% for the 2017 administrative budget.

Table 5: Amounts carried forward from 2018 to 2019 (EUR)

	Amount committed in 2018	Amounts carried forward from 2018 to 2019			
		A <i>(total amount of carry forward)</i>	B <i>(services provided in 2018, but still not invoiced)</i>	C <i>(services to be delivered in 2019)</i>	
2018 INEA administrative budget	26,543,369 99.5%	1,463,890 5.5%	777,452 B/A = 53%	686,438 C/A = 47%	
I - STAFF EXPENDITURE	21,154,402	274,015	Carry-forward = 2% (Benchmark ≤ 10%)	203,977 B/A = 74%	70,039 C/A = 26%
II - INFRASTRUCTURE AND OPERATING EXPENDITURE	4,230,354	740,474	Carry-forward = 17% (Benchmark ≤ 20%)	375,399 B/A = 51%	365,075 C/A = 49%
III - PROGRAMME SUPPORT EXPENDITURE	1,158,613	449,400	Carry-forward = 39% (Benchmark ≤ 30%)	198,076 B/A = 44%	251,324 C/A = 56%

Time to Pay

In relation to the "time to pay", the yearly average was at 7.4 calendar days (compared to 7.9 in 2017). All payments but one were processed on time. The table below compares 2018 administrative budget data with those of 2017.

Graph 3 . Average Time to pay and % within 30-day time limit in 2018

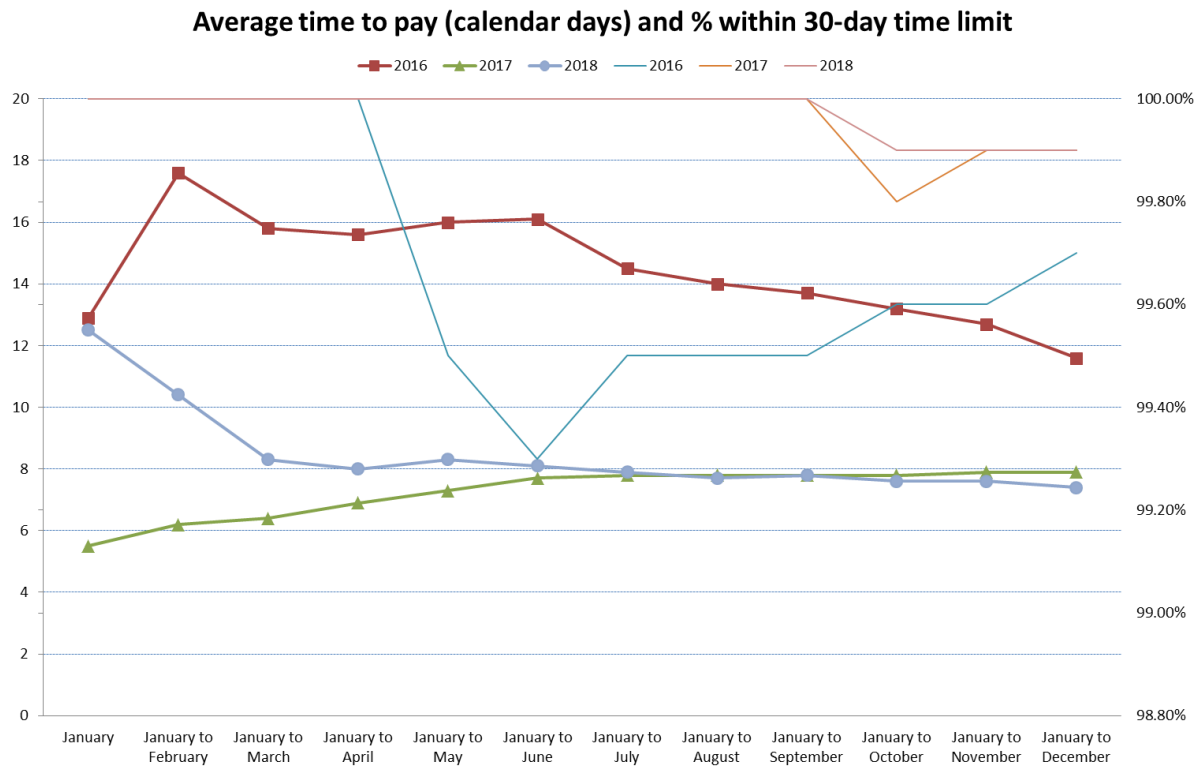


Table 6: Time to Pay and number of payments performed in 2018

	2018		2017	
Administrative budget	All payments		All payments	
	Number of payments	1,020	Number of payments	833
	Time to pay (days)	7.4	Time to pay (days)	7.9
	% of payments ≤30 calendar days	99.9%	% of payments ≤30 calendar days	99.9%

Table 7: INEA Administrative Budget Execution Report 2018 (EUR)

Innovation and Networks Executive Agency ADMINISTRATIVE BUDGET EXECUTION REPORT 2018 (UNTIL END OF DECEMBER)										
BUDGET EXECUTION OVERVIEW										
		2018 Budget	Execution in Commitments	% of execution	Execution in Payments	% of execution				
ADMINISTRATIVE EXPENDITURES - 2018		26,670,000.00	26,543,368.81	99.53%	25,079,478.96	94.0%				
Title	1	STAFF EXPENDITURE	21,191,000.00	21,154,401.66	99.83%	20,880,385.93	98.5%			
Chapter	11	Remuneration allowances charges	19,911,500.00	19,900,699.80	99.95%	19,795,424.82	99.4%			
Chapter	12	Socio medical & training expenditure	1,279,500.00	1,253,701.86	97.98%	1,084,961.11	84.8%			
Title	2	INFRASTRUCTURE AND OPERATING EXPENDITURE	4,302,000.00	4,230,354.00	98.33%	3,489,880.08	81.1%			
Chapter	21	Building expenditure	3,016,000.00	2,996,612.74	99.36%	2,707,002.08	89.8%			
Chapter	22	ICT expenditure	1,078,000.00	1,051,264.64	97.52%	704,299.68	65.3%			
Chapter	23	Movable property & current operating expenditure	208,000.00	182,476.62	87.73%	78,578.32	37.8%			
Title	3	TECHNICAL AND ADMINISTRATIVE SUPPORT EXPENDITURE	1,177,000.00	1,158,613.15	98.44%	709,212.95	60.3%			
Chapter	31	Programme Support Expenditure	1,177,000.00	1,158,613.15	98.44%	709,212.95	60.3%			
		2017 Budget	Committed 2017	Paid 2017	Carried forward to 2018	Paid in 2018	Decommitted 2018	RAL	Outturn	
ADMINISTRATIVE EXPENDITURES - 2017		24,346,600.00	24,301,227.81	22,866,927.71	1,434,300.10	1,212,872.52	221,427.58	0.00	98.9%	
Title	1	STAFF EXPENDITURE	18,991,000.00	18,981,199.03	18,559,785.17	421,413.86	284,500.66	136,913.20	0.00	99.2%
Chapter	11	Remuneration allowances charges	17,861,471.24	17,856,059.11	17,749,431.54	106,627.57	93,031.72	13,595.85	0.00	99.9%
Chapter	12	Socio & medical & training expenditure	1,129,528.76	1,125,139.92	810,353.63	314,786.29	191,468.94	123,317.35	0.00	88.7%
Title	2	INFRASTRUCTURE AND OPERATING EXPENDITURE	4,183,339.00	4,183,016.81	3,748,412.41	434,604.40	403,024.52	31,579.88	0.00	99.2%
Chapter	21	Building expenditure	3,177,567.00	3,177,428.52	2,914,891.63	262,536.89	248,760.06	13,776.83	0.00	99.6%
Chapter	22	ICT expenditure	768,824.83	768,824.80	651,833.24	116,991.56	114,067.84	2,923.72	0.00	99.6%
Chapter	23	Movable property & current operating expenditure	236,947.17	236,763.49	181,687.54	55,075.95	40,196.62	14,879.33	0.00	93.6%
Title	3	TECHNICAL AND ADMINISTRATIVE SUPPORT EXPENDITURE	1,172,261.00	1,137,011.97	558,730.13	578,281.84	525,347.34	52,934.50	0.00	92.5%
Chapter	31	Programme Support Expenditure	1,172,261.00	1,137,011.97	558,730.13	578,281.84	525,347.34	52,934.50	0.00	92.5%
KEY PERFORMANCE INDICATORS FOR PAYMENTS										
		2017	2018	Total						
Amount paid		1,212,872.52	25,079,478.96	26,292,351.48						
Number of Payments requests		230	799	1,020						
Net time to pay		9.7	6.7	7.4						
% of payments on time		100.0 %	99.9 %	99.9 %						

C. HIGHLIGHTS OF THE BUDGETARY EXECUTION UNDER TITLES 1, 2 AND 3

1. Title 1 'Staff expenditure'

The title amounted to EUR 21,154,402 and included the remuneration, allowances and charges of 276 temporary and contract agents, as well as interims and trainees working in the Agency in 2018 (EUR 19,900,700) and the accompanying socio, medical and training expenditure (EUR 1,253,702).

The 2018 staffing plan was almost covered. 11 vacant positions remained to be filled by the end of 2018 as 5 recruitments were confirmed for 2019. On-going selections were already running for the remaining posts.

The main part of the other social expenditure in the amount of EUR 569,702 was due to the CPE (Centre de la Petite Enfance) and school transport costs for Staff children. These costs are usually invoiced during the 1st quarter of the following year when final figures are available.

Administration of staff expenditure (EUR 194,496) was paid to PMO for their services related to on-entry and on-exit rights of staff, insurance and management of entitlements.

Training amounted to EUR 200,000 and included general, IT and language trainings, as well as specific training on several subjects such as moderation skills, social media and project management.

2. Title 2 'Infrastructure and operating expenditure'

The title amounted to EUR 4,230,354. The major part of the title was composed of the rent and accompanying charges for the building (EUR 2,996,613).

The ICT services were costs related to the provision of the basic infrastructure, network and telecommunication services (EUR 463,943). The hardware and software (EUR 585,322) and movable property and current operating expenditure (EUR 182,477) were covering the usual logistical needs of the Agency.

3. Title 3 'Programme Support expenditure'

The title amounted to EUR 1,158,613, which was divided between communication activities, missions, and operational related IT expenditure and outsourced audits.

Communication activities, events and other programme's support expenditure mainly covered organisational costs for the Info-days related to calls for proposals, conferences and seminars as well as translations for operational documents, press releases, and legal translations (EUR 241,208).

In 2018, 545 missions were undertaken for a budget of EUR 370,000. Their purpose was to attend kick-off and progress meetings, to promote calls for proposals and to perform ex-post audit checks.

Operational related IT expenditure covered the contracts of the IT developers dealing with software related to CEF (EUR 373,077).

The cost of outsourced audits was EUR 174,328 and included 24 audits.

CONCLUSION

In 2018, INEA continued to implement its administrative budget with the objectives of optimisation and cost-effectiveness in mind.

Following the acceptance of a new mandate related to the WiFi4EU programme, the budget increased by EUR 724,123 due to the related additional staff needed to implement it.

However, towards the end of the year, the Staff recruitment plan was not completed and a decrease of the administrative budget of EUR 1,257,123 was proposed. That amount was transferred to the operational budget managed by the Agency allowing for more projects to be funded.

The budget implementation remained at a high level with more than 99% committed and 94% paid. The outturn for the 2017 budget was also quite high with 99% of the budget paid over 2017 and 2018, showing the commitment of the Agency to manage its budget in the most efficient way.

In 2019, the Agency will pursue its efforts in the same direction, to ensure timely and efficient implementation of the administrative budget.

GLOSSARY

CEF – Connecting Europe Facility

CPE – Centre de la Petite Enfance

DG – Directorate General

DG DIGIT - Directorate General for Informatics

EEA – European Economic Area

EFTA – European Free Trade Association

EC - European Commission

EU – European Union

FR – Financial Regulation

IT – Information Technology

ICT- Information and Communication Technology

INEA - Innovation and Networks Executive Agency

MPF -Multi-Annual Financial Framework

MoU – Memorandum of Understanding

OIB – Office of Infrastructure and Logistics

SLA – Service Level Agreement

TEN-T EA Trans-European Transport Network Executive Agency