



EUROPEAN COMMISSION

BRUSSELS, 08/11/2010

GENERAL BUDGET - 2010
SECTION III - COMMISSION TITLE 08

TRANSFER OF APPROPRIATIONS No **DEC 59/2010**

EUR

FROM

CHAPTER 08 01 Administrative expenditure of 'Research' policy area

ITEM - 08 01 04 30 European Research Council Executive Agency (ERCEA)

Non-diff.

- 3 632 172

TO

CHAPTER - 0810 Ideas

ARTICLE - 08 10 01 Ideas

Commitments

3 632 172

Payments

3 632 172

I. INCREASE

a) Heading

08 10 01 - Ideas

b) Figures at 22/10/2010

	Commitments	Payments
1A. Appropriation in budget (initial budget + AB)	1 098 000 000	536 009 000
1B. Appropriation in budget (EFTA)	27 669 600	13 507 427
2. Transfers	0	-25 000 000
3. Final appropriation for the year (1A+1B+2)	1 125 669 600	524 516 427
4. Utilisation of final appropriation	534 569 762	391 048 185
5. Amount not used/available (3-4)	591 099 838	133 468 242
6. Requirements up to year-end	594 732 010	137 100 414
7. Increase requested	3 632 172	3 632 172
8. Increase as percentage of appropriation in budget (7/1A)	0.33%	0.68%
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	n/a

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

	Commitments	Payments
1. Appropriation available at start of year	16 670	16 670
2. Appropriation available on 22/10/2010	0	4 847
3. Rate of utilisation [(1-2)/1]	100.00%	70.92%

d) Detailed grounds for the increase

The transfer of EUR 3.6 million in commitment appropriations will finance two more 'Starting Grants' projects from the reserve lists of the specific 'Ideas' programme for 2010 (7th Framework Programme for Research).

The transfer of EUR 3.6 million in payment appropriations will cover the prefinancing of another 6 or 7 'Starting Grants' projects from the specific 'Ideas' programme. The current state of negotiations concerning projects from call for tender ERC-2010-STG shows that they are advancing considerably faster than under the 2009 call for tenders which was used as a basis for calculating the 2010 budget.

II. DECREASE

a) Heading

08 01 04 30 — European Research Council Executive Agency (ERCEA)

b) Figures at 22/10/2010

	Non-diff.
1A. Appropriation in budget (initial budget + AB)	32 110 000
1B. Appropriation in budget (EFTA)	809 172
2. Transfers	0
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3. Final appropriation for the year (1A+1B+2)	32 919 172
4. Utilisation of final appropriation	29 287 000
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5. Amount not used/available (3-4)	3 632 172
6. Requirements up to year-end	0
7. Decrease proposed	3 632 172
8. Transfer as percentage of appropriation in budget (7/1A)	11.31%
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)

	Non-diff.
1. Appropriation available at start of year	6 697
2. Appropriation available on 22/10/2010	6 697
3. Rate of utilisation [(1-2)/1]	0.00%

d) Detailed grounds for the decrease

The proposed transfer of EUR 3.6 million from the operating budget of the European Research Council Executive Agency (ERCEA) is basically the result of:

- First, a delay in the ERCEA's recruitment programme going back to 2008. At the end of 2008 the ERCEA had 61 staff members as against the 220 authorised by the budgetary authority. At the end of 2009 the number of staff totalled 262 instead of the 300 initially planned. The delay in recruiting these 38 officials for 2009 (corresponding to a vacancy rate of 12.7%) has had an effect on the amount of salary calculated during the 2010 budget procedure and, overall, on staff expenditure, leading to a total decrease of around EUR 3.8 million in Title 1 (Expenditure on staff).

However, the backlog in the ERCEA's recruitment programme has continually shrunk and will be almost completely made up by the end of 2010. A number of selection procedures started in May 2010, ensuring continuous recruitment up to the end of 2010 (with 20 staff in the final quarter of 2010). At 1 October 2010, 297 of the 330 posts planned for 2010 were filled. It is expected that 318 of the 330 persons planned will have been recruited at 16 December 2010 (the difference corresponds to a vacancy rate of 3.6%, i.e. an 8% drop in this rate in one year). Recruitment should continue in early 2011.

- Second, the figure of around -EUR 3.8 million set out above is partly offset (to the tune of EUR 0.2 million) by adjustments to expenditure under Title 2 (Infrastructure and other administrative expenditure). This breaks down as follows:
 - an increase in expenditure on information technology (EUR 1.3 million);
 - a decrease in expenditure on communications (-EUR 0.4 million);
 - a decrease in expenditure on buildings and equipment (-EUR 0.7 million).

The proposal to reduce the ERCEA's operating budget by EUR 3.6 million has already been decided at meetings of the ERCEA's management board on 4 August 2010 and 12 October 2010.