



# Annual accounts of the European External Action Service

## Financial year 2018

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## BACKGROUND AND HIGHLIGHTS

### General background

The European External Action Service (EEAS) is an EU institution with its headquarters based in Brussels that was created to assist the High Representative of the Union for Foreign Affairs and Security Policy (HR) in fulfilling her mandate (Art.27(3) TEU<sup>1</sup>, as modified by the Treaty of Lisbon).

The EEAS was formed on 1 January 2011 in accordance with the Council Decision 2010/427/EU. Since then the EEAS has operated as a unique and functionally autonomous body of the Union, separate from the General Secretariat of the Council and from the European Commission<sup>2</sup>, with its own budgetary responsibility towards the European Parliament and Council. The budget of the EEAS is entirely administrative and covers both the EEAS Headquarters and the EU-Delegations abroad.

As an EU institution within the meaning of the Financial Regulation (FR), the EEAS is required to prepare and adopt its own annual accounts, which are ultimately consolidated into those of the EU. The annual accounts comprise the EEAS and the pension and sickness insurance funds for local agents.

Following Article 68 of the EU Financial Regulation the annual accounts shall be prepared in accordance with the accounting rules adopted by the Commission's Accounting Officer (EU Accounting Rules, EAR) that are based on the International Public Sector Accounting Standards (IPSAS). Following the decision of the High Representative for Foreign Affairs and Security Policy of 1 February 2011 (Ares(2011)108758), the Accounting Officer of the Commission acts, as of 1 February 2011, as the Accounting Officer of EEAS.

### Highlights of the year

**Budget 2018** – The budget for 2018 approved by Budget Authority was EUR 678.5 million. In addition to the EEAS's own budget, a contribution of EUR 210.5 million was also received from the Commission to cover the administrative costs of Commission staff working in Union delegations. A contribution was also received from the EDF and the Trust Funds.

The number of budget lines used to finance the operations related to Commission staff in the Delegations (34 different lines originating in various Headings of the Commission budget, plus the EDF Funds) increases the complexity of budget management.

**Payments implemented by the EEAS** – During 2018, the EEAS executed worldwide a total number of 247 417 payments, of which 44 607 were central payments, 153 237 were local and 49 573 were imprest payments. To be noticed that in respect to the imprest payments, the comparison of data for the period 2014 to 2018 shows an important decrease over the years. In effect, such kind of payments have been reduced from 97 181 (2014) to 49 573 (2018), thus a decrease of 49 % since 2014.

**New Financial Regulation** – During year 2018, there has been the introduction of a new Financial Regulation which entered into application on 1 January 2019 for the EEAS. The new Financial Regulation obliged the EEAS to amend its Decision on the Internal Rule of Budgetary Implementation in order to adapt them to the new dispositions and introduced new possibilities for the EEAS (like the corporate sponsorship and the possibility for the Deputy Heads of Delegation to implement the operational budget of the European Commission).

**Exposure to exchange rate fluctuations and local inflation** – The EEAS, as an organisation operating all over the world, it is highly exposed to the fluctuation of exchange rates between currencies. Variations in the value of the Euro and large increases in infrastructure costs due to market conditions make budget, financial, management and planning for the Delegations extremely difficult.

**Exposure to international crisis and security situation** – Managing a network of 140 Delegations exposes the Institution to crisis situations (terrorism threats, civil unrests, etc.) which have a heavy operational, financial and budgetary impact in terms of security and evacuation costs.

<sup>1</sup> Treaty on the European Union – OJ C 326/01, 26.10.2012, p. 1.

<sup>2</sup> Hereinafter referred to as 'Commission'.

## **CERTIFICATION OF THE ACCOUNTS**

The annual accounts of the European External Action Service for the year 2018 have been prepared in accordance with the Financial Regulation applicable to the general budget of the European Union, the accounting rules adopted by the Commission's Accounting Officer, as are to be applied by all the institutions and other bodies.

I acknowledge my responsibility for the preparation and presentation of the annual accounts of the European External Action Service in accordance with Article 77 of the Financial Regulation.

I have obtained from the authorising officer, who certified its reliability, all the information necessary for the production of the accounts that show the European External Action Service's assets and liabilities and the budgetary implementation.

I hereby certify that based on this information, and on such checks as I deemed necessary to sign off the accounts, I have a reasonable assurance that the accounts present fairly, in all material aspects, the financial position, the results of the operations and the cash-flow of the European External Action Service.

*[e-signed]*

Rosa ALDEA BUSQUETS

**Accounting Officer**

*11 June 2019*

# **FINANCIAL STATEMENTS AND EXPLANATORY NOTES**

*It should be noted that due to the rounding of figures into thousands of euros, some financial data in the tables below may appear not to add-up.*

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## BALANCE SHEET

		EUR '000	
	Note	31.12.2018	31.12.2017
<b>NON-CURRENT ASSETS</b>			
<i>Intangible assets</i>	2.1	42	73
<i>Property, plant and equipment</i>	2.2	313 183	325 041
<i>Exchange receivables and non-exchange recoverables</i>	2.4	78 008	78 126
		<b>391 234</b>	<b>403 240</b>
<b>CURRENT ASSETS</b>			
<i>Pre-financing</i>	2.3	139	9 935
<i>Exchange receivables and non-exchange recoverables</i>	2.4	27 018	33 947
<i>Cash and cash equivalents</i>	2.5	54 021	41 527
		<b>81 178</b>	<b>85 409</b>
<b>TOTAL ASSETS</b>		<b>472 412</b>	<b>488 649</b>
<b>NON-CURRENT LIABILITIES</b>			
<i>Financial liabilities</i>	2.6	(278 598)	(280 753)
		<b>(278 598)</b>	<b>(280 753)</b>
<b>CURRENT LIABILITIES</b>			
<i>Provisions</i>	2.7	(320)	(225)
<i>Financial liabilities</i>	2.6	(1 203)	(1 236)
<i>Payables</i>	2.8	(62 406)	(55 016)
<i>Accrued charges and deferred revenue</i>	2.9	(29 604)	(25 471)
		<b>(93 533)</b>	<b>(81 948)</b>
<b>TOTAL LIABILITIES</b>		<b>(372 131)</b>	<b>(362 701)</b>
<b>NET ASSETS</b>		<b>100 281</b>	<b>125 948</b>
<i>Accumulated surplus</i>		125 948	177 865
<i>Economic result of the year</i>		(25 667)	(51 917)
<b>NET ASSETS</b>		<b>100 281</b>	<b>125 948</b>

## STATEMENT OF FINANCIAL PERFORMANCE

		EUR '000	
	Note	2018	2017
<b>REVENUE</b>			
<b>Revenue from non-exchange transactions</b>			
<i>Funding from the Commission</i>	3.1	808 655	764 615
<i>Other non-exchange revenue</i>	3.2	43 863	43 295
		<b>852 518</b>	<b>807 910</b>
<b>Revenue from exchange transactions</b>			
<i>Financial revenue</i>	3.3	116	91
<i>Other exchange revenue</i>	3.4	31 073	21 437
		<b>31 189</b>	<b>21 528</b>
		<b>883 707</b>	<b>829 438</b>
<b>EXPENSES</b>			
<i>Staff costs</i>	3.5	(456 984)	(447 076)
<i>Finance costs</i>	3.6	(6 567)	(7 623)
<i>Other expenses</i>	3.7	(445 823)	(426 656)
		<b>(909 374)</b>	<b>(881 355)</b>
<b>ECONOMIC RESULT OF THE YEAR</b>		<b>(25 667)</b>	<b>(51 917)</b>



## CASHFLOW STATEMENT

	EUR '000	
	2018	2017
<i>Economic result of the year</i>	<i>(25 667)</i>	<i>(51 917)</i>
<b>Operating activities</b>		
<i>Amortisation and impairments - intangible fixed assets</i>	<i>52</i>	<i>224</i>
<i>Depreciation and impairments - Property Plant &amp; Equipment</i>	<i>28 026</i>	<i>27 362</i>
<i>(Increase)/decrease in pre-financing</i>	<i>9 796</i>	<i>(9 394)</i>
<i>(Increase)/decrease in exchange receivables and non-exchange recoverables</i>	<i>7 048</i>	<i>19 793</i>
<i>Increase/(decrease) in provisions</i>	<i>95</i>	<i>225</i>
<i>Increase/(decrease) in financial liabilities</i>	<i>(2 188)</i>	<i>(7 846)</i>
<i>Increase/(decrease) in payables</i>	<i>7 390</i>	<i>23 448</i>
<i>Increase/(decrease) in accrued charges and deferred revenue</i>	<i>4 133</i>	<i>1 911</i>
<b>Investing activities</b>		
<i>(Increase)/decrease in intangible assets and property, plant and equipment</i>	<i>(16 190)</i>	<i>(14 979)</i>
<b>NET CASHFLOW</b>	<b>12 494</b>	<b>(11 172)</b>
<i>Net increase/(decrease) in cash and cash equivalents</i>	<i>12 494</i>	<i>(11 172)</i>
<i>Cash and cash equivalents at the beginning of the year</i>	<i>41 527</i>	<i>52 698</i>
<i>Cash and cash equivalents at year-end</i>	<i>54 021</i>	<i>41 527</i>

## STATEMENT OF CHANGES IN NET ASSETS

EUR '000

	Accumulated Surplus/(Deficit)	Economic result of the year	Net Assets
<b>BALANCE AS AT 31.12.2016</b>	<b>164 079</b>	<b>13 786</b>	<b>177 865</b>
<i>Allocation of the 2016 economic result</i>	13 786	(13 786)	-
<i>Economic result of the year</i>	-	(51 917)	(51 917)
<b>BALANCE AS AT 31.12.2017</b>	<b>177 865</b>	<b>(51 917)</b>	<b>125 948</b>
<i>Allocation of the 2017 economic result</i>	(51 917)	51 917	-
<i>Economic result of the year</i>	-	(25 667)	(25 667)
<b>BALANCE AS AT 31.12.2018</b>	<b>125 948</b>	<b>(25 667)</b>	<b>100 281</b>

## **NOTES TO THE FINANCIAL STATEMENTS**

# 1. SIGNIFICANT ACCOUNTING POLICIES

## 1.1. ACCOUNTING PRINCIPLES

The objective of financial statements is to provide information about the financial position, performance and cashflows of an entity that is useful to a wide range of users.

The overall considerations (or accounting principles) to be followed when preparing the financial statements are laid down in EU Accounting Rule 1 'Financial Statements' and are the same as those described in IPSAS 1: fair presentation, accrual basis, going concern, consistency of presentation, materiality, aggregation, offsetting and comparative information. The qualitative characteristics of financial reporting are relevance, faithful representation (reliability), understandability, timeliness, comparability and verifiability.

## 1.2. BASIS OF PREPARATION

### 1.2.1. Reporting period

Financial statements are presented annually. The accounting year begins on 1 January and ends on 31 December.

### 1.2.2. Currency and basis for conversion

The annual accounts are presented in thousands of euros, the euro being the EU's functional and reporting currency. Foreign currency transactions are translated into euros using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the re-translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of financial performance. Different conversion methods apply to property, plant and equipment and intangible assets, which retain their value in euros at the date when they were purchased.

Year-end balances of monetary assets and liabilities denominated in foreign currencies are translated into euros on the basis of the European Central Bank (ECB) exchange rates applying on 31 December.

#### Euro exchange rates

Currency	31.12.2018	31.12.2017	Currency	31.12.2018	31.12.2017
<b>BGN</b>	<b>1.9558</b>	1.9558	<b>PLN</b>	<b>4.3014</b>	4.177
<b>CZK</b>	<b>25.7240</b>	25.5350	<b>RON</b>	<b>4.6635</b>	4.6585
<b>DKK</b>	<b>7.4673</b>	7.4449	<b>SEK</b>	<b>10.2548</b>	9.8438
<b>GBP</b>	<b>0.8945</b>	0.8872	<b>CHF</b>	<b>1.1269</b>	1.1702
<b>HRK</b>	<b>7.4125</b>	7.4400	<b>JPY</b>	<b>125.8500</b>	135.01
<b>HUF</b>	<b>320.9800</b>	310.3300	<b>USD</b>	<b>1.145</b>	1.1993

### 1.2.3. Use of estimates

In accordance with IPSAS and generally accepted accounting principles, the financial statements necessarily include amounts based on estimates and assumptions by management based on the most reliable information available. Significant estimates include, but are not limited to; amounts for employee benefit liabilities, accrued and deferred revenue and charges, provisions, financial risk on accounts receivables, contingent assets and liabilities, and degree of impairment of assets. Actual results could differ from those estimates.

Reasonable estimates are essential part of the preparation of financial statements and do not undermine their reliability. An estimate may need revision if changes occur in the circumstances on which the estimate was based or as a result of new information or more experience. By its nature, the revision of an estimate does not relate to prior periods and is not the correction of an error. The effect of a change in

accounting estimate shall be recognised in the surplus or deficit in the periods in which it becomes known.

## 1.3. BALANCE SHEET

### 1.3.1. Intangible assets

Acquired computer software licences are stated at historical cost less accumulated amortisation and impairment losses. The assets are amortised on a straight-line basis over their estimated useful lives. The estimated useful lives of intangible assets depend on their specific economic lifetime or legal lifetime determined by an agreement. Internally developed intangible assets are capitalised when the relevant criteria of the EU accounting rules are met. The costs capitalisable include all directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by management. Costs associated with research activities, non-capitalisable development costs and maintenance costs are recognised as expenses when incurred.

### 1.3.2. Property, plant and equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition or construction of the asset. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits or service potential associated with the item will flow to the entity and its cost can be measured reliably. Repairs and maintenance costs are charged to the statement of financial performance during the financial period in which they are incurred. Land and works of art are not depreciated as they are deemed to have an indefinite useful life. Assets under construction are not depreciated as these assets are not yet available for use. Depreciation on other assets is calculated using the straight-line method to allocate their cost less their residual values over their estimated useful lives, as follows:

Type of asset	Straight line depreciation rate
<i>Buildings</i>	<i>4 % to 10 %</i>
<i>Plant and equipment</i>	<i>10 % to 25 %</i>
<i>Furniture and vehicles</i>	<i>10 % to 25 %</i>
<i>Computer hardware</i>	<i>25 % to 33 %</i>
<i>Other</i>	<i>10 % to 33 %</i>

Gains or losses on disposals are determined by comparing proceeds less selling expenses with the carrying amount of the disposed asset and are included in the statement of financial performance.

### Leases

Leases of tangible assets, where the entity has substantially all the risks and rewards of ownership, are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased asset and the present value of the minimum lease payments. The interest element of the finance lease payment is charged to statement of financial performance over the period of the lease at a constant periodic rate in relation to the balance outstanding. The rental obligations, net of finance charges, are included in financial liabilities (non-current and current). The interest element of the finance cost is charged to the statement of financial performance over the lease period so as to produce a constant periodic interest rate on the remaining balance of the liability for each period. The assets held under finance leases are depreciated over the shorter of the assets' useful life and the lease term.

Leases where the lessor retains a significant portion of the risks and rewards inherent to ownership are classified as operating leases. Payments made under operating leases are charged to the statement of financial performance on a straight-line basis over the period of the lease.

### 1.3.3. Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation/depreciation and are tested annually for impairment. Assets that are subject to amortisation/depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be

recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

Intangible assets and property, plant and equipment residual values and useful lives are reviewed, and adjusted if appropriate, at least once per year. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. If the reasons for impairments recognised in previous years no longer apply, the impairment losses are reversed accordingly.

#### 1.3.4. Financial assets

Financial assets are classified in the following categories: financial assets at fair value through surplus or deficit; loans and receivables; held-to-maturity investments; and available for sale financial assets. The classification of the financial instruments is determined at initial recognition and re-evaluated at each balance sheet date.

##### *(i) Financial assets at fair value through surplus or deficit*

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by the entity. Derivatives are also categorised in this category. Assets in this category are classified as current assets if they are expected to be realised within 12 months of the balance sheet date. During this financial year, the entity did not hold any investments in this category.

##### *(ii) Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the entity provides money, goods or services directly to a debtor with no intention of trading the receivable. They are included in non-current assets, except for maturities within 12 months of the balance sheet date. Loans and receivables include term deposits with the original maturity above three months.

##### *(iii) Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the entity has the positive intention and ability to hold to maturity. During this financial year, the entity did not hold any investments in this category.

##### *(iv) Available for sale financial assets*

Available for sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are classified as either current or non-current assets, depending on the period of time the entity expects to hold them, which is usually the maturity date. During this financial year, the entity did not hold any investments in this category.

#### **Initial recognition and measurement**

Purchases and sales of financial assets at fair value through surplus or deficit, held-to-maturity and available for sale are recognised on trade date - the date on which the entity commits to purchase or sell the asset. Cash equivalents and loans are recognised when cash is deposited in a financial institution or advanced to borrowers. Financial instruments are initially recognised at fair value. For all financial assets not carried at fair value through surplus or deficit transaction costs are added to the fair value at initial recognition.

Financial instruments are derecognised when the rights to receive cashflows from the investments have expired or the entity has transferred substantially all risks and rewards of ownership to another party.

## Subsequent measurement

Financial assets at fair value through surplus or deficit are subsequently carried at fair value with gains and losses arising from changes in the fair value being included in the statement of financial performance in the period in which they arise.

Loans and receivables and held-to maturity investments are carried at amortised cost using the effective interest method.

Available for sale financial assets are subsequently carried at fair value. Gains and losses arising from changes in the fair value are recognised in the fair value reserve. Interest on available for sale financial assets calculated using the effective interest method is recognised in the statement of financial performance.

The entity assesses at each balance sheet date whether there is objective evidence that a financial asset is impaired and whether an impairment loss should be recorded in the statement of financial performance.

### 1.3.5. Pre-financing amounts

Pre-financing is a payment intended to provide the beneficiary with a cash advance, i.e. a float. It may be split into a number of payments over a period defined in the particular contract, decision, agreement or basic legal act. The float or advance is either used for the purpose for which it was provided during the period defined in the agreement or it is repaid. If the beneficiary does not incur eligible expenditure, he has the obligation to return the pre-financing advance to the entity. The amount of the pre-financing may be reduced (wholly or partially) by the acceptance of eligible costs (which are recognised as expenses).

Pre-financing is, on subsequent balance sheet dates, measured at the amount initially recognised on the balance sheet less eligible expenses (including estimated amounts where necessary) incurred during the period.

### 1.3.6. Receivables and recoverables

As the EU accounting rules require a separate presentation of exchange and non-exchange transactions, for the purpose of drawing up the accounts, receivables are defined as stemming from exchange transactions and recoverables are defined as stemming from non-exchange transactions (when the entity receives value from another entity without directly giving approximately equal value in exchange).

Receivables from exchange transactions meet the definition of financial instruments and are thus classified as loans and receivables and measured accordingly (see 1.3.4 above).

Recoverables from non-exchange transactions are carried at original amount (adjusted for interests and penalties) less write-down for impairment. A write-down for impairment is established when there is objective evidence that the entity will not be able to collect all amounts due according to the original terms of the recoverables. The amount of the write-down is the difference between the asset's carrying amount and the recoverable amount. The amount of the write-down is recognised in the statement of financial performance.

### 1.3.7. Cash and cash equivalents

Cash and cash equivalents are financial instruments and include cash at hand, deposits held at call or at short notice with banks, and other short-term highly liquid investments with original maturities of three months or less.

### 1.3.8. Provisions

Provisions are recognised when the entity has a present legal or constructive obligation towards third parties as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are not recognised for future operating losses. The amount of the provision is the best estimate of the expenditure expected to

be required to settle the present obligation at the reporting date. Where the provision involves a large number of items, the obligation is estimated by weighting all possible outcomes by their associated probabilities ('expected value' method).

Provisions for onerous contracts are measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

### 1.3.9. Payables

Included under accounts payable are both amounts related to exchange transactions such as the purchase of goods and services and to non-exchange transactions e.g. to cost claims from beneficiaries, grants or other EU funding.

Where grants or other funding is provided to the beneficiaries, the cost claims are recorded as payables for the requested amount when the cost claim is received. Upon verification and acceptance of the eligible costs, the payables are valued at the accepted and eligible amount.

Payables arising from the purchase of goods and services are recognised at invoice reception for the original amount and corresponding expenses are entered in the accounts when the supplies or services are delivered and accepted by the entity.

### 1.3.10. Accrued and deferred revenue and charges

Transactions and events are recognised in the financial statements in the period to which they relate. At year-end, if an invoice is not yet issued but the service has been rendered, the supplies have been delivered by the entity or a contractual agreement exists (e.g. by reference to a contract), an accrued revenue will be recognised in the financial statements. In addition, at year-end, if an invoice is issued but the services have not yet been rendered or the goods supplied have not yet been delivered, the revenue will be deferred and recognised in the subsequent accounting period.

Expenses are also accounted for in the period to which they relate. At the end of the accounting period, accrued expenses are recognised based on an estimated amount of the transfer obligation of the period. The calculation of accrued expenses is done in accordance with detailed operational and practical guidelines issued by the Accounting Officer which aim at ensuring that the financial statements provide a faithful representation of the economic and other phenomena they purport to represent. By analogy, if a payment has been made in advance for services or goods that have not yet been received, the expense will be deferred and recognised in the subsequent accounting period.

## 1.4. STATEMENT OF FINANCIAL PERFORMANCE

### 1.4.1. Revenue

Revenue comprises gross inflows of economic benefits or service potential received and receivable by the entity, which represents an increase in net assets, other than increases relating to contributions from owners.

Depending on the nature of the underlying transactions in the statement of financial performance it is distinguished between:

#### *(i) Revenue from non-exchange transactions*

Revenue from non-exchange transactions are taxes and transfers because the transferor provides resources to the recipient entity without the recipient entity providing approximately equal value directly in exchange.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes. The entity shall recognise an asset in respect of transfers when the entity controls the resources as a result of a past event (the transfer) and expects to receive future economic benefits or service potential from those resources, and when the fair value can be reliably measured. An inflow of resources from a non-exchange transaction recognised as an asset (i.e. cash) is also recognised as



revenue, except to the extent that the entity has a present obligation in respect of that transfer (condition), which needs to be satisfied before the revenue can be recognised. Until the condition is met the revenue is deferred and recognised as a liability (pre-financing received).

*(ii) Revenue from exchange transactions*

Revenue from the sale of goods and services is recognised when the significant risk and rewards of ownership of the goods are transferred to the purchaser. Revenue associated with a transaction involving the provision of services is recognised by reference to the stage of completion of the transaction at the reporting date.

#### 1.4.2. Expenses

Expenses are decreases in economic benefits or service potential during the reporting period in the form of outflows or consumption of assets or incurrence of liabilities that result in decreases in net assets/equity. They include both the expenses from exchange transactions and expenses from non-exchange transactions.

Expenses from exchange transactions arising from the purchase of goods and services are recognised when the supplies are delivered and accepted by the entity. They are valued at original invoice amount. Furthermore, at the balance sheet date expenses related to the service delivered during the period for which an invoice has not yet been received or accepted are recognised in the statement of financial performance.

Expenses from non-exchange transactions relate to transfers to beneficiaries and can be of three types: entitlements, transfers under agreement and discretionary grants, contributions and donations. Transfers are recognised as expenses in the period during which the events giving rise to the transfer occurred, as long as the nature of the transfer is allowed by regulation or an agreement has been signed authorising the transfer; any eligibility criteria have been met by the beneficiary; and a reasonable estimate of the amount can be made.

When a request for payment or cost claim is received and meets the recognition criteria, it is recognised as an expense for the eligible amount. At year-end, incurred eligible expenses due to the beneficiaries but not yet reported are estimated and recorded as accrued expense.

### 1.5. CONTINGENT ASSETS AND LIABILITIES

#### 1.5.1. Contingent assets

A contingent asset is a possible asset that arises from past events and of which the existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is disclosed when an inflow of economic benefits or service potential is probable.

#### 1.5.2. Contingent liabilities

A contingent liability is a possible obligation that arises from past events and of which the existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or a present obligation that arises from past events but is not recognised because: it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation or, in the rare circumstances where the amount of the obligation cannot be measured with sufficient reliability.

## 1.6. EMPLOYEE BENEFITS

### 1.6.1. Sickness Insurance Scheme for local agents

The EEAS maintains a Sickness Insurance Scheme for local agents employed in delegations, consisting of two types of benefits:

- Insurance against loss of earnings
- Medical treatment cover

Both benefits are funded by a monthly employee contribution equal to 1.37 % of the monthly salary, and a monthly employer contribution of 3.22 % of the employee's salary. The associated expenditure is accounted for when incurred.

### 1.6.2. Pension scheme for local agents

The EEAS maintains a defined contribution pension scheme for local agents employed in delegations. Both the employer and the employee contribute 5 % of the employee's monthly salary. The contributions are invested and the accumulated balance is paid to the employee at the end of their contract, regardless of the reasons why the contract is terminated (resignation, retirement, dismissal or other). A liability is recognised for the amount due to local agents under the scheme.

### 1.6.3. Pension scheme for staff

The staff members of the EEAS are part of the Pensions Scheme of European Officials. The administration of the pensions is entrusted to the Commission who also account for the underlying pension expenses and liabilities.

## 1.7. CONSOLIDATION

The accounts of this entity are fully consolidated in the EU consolidated annual accounts.

## 2. NOTES TO THE BALANCE SHEET

### ASSETS

#### 2.1. INTANGIBLE ASSETS

	'000 EUR
<i>Gross carrying amount at 31.12.2017</i>	2 338
<i>Additions</i>	22
<i>Disposals</i>	(32)
<b>Gross carrying amount at 31.12.2018</b>	<b>2 328</b>
<i>Accumulated amortisation at 31.12.2017</i>	(2 265)
<i>Amortisation charge for the year</i>	(52)
<i>Amortisation written back</i>	–
<i>Disposals</i>	32
<b>Accumulated amortisation at 31.12.2018</b>	<b>(2 286)</b>
<b>NET CARRYING AMOUNT AT 31.12.2018</b>	<b>42</b>
<i>NET CARRYING AMOUNT AT 31.12.2017</i>	73

The above amounts relate primarily to computer software with an amortisation rate of 25 % per year.

## 2.2. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings	Plant and equipment	Furniture and vehicles	Computer hardware	Other	Finance leases	Assets under construction	'000 EUR TOTAL
Gross carrying amount at 31.12.2017	171 664	10 291	72 749	50 290	16 476	231 240	12 982	565 693
Additions	9 819	504	3 687	2 251	197	-	-	16 459
Disposals	(5)	(525)	(5 726)	(2 899)	(1 470)	-	-	(10 625)
Transfer between asset categories	-	-	-	-	-	12 982	(12 982)	-
Other changes	-	132	198	50	49	-	-	429
<b>Gross carrying amount at 31.12.2018</b>	<b>181 478</b>	<b>10 403</b>	<b>70 908</b>	<b>49 692</b>	<b>15 253</b>	<b>244 223</b>	<b>-</b>	<b>571 957</b>
Accumulated depreciation at 31.12.2017	(64 957)	(8 041)	(56 572)	(41 276)	(14 309)	(55 498)	-	(240 652)
Depreciation charge for the year	(4 270)	(699)	(7 107)	(5 848)	(954)	(10 548)	-	(29 425)
Depreciation written back	-	-	-	1 603	-	-	-	1 603
Disposals	3	503	5 323	2 823	1 458	-	-	10 110
Transfer between asset categories	-	-	-	-	-	-	-	-
Other changes	-	(121)	(120)	(161)	(6)	-	-	(409)
<b>Accumulated depreciation at 31.12.2018</b>	<b>(69 224)</b>	<b>(8 359)</b>	<b>(58 476)</b>	<b>(42 858)</b>	<b>(13 811)</b>	<b>(66 045)</b>	<b>-</b>	<b>(258 773)</b>
<b>NET CARRYING AMOUNT AT 31.12.2018</b>	<b>112 254</b>	<b>2 044</b>	<b>12 432</b>	<b>6 834</b>	<b>1 442</b>	<b>178 177</b>	<b>-</b>	<b>313 183</b>
NET CARRYING AMOUNT AT 31.12.2017	106 708	2 250	16 177	9 014	2 167	175 743	12 982	325 041

The property, plant and equipment of the EEAS include assets of the delegations and of the headquarters in Brussels.

The heading finance leases includes the finance lease contract of the EEAS headquarters building in Brussels. The delegation building in Japan which is paid for in instalments is included under land and buildings for an amount of kEUR 71 458 (2017: kEUR 73 905). The respective liabilities related to these assets can be found under financial liabilities in the balance sheet (see note 2.6).

## 2.3. PRE-FINANCING

	EUR '000	
	31.12.2018	31.12.2017
<i>Current pre-financing</i>	139	9 935
<b>Total</b>	<b>139</b>	<b>9 935</b>

The current year pre-financing amount comprises amounts paid to suppliers in respect of procurement of goods and services that will be delivered in 2019. The amount in 2017 included pre-financing payments for buildings in Colombia and Somalia that have been capitalised in 2018.

## 2.4. EXCHANGE RECEIVABLES & NON-EXCHANGE RECOVERABLES

		EUR '000	
	Note	31.12.2018	31.12.2017
<b>Non-current</b>			
<i>Receivables from exchange transactions</i>	2.4.1	3 378	3 496
<i>Recoverables from non-exchange transactions</i>	2.4.2	74 630	74 630
		<b>78 008</b>	<b>78 126</b>
<b>Current</b>			
<i>Receivables from exchange transactions</i>	2.4.1	26 274	33 385
<i>Recoverables from non-exchange transactions</i>	2.4.2	745	562
		<b>27 018</b>	<b>33 947</b>
<b>Total</b>		<b>105 026</b>	<b>112 074</b>

### 2.4.1. Receivables from exchange transactions

	EUR '000	
	31.12.2018	31.12.2017
<b>Non-current</b>		
<i>Guarantees</i>	3 378	3 496
	<b>3 378</b>	<b>3 496</b>
<b>Current</b>		
<i>Customers</i>	14	17
<i>Deferred charges relating to exchange transactions</i>	13 986	18 958
<i>Accrued revenue relating to exchange transactions</i>	93	4 246
<i>Other</i>	12 181	10 164
	<b>26 274</b>	<b>33 385</b>
<b>Total</b>	<b>29 651</b>	<b>36 882</b>

The non-current receivables relate to rental guarantees paid by the EEAS to landlords of property occupied by EEAS staff in delegations.

Deferred charges contain both inter-EU and third party related amounts. They include goods and services paid but not yet received by 31 December 2018 of kEUR 13 640 (2017: kEUR 12 196). In 2018, there was no prepaid interest charges for the EEAS headquarters leased building in Brussels (2017: kEUR 6 662) as the payment was done in the period it relates to.

Accrued revenue contains inter-EU related amounts and third party related amounts. They include kEUR 93 (2017: kEUR 4 246) of accrued revenue relating to the reimbursement of shared charges between the EEAS and European Union Special Representatives (EUSR). This decrease is mainly due to the fact that EUSR has paid the outstanding reimbursement.

Included under "other receivables" are VAT receivables in the delegations of kEUR 4 381 (2017: kEUR 4 254) and balances on suspense accounts<sup>3</sup> related to personnel of kEUR 5 966 (2017: kEUR 3 052). The increase in the personnel accounts is caused by the increase in housing costs under new art.23 of the Staff Regulation in Delegations.

#### 2.4.2. Recoverables from non-exchange transactions

	EUR '000	
	31.12.2018	31.12.2017
<b>Non-current</b>		
<i>Recoverable from Commission</i>	74 630	74 630
	<b>74 630</b>	<b>74 630</b>
<b>Current</b>		
<i>Member States</i>	117	295
<i>Accrued revenue</i>	307	–
<i>Other recoverables</i>	321	267
	<b>745</b>	<b>562</b>
<b>Total</b>	<b>75 375</b>	<b>75 192</b>

The heading "Recoverable from Commission" includes amounts due to EEAS that arose following the transfer of financial assets to the central treasury of the Commission in 2015 and 2016. There were no transfers in 2017 and 2018.

## 2.5. CASH AND CASH EQUIVALENTS

	EUR '000	
	31.12.2018	31.12.2017
<i>Central bank accounts</i>	100	–
<i>Current accounts</i>	17 602	5 520
<i>Imprest accounts</i>	36 319	36 006
<b>Total</b>	<b>54 021</b>	<b>41 527</b>

The current accounts represent bank accounts used for drawing down the EEAS budget. The treasury level is essentially driven by the EEAS budget and its execution.

Imprest accounts represent amounts held by delegations. Delegations are required to hold a funding reserve that approximately equates to three months of operational costs.

## LIABILITIES

### 2.6. FINANCIAL LIABILITIES

	EUR '000	
	31.12.2018	31.12.2017
<b>Non-current</b>		
<i>Finance lease liabilities</i>	199 440	199 440
<i>Buildings paid for in instalments</i>	21 673	23 827
<i>Other</i>	57 485	57 486
	<b>278 598</b>	<b>280 753</b>
<b>Current</b>		
<i>Buildings paid for in instalments</i>	1 203	1 236
	<b>1 203</b>	<b>1 236</b>
<b>Total</b>	<b>279 801</b>	<b>281 989</b>

<sup>3</sup> The suspense accounts are general ledger (G/L) accounts used by the delegations in which amounts are temporary recorded. These accounts record expenses and income which cannot be immediately allocated to a specific budget line. When the appropriate G/L account is determined, the amounts in suspense must be transferred out of the suspense account and posted to the correct G/L account.

The finance lease liabilities represent the lease contract of the EEAS headquarters building in Brussels (see note 2.2).

Buildings paid for in instalments relate to the delegation building in Japan (see note 2.2). During 2015, the outstanding debt in Japanese yen was re-financed with a debt in euro. This loan will be repaid by the EEAS with a final repayment date in 2035. The interest rate is 1.378%.

Included under other non-current financial liabilities is the liability of the local agents pension fund towards the local agents working in the delegations.

Amounts still to be paid in respect of finance lease liabilities shown in non-current and current financial liabilities break down as follows:

EUR '000

Description	Future amounts to be paid			Total Liability
	< 1 year	> 1 year	> 5 years	
<i>Land and buildings</i>	–	28 447	170 993	199 440
<i>Other tangible assets</i>	–	–	–	–
<b>Total at 31.12.2018</b>	<b>–</b>	<b>28 447</b>	<b>170 993</b>	<b>199 440</b>
<i>Interest element</i>	–	21 558	49 864	71 423
<b>Total future minimum lease payments at 31.12.2018</b>	<b>–</b>	<b>50 005</b>	<b>220 857</b>	<b>270 862</b>
<i>Total future minimum lease payments at 31.12.2017</i>	–	50 005	220 857	270 862

For the 2019 amounts the leasing payment was calculated in December 2018 and transferred to current payables. As this amount was not settled by 31 December 2018, it remained open on the suppliers account (see note 2.8)

## 2.7. PROVISIONS

EUR '000

	Amount at 31.12.2017	Additional provisions	Unused amounts reversed	Amounts used	Amount at 31.12.2018
<i>Legal cases</i>	225	95	–	–	320
<b>Total</b>	<b>225</b>	<b>95</b>	<b>–</b>	<b>–</b>	<b>320</b>

The amount as at 31 December 2018 is the estimate of the liability in relation to ongoing legal cases where it is likely that EEAS will have to bear a negative financial impact.

## 2.8. PAYABLES

EUR '000

	31.12.2018	31.12.2017
<i>Current payables</i>	33 252	32 924
<i>Sundry payables</i>	29 154	22 092
<b>Total</b>	<b>62 406</b>	<b>55 016</b>

Current payables relate mainly to amounts due to suppliers of kEUR 25 934 (2017: kEUR 29 828).

Sundry payables are partly composed of amounts related to assets received but not yet invoiced of kEUR 5 099 (2017: kEUR 3 744). Additionally, they include payables to the local agents' pension scheme of kEUR 19 846 (2017: kEUR 15 995) and local tax and social security payables of kEUR 1 761 (2017: kEUR 1 572). The increase in payables to the local agents' pension scheme was driven by the new contributions collected during the year but not yet invested.

## 2.9. ACCRUED CHARGES AND DEFERRED REVENUE

	EUR '000	
	31.12.2018	31.12.2017
<i>Accrued charges</i>	27 461	24 818
<i>Deferred revenue</i>	6	46
<i>Other</i>	2 138	607
<b>Total</b>	<b>29 604</b>	<b>25 471</b>

The accrued charges represent kEUR 19 562 of goods and services received not yet invoiced at 31 December 2018 (2017: kEUR 18 285) and an accrual of kEUR 7 899 (2017: kEUR 6 532) relating to untaken holidays. The increase in accrued charges is mainly due to missions expenses as the respective invoices and cost claims were received after the year end.

Included under "Other" are the accrued charges with consolidated entities. The increase was driven by the services received but not yet invoiced at 31 December 2018 under the different Service Legal Agreements signed with different European Commission services.



### 3. NOTES TO THE STATEMENT OF FINANCIAL PERFORMANCE

#### NON-EXCHANGE REVENUE

##### 3.1. FUNDING FROM THE COMMISSION

In addition to its own budget, the EEAS' main source of revenue is funding from the Commission. This includes funding for the costs of Commission staff working in the EU delegations.

Funding from the Commission was exceptionally low in 2017 as EUR 25 million was transferred to the central treasury of the Commission. This amount was transferred back in 2018.

##### 3.2. OTHER NON-EXCHANGE REVENUE

	EUR '000	
	2018	2017
<i>Staff taxes and contributions</i>	43 863	42 887
<i>Other</i>	–	408
<b>Total</b>	<b>43 863</b>	<b>43 295</b>

The heading staff taxes and contributions revenue comprises primarily deductions from staff salaries, most importantly staff pension contributions and taxes on income.

#### EXCHANGE REVENUE

##### 3.3. FINANCIAL REVENUE

	EUR '000	
	2018	2017
<b>Interest revenue</b>		
<i>Late payments</i>	21	–
<i>Cash and cash equivalents</i>	87	84
	<b>109</b>	<b>84</b>
<b>Other financial revenue</b>	<b>8</b>	<b>7</b>
<b>Total</b>	<b>116</b>	<b>91</b>

##### 3.4. OTHER EXCHANGE REVENUE

	EUR '000	
	2018	2017
<i>Foreign exchange gains</i>	8 501	8 312
<i>Fixed assets related revenue</i>	674	1 759
<i>Other</i>	21 898	11 365
<b>Total</b>	<b>31 073</b>	<b>21 437</b>

Other revenue represents mainly the reimbursement of shared charges between the EEAS and the European Union Special Representatives (EUSR). The increase in 2018 was caused by the common agreement of amounts relating also to the previous periods.

## EXPENSES

### 3.5. STAFF COSTS

	EUR '000	
	2018	2017
<i>Staff costs</i>	456 984	447 076
<b>Total</b>	<b>456 984</b>	<b>447 076</b>

This heading comprises EEAS staff expenses and staff expenses of Commission local staff working in the delegations of the Union (which are financed by the additional funding received from the Commission) – see note 3.1.

The increase in staff costs in 2018 compared to 2017 was mainly due to an increase of salaries.

### 3.6. FINANCE COSTS

	EUR '000	
	2018	2017
<i>Finance leases</i>	5 876	6 585
<i>Interest expenses</i>	385	368
<i>Other finance costs</i>	306	671
<b>Total</b>	<b>6 567</b>	<b>7 623</b>

The heading finance leases concerns the expenses related to the EEAS headquarters building in Brussels.

### 3.7. OTHER EXPENSES

		EUR '000	
	Note	2018	2017
<i>Operating lease expenses</i>	4.3.2	138 288	158 757
<i>Fixed assets related expenses</i>		154 254	126 583
<i>Missions</i>		32 383	30 075
<i>Communications &amp; publications</i>		28 851	29 666
<i>IT costs</i>	3.7.1	40 112	29 012
<i>Office supplies &amp; maintenance</i>		22 340	23 150
<i>Foreign exchange losses</i>		10 525	11 274
<i>External non-IT services</i>		8 468	9 371
<i>Training costs</i>		3 463	3 378
<i>Adjustments/provisions</i>		95	225
<i>Other</i>		7 044	5 165
<b>Total</b>		<b>445 823</b>	<b>426 656</b>

The variation between the operating lease and fixed assets related expenses relates to an adjustment booked in 2018 regarding the yearly indexation of the lease for the EEAS headquarters building in Brussels. The total increase of these expenses is mainly due to the ending of the construction of the compound in Somalia.

The increase in 2018 for IT costs is mainly due to the the new Service Level Agreement with DIGIT (signed in 2018) and IT assistance services.

## 3.7.1. Research and non-capitalized development costs

Expenses relating to research and non-capitalized development are included in IT costs and are as follows:

	EUR '000	
	2018	2017
<i>Research costs</i>	367	–
<i>Non-capitalised development costs</i>	4 144	4 326
<b>Total</b>	<b>4 511</b>	<b>4 326</b>

## 4. CONTINGENT ASSETS & LIABILITIES AND OTHER SIGNIFICANT DISCLOSURES

### 4.1. CONTINGENT ASSETS

	EUR '000	
	31.12.2018	31.12.2017
<b>Guarantees received</b>		
<i>Guarantees related to buildings under construction</i>	10 792	15 865
<i>Performance guarantees</i>	1 707	1 303
<b>Total</b>	<b>12 499</b>	<b>17 168</b>

The guarantees related to buildings under construction concern the construction of a compound in Somalia. The construction has been concluded in 2018 but the guarantee has not yet been released.

### 4.2. CONTINGENT LIABILITIES

Contingent liabilities total kEUR 1 250 (2017: kEUR 1 049) and relate to actions for damages currently being brought against the EEAS, other legal disputes and the estimated legal costs.

### 4.3. OTHER SIGNIFICANT DISCLOSURES

#### 4.3.1. Outstanding commitments not yet expensed

	EUR '000	
	31.12.2018	31.12.2017
<i>Outstanding commitments not yet expensed</i>	94 803	52 211

The amount disclosed above is the budgetary RAL ("Reste à Liquider") less related amounts that have been included as expenses in the statement of financial performance. The budgetary RAL is an amount representing the open commitments for which payments and/or de-commitments have not yet been made. This is the normal consequence of the existence of multi-annual programmes.

#### 4.3.2. Operating lease commitments

The amounts committed to be paid during the remaining term of the operating lease contracts, mainly for delegation buildings, are as follows:

Future amounts to be paid				
	'000 EUR			
	< 1 year	1- 5 years	> 5 years	Total
<i>Buildings</i>	202 499	212 426	–	414 925
<i>IT materials and other equipment</i>	70	73	76	219
<b>Total</b>	<b>202 569</b>	<b>212 499</b>	<b>76</b>	<b>415 144</b>

## 4.3.3. Significant legal commitments

	EUR '000	
	31.12.2018	31.12.2017
<i>Other contractual commitments</i>	79 526	82 129

The other contractual commitments concern a contract, signed in 2015, regarding a compound in Somalia. This contract includes the provisioning of future local services in Somalia, totalling a maximum of kEUR 79 526 (2017: kEUR 82 129).

During 2015, EEAS signed a credit line with AG Insurance SA for kEUR 200 000 to finance property acquisitions over a period of four years. There is no obligation to use the full amount. The unused credit line at 31 December 2018 amounted to kEUR 177 123 (2017: kEUR 174 936).

## 4.3.4. Related parties

The related parties of the EEAS are the other EU consolidated entities and the key management personnel of EEAS. Transactions between these parties take place as part of the normal operations of EEAS and as this is the case, no specific disclosure requirements are necessary for these transactions in accordance with the EU accounting rules.

## 5. FINANCIAL INSTRUMENTS DISCLOSURES

### 5.1. CURRENCY RISKS

Exposure of the EEAS to currency risk at year-end:

	31.12.2018				31.12.2017				EUR '000
	USD	GBP	EUR	Other	Total	USD	GBP	EUR	
<b>Financial assets</b>									
Receivables and recoverables	18 606	(289)	20 516	66 193	105 026	15 322	-	36 258	112 074
Cash and cash equivalents	6 122	559	36 485	10 855	54 021	6 133	537	24 672	41 527
	<b>24 728</b>	<b>270</b>	<b>57 001</b>	<b>77 048</b>	<b>159 047</b>	<b>21 455</b>	<b>537</b>	<b>60 930</b>	<b>153 600</b>
<b>Financial liabilities</b>									
Payables	(2 131)	(76)	(57 364)	(2 835)	(62 406)	(3 700)	(901)	(46 153)	(55 016)
	<b>(2 131)</b>	<b>(76)</b>	<b>(57 364)</b>	<b>(2 835)</b>	<b>(62 406)</b>	<b>(3 700)</b>	<b>(901)</b>	<b>(46 153)</b>	<b>(55 016)</b>
<b>Net position</b>	<b>22 597</b>	<b>194</b>	<b>(363)</b>	<b>74 213</b>	<b>96 641</b>	<b>17 755</b>	<b>(364)</b>	<b>14 777</b>	<b>(98 555)</b>

## 5.2. CREDIT RISK

### Financial assets that are neither past due nor impaired:

EUR '000

	Total	Neither past due nor impaired	Past due but not impaired		
			< 1 year	1-5 years	> 5 years
Receivables and recoverables	105 026	105 004	3	19	–
<b>Total at 31.12.2018</b>	<b>105 026</b>	<b>105 004</b>	<b>3</b>	<b>19</b>	<b>–</b>
Receivables and recoverables	112 074	111 724	292	58	–
<b>Total at 31.12.2017</b>	<b>112 074</b>	<b>111 724</b>	<b>292</b>	<b>58</b>	<b>–</b>

### Credit quality of financial assets that are neither past due nor impaired:

EUR '000

	31.12.2018			31.12.2017		
	Receivables and Recoverables	Cash	Total	Receivables and Recoverables	Cash	Total
Counterparties with external credit rating						
Prime and high grade	117	24 441	24 558	295	11 826	12 121
Upper medium grade	–	3 739	3 739	–	3 596	3 596
Lower medium grade	–	4 228	4 228	–	4 191	4 191
Non-investment grade	–	4 037	4 037	–	4 002	4 002
<b>Total</b>	<b>117</b>	<b>36 445</b>	<b>36 562</b>	<b>295</b>	<b>23 616</b>	<b>23 911</b>
Counterparties without external credit rating			–			
Debtors that never defaulted	104 887	17 576	122 463	111 429	17 911	129 340
<b>Total</b>	<b>104 887</b>	<b>17 576</b>	<b>122 463</b>	<b>111 429</b>	<b>17 911</b>	<b>129 340</b>
<b>Total</b>	<b>105 004</b>	<b>54 021</b>	<b>159 025</b>	<b>111 724</b>	<b>41 527</b>	<b>153 251</b>

## 5.3. LIQUIDITY RISK

### Maturity analysis of financial liabilities by remaining contractual maturity:

EUR '000

	< 1 year	1-5 years	> 5 years	Total
Financial liabilities	1 203	33 429	245 169	279 801
Payables	62 406	–	–	62 406
<b>Total at 31.12.2018</b>	<b>63 609</b>	<b>33 429</b>	<b>245 169</b>	<b>342 207</b>
Financial liabilities	1 236	33 565	247 188	281 990
Payables	55 016	–	–	55 016
<b>Total at 31.12.2017</b>	<b>56 253</b>	<b>33 565</b>	<b>247 188</b>	<b>337 006</b>

## **REPORTS ON THE IMPLEMENTATION OF THE BUDGET AND EXPLANATORY NOTES**

*It should be noted that due to the rounding of figures into thousands of euros, some financial data in the tables below may appear not to add-up.*



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# 1. BUDGETARY PRINCIPLES AND STRUCTURE

## 1.1. Budgetary principles

The establishment and implementation of the budget of EEAS is governed by the following basic principles set out in the Financial Regulation applicable to the general budget of the Union:

### **Principles of unity and budgetary accuracy**

This principle means that no revenue shall be collected and no expenditure effected unless booked to a line in the budget of EEAS.

No expenditure may be committed or authorised in excess of the appropriations authorised by the budget.

An appropriation may be entered in the budget only if it is for an item of expenditure considered necessary.

### **Principle of annuality**

The appropriations entered in the budget shall be authorised for a financial year which shall run from 1 January to 31 December.

### **Principle of equilibrium**

Revenue and payment appropriations shall be in balance.

### **Principle of unit of account**

The budget shall be drawn up and implemented in euro and the accounts shall be presented in euro.

### **Principle of universality**

Total revenue shall cover total payment appropriations and all revenue and expenditure shall be entered in full without any adjustment against each other.

### **Principle of specification**

Appropriations shall be earmarked for specific purposes by title and chapter. The chapters shall be further subdivided into articles and items.

### **Principle of sound financial management**

Appropriations shall be used in accordance with the principle of sound financial management, namely in accordance with the principles of economy, efficiency and effectiveness.

### **Principle of transparency**

The budget shall be established and implemented and the accounts presented in accordance with the principle of transparency. The budget and any amending budgets shall be published in the Official Journal of the European Union within three months of their adoption.

## 1.2. Budget revenue

The EEAS budget, as with other EU institutions, is not balanced since the revenue is shown in the Commission's budgetary accounts. This is because the Commission is the institution which collects the own resources and distributes the revenues to the other EU institutions.

Aside from its own budget, the EEAS' main sources of budget revenue are:

- Revenue from taxes and other deductions from its staff;
- A contribution from the Commission's budget. These budget credits are put at the disposal of the EEAS (as assigned revenue) so as to cover primarily the costs of Commission staff working in the EU delegations, these delegations being administratively managed by the EEAS; and
- A contribution from the European Development Fund (EDF), also to cover staff related costs in delegations.

### **1.3. Budget expenditure**

The EEAS, as a separate institution within the meaning of the Financial Regulation, was endowed with its own budget for the first time in 2011. The budget of the EEAS includes appropriations covering the administrative costs of the delegations and the administrative costs in the headquarters, which would previously have been managed by the various central support services of the Commission or the General Secretariat of the Council. As explained above, the EEAS has a number of different sources of budget revenue as well as its own budget. Because of this, the EEAS is managing and thus spending more money than its own budget.

At the creation of the EEAS the transfer of budgetary resources was not always accompanied by the corresponding support staff. This created a need for the EEAS to enter into a series of Service Level Agreements (SLAs) with the Commission and the General Secretariat of the Council. The EEAS as an institution with its own budget is also responsible for preparing, presenting and defending its draft budget before the Budget Authority. It is also responsible for managing its own budget, notably through transfers of appropriations.

## **2. HIGHLIGHTS OF THE IMPLEMENTATION OF THE 2018 BUDGET**

The EEAS' budget (Section X of the Union Budget) is one of the most complex ones among the EU institutions when set in relation to its volume of appropriations, a complexity arising from the management of the EU-Delegations network, exposure to exchange rate fluctuations, political/diplomatic sensitivities and global security threats.

Its management continues to be a challenging exercise. For instance, as regards the network of EU Delegations, the EEAS, apart from its own budget, also manages contributions from the European Commission on 31 different budget lines, the European Development Fund (EDF) and 4 Trust Funds relating to the administrative costs of Commission staff in delegations, and moreover administrates over 100 co-location agreements with external entities that are present within the network.

2018 was the third year where the common overhead costs of all the delegation offices (rent, security, cleaning, and other overheads), including EDF delegations, were financed entirely from the budget lines of the EEAS. This has made management of the budget for this type of expenditure simpler and more efficient.

The voted budget of the EEAS for 2018 (Section X of the General Budget of the Union) amounted to EUR 678.5 million.

This budget was supplemented by a Commission contribution intended to finance the administrative costs of Commission staff in delegations. The total contribution received from the Commission was EUR 210.5 million<sup>4</sup>. The budget 2018 was also supplemented by assigned revenues produced notably by the co-location activities with the Diplomatic Services of the Member States. All assigned revenue, including those aforementioned from the Commission and those carried over from earlier years, represented an additional total amount of EUR 305.5 million.

Therefore the total budget of the year managed by the EEAS during the year 2018 amounted to EUR 984.0 million (commitment appropriations).

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<sup>4</sup> Including amounts released from decommitted amounts of external assigned revenue from earlier years.

As roughly between 30 %-40 % of the EEAS' expenditure is effected in foreign currencies, the euro's shifting exchange rate against other currencies (notably USD, GBP, CHF and JPY) has an immediate and important impact on its budget. The strengthening of the euro in late 2018 produced some surpluses which were mobilised to partially finance the purchase of the premises of the EU-Delegation in Washington DC. Ever striving to adapt its budget requests only to real and carefully assessed needs, the EEAS reduced its budget request for 2019 by no less than EUR 10.7 million, based on the exchange rates of February, arguing that increasing exchange rates should lead to reduced costs in euro terms. It should however be noted that the euro thereafter weakened from this high point and the 2019 budget is therefore currently under-budgeted.

As with any budget, at times availability of appropriations on certain lines was inadequate to deal with the actual expenditure on those lines and this necessitated transfers either from Title to Title, Chapter to Chapter or from Article to Article and also within articles. The budget authority has been informed on two occasions of transfers in accordance with Article 25 of the Financial Regulation (2012), the last of which took place within very tight deadlines and very late in the year to mobilise a maximum of available appropriations for the major purchase of the premises of the EU-Delegation in Washington DC and optimise execution. In addition, four transfers were autonomously decided by the EEAS in the year.

Thanks to the good cooperation between the EEAS and the Commission, no significant difficulties have been encountered with the implementation of the Commission's contribution to the administrative costs of the delegations. The unavoidable imbalances between needs and availabilities have been handled by internal transfers or additional contributions. Excess amounts have also been returned in some cases.

Delegations and Head Office divisions were allocated budgetary credits corresponding to their estimated obligatory expenditure needs as indicated by the Headquarters' operational division in two stages. The first stage, corresponding to 100 % for EEAS budget lines and an approximate 25 % for Commission budget lines was completed in December 2017. The second stage corresponding to the remainder of the allocations was completed in early February 2018 as soon as the balance of Commission contributions in respect of their staff costs had been received.

In addition, the commitments relating to initial budget allocations for 2018 for the delegations were prepared and validated in December 2017.

During the year the usual annual budget revision procedure was launched in June with a deadline for completion by end of July. The exercise was completed successfully with the vast majority of budgetary needs successfully satisfied.

Globally during the reference year the EEAS committed EUR 924.8 million (representing 94 % of the available budget of year 2018). It should be noted that some of the uncommitted amounts are carried over automatically for subsequent use to the following year in application of the rules of the Financial Regulation. The total amount lapsing was therefore only EUR 563 k or 0.06 % of the available appropriations.

During the same year the total execution in payments was EUR 870.5 million, spent by the EEAS on the appropriations of year 2018 and the appropriations carried forward from the previous year.

The rate of execution in payments will increase with the payments to be executed in 2019 on credits carried forward from 2018 to 2019 according to the rules of the Financial Regulation.

### 3. BUDGET RESULT

		EUR '000	
	Title	2018	2017
<b>Revenue</b>		<b>296 935</b>	<b>280 531</b>
of which:			
Miscellaneous Union taxes, levies and dues	4	43 860	42 886
Revenue accruing from the administrative operation of the Institution	5	253 054	237 617
Interest on Late Payments	7	21	–
Miscellaneous revenue	9	–	28
<b>Expenditure</b>		<b>(777 812)</b>	<b>(774 795)</b>
of which:			
Staff at Headquarters	1	(160 055)	(159 343)
Buildings, equipment and operating expenditure at Headquarters	2	(51 081)	(46 560)
Delegations	3	(566 676)	(568 892)
<b>Payment appropriat. carried over to the following year</b>		<b>(102 493)</b>	<b>(85 911)</b>
of which:			
Staff at Headquarters	1	(4 520)	(3 391)
Buildings, equipment and operating expenditure at Headquarters	2	(26 149)	(24 685)
Delegations	3	(71 824)	(57 835)
<b>Cancellation of unused appropri. carried over from year n-1</b>		<b>11 238</b>	<b>10 670</b>
<b>Evolution of assigned revenue</b>		<b>(46 447)</b>	<b>(32 820)</b>
<b>Exchange rate differences</b>		<b>(2 023)</b>	<b>(2 961)</b>
<b>Budget result</b>		<b>(620 602)</b>	<b>(605 287)</b>



## 4.2. Implementation of budget revenue -Title 5

EUR '000

	Income appropriations			Entitlements established			Revenue			
	Initial budget	Final budget	Current year	Carried over	Total	On entitlements of current year	On entitlements carried over	Total	%	Outstanding
	1	2	3	4	5=3+4	6	7	8=6+7	9=8/2	10=5-8
5 0 0 0										
Proceeds from the sale of vehicles - Assigned revenue	-	-	310	-	310	310	-	310	-	-
5 0 0 1										
Proceeds from the sale of other movable property - Assigned revenue	-	-	183	-	183	183	-	183	-	-
5 0 0 2										
Proceeds from the supply of goods to other institutions or bodies - Assigned revenue	-	-	250	-	250	212	-	212	-	38
5 0 1 0										
Proceeds from the sale of immovable property	-	-	211	-	211	211	-	211	-	-
Total chapter 5 0	-	-	954	-	954	916	-	916	-	-
5 1 1 0										
Proceeds from letting and subletting immovable property and reimbursement of charges connected with lettings	-	-	7 753	29	7 782	7 701	29	7 730	-	52
5 1 1 1										
Proceeds from letting and subletting immovable property and reimbursement of charges connected with lettings	-	-	9 730	86	9 816	9 628	83	9 711	-	105
Total chapter 5 1	-	-	17 483	115	17 597	17 329	112	17 441	-	-
5 2 0 0										
Revenue from investments or loans granted, bank and other interest on the institution's accounts	-	-	86	-	86	86	-	86	-	-
Total chapter 5 2	-	-	86	-	86	86	-	86	-	-
5 5 0 0										
Revenue from the supply of services and work for other institutions or bodies, including refunds by other institutions or bodies of mission allowances paid on their behalf - Assigned revenue	-	-	28 366	36	28 401	28 279	36	28 315	-	87
5 5 1 0										
Revenue from third parties in respect of services or work supplied at their request - Assigned revenue	-	-	5 480	194	5 674	5 417	194	5 611	-	63
Total chapter 5 5	-	-	33 846	230	34 076	33 696	230	33 926	-	-
5 7 0 0										
Revenue arising from the repayment of amounts wrongly paid - Assigned revenue	-	-	1 551	62	1 613	1 351	55	1 406	-	207
5 7 3 0										
Other contributions and refunds in connection with the administrative operation of the institution - Assigned revenue	-	-	37	-	37	37	-	37	-	-
5 7 4 0										
Revenue arising from the Commission contribution to the European External Action Service (EEAS) for Commission staff working in Union delegations - Assigned revenue	-	-	197 459	1 560	199 020	197 459	1 560	199 020	-	-
Total chapter 5 7	-	-	199 047	1 622	200 670	198 848	1 615	200 463	-	-
5 9 0 0										
Other revenue arising from administrative management	-	-	227	-	227	223	-	223	-	4
Total chapter 5 9	-	-	227	-	227	223	-	223	-	-
<b>Total Title 5</b>	<b>-</b>	<b>-</b>	<b>251 643</b>	<b>1 967</b>	<b>253 610</b>	<b>251 098</b>	<b>1 957</b>	<b>253 054</b>	<b>-</b>	<b>556</b>

4.3. Implementation of budget revenue - Title 7

EUR '000

	Income appropriations			Entitlements established			Revenue		
	Initial budget	Final budget	Current year	Carried over	Total	On entitlements of current year	On entitlements carried over	Total	% Outstanding
7 0 0 1	1	2	3	4	5=3+4	6	7	8=6+7	9=8/2
Interest on late payments	-	-	21	-	21	21	-	21	10=5-8
Total chapter 7 0	-	-	21	-	21	21	-	21	-
Total Title 7	-	-	21	-	21	21	-	21	-
GRAND TOTAL	48 900	48 900	295 524	1 967	297 491	294 979	1 957	296 935	607 %
									556



## 5. IMPLEMENTATION OF BUDGET EXPENDITURE

### 5.1. Breakdown and changes in commitment appropriations

#### 5.1.1. Breakdown and changes in commitment appropriations - Title 1

EUR '000									
	Initial adopted budget 1	Amending budgets 2	Budget appropriations Transfers 3	Final budget adopted 4=1+2+3	Carry-overs 5	Additional appropriations Assigned revenue 6	Total 7=5+6	Total appropri- available 8=4+7	
1 1 0 0 Basic salaries	104 707	-	(7 320)	97 387	-	0	0	97 388	
1 1 0 1 Entitlements under the Staff Regulations related to the post held	479	-	(47)	432	-	-	-	432	
1 1 0 2 Entitlements under the Staff Regulations related to the personal circumstances of the staff member	27 016	-	(2 015)	25 001	-	-	-	25 001	
1 1 0 3 Social security cover	3 980	-	(220)	3 760	-	-	-	3 760	
<b>Total chapter 1 1</b>	<b>136 183</b>	-	<b>(9 602)</b>	<b>126 581</b>	-	<b>0</b>	<b>0</b>	<b>126 581</b>	
1 2 0 0 Contract staff	12 985	-	(2 290)	10 695	-	2 140	2 140	12 835	
1 2 0 1 Non-military seconded national experts	3 424	-	300	3 724	-	944	944	4 668	
1 2 0 2 Traineeships	420	-	-	420	-	-	-	420	
1 2 0 4 Agency staff and special advisers	200	-	(89)	111	-	-	-	111	
1 2 0 5 Military seconded national experts	9 203	-	(215)	8 988	-	-	-	8 988	
<b>Total chapter 1 2</b>	<b>26 232</b>	-	<b>(2 294)</b>	<b>23 938</b>	-	<b>3 084</b>	<b>3 084</b>	<b>27 022</b>	
1 3 0 0 Recruitment	100	-	-	100	-	-	-	100	
1 3 0 1 Training	1 201	-	3	1 204	-	5	5	1 209	
1 3 0 2 Entitlements related to entering or leaving the service and transfers	1 335	-	(135)	1 200	-	-	-	1 200	
<b>Total chapter 1 3</b>	<b>2 636</b>	-	<b>(132)</b>	<b>2 504</b>	-	<b>5</b>	<b>5</b>	<b>2 509</b>	
1 4 0 0 Missions	8 527	-	-	8 527	-	521	521	9 048	
<b>Total chapter 1 4</b>	<b>8 527</b>	-	-	<b>8 527</b>	-	<b>521</b>	<b>521</b>	<b>9 048</b>	
1 5 0 0 Social services and assistance to staff	198	-	43	241	-	-	-	241	
1 5 0 1 Medical service	715	-	(202)	513	-	14	14	527	
1 5 0 3 Crèches and childcare facilities	568	-	400	968	-	41	41	1 009	
1 5 0 4 European Schools	20	-	(1)	19	-	-	-	19	
<b>Total chapter 1 5</b>	<b>1 501</b>	-	<b>240</b>	<b>1 741</b>	-	<b>56</b>	<b>56</b>	<b>1 797</b>	
<b>Total Title 1</b>	<b>175 079</b>	-	<b>(11 788)</b>	<b>163 291</b>	-	<b>3 666</b>	<b>3 666</b>	<b>166 957</b>	

## 5.1.2. Breakdown and changes in commitment appropriations – Title 2

	Budget appropriations				Additional appropriations			EUR '000	
	Initial adopted budget 1	Amending budgets 2	Transfers 3	Final budget adopted 4=1+2+3	Carry-overs 5	Assigned revenue 6	Total 7=5+6	Total appropri- available 8=4+7	
2 0 0 0 Rent and annual lease payments	17 740	-	690	18 430	-	2 172	2 172	20 601	
2 0 0 2 Fitting-out and security works	337	-	339	676	-	-	-	676	
2 0 1 0 Cleaning and maintenance	4 715	-	(69)	4 646	-	-	-	4 646	
2 0 1 1 Water, gas, electricity and heating	1 383	-	-	1 383	-	111	111	1 494	
2 0 1 2 Building security and surveillance	6 420	-	(425)	5 995	-	645	645	6 640	
2 0 1 3 Insurance	40	-	4	44	-	-	-	44	
2 0 1 4 Other expenditure relating to buildings	120	-	-	120	-	8	8	128	
Total chapter 2 0	30 755	-	539	31 294	-	2 934	2 934	34 228	
2 1 0 0 Information and communication technology	14 291	-	-	14 291	-	476	476	14 767	
2 1 0 1 Cryptography and highly classified information and communications technology	15 190	-	(110)	15 080	-	116	116	15 196	
2 1 0 2 Security of information and communicationstechnology up to the level 'EU restricted'	3 786	-	-	3 786	-	-	-	3 786	
2 1 0 3 Technical Security Countermeasures	1 250	-	535	1 785	-	-	-	1 785	
2 1 1 0 Furniture	153	-	238	391	-	4	4	395	
2 1 1 1 Technical equipment and installations	105	-	(62)	44	-	-	-	44	
2 1 1 2 Transport	95	-	(35)	60	-	2	2	62	
Total chapter 2 1	34 870	-	567	35 437	-	598	598	36 035	
2 2 0 0 Organisation of meetings, conferences and congresses	515	-	150	665	-	5	5	670	
2 2 0 1 Experts' travel expenses	50	-	5	55	-	-	-	55	
2 2 1 0 Documentation and library expenditure	955	-	-	955	-	-	-	955	
2 2 1 1 Satellite imagery	450	-	-	450	-	-	-	450	
2 2 1 2 General publications	40	-	-	40	-	-	-	40	
2 2 1 3 Public information and public events	495	-	-	495	-	-	-	495	
2 2 1 4 Strategic Communication and public Capacity	800	-	-	800	-	-	-	800	
2 2 2 1 Interpretation	520	-	215	735	-	-	-	735	
2 2 3 0 Office supplies	340	-	60	400	-	-	-	400	
2 2 3 1 Postal charges	155	-	-	155	-	-	-	155	
2 2 3 2 Expenditure on studies, surveys and consultations	40	-	76	116	-	-	-	116	
2 2 3 3 Interinstitutional cooperation	3 600	-	(297)	3 303	-	85	85	3 388	
2 2 3 4 Removals	120	-	45	165	-	-	-	165	
2 2 3 5 Financial charges	5	-	3	8	-	-	-	8	
2 2 3 6 Legal expenses and costs, damages and compensation	293	-	(212)	81	-	-	-	81	
2 2 3 7 Other operating expenditure	150	-	(100)	50	-	-	-	50	
2 2 4 0 Conflict Prevention and Mediation Support Services	450	-	-	450	-	5	5	455	
Total chapter 2 2	8 978	-	(55)	8 923	-	95	95	9 018	
Total Title 2	74 603	-	1 051	75 654	-	3 628	3 628	79 282	

## 5.1.3. Breakdown and changes in commitment appropriations - Title 3

EUR '000										
	Initial adopted budget 1	Budget appropriations		Additional appropriations			Total	Total apppr. available 8=4+7		
		Amending budgets 2	Transfers 3	Final budget adopted 4=1+2+3	Carry-overs 5	Assigned revenue 6			7=5+6	
3 0 0 0	118 350	-	(1 526)	-	-	4	4	116 829		
3 0 0 1	72 091	-	(2 568)	-	-	714	714	70 237		
3 0 0 2	27 634	-	(2 134)	-	-	555	555	26 055		
3 0 0 3	168 022	-	16 861	-	-	57 732	57 732	242 615		
3 0 0 4	42 721	-	103	-	-	22 910	65 734	22 910		
3 0 0 5	-	-	-	-	-	216 327	216 327	216 327		
delegations										
Total chapter 3 0	428 818	-	10 737	-	-	298 241	298 241	737 796		
<b>Total Title 3</b>	<b>428 818</b>	<b>-</b>	<b>10 737</b>	<b>-</b>	<b>-</b>	<b>298 241</b>	<b>298 241</b>	<b>737 796</b>		
<b>GRAND TOTAL</b>	<b>678 499</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>305 535</b>	<b>305 535</b>	<b>984 034</b>		

## 5.2. Breakdown and changes in payment appropriations

### 5.2.1. Breakdown and changes in payment appropriations – Title 1

EUR '000							
Initial budget adopted		Budget appropriations		Additional appropriations		Total appropri. available	
1	2	Transfers	Final adopted budget	Carry-overs	Assigned revenue	Total	8=4+7
		3	4=1+2+3	5	6	7=5+6	
1 1 0 0	Basic salaries	-	(7 320)	-	0	0	97 388
1 1 0 1	Entitlements under the Staff Regulations related to the post held	-	(47)	-	-	-	432
1 1 0 2	Entitlements under the Staff Regulations related to the personal circumstances of the staff member	-	(2 015)	-	-	-	25 001
1 1 0 3	Social security cover	-	(220)	-	-	-	3 760
Total chapter 1 1		-	126 581	-	0	0	126 581
1 2 0 0	Contract staff	-	10 695	-	2 140	2 140	12 835
1 2 0 1	Non-military seconded national experts	-	300	292	944	1 236	4 960
1 2 0 2	Traineeships	-	420	36	-	36	456
1 2 0 4	Agency staff and special advisers	-	111	169	-	169	280
1 2 0 5	Military seconded national experts	-	8 988	147	-	147	9 135
Total chapter 1 2		-	23 938	644	3 084	3 728	27 666
1 3 0 0	Recruitment	-	100	49	-	49	149
1 3 0 1	Training	-	1 204	861	5	866	2 070
1 3 0 2	Entitlements related to entering or leaving the service and transfers	-	1 200	78	-	78	1 278
Total chapter 1 3		-	2 504	988	5	993	3 497
1 4 0 0	Missions	-	8 527	1 338	521	1 859	10 386
Total chapter 1 4		-	8 527	1 338	521	1 859	10 386
1 5 0 0	Social services and assistance to staff	-	241	57	-	57	298
1 5 0 1	Medical service	-	513	163	14	177	690
1 5 0 3	Crèches and childcare facilities	-	968	202	41	243	1 211
1 5 0 4	European Schools	-	19	-	-	-	19
Total chapter 1 5		-	1 741	421	56	477	2 218
Title 1		-	163 291	3 390	3 666	7 056	170 347

## 5.2.2. Breakdown and changes in payment appropriations - Title 2

	EUR '000						
	Initial budget adopted 1	Budget appropriations Amending budgets 2	Transfers 3	Final adopted budget 4=1+2+3	Carry-overs 5	Additional appropriations Assigned revenue 6	Total appropriations Total 7=5+6 Total appropr. available 8=4+7
2 0 0 0 Rent and annual lease payments	17 740	-	690	18 430	89	2 172	20 690
2 0 0 2 Fitting-out and security works	337	-	339	676	69	-	745
2 0 1 0 Cleaning and maintenance	4 715	-	(69)	4 646	680	-	5 326
2 0 1 1 Water, gas, electricity and heating	1 383	-	-	1 383	223	111	1 716
2 0 1 2 Building security and surveillance	6 420	-	(425)	5 995	524	645	7 164
2 0 1 3 Insurance	40	-	4	44	13	-	57
2 0 1 4 Other expenditure relating to buildings	120	-	-	120	21	8	149
Total chapter 2 0	30 755	-	539	31 294	1 620	2 934	35 848
2 1 0 0 Information and communication technology	14 291	-	-	14 291	6 413	476	21 180
2 1 0 1 Cryptography and highly classified information and communications technology	15 190	-	(110)	15 080	11 922	116	27 118
2 1 0 2 Security of information and communication technology up to the level 'EU restricted'	3 786	-	-	3 786	2 215	-	6 001
2 1 0 3 Technical Security Countermeasures	1 250	-	535	1 785	847	-	2 632
2 1 1 0 Furniture	153	-	238	391	150	4	545
2 1 1 1 Technical equipment and installations	105	-	(62)	44	83	-	127
2 1 1 2 Transport	95	-	(35)	60	20	2	82
Total chapter 2 1	34 870	-	567	35 437	21 650	598	57 685
2 2 0 0 Organisation of meetings, conferences and congresses	515	-	150	665	40	5	710
2 2 0 1 Experts' travel expenses	50	-	5	55	5	-	60
2 2 1 0 Documentation and library expenditure	955	-	-	955	171	-	1 126
2 2 1 1 Satellite imagery	450	-	-	450	-	-	450
2 2 1 2 General publications	40	-	-	40	35	-	75
2 2 1 3 Public information and public events	495	-	-	495	73	-	568
2 2 1 4 Strategic Communication Capacity	800	-	-	800	-	-	800
2 2 2 1 Interpretation	520	-	215	735	64	-	799
2 2 3 0 Office supplies	340	-	60	400	100	-	500
2 2 3 1 Postal charges	155	-	-	155	29	-	184
2 2 3 2 Expenditure on studies, surveys and consultations	40	-	76	116	-	-	116
2 2 3 3 Interinstitutional cooperation	3 600	-	(297)	3 303	485	85	3 873
2 2 3 4 Removals	120	-	45	165	35	-	200
2 2 3 5 Financial charges	5	-	3	8	2	-	10
2 2 3 6 Legal expenses and costs, damages and compensation	293	-	(212)	81	65	-	146
2 2 3 7 Other operating expenditure	150	-	(100)	50	3	-	53
2 2 4 0 Conflict Prevention and Mediation Support Services	450	-	-	450	388	5	843
Total chapter 2 2	8 978	-	(55)	8 923	1 493	95	10 512
<b>Title 2</b>	<b>74 603</b>	-	<b>1 051</b>	<b>75 654</b>	<b>24 764</b>	<b>3 628</b>	<b>104 045</b>

## 5.2.3. Breakdown and changes in payment appropriations - Title 3

EUR '000								
	Initial budget adopted 1	Budget appropriations		Transfers 3	Final adopted budget 4=1+2+3	Additional appropriations		Total approp. available 8=4+7
		Amending budgets 2	Carry-overs 5			Assigned revenue 6	Total 7=5+6	
3 0 0 0	118 350	-	-	(1 526)	116 825	-	4	116 829
3 0 0 1	72 091	-	-	(2 568)	69 523	-	714	70 237
3 0 0 2	27 634	-	-	(2 134)	25 500	6 527	555	32 582
3 0 0 3	168 022	-	-	16 861	184 883	29 867	57 732	272 481
3 0 0 4	42 721	-	-	103	42 824	26 382	49 292	92 116
3 0 0 5	-	-	-	-	-	12 971	218 418	231 389
delegations								
Total chapter 3 0	428 818	-	-	10 737	439 555	75 747	300 332	815 634
<b>Title 3</b>	<b>428 818</b>	<b>-</b>	<b>-</b>	<b>10 737</b>	<b>439 555</b>	<b>75 747</b>	<b>300 332</b>	<b>815 634</b>
<b>GRAND TOTAL</b>	<b>678 499</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>678 499</b>	<b>103 901</b>	<b>307 627</b>	<b>1 090 026</b>

## 5.3. Implementation of commitment appropriations

### 5.3.1. Implementation of commitment appropriations - Title 1

EUR '000

	Total approp. availab.	Commitments made				Appropriations carried over to 2019				Appropriations lapsing			
		from final adopt. budget	from carry-overs	from assign. revenue	Total	%	Assign. revenue	By decision	Total	from final adopt. budget	from carry-overs	from assign. revenue	Total
	1	2	3	4	5=2+3+4	6=5/1	7	8	9=7+8	10	11	12	13=10+11+12
1 1 0 0 Basic salaries	97 388	97 350	-	-	97 350	100%	0	-	0	38	-	-	38
1 1 0 1 Entitlements under the Staff Regulations related to the post held	432	374	-	-	374	87%	-	-	-	58	-	-	58
1 1 0 2 Entitlements under the Staff Regulations related to the personal circumstances of the staff member	25 001	24 990	-	-	24 990	100%	-	-	-	12	-	-	12
1 1 0 3 Social security cover	3 760	3 757	-	-	3 757	100%	-	-	-	3	-	-	3
Total chapter 1 1	126 581	126 471	-	-	126 471	100%	0	-	0	110	-	-	110
1 2 0 0 Contract staff	12 835	10 688	-	1 034	11 722	91%	1 106	-	1 106	7	-	-	7
1 2 0 1 Non-military seconded national experts	4 668	3 724	-	212	3 936	84%	732	-	732	-	-	-	-
1 2 0 2 Traineeships	420	405	-	-	405	96%	-	-	-	15	-	-	15
1 2 0 4 Agency staff and special advisers	111	100	-	-	100	90%	-	-	-	11	-	-	11
1 2 0 5 Military seconded national experts	8 988	8 988	-	-	8 988	100%	-	-	-	-	-	-	-
Total chapter 1 2	27 022	23 905	-	1 246	25 151	93%	1 838	-	1 838	33	-	-	33
1 3 0 0 Recruitment	100	80	-	-	80	80%	-	-	-	20	-	-	20
1 3 0 1 Training	1 209	1 204	-	-	1 204	100%	5	-	5	0	-	-	0
1 3 0 2 Entitlements related to entering or leaving the service and transfers	1 200	1 200	-	-	1 200	100%	-	-	-	0	-	-	0
Total chapter 1 3	2 509	2 484	-	-	2 484	99%	5	-	5	20	-	-	20
1 4 0 0 Missions	9 048	8 527	-	164	8 691	96%	357	-	357	-	-	-	-
Total chapter 1 4	9 048	8 527	-	164	8 691	96%	357	-	357	-	-	-	-
1 5 0 0 Social services and assistance to staff	241	241	-	-	241	100%	-	-	-	-	-	-	-
1 5 0 1 Medical service	527	527	-	-	513	97%	14	-	14	-	-	-	-
1 5 0 3 Crèches and childcare facilities	1 009	968	-	37	1 005	100%	4	-	4	-	-	-	-
1 5 0 4 European Schools	19	19	-	-	19	100%	-	-	-	-	-	-	-
Total chapter 1 5	1 797	1 741	-	37	1 778	99%	19	-	19	-	-	-	-
<b>Total Title 1</b>	<b>166 957</b>	<b>163 128</b>	-	<b>1 447</b>	<b>164 575</b>	<b>99%</b>	<b>2 219</b>	-	<b>2 219</b>	<b>163</b>	-	-	<b>163</b>

## 5.3.2. Implementation of commitment appropriations - Title 2

EUR '000

	Total approp. availab.	from final adopt. budget	from carry-overs	Commitments made			Total	%	Appropriations carried over to 2019			Appropriations lapsing			Total 13=10+11+12
				from carry-overs	from assign. revenue	from assign. revenue			Assign. revenue	By decision	Total 9=7+8	from final adopt. budget	from carry-overs	from assign. revenue	
1	2	3	4	5=2+3+4	6=5/1	7	8	9=7+8	10	11	12	13	14	15	16
2 0 0 0	20 601	18 430	-	1 034	19 464	1 137	-	1 137	-	-	-	-	-	-	-
2 0 0 2	676	674	-	-	674	-	-	-	2	-	-	-	-	-	2
2 0 1 0	4 646	4 646	-	-	4 646	-	-	-	0	-	-	0	-	-	0
2 0 1 1	1 494	1 383	-	69	1 452	42	-	42	-	-	-	-	-	-	-
2 0 1 2	6 640	5 995	-	320	6 315	324	-	324	-	-	-	-	-	-	-
2 0 1 3	44	44	-	-	44	-	-	-	-	-	-	-	-	-	-
2 0 1 4	128	120	-	8	128	-	-	-	-	-	-	-	-	-	-
Total chapter 2 0	34 228	31 292	-	1 431	32 722	1 504	-	1 504	2	-	-	2	-	-	2
2 1 0 0	14 767	14 291	-	152	14 443	324	-	324	-	-	-	-	-	-	-
2 1 0 1	15 196	15 080	-	53	15 133	50	-	50	-	-	-	-	-	13	13
2 1 0 2	3 786	3 786	-	-	3 786	-	-	-	-	-	-	-	-	-	-
2 1 0 3	1 785	1 785	-	-	1 785	-	-	-	0	-	-	0	-	-	0
2 1 1 0	395	391	-	4	395	-	-	-	-	-	-	-	-	-	-
2 1 1 1	44	44	-	-	44	-	-	-	-	-	-	-	-	-	-
2 1 1 2	62	60	-	2	62	-	-	-	0	-	-	0	-	-	0
Total chapter 2 1	36 035	35 437	-	211	35 648	374	-	374	0	-	-	0	-	13	13
2 2 0 0	670	665	-	-	665	5	-	5	-	-	-	-	-	-	-
2 2 0 1	55	55	-	-	55	-	-	-	-	-	-	-	-	-	-
2 2 1 0	955	955	-	-	955	-	-	-	0	-	-	0	-	-	0
2 2 1 1	450	450	-	-	450	-	-	-	-	-	-	-	-	-	-
2 2 1 2	40	40	-	-	40	-	-	-	-	-	-	-	-	-	-
2 2 1 3	495	495	-	-	495	-	-	-	0	-	-	0	-	-	0
2 2 1 4	800	800	-	-	800	-	-	-	0	-	-	0	-	-	0
2 2 2 1	735	735	-	-	735	-	-	-	-	-	-	-	-	-	-
2 2 3 0	400	400	-	-	400	-	-	-	-	-	-	-	-	-	-
2 2 3 1	155	155	-	-	155	-	-	-	-	-	-	-	-	-	-
2 2 3 2	116	116	-	-	116	-	-	-	-	-	-	-	-	-	-
2 2 3 3	3 388	3 303	-	-	3 303	85	-	85	0	-	-	0	-	-	0
2 2 3 4	165	165	-	-	165	-	-	-	-	-	-	-	-	-	-
2 2 3 5	8	8	-	-	8	-	-	-	-	-	-	-	-	-	-
2 2 3 6	81	80	-	-	80	-	-	-	2	-	-	2	-	-	2
2 2 3 7	50	44	-	-	44	-	-	-	6	-	-	6	-	-	6
2 2 4 0	455	450	-	-	450	2	-	2	-	-	-	-	-	3	3
Total chapter 2 2	9 018	8 915	-	-	8 915	93	-	93	8	-	-	8	-	3	11
<b>Total Title 2</b>	<b>79 282</b>	<b>75 643</b>	<b>-</b>	<b>1 642</b>	<b>77 285</b>	<b>1 970</b>	<b>-</b>	<b>1 970</b>	<b>10</b>	<b>-</b>	<b>16</b>	<b>10</b>	<b>-</b>	<b>16</b>	<b>26</b>



## 5.3.3. Implementation of commitment appropriations - Title 3

EUR '000

	Total approp. availab.	Commitments made				%	Appropriations carried over to 2019			Appropriations lapsing			
		from final adopt. budget	from carry-overs	from assign. revenue	Total		Assign. revenue	By decision	Total	from final adopt. budget	from carry-overs	from assign. revenue	Total
	1	2	3	4	5=2+3+4	6=5/1	7	8	9=7+8	10	11	12	13=10+11+12
<b>3 0 0 0</b>	<b>116 829</b>	<b>116 802</b>	-	<b>4</b>	<b>116 806</b>	<b>100%</b>	-	-	-	<b>22</b>	-	-	<b>22</b>
3 0 0 1	70 237	69 227	-	274	69 501	99%	440	-	440	296	-	-	296
3 0 0 2	26 055	25 493	-	280	25 773	99%	275	-	275	7	-	-	7
3 0 0 3	242 615	184 857	-	39 857	224 714	93%	17 869	-	17 869	26	-	6	32
3 0 0 4	65 734	42 823	-	10 571	53 393	81%	12 339	-	12 339	2	-	-	2
3 0 0 5	216 327	-	-	192 737	192 737	89%	23 575	-	23 575	-	-	15	15
Commission staff in delegations													
Total chapter 3 0	737 796	439 202	-	243 722	682 924	93%	54 497	-	54 497	352	-	21	374
<b>Total Title 3</b>	<b>737 796</b>	<b>439 202</b>	-	<b>243 722</b>	<b>682 924</b>	<b>93%</b>	<b>54 497</b>	-	<b>54 497</b>	<b>352</b>	-	<b>21</b>	<b>374</b>
<b>GRAND TOTAL</b>	<b>984 034</b>	<b>677 973</b>	-	<b>246 811</b>	<b>924 785</b>	<b>94%</b>	<b>58 687</b>	-	<b>58 687</b>	<b>526</b>	-	<b>37</b>	<b>563</b>

## 5.4. Implementation of payment appropriations

### 5.4.1.1. Implementation of payment appropriations - Title 1

Item	Total approp. availab.	Payments made				Appropriations carried over to 2019					Appropriations lapsing			EUR '000
		from final adopt. budget	from carry-overs	from assign. revenue	Total	%	Autom. carry-overs	By decision	Assigned rev.	Total	from final adopt. budget	from carry-overs	from assign. rev.	
1 1 0 0	97 388	97 350	-	-	97 350	100%	-	-	0	0	38	-	-	38
1 1 0 1	432	374	-	-	374	87%	-	-	-	-	58	-	-	58
1 1 0 2	25 001	24 990	-	-	24 990	100%	-	-	-	-	12	-	-	12
1 1 0 3	3 760	3 757	-	-	3 757	100%	-	-	-	-	3	-	-	3
Total chapter 1 1	126 581	126 471	-	-	126 471	100%	-	-	0	0	110	-	-	110
1 2 0 0	12 835	10 688	-	1 034	11 722	91%	-	-	1 106	1 106	7	-	-	7
1 2 0 1	4 960	3 477	292	212	3 981	80%	247	-	732	979	-	-	-	-
1 2 0 2	456	386	3	-	388	85%	19	-	-	19	15	33	-	48
1 2 0 4	280	24	106	-	129	46%	76	-	-	76	11	63	-	74
1 2 0 5	9 135	8 213	147	-	8 360	92%	775	-	-	775	-	-	-	-
Total chapter 1 2	27 666	22 788	547	1 246	24 581	89%	1 117	-	1 838	2 955	33	96	-	129
1 3 0 0	149	42	10	-	52	35%	37	-	-	37	20	39	-	59
1 3 0 1	2 070	666	801	-	1 467	71%	537	-	5	542	0	60	-	60
1 3 0 2	1 278	905	78	-	983	77%	295	-	-	295	0	-	-	0
Total chapter 1 3	3 497	1 614	889	-	2 502	72%	870	-	5	875	20	99	-	119
1 4 0 0	10 386	6 113	1 024	164	7 301	70%	2 414	-	357	2 771	-	313	-	313
Total chapter 1 4	10 386	6 113	1 024	164	7 301	70%	2 414	-	357	2 771	-	313	-	313
1 5 0 0	298	197	45	-	242	81%	44	-	-	44	-	12	-	12
1 5 0 1	690	513	134	-	646	94%	-	-	14	14	-	29	-	29
1 5 0 3	1 211	893	202	37	1 132	93%	75	-	4	79	-	-	-	-
1 5 0 4	19	19	-	-	19	100%	0	-	-	0	-	-	-	-
Total chapter 1 5	2 218	1 622	380	37	2 040	92%	119	-	19	138	-	41	-	41
Total Title 1	170 347	158 608	2 841	1 447	162 896	96%	4 520	-	2 219	6 739	163	550	-	713

## 5.4.1.2. Implementation of payment appropriations – Title 2

Item	Payments made										Appropriations carried over to 2019					Appropriations lapsing			EUR '000
	Total approp. availab.	from final adopt. budget	from carry-overs	from assign. revenue		Total	%	Autom. carry-overs	By decision	Assigned rev.	Total	from final adopt. budget	from carry-overs	from assign. rev.					
				1	2										3	4	5=2+3+4	6 = 5/1	
2 0 0 0	20 690	18 048	51	1 034	19 133	92%		381	-	1 137	1 518	-	39	-	39				
2 0 0 2	745	9	19	-	29	4%		665	-	-	665	2	50	-	52				
2 0 1 0	5 326	3 375	634	-	4 009	75%		1 271	-	-	1 271	0	46	-	46				
2 0 1 1	1 716	840	115	69	1 023	60%		543	-	42	585	-	108	-	108				
2 0 1 2	7 164	5 191	461	320	5 972	83%		804	-	324	1 128	-	63	-	63				
2 0 1 3	57	30	8	-	39	68%		14	-	-	14	-	5	-	5				
2 0 1 4	149	40	15	1	55	37%		80	-	7	87	-	7	-	7				
Total chapter 2 0	35 848	27 533	1 303	1 424	30 260	84%		3 758	-	1 511	5 269	2	317	-	319				
2 1 0 0	21 180	8 339	5 840	137	14 316	68%		5 952	-	339	6 292	-	573	-	573				
2 1 0 1	27 118	5 077	10 859	20	15 956	59%		10 003	-	83	10 086	-	1 064	13	1 077				
2 1 0 2	6 001	854	2 077	-	2 931	49%		2 932	-	-	2 932	-	138	-	138				
2 1 0 3	2 632	1 001	808	-	1 809	69%		784	-	-	784	0	39	-	39				
2 1 1 0	545	391	150	4	545	100%		0	-	-	0	-	-	-	-				
2 1 1 1	127	30	-	-	30	24%		13	-	-	13	-	83	-	83				
2 1 1 2	82	35	15	2	52	63%		25	-	-	25	0	5	-	5				
Total chapter 2 1	57 685	15 728	19 748	163	35 639	62%		19 709	-	423	20 132	0	1 902	13	1 915				
2 2 0 0	710	566	39	-	604	85%		99	-	5	105	-	1	-	1				
2 2 0 1	60	31	0	-	32	53%		24	-	-	24	-	5	-	5				
2 2 1 0	1 126	840	168	-	1 008	90%		115	-	-	115	0	3	-	3				
2 2 1 1	450	450	-	-	450	100%		-	-	-	-	-	-	-	-				
2 2 1 2	75	1	34	-	35	47%		39	-	-	39	-	0	-	0				
2 2 1 3	568	336	70	-	406	72%		159	-	-	159	0	3	-	3				
2 2 1 4	800	172	-	-	172	21%		628	-	-	628	0	-	-	0				
2 2 2 1	799	659	64	-	723	91%		76	-	-	76	-	-	-	-				
2 2 3 0	500	296	71	-	367	73%		104	-	-	104	-	29	-	29				

Annual Accounts of the European External Action Service 2018

2 2 3 1	Postal charges	184	108	19	-	127	69%	47	-	47	-	10	-	10
2 2 3 2	Expenditure on studies, surveys and consultations	116	29	-	-	29	25%	87	-	87	-	-	-	-
2 2 3 3	Interinstitutional cooperation	3 873	2 556	481	-	3 037	78%	747	-	832	0	3	-	3
2 2 3 4	Removals	200	80	33	-	113	57%	85	-	85	-	2	-	2
2 2 3 5	Financial charges	10	6	1	-	7	69%	2	-	2	-	1	-	1
2 2 3 6	Legal expenses and costs, damages and compensation	146	39	55	-	94	64%	41	-	41	2	10	-	12
2 2 3 7	Other operating expenditure	53	3	-	-	3	6%	41	-	41	6	3	-	9
2 2 4 0	Conflict Prevention and Mediation Support Services	843	62	296	-	358	42%	388	-	390	-	92	3	95
Total chapter 2 2		10 512	6 233	1 331	-	7 564	72%	2 682	-	2 774	8	162	3	173
<b>Total Title 2</b>		<b>104 045</b>	<b>49 494</b>	<b>22 382</b>	<b>1 587</b>	<b>73 463</b>	<b>71%</b>	<b>26 149</b>	<b>-</b>	<b>28 175</b>	<b>10</b>	<b>2 382</b>	<b>16</b>	<b>2 407</b>

## 5.4.1.3. Implementation of payment appropriations - Title 3

Item	Total approp. availab.	from final adopt. budget	Payments made		Appropriations carried over to 2019					Appropriations lapsing			Total 14=11+12+13	
			from carry-overs	from assign. revenue	Total	%	Autom. carry-overs	By decision	Assigned rev.	Total	from final adopt. budget	from carry-overs		from assign. rev.
1	2	3	4	5=2+3+4	6 = 5/1	7	8	9	10=7+8+9	11	12	13		
3 0 0 0	116 829	116 783	-	4	116 786	100%	20	-	-	20	22	-	-	22
3 0 0 1	70 237	69 210	-	274	69 484	99%	17	-	440	456	296	-	-	296
3 0 0 2	32 582	20 197	5 309	280	25 786	79%	5 296	-	275	5 571	7	1 218	-	1 225
3 0 0 3	272 481	136 627	27 058	16 618	180 303	66%	48 231	-	41 107	89 338	26	2 809	6	2 841
3 0 0 4	92 116	24 561	25 175	3 754	53 490	58%	18 262	-	19 156	37 418	2	1 207	-	1 208
3 0 0 5	231 389	-	9 897	178 368	188 266	81%	-	-	40 035	40 035	-	3 073	15	3 088
Total chapter 3 0	815 634	367 378	67 440	199 298	634 116	78%	71 824	-	101 013	172 837	352	8 307	21	8 680
<b>Total Title 3</b>	<b>815 634</b>	<b>367 378</b>	<b>67 440</b>	<b>199 298</b>	<b>634 116</b>	<b>78%</b>	<b>71 824</b>	<b>-</b>	<b>101 013</b>	<b>172 837</b>	<b>352</b>	<b>8 307</b>	<b>21</b>	<b>8 680</b>
<b>GRAND TOTAL</b>	<b>1 090 026</b>	<b>575 480</b>	<b>92 662</b>	<b>202 332</b>	<b>870 474</b>	<b>80%</b>	<b>102 493</b>	<b>-</b>	<b>105 258</b>	<b>207 751</b>	<b>526</b>	<b>11 238</b>	<b>37</b>	<b>11 801</b>

## 6. COMMITMENTS OUTSTANDING

### 6.1. Commitments outstanding - Title 1

EUR '000

Item	Commitments outstanding at the end of prev. year					Commitments of the year			Total commitments	
	Comm. carried forward from prev. year	Decommit. Revaluation Cancellations	Payments	Total	Commitments made during the year	Payments	Cancellation of comm. which cannot be carried forward	Commit. outstanding at year-end	outstanding at year-end	
	1	2	3	4=1+2+3	5	6	7	8=5-6-7	9=4+8	
1 1 0 0 Basic salaries	-	-	-	-	97 350	97 350	-	-	-	-
1 1 0 1 Entitlements under the Staff Regulations related to the post held	-	-	-	-	374	374	-	-	-	-
1 1 0 2 Entitlements under the Staff Regulations related to the personal circumstances of the staff member	-	-	-	-	24 990	24 990	-	-	-	-
1 1 0 3 Social security cover	-	-	-	-	3 757	3 757	-	-	-	-
<b>Total chapter 1 1</b>	-	-	-	-	126 471	126 471	-	-	-	-
1 2 0 0 Contract staff	-	-	-	-	11 722	11 722	-	-	-	-
1 2 0 1 Non-military seconded national experts	292	-	292	-	3 936	3 689	-	247	247	247
1 2 0 2 Traineeships	36	(33)	3	(0)	405	386	-	19	19	19
1 2 0 4 Agency staff and special advisers	169	(63)	106	-	100	24	-	76	76	76
1 2 0 5 Military seconded national experts	147	-	147	-	8 988	8 213	-	775	775	775
<b>Total chapter 1 2</b>	644	(96)	547	(0)	25 151	24 034	-	1 117	1 117	1 117
1 3 0 0 Recruitment	49	(39)	10	-	80	42	-	37	37	37
1 3 0 1 Training	861	(60)	801	-	1 204	666	-	537	537	537
1 3 0 2 Entitlements related to entering or leaving the service and transfers	78	-	78	-	1 200	905	-	295	295	295
<b>Total chapter 1 3</b>	988	(99)	889	-	2 484	1 614	-	870	870	870
1 4 0 0 Missions	1 338	(313)	1 024	-	8 691	6 277	-	2 414	2 414	2 414
<b>Total chapter 1 4</b>	1 338	(313)	1 024	-	8 691	6 277	-	2 414	2 414	2 414
1 5 0 0 Social services and assistance to staff	57	(12)	45	-	241	197	-	44	44	44
1 5 0 1 Medical service	163	(29)	134	-	513	513	-	-	-	-
1 5 0 3 Crèches and childcare facilities	202	-	202	-	1 005	931	-	75	75	75
1 5 0 4 European Schools	-	-	-	-	19	19	-	0	0	0
<b>Total chapter 1 5</b>	421	(41)	380	-	1 778	1 659	-	119	119	119
<b>Total Title 1</b>	<b>3 390</b>	<b>(550)</b>	<b>2 841</b>	<b>(0)</b>	<b>164 575</b>	<b>160 055</b>	<b>-</b>	<b>4 520</b>	<b>4 520</b>	<b>4 520</b>

## 6.2. Commitments outstanding - Title 2

Item	Commitments outstanding at the end of prev. year					Commitments of the year					EUR '000	
	carried forward from prev. year					nts made during the year					outstanding at year-end	ommitments ng at year-end
	1	2	3	4	5	6	7	8	9	10		
		commit. valuation cellations	yments	Total								
2 0 0 0	Rent and annual lease payments	89	(39)	51	-	19 464	19 083	-	-	381	-	381
2 0 0 2	Fitting-out and security works	69	(50)	19	-	674	9	-	-	665	-	665
2 0 1 0	Cleaning and maintenance	680	(46)	634	-	4 646	3 375	-	-	1 271	-	1 271
2 0 1 1	Water, gas, electricity and heating	223	(108)	115	-	1 452	908	-	-	543	-	543
2 0 1 2	Building security and surveillance	524	(63)	461	-	6 315	5 511	-	-	804	-	804
2 0 1 3	Insurance	13	(5)	8	-	44	30	-	-	14	-	14
2 0 1 4	Other expenditure relating to buildings	21	(7)	15	-	128	41	-	-	87	-	87
<b>Total chapter 2 0</b>		<b>1 620</b>	<b>(317)</b>	<b>1 303</b>	-	<b>32 722</b>	<b>28 957</b>	-	-	<b>3 765</b>	-	<b>3 765</b>
2 1 0 0	Information and communication technology	6 413	(573)	5 840	-	14 443	8 475	-	-	5 967	-	5 967
2 1 0 1	Cryptography and highly classified information and communications technology	11 922	(1 064)	10 859	-	15 133	5 097	-	-	10 036	-	10 036
2 1 0 2	Security of information and communication technology up to the level 'EU restricted'	2 215	(138)	2 077	-	3 786	854	-	-	2 932	-	2 932
2 1 0 3	Technical Security Countermeasures	847	(39)	808	-	1 785	1 001	-	-	784	-	784
2 1 1 0	Furniture	150	-	150	-	395	395	-	-	0	-	0
2 1 1 1	Technical equipment and installations	83	(83)	-	-	44	30	-	-	13	-	13
2 1 1 2	Transport	20	(5)	15	-	62	37	-	-	25	-	25
<b>Total chapter 2 1</b>		<b>21 650</b>	<b>(1 902)</b>	<b>19 748</b>	-	<b>35 648</b>	<b>15 890</b>	-	-	<b>19 758</b>	-	<b>19 758</b>
2 2 0 0	Organisation of meetings, conferences and congresses	40	(1)	39	-	665	566	-	-	99	-	99
2 2 0 1	Experts' travel expenses	5	(5)	0	(0)	55	31	-	-	24	-	24
2 2 1 0	Documentation and library expenditure	171	(3)	168	-	955	840	-	-	115	-	115
2 2 1 1	Satellite imagery	-	-	-	-	450	450	-	-	-	-	-
2 2 1 2	General publications	35	(0)	34	-	40	1	-	-	39	-	39
2 2 1 3	Public information and public events	73	(3)	70	-	495	336	-	-	159	-	159
2 2 1 4	Strategic Communication Capacity	-	-	-	-	800	172	-	-	628	-	628
2 2 2 1	Interpretation	64	-	64	-	735	659	-	-	76	-	76
2 2 3 0	Office supplies	100	(29)	71	-	400	296	-	-	104	-	104
2 2 3 1	Postal charges	29	(10)	19	-	155	108	-	-	47	-	47
2 2 3 2	Expenditure on studies, surveys and consultations	-	-	-	-	116	29	-	-	87	-	87
2 2 3 3	Interinstitutional cooperation	485	(3)	481	-	3 303	2 556	-	-	747	-	747
2 2 3 4	Removals	35	(2)	33	-	165	80	-	-	85	-	85
2 2 3 5	Financial charges	2	(1)	1	-	8	6	-	-	2	-	2
2 2 3 6	Legal expenses and costs, damages and compensation	65	(10)	55	-	80	39	-	-	41	-	41
2 2 3 7	Other operating expenditure	3	(3)	-	-	44	3	-	-	41	-	41
2 2 4 0	Conflict Prevention and Mediation Support Services	388	(92)	296	-	450	62	-	-	388	-	388
<b>Total chapter 2 2</b>		<b>1 493</b>	<b>(162)</b>	<b>1 331</b>	(0)	<b>8 915</b>	<b>6 233</b>	-	-	<b>2 682</b>	-	<b>2 682</b>
<b>Total Title 2</b>		<b>24 764</b>	<b>(2 382)</b>	<b>22 382</b>	<b>(0)</b>	<b>77 285</b>	<b>51 081</b>	-	-	<b>26 204</b>	-	<b>26 204</b>

## 6.3. Commitments outstanding - Title 3

EUR '000									
Item	Commitments outstanding at the end of prev. year				Commitments of the year			Total commitments	
	Comm. carried forward from prev. year	Decommit. Revaluation Cancellations	Payments	Total	Commitments made during the year	Payments	Cancellation of comm. which cannot be carried forward	Commit. outstanding at year-end	outstanding at year-end
	1	2	3	4=1+2+3	5	6	7	8=5-6-7	9=4+8
3 0 0 0	Remuneration and entitlements of statutory staff								
3 0 0 1	-	-	-	-	116 806	116 786	20	(0)	(0)
3 0 0 2	-	-	-	-	69 501	69 484	17	0	0
3 0 0 3	6 527	(1 218)	5 309	-	25 773	20 477	-	5 296	5 296
3 0 0 4	29 867	(2 809)	27 058	-	224 714	153 245	-	71 469	71 469
3 0 0 5	26 382	(1 207)	25 175	-	53 393	28 315	-	25 079	25 079
	16 360	(4 371)	11 840	149	192 737	176 426	-	16 311	16 460
Commission contribution for Commission staff in delegations									
Total chapter 3 0	79 136	(9 604)	69 382	149	682 924	564 733	37	118 154	118 303
Total Title 3	79 136	(9 604)	69 382	149	682 924	564 733	37	118 154	118 303
GRAND TOTAL	107 290	(12 536)	94 605	149	924 785	775 869	37	148 879	149 028



## 7. GLOSSARY

### ABAC

This is the name given to the Commission's accounting system, which since 2005 has been enriched by accrual accounting rules. Apart from the cash-based budget accounts, the Commission produces accrual-based accounts which recognise revenue when earned, rather than when collected. Expenses are recognised when incurred rather than when paid. This contrasts with cash basis budgetary accounting that recognises transactions and other events only when cash is received or paid.

### Accounting

The act of recording and reporting financial transactions, including the creation of the transaction, its recognition, processing, and summarisation in the financial statements.

### Administrative appropriations

Administrative appropriations cover the running costs of the Institutions and entities (staff, buildings, office equipment).

### Adjustment

Amending budget or transfer of funds from one budget item to another.

### Adopted budget

Draft budget becomes the adopted budget as soon as approved by the Budgetary Authority. Cf. Budget.

### Agencies

EU bodies having a distinct legal personality, and to whom budget implementing powers may be delegated under strict conditions. They are subject to a distinct discharge from the discharge authority.

### Amending budget

Decision adopted during the budget year to amend (increase, decrease, transfer) aspects of the adopted budget of that year.

### Annuality

The budgetary principle according to which expenditure and revenue is programmed and authorised for one year, starting on 1 January and ending on 31 December.

### Appropriations

Budget funding. The budget forecasts both commitments (legal pledges to provide finance, provided that certain conditions are fulfilled) and payments (cash or bank transfers to the beneficiaries). Appropriations for commitments and payments often differ — differentiated appropriations — because multiannual programmes and projects are usually fully committed in the year they are decided and are paid over the years as the implementation of the programme and project progresses. Non-differentiated appropriations apply to administrative expenditure, for agricultural market support and direct payments and commitment appropriations equal payment appropriations.

### Assigned revenue External/Internal

Dedicated revenue received to finance specific items of expenditure. Main sources of external assigned revenue are financial contributions from third countries to programmes financed by the Union. Main sources of internal assigned revenue is revenue from third parties in respect of goods, services or work supplied at their request; (c) revenue arising from the repayment of amounts wrongly paid and revenue from the sale of publications and films, including those on an electronic medium. The complete list of items constituting assigned revenue is given in the Financial Regulation Art. 21.

### Authorising Officer (AO)

The AO is responsible in each institution for authorising revenue and expenditure operations in accordance with the principles of sound financial management and for ensuring that the requirements of legality and regularity are complied with.

## Budget

Annual financial plan, drawn up according to budgetary principles, that provides forecasts and authorises, for each financial year, an estimate of future costs and revenue and expenditures and their detailed description and justification, the latter included in budgetary remarks.

## Budget result

The difference between income received and amounts paid, including adjustments for carry-overs, cancellations and exchange rate differences.

For agencies, the resulting amount will have to be reimbursed to the funding authority as provided in the Financial Regulation for agencies.

## Budget implementation

Consumption of the budget through expenditure and revenue operations.

## Budget item / Budget line / Budget position

As far as the budget structure is concerned, revenue and expenditure are shown in the budget in accordance with a binding nomenclature, which reflects the nature and purpose of each item, as imposed by the budgetary authority. The individual headings (title, chapter, article or item) provide a formal description of the nomenclature.

## Budgetary authority

Institutions with decisional powers on budgetary matters: for the EU institutions, the European Parliament and the Council of Ministers.

For the agencies and joint undertakings, their board is the budgetary authority.

## Budgetary commitment

A budgetary commitment is a reservation of appropriations to cover for subsequent expenses.

## Cancellation of appropriations

Unused appropriations that may no longer be used.

## Carryover of appropriations

Exception to the principle of annuality in so far as appropriations that could not be used in a given budget year may, under strict conditions, be exceptionally carried over for use during the following year.

## Commitment appropriations

Commitment appropriations cover the total cost of legal obligations (contracts, grant agreements/decisions) that could be signed in the current financial year. Financial Regulation Art. 7: Commitment appropriations cover the total cost in the current financial year of legal obligations (contracts, grant agreements/decisions) entered into for operations extending over more than one year.

## De-commitment

Cancellation of a reservation of appropriations.

## Differentiated appropriations

Differentiated appropriations are used to finance multiannual operations; they cover, for the current financial year, the total cost of the legal obligations entered into for operations whose implementation extends over more than one financial year. Financial Regulation Art. 7: Differentiated appropriations are entered for multiannual operations. They consist of commitment appropriations and payment appropriations.

## Earmarked revenue

Revenue earmarked for a specific purpose, such as income from foundations, subsidies, gifts and bequests, including the earmarked revenue specific to each institution. (Cf. Assigned revenue)

## Economic result

Impact on the balance sheet of expenditure and revenue based on accrual accounting rules.

### Entitlements established

Entitlements are recovery orders that the European Union must establish for collecting income.

### Exchange rate difference

The difference resulting from currency exchange rates applied to the transactions concerning countries outside the euro area, or from the revaluation of assets and liabilities in foreign currency at the closure.

### Expenditure

Term used to describe spending the budget from all types of funds sources.

### Financial regulation (FR)

Adopted through the ordinary legislative procedure after consulting the European Court of Auditors, this regulation lays down the rules for the establishment and implementation of the general budget of the European Union.

For reference, regulation (EU, Euratom) 2018/1046 on the financial rules applicable to the general budget of the Union.

### Funds Source

Type of appropriations (e.g. C1, C2, etc.)

### Grants

Direct financial contributions, by way of donation, from the budget in order to finance either an action intended to help achieve an objective part of an EU policy or the functioning of a body, which pursues an aim of general European interest or has an objective forming part of an EU policy.

### Implementation

Cf. Budget implementation

### Income

Cf. Revenue

### Joint Undertakings (JUs)

A legal EU-body established under the Treaty on the Functioning of the European Union. The term can be used to describe any collaborative structure proposed for the "efficient execution of Union research, technological development and demonstration programmes".

### Lapsing appropriations

Unused appropriations to be cancelled at the end of the financial year. Lapsing means the cancellation of all or part of the authorisation to make expenditures and/or incur liabilities, which is represented by an appropriation.

Only for joint undertakings, as specified in their Financial Rules, any unused appropriations may be entered in the estimate of revenue and expenditure of up to the following three financial years (the so-called "N+3" rule). Hence, lapsing appropriations for JUs could be reactivated until financial year "N+3".

### Legal base (basic act)

The legal base or basis is, as a general rule, a law based on an article in the Treaty on the Functioning of the European Union giving competence to the Community for a specific policy area and setting out the conditions for fulfilling that competence including budget implementation. Certain articles from the treaty authorise the Commission to undertake certain actions, which imply spending, without there being a further legal act.

### Legal commitment

A legal commitment establishes a legal obligation towards third parties.

### Non-differentiated appropriations

Non-differentiated appropriations are for operations of an annual nature. (Financial Regulation Art. 9). In the EU-Budget non-differentiated appropriations apply to administrative expenditure, for agricultural market support and direct payments.

### Operational appropriations

Operational appropriations finance the different policies, mainly in the form of grants or procurement.

### Outstanding commitment

Legal commitments having not fully given rise to liquidation by payments. Cf. RAL.

### Outturn

Cf. Budget result

### Payment

A payment is a cash disbursement to honour legal obligations.

### Payment appropriations

Payment appropriations cover expenditure due in the current year, arising from legal commitments entered in the current year and/or earlier years (Financial Regulation Art. 7).

### RAL

Sum of outstanding commitments. Outstanding commitments (or RAL, from the French 'reste à liquider') are defined as the amount of appropriations committed that have not yet been paid. They stem directly from the existence of multiannual programmes and the dissociation between commitment and payment appropriations. (Cf. Outstanding commitments)

### Recovery

The recovery order is the procedure by which the Authorising officer (AO) registers an entitlement by the Commission in order to retrieve the amount, which is due. The entitlement is the right that the Commission has to claim the sum, which is due by a debtor, usually a beneficiary.

### Result

Cf. Outturn

### Revenue

Term used to describe income from all sources financing the budget.

### Rules of application

Detailed rules for the implementation of the financial regulation. They are set out in a Commission regulation adopted after consulting all institutions and cannot alter the financial regulation upon which they depend.

### Surplus

Positive difference between revenue and expenditure (Cf. Budget result) which has to be returned to the funding authority as provided in the Financial Regulation.

### Transfer

Transfers between budget lines imply the relocation of appropriations from one budget line to another, in the course of the financial year, and thereby they constitute an exception to the budgetary principle of specification. However they are expressly authorised by the Treaty on the Functioning of the European Union under the conditions laid down in the Financial Regulation. The Financial Regulation identifies different types of transfers depending on whether they are between or within budget titles, chapters, articles or headings and require different levels of authorization.

**EUROPEAN EXTERNAL ACTION SERVICE**



GREFFE

**Decision of the High Representative of the Union for Foreign Affairs  
and Security Policy**

**of 20/06/2019**

**on the adoption of the final accounts for the year 2018 of the European  
External Action Service (EEAS)**

# **ADMIN(2019) 15**

## **Decision of the High Representative of the Union for Foreign Affairs and Security Policy**

**of 20/06/2019**

### **on the adoption of the final accounts for the year 2018 of the European External Action Service (EEAS)**

#### **THE HIGH REPRESENTATIVE OF THE UNION FOR FOREIGN AFFAIRS AND SECURITY POLICY**

Having regard to Regulation (EU, Euratom) 2018/1046 on the financial rules applicable to the general budget of the Union in respect to the adoption of the final accounts of the Institutions, in particular Articles 2 and 246(2) thereof,

Having regard to Regulation (EU, Euratom) 2018/1046 on the financial rules applicable to the general budget of the Union in respect to powers and duties of the Accounting Officer, in particular to Article 77 thereof,

Having regard to the Charter of tasks and responsibilities of the Accounting Officer of the European External Action Service in Annex III of the Decision ADMIN(2018)37 of the High Representative for Foreign Affairs and Security Policy of 21 December 2018 on the Internal Rules of implementation of the budget of the European External Action Service (section X),

Whereas:

- (1) The European External Action Service is an institution for the purposes of the Financial Regulation.
- (2) In accordance with the Financial Regulation, each institution shall adopt its final annual accounts.

HAS DECIDED AS FOLLOWS:

#### *Article 1*

The final accounts of the European External Action Service for the year 2018, as contained in the Annex to this Decision, are hereby adopted.

## ADMIN(2019) 15

### *Article 2*

This Decision shall enter into force on the date of its signature.

Done in Brussels, on **20 JUIN 2019**



*Federica Mogherini*

High Representative of the Union for  
Foreign Affairs and Security Policy

**From:** TAJANI Antonio  
**Sent:** 27 June 2019 09:58  
**To:** CourrierOfficiel-Cabinets  
**Subject:** FW: Ares(2019)4074367 - Adoption des Comptes de l'année 2018 du SEAE  
**Attachments:** Ares(2019)4074367 - Adoption des Comptes de l'année 2018 du SEAE

**Categories:** Dorota

Pour enregistrement, svp.

Merci,

María José