



EUROPEAN COMMISSION

BRUSSELS, 16/06/2010

GENERAL BUDGET - 2010  
SECTION III - COMMISSION TITLES 01, 14

TRANSFER OF APPROPRIATIONS N° DEC 19/2010

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EUR

**FROM**

**CHAPTER** - 0104 Financial operations and instruments

ARTICLE - 01 04 04 Competitiveness and Innovation Framework Programme -  
Entrepreneurship and Innovation Programme

Payments - 15 000 000

**TO**

**CHAPTER** - 1404 Customs policy

ARTICLE - 14 04 02 Customs 2013

Payments 11 000 000

**CHAPTER** - 1405 Taxation policy

ARTICLE - 14 05 03 Fiscalis 2013

Payments 4 000 000

## I. INCREASE

### I.A

#### a) Heading

##### **14 04 02 - Customs 2013**

#### b) Figures at 18/05/2010

	<b>Payments</b>
1A. Appropriation in budget (initial budget + AB)	29 000 000
1B. Appropriation in budget (EFTA)	0
2. Transfers	0
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3. Final appropriation for the year (1A+1B+2)	29 000 000
4. Utilisation of final appropriation	19 200 424
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<b>5. Amount not used/available (3-4)</b>	<b>9 799 576</b>
<b>6. Requirements up to year-end</b>	<b>20 799 576</b>
<b>7. Increase proposed</b>	<b>11 000 000</b>
8. Increase as percentage of appropriation in budget (7/1A)	37.93%
9. Increase, as a percentage of the final appropriation for the year, in the sum of transfers referred to in Article 23(1)(b) and (c) of the Financial Regulation, calculated in accordance with Article 17a of the implementing rules	n/a

#### c) Receipts arising from recovery (carried over) (C5)

	<b>Payments</b>
1. Appropriation available at start of year	0
2. Appropriation available on the 18/05/2010	0
3. Rate of utilisation [(1-2)/1]	n/a

#### d) Detailed grounds for the increase

The programme Customs 2013 started in 2008. The execution of the contracts, as well as the supply of the deliverables, is quicker in comparison with the previous programme, Customs 2007. Consequently, the execution of payment appropriations is also quicker than expected.

Moreover, in view of the current financial crisis, the Commission has made an additional effort to reduce the time of acceptance of the major deliverables - and due payments - to the strict minimum (\*). This reduction should support economic recovery by making the financial resources available as soon as possible.

In its original forecast in spring 2009, the Commission was prudent due to previous experiences. In view of current developments, the Commission now estimates the total shortage of payment appropriations in the course of 2010 to be EUR 11 million.

The appropriations will be used for the following contracts:

- Services and deliverables in the area of IT Service Management applied to Customs, Taxation and Excise Applications and trans-European Systems under the management of the Directorate-General for Taxation and Customs Union, ensuring electronic information exchange systems between national administrations;
- Specification, development, maintenance and support of Customs IT systems relating to IT projects of DG TAXUD (CUST/DEV);
- Wide Area Network Services for CCN/CSI (Common Communication Network/Common Systems Interface);
- Development, support, operation, maintenance and management of the CCN/CSI infrastructure and helpdesk.

(\*) Communication from Mrs Grybauskaitė in agreement with the President to the Commission on “financial rules and accelerating budget implementation to help economic recovery” [SEC (2009) 477 final]

## I.B

### a) Heading

#### 14 05 03 - Fiscalis 2013

### b) Figures at 18/05/2010

	<b>Payments</b>
1A. Appropriation in budget (initial budget + AB)	15 300 000
1B. Appropriation in budget (EFTA)	0
2. Transfers	0
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3. Final appropriation for the year (1A+1B+2)	15 300 000
4. Utilisation of final appropriation	6 757 281
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<b>5. Amount not used/available (3-4)</b>	<b>8 542 719</b>
<b>6. Requirements up to year-end</b>	<b>12 542 719</b>
<b>7. Increase proposed</b>	<b>4 000 000</b>
8. Increase as percentage of appropriation in budget (7/1A)	26.14%
9. Increase, as a percentage of the final appropriation for the year, in the sum of transfers referred to in Article 23(1)(b) and (c) of the Financial Regulation, calculated in accordance with Article 17a of the implementing rules	n/a

### c) Receipts arising from recovery (carried over) (C5)

	<b>Payments</b>
1. Appropriation available at start of year	0
2. Appropriation available on the 18/05/2010	0
3. Rate of utilisation [(1-2)/1]	n/a

### d) Detailed grounds for the increase

The programme Fiscalis 2013 started in 2008. The execution of the contracts, as well as the supply of the deliverables, is quicker in comparison with the previous programme, Fiscalis 2007. In 2009, the Commission achieved a high execution of commitment appropriations, which is expected to continue in 2010. Consequently, the execution of payment appropriations is also quicker than expected.

Moreover, in view of the current financial crisis, the Commission has made an additional effort to reduce the time of acceptance of the major deliverables - and due payments - to the strict minimum (\*). This reduction should support economic recovery by making the financial resources available as soon as possible.

In its original forecast in spring 2009, the Commission was prudent due to previous experiences. In view of current developments, the Commission now estimates the total shortage of payment appropriations to be EUR 4 million.

The appropriations will be used for the following contracts:

- Services and deliverables in the area of IT Service Management applied to Customs, Taxation and Excise Applications and trans-European Systems under the management of the Directorate-General for Taxation and Customs Union, ensuring electronic information exchange systems between national administrations;
- Specification, development, maintenance and support of Trans-European IT services in the areas of taxation and excise (FITS/DEV);
- Wide Area Network Services for CCN/CSI (Common Communication Network/Common Systems Interface);
- Development, support, operation, maintenance and management of the CCN/CSI infrastructure and helpdesk.

(\*) Communication from Mrs Grybauskaitė in agreement with the President to the Commission on “financial rules and accelerating budget implementation to help economic recovery” [SEC (2009) 477 final]

## II. DECREASE

### a) Heading

#### **01 04 04 - Competitiveness and Innovation Framework Programme - Entrepreneurship and Innovation Programme**

### b) Figures at 18/05/2010

	<b>Payments</b>
1A. Appropriation in budget (initial budget + AB)	91 900 000
1B. Appropriation in budget (EFTA)	2 315 880
2. Transfers	0
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3. Final appropriation for the year (1A+1B+2)	94 215 880
4. Utilisation of final appropriation	0
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<b>5. Amount not used/available (3-4)</b>	<b>94 215 880</b>
<b>6. Requirements up to year-end</b>	<b>79 215 880</b>
<b>7. Proposed decrease</b>	<b>15 000 000</b>
8. Decrease as percentage of appropriation in budget (7/1A)	16.32%
9. Decrease, as a percentage of the final appropriation for the year, in the sum of transfers referred to in Article 23(1)(b) and (c) of the Financial Regulation, calculated in accordance with Article 17a of the implementing rules	n/a

### c) Receipts arising from recovery (carried over) (C5)

	<b>Payments</b>
1. Appropriation available at start of year	0
2. Appropriation available on the 18/05/2010	0
3. Rate of utilisation [(1-2)/1]	n/a

### d) Detail grounds for the transfer

In the current state of implementation, it is foreseeable that the payment appropriations available under the budget line 01 04 04 in 2010 will not be fully used this year.

Payment appropriations are transferred to trust accounts as required to ensure that the European Investment Fund (EIF) is at all times in a position to make disbursements to the financial intermediaries.

The amount of disbursements required in any given year is contingent upon market needs and certain conditions being met over the whole lifetime of the contracts signed. Thus, an inherent time lag exists between transfers to the trust accounts and disbursements to the beneficiaries.

The financial crisis had a major effect on the disbursement profile of financial instruments, particularly those in the area of venture capital.

According to the European Venture Capital Association (EVCA), investments and divestments (exits) were more than halved between 2007 and 2009 compared to the pre-crisis situation. These developments had also a substantial impact on the forecasts in terms of disbursements for 2010.

Moreover, in order to avoid excessive balances on the trust accounts, the EIF and the Commission services reviewed the method of calculating payment appropriations and agreed to a number of adjustments to improve its reliability.

As a consequence of the two above elements, payment appropriations foreseen in the 2010 budget will not be fully needed in 2010. The amount of EUR 15 000 000 can therefore be made available for transfer.