



**DECISION OF THE GOVERNING BOARD OF THE ECSEL JOINT
UNDERTAKING**

Adopting the Joint Undertaking's budget for year 2016

THE GOVERNING BOARD OF THE ECSEL JOINT UNDERTAKING,

Having regard to the Statutes annexed to Council Regulation (EC) 561/2014 of 6 May 2014 on the establishment of the 'ECSEL Joint Undertaking', and in particular its Articles 20 and 21 thereof;

Having regard to the Financial Rules of the 'ECSEL Joint Undertaking' (ECSEL-GB-2014.09 of 04 July 2014) and in particular its Article 7 thereof;

WHEREAS:

- (1) The Financial year shall run from 01 January to 31 December;
- (2) The Annual Budget shall be adopted by the Governing Board by the end of the previous year;

HAS ADOPTED THIS DECISION:

Article 1

The Joint Undertaking's Budget for year 2016, as annexed to this Decision, is hereby adopted.

Article 2

This Decision shall enter into force upon its adoption by the Governing Board.

Done at Brussels, on 10 December 2015,

A handwritten signature in black ink, reading "Andrea Cuomo". The signature is written in a cursive style with a long horizontal stroke at the end.

Andrea Cuomo
Chairperson of the Governing Board

Annex: Budget for year 2016 with first estimates for year 2017

Annex:

Introduction

The budget is established in accordance with the provisions of the Council Regulation (EC) No 561/2014 of 06 May 2014 setting up the ECSEL Joint Undertaking.

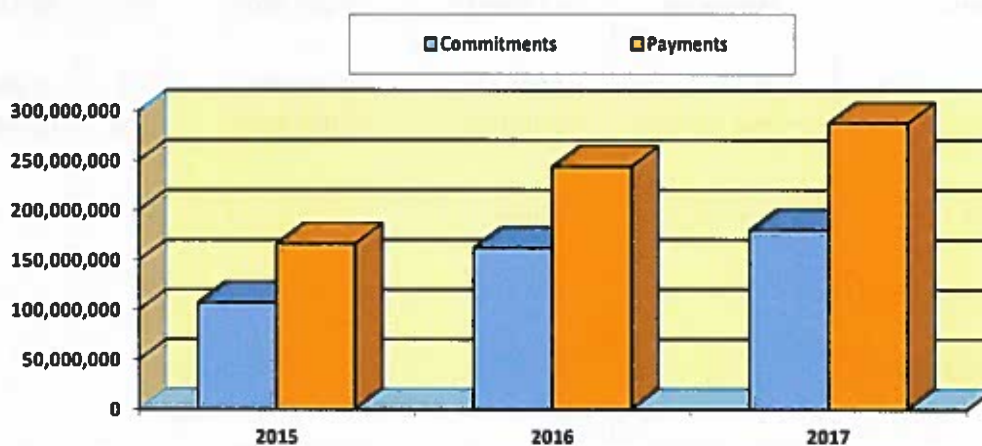
The budget includes the description of human and financial resources deployed by the ECSEL JU for the implementation of its programmes and plans in 2016 as well as estimates for 2017. The budget execution is a key performance indicator assuring the progress towards the ECSEL JU objectives.

Budget commitments which form the basis for the new legal obligations of the ECSEL JU will start increasing:

- 162 507 439 € in 2016: + 51 % year to year
- 180 300 000 € in 2017: + 11 % year to year.

Budget payments which are dedicated for the main part to payments of participants in the selected running projects and for the minor part to the running costs (including the payments of experts involved in the reviews and evaluations) will continue to increase in 2016 and 2017, with respect of the follow up of certificates received from the member States for the legacy, and in accordance with the rules under H 2020 for the new programme.

- 244 069 130 € in 2016: + 46 % year to year
- 287 810 000 € in 2017: + 18 % year to year



The part of the running costs in the total budget will be as follows:

- with regard to commitments: 3.3% in 2016, and 2.9% in 2017.
- with regard to payments: 2.1% in 2016, and 1.8% in 2017.

Should there be a need not yet identified, the Governing Board will be invited to enter the necessary adaptations for the appropriations.

A. Budget information

1. Revenue

In accordance with the provisions of the legal framework applicable to the ECSEL JU, there are 2 main contributors to the budget of the JU:

- The EU budget with a decision of the European Parliament and Council upon proposal of the Commission. This contribution is intended to fund projects (operational costs) and a part of the running costs.
- The Industry represented by the Private Members (for the time being AENEAS, ARTEMIS-IA and EPoSS) contributing to a part of the running costs according to the JU statutes.

Until now, none of the participating states have opted in favor of entrusting the ECSEL JU with the management of their financial contribution, as foreseen in the provisions of Article 17.1 of the Statutes of the ECSEL JU.

I. Budget Revenue (authorised/proposed/estimate)

1.1 Appropriations for Commitments (p.m.)

€	2014	2015 (a)	2016 (p)	Δ %	2017 (e)	Δ %
-Revenue EU Budget (*) (incl.for running costs)	158 318 480.99 (460 000)	104 664 814 (2 210 000)	159 414 391 (*) (2 106 952)	+49 (-5)	177 010 000 (2 010 000)	+14 (-5)
-Revenue Industry (incl.for running costs)	1 754 976.74 (1 754 976.74)	2 990 000 (2 990 000)	3 093 048 (3 093 048)	+3 (+3)	3 290 000 (3 290 000)	+6 (+6)
-Other contributions	p.m.	p.m.	p.m.		p.m.	
-Revenue generated by ECSEL	p.m.	p.m.	p.m.		p.m.	
-Budget result 2015 (if>0)(**)	p.m.	p.m.	p.m. (**)		p.m.	
Total Revenues	158 225 085.90	107 654 814	162 507 439	+51	180 300 000	+11

(*)The EU contribution (including EFTA contribution) is based on the budget foreseen for JTIs in the general Union budget. The total EU estimated contribution for operational activities in year 2016 is of 157 307 439 €, of which 42 545 186 € will be contributed to cover part of the operational expenditure per ECSEL Calls 2015-1 and 2015-2.

(**) The budget result will be identified only from Q1 of year 2016, following the closure of the annual accounts 2015

1.2 Appropriations for Payments

€	2014	2015 (a)	2016 (p)	Δ %	2017 (e)	Δ %
-Revenue EU Budget (incl.for running costs)	24 517 781.38 (460 000)	163 710 000 (2 210 000)	240 976 082 (2 106 952)	+47 (-5)	284 520 000 (2 010 000)	+18 (-5)
-Revenue Industry (incl.for running costs)	1 754 976.74 (1 754 976.74)	2 990 000 (2 990 000)	3 093 048 (3 093 048)	+13 (+13)	3 290 000 (3 290 000)	+7 (+6)
-Other contributions	p.m.	p.m.	p.m.		p.m.	
-Revenue generated by ECSEL	p.m.	p.m.	p.m.		p.m.	
-Budget result 2015 (if<0) (**)	p.m.	p.m.	p.m.(**)		p.m.	
Total Revenues	26 272 758.12	166 700 000	244 069 130	+46	287 810 000	+18

(**) The budget result will be identified only from Q1 of year 2016, following the closure of the annual accounts 2015

2. Expenditure**II. Budget expenditure (authorised/proposed/estimated)****2.1 Appropriations for Commitment**

€	2014	2015 (a)	2016 (p)	Δ%	2017 (e)	Δ%
Title1:Staff	1 730 767.33	3 200 000	3 200 000	0	3 250 000	+3
Title2: Buildings-Equipment and Services	1 494 318.57	2 000 000	2 000 000	0	2 050 000	+3
Title 1 + 2 : Running costs	3 225 085.90	5 200 000	5 200 000	0	5 300 000	+3
Title 3 : Operations = projects	155 000 000	102 454 814	157 307 439	+49	175 000 000	+14
Titles 1 + 2 + 3: Total budget	158 225 085.90	107 654 814	162 507 439	+51	180 300 000	+11

2.2 Appropriations for Payment

€		2015 (a)	2016 (p)	Δ%	2017 (e)	Δ%
Title1:Staff	1 367 101.91	3 200 000	3 200 000	0	3 250 000	+3
Title2:Buildings-Equipment and Services	990 412.94	2 000 000	2 000 000	0	2 050 000	+3
Title 1 + 2 : Running costs	2 357 514.85	5 200 000	5 200 000	0	5 300 000	+2
Title 3 : Operations = projects	23 915 243.27	161 500 000	238 869 130	+48	282 510 000	+18
Titles 1 + 2 + 3: Total budget	26 272 758.12	166 700 000	244 069 130	+46	287 810 000	+18

Expenditure against Commitment appropriations

EXPENDITURE	Executed Budget 2014 ¹	Budget 2015 authorised	2016	
			Budget Proposed	VAR 2016 / 2015
Title 1 Staff Expenditure	1 730 767.33	3 200 000	3 200 000	0%
11 Salaries & allowances	1 537 455.90	3 000 000	3 000 000	0%
<i>- of which establishment plan posts</i>	<i>1 260 714</i>	<i>2 460 000</i>	<i>2 460 000</i>	<i>0%</i>
<i>- of which external personnel</i>	<i>276 742</i>	<i>540 000</i>	<i>540 000</i>	<i>0%</i>
12 Expenditure relating to Staff recruitment	80 000.00	30 000	30 000	0%
13 Mission expenses	82 348.05	135 000	135 000	0%
14 Socio-medical infrastructure & training	30 963.38	35 000	35 000	0%
Title 2 Infrastructure and operating expenditure	1 494 318.57	2 000 000	2 000 000	0%
20 Rental of buildings and associated costs	242 576.12	650 000	600 000	-8%

¹ Since 27/06/2014 date of entry into force of the Council Regulation 561/2014

EXPENDITURE	Executed Budget 2014 ¹	Budget 2015 authorised	2016	VAR 2016 / 2015
			Budget Proposed	
21 Information and communication technology	118 026.81	110 000	110 000	0%
22 Movable property and associated costs	13 109.17	45 000	40 000	-11%
23 Current administrative expenditure	29 484.10	25 000	25 000	0%
24 Postage / Telecommunications	36 301.20	80 000	80 000	0%
26 R&D support (evaluations and reviews)	525 278.07	500 000	570 000	+14%
27 Innovation	10 000.00	40 000	40 000	0%
28 Communication	469 543.10	450 000	450 000	0%
29 Audits	50 000.00	100 000	85 000	-15%
Title 3 Operational expenditure	155 000 000.00	102 454 814	157 307 439	+49%
to be specified by chapter				
TOTAL EXPENDITURE	158 225 085.90	107 654 814	162 507 439	+51%

Expenditure against Payment appropriations

EXPENDITURE	Executed Budget 2014 ²	Budget 2015 authorised	2016	VAR 2016 / 2015
			Budget Proposed	
Title 1				
Staff Expenditure	1 367 101.91	3 200 000	3 200 000	0%
11 Salaries & allowances	1 275 349.72	3 000 000	3 000 000	0%
- of which establishment plan posts	1 260 714	2 460 000	2 460 000	0%
- of which external personnel	276 742	540 000	540 000	0%
12 Expenditure relating to Staff recruitment	0.00	30 000	30 000	0%
13 Mission expenses	79 556.14	135 000	135 000	0%
14 Socio-medical infrastructure & training	12 196.05	35 000	35 000	0%
Title 2				
Infrastructure and operating expenditure	990 412.94	2 000 000	2 000 000	0%
20 Rental of buildings and associated costs	235 656.56	650 000	600 000	-8%
21 Information and communication technology	53 895.88	110 000	110 000	0%
22 Movable property and associated costs	10 336.70	45 000	40 000	-11%
23 Current administrative expenditure	20 100.16	25 000	25 000	0%
24 Postage / Telecommunications	3 335.50	80 000	80 000	0%
26 R&D Support (evaluations and reviews)	357 096.24	500 000	570 000	+14%
27 Innovation	0.00	40 000	40 000	0%
28 Communication	306 346.90	450 000	450 000	0%
29 Audit	3 645.00	100 000	85 000	-15%
Title 3				
Operational expenditure	23 915 243.27	161 500 000	238 869 130	+48%
to be specified by chapter				
TOTAL EXPENDITURE	26 272 758.12	166 700 000	244 069 130	+46%

² Since 27/06/2014 date of entry into force the Council Regulation 561/2014

Details on the use of financial resources

. Title 1

Chapter 11 – Salaries and allowances

This appropriation is intended to cover the cost of remuneration of temporary and contractual staff in accordance with the Staff Regulations. Concerning the remuneration, detailed tables of staff costs per type of agent and per year have been established. Under this chapter are also covered the costs of the employer's social security contributions in accordance with the applicable Staff Regulations.

Chapter 12 – Expenditure relating to staff recruitment

This appropriation is intended to cover the recruitment costs for new staff as well as expenditure foreseen in the relevant provisions of the Staff Regulations, e.g. installation allowances for staff changing residence after taking up duties or when they cease definitively their duties and settle elsewhere and the daily subsistence allowances due to staff able to prove that they were obliged to change their place of residence after taking up duties.

Chapter 13 – Missions expenditure

The missions' appropriation is intended to cover expenditure on transport, the payment of daily mission allowances and the ancillary or exceptional expenses incurred by the staff in the interest of the service in accordance with the Staff Regulations.

Chapter 14 – Socio-medical infrastructure

This appropriation is intended to cover the costs of the annual medical check-up of staff and associated analyses required, complementary health insurance and schooling allowances. Under this chapter are also covered costs for training of staff.

4.2.2. Title 2

Chapter 20 – Rental of buildings and associated costs

The JU is operating from 2011 in its final premises located in the White Atrium building, 60 avenue de la Toison d'Or in Brussels. This office location is shared with 5 other JUs in order to minimise maintenance costs and share a number of expenses, like security and safety of staff and installations, cleaning and maintenance. Common space shared by JUs in that location has been augmented from the end of year 2014 to offer more possibilities for meetings.

Chapter 21 – Information and communication technology

Information and communication technology: Further to new purchases and applications taking place in years 2011 and 2014, the costs will not increase in 2016 with mainly developments relating to the consolidation of tools for project management, with a view to secure and facilitate data exchange. This chapter also includes the helpdesk function which is externalised.

Chapter 22 – Movable Property

This chapter relates to purchase of furniture, office equipment and archiving facilities with the total costs gradually reduced.

Chapter 23 – Current Administrative expenditures

This chapter relates to legal costs, insurance and stationery, as well as financial costs (e.g. interest due in case of late payments).

Chapter 24 – Postage and Telecommunications

There are also included the costs for internet connexions and telecom equipment as needed (e.g. for replacement).

Chapter 25 – Formal and other meetings

The chapter has been included for financing meetings which are taking place outside of the JU's premises, with the ECSEL JU secretariat having to support/share the costs.

Chapter 26 – R&D support

This chapter contains the costs related to the evaluation, selection and review of projects, including the costs incurred for evaluators and reviewers. It includes the costs of evaluation for the calls launched under H 2020 and the costs of reviews of projects selected both under H 2020 and FP 7.

Chapter 27 – Innovation

In accordance with its mandate, the ECSEL JU will continue to promote SMEs contribution, to support scientific guidance and to liaise with regional activities and worldwide initiatives. This decision is the direct consequence of the entry into force of the new programme H2020

Chapter 28 – Information and Communication

Information and communication: ECSEL JU is a PPP and in its actual configuration 3 industry associations are involved in 3 different areas: Embedded Computing Systems, Nanoelectronics and Smart Systems Integration. Dissemination and communication actions are entrusted to the Industry Associations with three different forums and groups of interest.

Like in previous years, communication actions will be organised under five headings:

- Conferences, info days and workshops,
- Internal communication,
- Publication and acquisition of information (DB),
- Website developments and consolidation,
- General public relations (PR) and publicity.

Actions will be implemented in accordance with the communication plan and may be coordinated with Industry Associations members of ECSEL under a service level agreement to be revised each year.

Chapter 29 – Evaluation and Audits

This provision is for external and internal audits needs, legal assistance and other costs. It will cover actions initiated under FP7 as well as under H2020

4.2.3. Title 3

Chapter 31 – Selected projects

These are exclusively the costs related to Calls for proposals for R&D projects.

										In Meur	
Multiannual Cash Flow Forecast											
	RAL	Y2015	Y2016	Y2017	Y2018	Y2019	Y2020	Y2021	Y2022	Y2023	Totals
FP7	470	90	100	150	85	45					470
H2020											
<i>Pre-financing assumed 130% of first reporting period</i>											
Call 2014	155	55	50	50							155
Call 2015	145		89,0	28,0	28,0						145
Call 2016	150			55,0	47,5	47,5					150
Call 2017	160				69,3	45,3	45,3				160
Call 2018	170					73,7	48,2	48,2			170
Call 2019	190						82,3	53,8	53,8		190
Call 2020	200							86,7	56,7	56,7	200
Total H2020	1170	55	139,0	133,0	144,8	166,5	175,8	188,7	110,5	56,7	1170
Payments H2020+FP7	1640	145	239,0	283,0	229,8	211,5	175,8	188,7	110,5	56,7	1640

B. Staff Establishment Plan

Establishment plan (authorised/proposed/estimate)

Staff nb	2015 (a)	2016 (p)	Δ nb	2017(e)	Δ nb
Temporary agents	14	14	=	14	=
Contract agents	16	16	=	16	=
Total staff	30	30	=	30	=

In addition to the statutory staff, one seconded national expert is also member of the staff and this position is to be maintained.

Human Resources

Human Resources	2015	2016
	Authorised	Proposed
Establishment plan posts: AD	14	14
Establishment plan posts: AST		
Establishment plan posts: AST/SC		
Total establishment plan posts	14	14
Contract Agents	16	16
Seconded National Experts	1	1
Total staff	31	31

Establishment plan posts for temporary agents

Function group and grade	2015		2016	
	Authorised under the EU Budget		Proposed Budget	
	Permanent Posts	Temporary Posts	Permanent posts	Temporary Posts

Function group and grade	2015		2016	
	Authorised under the EU Budget		Proposed Budget	
	Permanent Posts	Temporary Posts	Permanent posts	Temporary Posts
AD 16				
AD 15				
AD 14		1		1
AD 13				
AD 12				1
AD 11		4		3
AD 10				
AD 9		2		3
AD 8		7		6
AD 7				
AD 6				
AD 5				
AD total		14		14
AST 11				
AST 10				
AST 9				
AST 8				
AST 7				
AST 6				
AST 5				
AST 4				
AST 3				
AST 2				
AST 1				
AST total				
AST/SC 6				
AST/SC 5				
AST/SC 4				
AST/SC 3				
AST/SC 2				
AST/SC 1				
AST/SC total				
TOTAL		14		14
GRAND TOTAL	14		14	

Contract agents

Contract Agents	Authorised 2015	Proposed Budget 2016 (*)
Function Group IV	4	4
Function Group III	7	7
Function Group II	5	5
Function Group I		
Total	16	16

(*) Estimated full time equivalent units (FTE) on the basis of average costs

Seconded National Experts	Authorised 2015	Proposed Budget 2016 (*)
Total	1	1

(*) Estimated full time equivalent units (FTE) on the basis of average costs

The estimation of the cost of human resources is based on the actual staff costs at ECSEL JU. The budget appropriations covering staff expenditure for year 2016 are based on the estimate (average Full Time Equivalents on a yearly basis) of 14 temporary agents and 16 contract agents and 1 SNE. Remuneration and social costs are estimated in accordance with the EU staff regulations and rules applicable, including pension rights. The reduction of direct staff costs is due to the mechanical effect of the absence of salaries indexation for years 2011-2015, according to the most recent information available.
