

# COMMISSION OF THE EUROPEAN COMMUNITIES

GENERAL BUDGET - 1980

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SECTION III - COMMISSION

Brussels, 21st October 1980

TRANSFER OF APPROPRIATIONS No 11/80  
(Non-compulsory expenditure)



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		<u>in EUA</u>
<u>FROM CHAPTER 100</u>	PROVISIONAL APPROPRIATIONS	2.125.300
<u>TO CHAPTER 20</u>	INVESTMENT IN IMMOVABLE PROPERTY, RENTAL OF BUILDINGS AND ASSOCIATED EXPENDITURE	[ 704.500 ]
Article 200	<u>Rent</u>	
Item 2000	Rent	165 000
Article 203	<u>Cleaning and maintenance</u>	539 500
<u>TO CHAPTER 22</u>	MOVABLE PROPERTY AND ASSOCIATED EXPENDITURE	[ 549 600 ]
Article 221	<u>Furniture</u>	
Item 2211	Replacements	13 000
Article 222	<u>Technical equipment and installations</u>	
Item 2220	New purchases	429 000
Item 2221	Replacements	25 000
Item 2222	Hire	15 200
Item 2223	Maintenance, use and repair	40 000
Article 223	<u>Transport equipment</u>	
Item 2230	New purchases	14 900
Item 2231	Replacements	7 500
Item 2232	Hire	5 000
<u>TO CHAPTER 23</u>	CURRENT OPERATING EXPENDITURE	[ 871 200 ]
Article 230	<u>Stationery and office supplies</u>	122 300

		<u>in EUA</u>
Article 231	<u>Postal charges and telecommunications</u>	
Item 2310	Postage on correspondence and delivery charges	146 700
Item 2311	Telephone, telegraph, telex, television	508 000
Article 235	<u>Other operating expenditure</u>	
Item 2353	Departmental removals	94 200

The Financial Controller approved this proposal on 9 October 1980 and certified that the appropriations are available, as required by Article 21(4) of the Financial Regulation.

## GROUNDS

### A. Purposes to which the appropriations have been allocated

The Commission re-examined its expenditure forecasts for 1980 at the end of June and updated them to take account of the latest situation with regard to appropriations in Chapter 20 (immovable property investments), Chapter 22 (movable property and associated expenditure) and Chapter 23 (current operating expenditure).

Where an increase in appropriations has been proposed the Commission trusts that the explanations given below will convince the budgetary authority that the expenditure envisaged is justified.

#### Item 2000: Rent

Total appropriations for rent in the 1980 budget come to 37 494 900 EUA.

However only 35 010 000 EUA are entered at Item 2000 the remainder, viz. 2 484 900 EUA, appearing in Chapter 100.

The latest estimates put total expenditure for 1980 at 35 175 000 EUA. The Commission therefore proposes that the budgetary authority should transfer 165 000 EUA to this item.

Expenditure on rent has proved lower than the initial estimates in the preliminary draft budget for 1980 (38 620 500 EUA) for the following reasons:

- taxation of rents in Belgium	- 615 000 EUA
- changes in exchange rate of the EUA	- 520 000 EUA
- retention of London Information Office	- 400 000 EUA
- reduction in requirements due to minimal increase in staff and miscellaneous savings (delayed budget vote, delay in the completion of work in the Jean Monnet Building, Luxembourg)	- 1 910 500 EUA

#### Article 203: Cleaning and maintenance

The proposal to increase appropriations under this Article to 8 485 000 EUA by transferring 539 500 EUA from Chapter 100 is based on the following calculation (in EUA):

- Current expenditure in 1979:	7 150 000
- Additional expenditure in 1980:	1 335 000
. increase in costs (7.5%)	540 000
. Square de Meeus Building for a full year	200 000
. Jean Monnet Building, Luxembourg	275 000
. Offices abroad for full year and new premises	40 000
. Additional cleaning and gradual refurbishing of premises following transfer to Square de Meeus	100 000

• Replenishment of stocks of spare parts and additional expenditure on new maintenance contracts	180 000	
Total appropriations required		8 485 000

Item 2211: Furniture replacements

The Commission proposes an increase of 13 000 EUA in this appropriation, bringing it from 50 300 EUA to 63 300 EUA. This is the latest estimate of the cost of completing the programme for the replacement of furniture badly damaged in the course of frequent departmental removals.

Item 2220: Technical equipment and installations - new purchases

The Commission has already spent 476 000 EUA from Item 2220 to meet expenditure relating to hire of this type of equipment (see Item 2222 below). The Commission would ask the budgetary authority to raise the appropriation for this item to 1 319 000 EUA by means of a transfer of 429 000 EUA to enable it to carry out the new purchases programme drawn up in the light of appropriations entered in the 1980 budget (1 366 000 EUA). It will be noted that a saving has been effected here.

Item 2221: Technical equipment and installations - replacements

The appropriation for this item in the 1980 budget (500 000 EUA) has been reduced to 163 000 EUA to feed item 2222 (see below). The planned replacement programme has been cut back accordingly. However, the Commission would like to supplement this scaled-down programme by means of an additional appropriation of 25 000 EUA.

Item 2222: Technical equipment and installations - hire

The Commission has already increased appropriations under this item from 1 167 000 EUA to 1 976 800 EUA by means of transfers within Article 222, anticipating that the deductions made from the appropriations of Items 2220 and 2221 to meet immediate needs (see above) would be purely temporary.

Expenditure under Item 2222 is continuous by definition. The latest forecasts for the full year are as follows (in EUA):

- Expenditure in 1979		947 000
- Additional expenditure in 1980:		1 045 000
• price increase (7.9%)	75 000	
• photocopying fees (being charged to this item for the first time following inter-institutional harmonization)	520 000	
• message switching (transmission of incoming telexes)	130 000	
• extension of text processing	150 000	
• text processing in Luxembourg	50 000	
• new offices abroad in 1980 and offices opened in 1979 for full year	20 000	
• various minor installations and increased photocopier hire	<u>100 000</u>	
Total appropriations required		1 992 000

A further transfer of 15 200 EUA is needed to bring the appropriation to this level.

Item 2223: Technical equipment and installations - maintenance, use and repair

Expenditure in 1980 is estimated as follows (in EUA):

- Expenditure in 1979		409 000
- Additional expenditure in 1980:		167 000
• Price increase (7.8%)	32 000	
• Message switching (transmission of incoming telexes)	50 000	
• Text processing	35 000	
• Increase in number of appliances to be repaired (including telecommunications equipment for new buildings)	<u>50 000</u>	
Total appropriations required		576 000

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The Commission has already increased the appropriation under this item to 536 000 EUA to meet immediate needs. It now proposes that the budgetary authority should approve the additional transfer required, viz. 40 000 EUA.

Item 2230: Transport equipment - new purchases

The situation with regard to this item has been affected by the low level of appropriations entered under item 2231 for 1980 (see below). The transfer of 14 900 EUA is designed to bring the appropriation for item 2230 back to its original level (53 500 EUA) before the Commission drew on it to meet a pressing need for replacement vehicles.

The appropriation will be used as originally planned for new Information Offices.

Item 2231: Transport equipment - replacements

The Commission has a fleet of about 125 cars (plus 26 utility vehicles). Assuming that a car in constant use has to be replaced after six years the Commission should ideally be in a position to replace about 20 cars a year.

The appropriation entered in the 1980 budget (42 100 EUA) is derisory when compared with actual needs.

The transfer requested for this item (7 500 EUA) will raise the total appropriation for 1980 to 83 500 EUA, allowing the Commission to replace 11 cars.

Item 2232: Transport equipment - hire

The transfer of 5 000 EUA proposed by the Commission would bring the appropriation for this item to 36 800 EUA, which is still less than expenditure in 1979 (38 470 EUA).

However considerable savings have been made in this area bearing in mind the increase in tariffs and the use of taxi services to make up, in part at least, for the discontinuing of home stand-by duty for drivers.

Article 230: Stationery and office supplies

The Commission has had to draw on the appropriations of Article 230 to pay invoices relating to postal charges on correspondence (see Item 2310 below) and telecommunications (see Item 2311 below) in anticipation of the budgetary authority



subsequently authorizing its reinstatement. Because the purchase of office supplies has been postponed, stocks are now reduced to an extremely critical level.

Appropriations under this item, now standing at 2 820 000 EUA, must be raised to at least 2 942 300 EUA (+ 122 300 EUA). It will be seen that a saving has been made in comparison with expenditure in 1979 (2 956 000 EUA) and appropriations in the 1980 budget (3 506 100 EUA).

Item 2310: Postage on correspondence and delivery charges

Expenditure in 1980 is estimated as follows (in EUA):

- Expenditure in 1979		3 167 000
- Additional expenditure in 1980:		363 000
. Increase in the volume and cost of the diplomatic bag service	100 000	
. Increase in postal rates (7.4%)	233 000	
. New offices abroad in 1980 and new offices abroad in 1979 for full year	<u>30 000</u>	
Total appropriations required		<u>3 530 000</u> =====

It should be noted that this figure makes no allowance for increased traffic.

The appropriation in the 1980 budget (3 203 300 EUA) has already been increased to 3 383 300 EUA by means of a transfer approved by the Commission (see Article 230 above). It is proposed that the budgetary authority should now authorize a further transfer of 146 700 EUA.

Item 2311: Telephone, telegraph, telex, television

As with the foregoing item, telecommunications expenditure is fluid, i.e., it does not depend on one-off measures arising exclusively from the Commission's power of decision.

For this reason estimates of expenditure are based on actual expenditure in the last financial year and the trend already established for 1980.

- Expenditure in 1979	6 015 000 EUA
- Additional expenditure in 1980	1 010 000 EUA
. Increase in charges (10%)	600 000 EUA
. Increase in traffic (6.5%)	390 000 EUA
. New offices abroad and offices opened in 1979 for full year	<u>20 000</u> EUA
Total appropriations required	<u>7 025 000</u> EUA =====

Present appropriations must therefore be increased by 508 000 EUA.

Item 2353: Departmental removals

The Commission proposes that the budgetary authority should transfer 94 200 EUA to this item. Allowing for the increase already approved by the Commission, the final appropriation for this item for 1980 would then be 1 014 000 EUA.

Since this item covers one-off expenditure, there is no direct link between total expenditure in successive financial years. Actual expenditure is determined by the transfer of departments to new buildings. Generally speaking, the increase in cost will reflect the increase in labour costs.

B. Source of appropriations

Chapter 100 (provisional appropriations) in the 1980 budget includes:

2 484 900 EUA under Item 2000: rent

657 000 EUA under Article 204: fitting-out of premises.

The Commission has already submitted a transfer of appropriations proposal (No 5/80) to meet the cost of alterations to premises to house a 14-man Commission (COM(80)519 final).

If this proposed transfer (309 000 EUA) is deducted, an appropriation of 2 832 900 EUA remains available for Chapter 20.

The Commission proposes that the budgetary authority should deduct the overall appropriation of 2.125.300 EUA which is a subject of this transfer of appropriations proposal from this amount.

The Commission would add that total expenditure relating to the chapters concerned remains within the ceiling fixed by the 1980 budget and that no additional resources will be required.

## Annex

CHANGES IN APPROPRIATIONS IN 1980

Article or Item	1980 budget	Transfers decided on by the Commission	Transfers proposed to the budgetary authority	Approps after transfers
2000	35.010.000	-	+ 165.000	35.175.000
203	7.256.900	+ 688.600	+ 539.500	8.485.000
2211	50.300	-	+ 13.000	63.300
2220	1.366.000	- 476.000	+ 429.000	1.319.000
2221	500.000	- 337.000	+ 25.000	188.000
2222	1.167.600	+ 809.200	+ 15.200	1.992.000
2223	450.000	+ 86.000	+ 40.000	576.000
2230	53.500	- 14.900	+ 14.900	53.500
2231	42.100	+ 33.900	+ 7.500	83.500
2232	30.800	+ 1.000	+ 5.000	36.800
230	3.506.100	- 686.100	+ 122.300	2.942.300
2310	3.203.300	+ 180.000	+ 146.700	3.530.000
2311	6.143.000	+ 374.000	+ 508.000	7.025.000
2353	793.900	+ 125.900	+ 94.200	1.014.000
Total			2.125.300	

APPROPRIATIONS IN CHAPTER 100  
ON 22 SEPTEMBER 1980

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	Total appropriations for commitments	Total appropriations for payments
1. Total appropriations	75 093 900	51 693 900
2. Appropriations being transferred	6 209 000	3 209 000
3. Appropriations remaining in Chapter 100	68 884 900	48 484 900

