



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

Amending the Joint Undertaking's budget for the 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-2016.67 of 10 October 2016) and in particular its Article 15 thereof;

Having regard to decision ECSEL GB 2015.54 adopting the budget for the year 2016,

WHEREAS:

- (1) The Financial year shall run from 01 January to 31 December;
- (2) The Annual Budget for year 2016 has been adopted by the Governing Board on 10 December 2015;
- (3) The Annual Budget for year 2016 shall be amended to increase the appropriations for commitments for operations (Title 3);
- (4) The additional revenues are relating to unused appropriations from the Joint Undertaking's budgets for the years 2014 and 2015 for a total of 6.844.365,32 €

HAS ADOPTED THIS DECISION:

Article 1

The Joint Undertaking's Budget for year 2016, as amended for the first time and as annexed to this Decision, is hereby adopted.

Article 2

Decision ECSEL GB 2015.54 is repealed and replaced by this decision.

Article 3

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

Done at Brussels, on 15 December 2016,

A handwritten signature in black ink, appearing to read 'Andrea Cuomo', with a horizontal line underneath it.

Andrea Cuomo
Chairperson of the Governing Board

Annex: amended budget for year 2016

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 initially adopted by the Governing Board on 10 December 2015 and now amended for the first time. 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 are now increased as follows:

- **169.351.804,32€ in 2016: + 4,2 % compared to the initial budget for year 2016.**

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) are not modified with the present amendment:

- **244.069.130€ in 2016: no change compared to the initial budget for year 2016.**

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

- with regard to commitments: 3% in 2016.
- with regard to payments: 2,1% in 2016.

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 in accordance with 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 (initial authorised/amended)

1.1 Appropriations for Commitments (p.m.)

€	2015	2016 (ia)	2016 (am)	Δ % am/ia
-Revenue EU Budget (*) (incl.for running costs)	104 664 814 (2 210 000)	159 414 391 (2 106 952)	159 414 391 (2 106 952)	0 0
-Revenue Industry (incl.for running costs)	2 990 000 (2 990 000)	3 093 048 (3 093 048)	3 093 048 (3 093 048)	0 0
-Other contributions (**)	p.m.	p.m.	6.844.365,32 p.m.	+100
-Revenue generated by ECSEL	p.m.	p.m.	p.m.	0
-Budget result 2016 (if>0)	p.m.	p.m.	p.m.	0
Total Revenues	107 654 814	162 507 439	169 351 804.32	+4,2

(*) The EU contribution (including EFTA contribution est.at 2,73%) is based on the budget for the ECSEL JU in the general Union Budget.

(**) Unused appropriations from the Joint Undertaking's Budgets for years 2014 and 2015 (Art.6.5 of the ECSEL Financial Rules).

(ia): the figures relate to the initial budget as validated by the GB

(am): the figures relate to the amended budget as proposed to the GB

1.2 Appropriations for Payments

€	2015	2016 (ia)	2016 (am)	Δ % am/ia
-Revenue EU Budget (incl.for running costs)	163 710 000 (2 210 000)	240 976 082 (2 106 952)	240 976 082 (2 106 952)	0 0
-Revenue Industry (incl.for running costs)	2 990 000 (2 990 000)	3 093 048 (3 093 048)	3 093 048 (3 093 048)	0 0
-Other contributions	p.m.	p.m.	p.m.	0
-Revenue generated by ECSEL	p.m.	p.m.	p.m.	0
-Budget result 2016 (if<0)	p.m.	p.m.	p.m.	0
Total Revenues	166 700 000	244 069 130	244 069 130	0

(ia): the figures relate to the initial budget as validated by the GB

(am): the figures relate to the amended budget as proposed to the GB

2. ExpenditureII. Budget expenditure (initial authorized/amended)2.1 Appropriations for Commitment

€	2015(a)	2016 (ia)	2016 (am)	Δ% am/ia
Title1:Staff	3 200 000	3 200 000	3 100 000	-3
Title2: Buildings-Equipment and Services	2 000 000	2 000 000	2 100 000	+5
Title 1 + 2 : Running costs	5 200 000	5 200 000	5 200 000	0
Title 3 : Operations = projects	102 454 814	157 307 439	164 151 804.32	+4,5
Titles 1 + 2 + 3: Total budget	107 654 814	162 507 439	169 351 804.32	+4,2

(ia): the figures relate to the initial budget as validated by the GB

(am): the figures relate to the amended budget as proposed to the GB

Appropriations for Payment

€	2015 (a)	2016 (ia)	2016 (am)	Δ% am/ia
Title1:Staff	3 200 000	3 200 000	3 100 000	-3
Title2:Buildings-Equipment and Services	2 000 000	2 000 000	2 100 000	+5
Title 1 + 2 : Running costs	5 200 000	5 200 000	5 200 000	0
Title 3 : Operations = projects	161 500 000	238 869 130	238 869 130	0
Titles 1 + 2 + 3: Total budget	166 700 000	244 069 130	244 069 130	0

EXPENDITURE				
	Executed Budget 2015	Budget 2016 initial	2016 amended	
Commitments			Budget Proposed	VAR %
Title 1	3,200,000.00	3,200,000.00	3,100,000.00	-3%
Staff Expenditure				
11 Salaries & allowances	3,000,000.00	3,000,000.00	2,885,000.00	-4%
- of which establishment plan posts	2,460,000.00	2,460,000.00	2,760,000.00	12%
- of which external personnel	540,000.00	540,000.00	125,000.00	-77%
12 Expenditure relating to Staff recruitment	30,000.00	30,000.00	35,000.00	17%
13 Mission expenses	135,000.00	135,000.00	140,000.00	4%
14 Socio-medical infrastructure & training	35,000.00	35,000.00	40,000.00	14%
Title 2	1,980,000.00	2,000,000.00	2,100,000.00	5%
Infrastructure and operating expenditure				
20 Rental of buildings and associated costs	550,000.00	600,000.00	560,000.00	-7%
21 Information and communication technology	130,000.00	110,000.00	165,000.00	50%
22 Movable property and associated costs	14,400.00	40,000.00	30,000.00	-25%
23 Current administrative expenditure	25,000.00	25,000.00	30,000.00	20%
24 Postage / Telecommunications	15,000.00	80,000.00	40,000.00	-50%
26 R&D support (evaluations and reviews)	686,600.00	570,000.00	700,000.00	23%
27 Innovation	20,000.00	40,000.00	40,000.00	0%
28 Communication	450,000.00	450,000.00	450,000.00	0%
29 Audits	89,000.00	85,000.00	85,000.00	0%
Title 3	102,454,814.00	157,307,439.00	164,151,804.32	4%
Operational expenditure				
to be specified by chapter				
TOTAL EXPENDITURE	107,634,814.00	162,507,439.00	169,351,804.32	4%

EXPENDITURE				
	Executed Budget 2015	Budget 2016 initial	2016 amended	
Payments			Budget Proposed	VAR %
Title 1	2,766,001.00	3,200,000.00	3,100,000.00	-3%
Staff Expenditure				
11 Salaries & allowances	2,559,637.00	3,000,000.00	2,885,000.00	-4%
- of which establishment plan posts	2,559,637.00	2,460,000.00	2,760,000.00	12%
- of which external personnel		540,000.00	125,000.00	-77%
12 Expenditure relating to Staff recruitment	34,615.00	30,000.00	35,000.00	17%
13 Mission expenses	136,175.00	135,000.00	140,000.00	4%
14 Socio-medical infrastructure & training	35,574.00	35,000.00	40,000.00	14%
Title 2	1,881,633.00	2,000,000.00	2,100,000.00	5%
Infrastructure and operating expenditure				
20 Rental of buildings and associated costs	522,526.00	600,000.00	560,000.00	-7%
21 Information and communication technology	133,484.00	110,000.00	165,000.00	50%
22 Movable property and associated costs	3,944.00	40,000.00	30,000.00	-25%
23 Current administrative expenditure	26,469.00	25,000.00	30,000.00	20%
24 Postage / Telecommunications	10,812.00	80,000.00	40,000.00	-50%
26 R&D support (evaluations and reviews)	699,289.00	570,000.00	700,000.00	23%
27 Innovation		40,000.00	40,000.00	0%
28 Communication	425,324.00	450,000.00	450,000.00	0%
29 Audits	59,785.00	85,000.00	85,000.00	0%
Title 3	147,354,652.00	238,869,130.00	238,869,130.00	0%
Operational expenditure				
to be specified by chapter				
TOTAL EXPENDITURE	152,002,286.00	244,069,130.00	244,069,130.00	0%

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

Figures from Dec.2015

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
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.
