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Proposal for a

COUNCIL REGULATION

extending to the non-participating Member States the application of Regulation (EU) No .../2012 establishing an exchange, assistance and training programme for the protection of the euro against counterfeiting (the ‘Pericles 2020’ programme)

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

This proposal should extend the Pericles programme to the Member States of the European Union not yet using the euro as their single currency.

The Pericles programme is an exchange, assistance and training programme for the protection of the euro against counterfeiting. The programme was established by Council Decision 2001/923/EC of 17 December 2001 and its effects were extended to the EU Member States that had not adopted the euro as their currency by Council Decision 2001/924/EC of 17 December 2001. Subsequent amendments to these basic acts by Council Decisions 2006/75/EC, 2006/76/EC, 2006/849/EC and 2006/850/EC have extended the duration of the programme until 31 December 2013.

2. LEGAL ELEMENTS OF THE PROPOSAL

The application of the Pericles programme will be extended to the Member States that have not adopted the euro as their single currency, through a proposal for a parallel Regulation based on Article 352 TFEU.

The legal basis for the Pericles programme which is Article 133 TFEU where the Treaty reflects concerns about the protection of the euro by providing for the measures necessary for its use as a single currency is applicable only to Member States which have adopted the euro as their single currency.

3. BUDGETARY IMPLICATIONS

The legislative financial statement attached to this proposal for a Regulation sets out the budgetary implications and the human and administrative resources needed. This financial statement on budgetary implications is identical - except for the legal basis - to the financial statement for the proposal on a European Parliament and Council Regulation (EU) No .../2012 establishing an exchange, assistance and training programme for the protection of the euro against counterfeiting (the 'Pericles 2020' programme).

Proposal for a

COUNCIL REGULATION

extending to the non-participating Member States the application of Regulation (EU) No .../2012 establishing an exchange, assistance and training programme for the protection of the euro against counterfeiting (the ‘Pericles 2020’ programme)

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 352 thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national Parliaments,

Having obtained the consent of the European Parliament¹,

Acting in accordance with a special legislative procedure,

Whereas:

- (1) When adopting Regulation (EU) No .../2012², the European Parliament and the Council stipulated that it is applicable in the Member States in accordance with the Treaties. Article 139 of the Treaty on the Functioning of the European Union provides that measures governing the use of the euro referred to in Article 133 thereof shall not apply to the Member States with derogation.
- (2) However, the exchange of information and staff and the assistance and training measures implemented under the Pericles programme should be uniform throughout the Union and the requisite measures should therefore be taken to ensure the same level of protection for the euro in the Member States that do not have the euro as their official currency.

¹ OJ C , , p. .

² See page ... of this Official Journal.

HAS ADOPTED THIS REGULATION:

Article 1

The application of Regulation (EU) No .../2012 shall be extended to Member States other than the participating Member States as defined in the point (a) of Article 1 of Council Regulation (EC) No 974/1998³.

Competent authorities from those Member States will be considered as eligible for funding within the meaning of Article 5 of the Regulation (EU) No ... /2012 establishing the 'Pericles 2020' programme.

Article 2

This Regulation shall enter into force on the 20th day following that of its publication in the *Official Journal of the European Union*.

It shall apply as of 1 January 2014.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

*For the Council
The President*

³ OJ L 139, 11.5.1998, p. 1.

LEGISLATIVE FINANCIAL STATEMENT

1. FRAMEWORK OF THE PROPOSAL/INITIATIVE

- 1.1. Title of the proposal/initiative
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LEGISLATIVE FINANCIAL STATEMENT

1. FRAMEWORK OF THE PROPOSAL/INITIATIVE

Council Regulation extending to the non-participating Member States the application of Regulation (EU) No .../2012 establishing an exchange, assistance and training programme for the protection of the euro against counterfeiting (the 'Pericles 2020' programme).

1.1. Title of the proposal/initiative

Proposal for a Regulation of the Council extending to the non-participating Member States the application of Regulation (EU) No .../2012 establishing an exchange, assistance and training programme for the protection of the euro against counterfeiting (the 'Pericles 2020' programme).

1.2. Policy area(s) concerned in the ABM/ABB structure⁴

Policy area: 24 - Fight against fraud

1.3. Nature of the proposal/initiative

- The proposal/initiative relates to **a new action**
- The proposal/initiative relates to **a new action following a pilot project/preparatory action⁵**
- The proposal/initiative relates to **the extension of an existing action**
- The proposal/initiative relates to **an action redirected towards a new action**

1.4. Objectives

1.4.1. *The Commission's multiannual strategic objective(s) targeted by the proposal/initiative*

This proposal is part of the Commission's package linked to the next Multiannual Financial Framework (co-financing EU programme in the context of the 2014-2020 Multiannual Financial Framework).

The general objective of the Programme shall be to support and supplement the measures undertaken by the Member States in order to protect the euro banknotes and coins against counterfeiting and related fraud, thus assisting the competent national and European authorities in their efforts to develop between themselves and with the European Commission a close and regular cooperation, also including third countries and international organisations.

⁴ ABM: Activity-Based Management – ABB: Activity-Based Budgeting.

⁵ As referred to in Article 49(6)(a) or (b) of the Financial Regulation.

1.4.2. Specific objective(s) and ABM/ABB activity(ies) concerned [ABM/ABB activity number 240202]

The short-term objectives of the Programme shall encompass:

- (1) raising awareness of the Union and international dimension of the euro; expanding general knowledge related to the protection of the euro;
- (2) supporting the prevention and contributing to repression of euro counterfeiting and related fraud through specialised training and assistance in these areas;
- (3) promoting convergence of high-level training activities for trainers, taking into consideration national operational strategies;
- (4) encouraging closer cooperation between the structures and staff concerned, developing mutual trust and exchanging information, inter alia of methods of action, experience and work practices;
- (5) supporting the development of specific legal and judicial protection of the euro;
- (6) increasing the level of protection of the euro in those countries that have been evaluated as being at risk by supporting the purchase of specific equipments.

1.4.3. *Expected result(s) and impact*

Specify the effects which the proposal/initiative should have on the beneficiaries/groups targeted.

The beneficiaries targeted by the proposal are exclusively the competent authorities of Member States for the protection of the euro. Target groups for the action of the Programme are all staff in public and private sector related to the protection of the euro.

Effects shall comprise:

- (1) positive impact on national and cross-border actions for prevention and repression of euro related counterfeiting and fraud;
- (2) possibility for the competent authorities of Member States to obtain support in their efforts to achieve and maintain a high and equivalent level of protection of the euro banknotes and coins;
- (3) benefit for relevant staff from an appropriate dissemination of general and specific knowledge and the development of cooperation and dedicated networks for the protection of the euro banknotes and coins;
- (4) assistance to Member States and third countries in improving their institutional and legal framework to a harmonised high standard for the protection against currency counterfeiting and related fraud.

1.4.4. *Indicators of results and impact*

Specify the indicators for monitoring implementation of the proposal/initiative.

Main indicators for monitoring the implementation of the specific objective:

- level of counterfeit euro banknotes and coins;
- number of counterfeit workshops dismantled,
- individuals arrested and
- sanctions imposed

The work programmes will specify specific targets and key milestones for the implementation of the programme.

1.5. Grounds for the proposal/initiative

The application of the Pericles programme will be extended to the Member States that have not adopted the euro as their single currency, through a proposal for a parallel Regulation based on Article 352 TFEU.

The legal basis for the Pericles programme which is Article 133 TFEU where the Treaty reflects concerns about the protection of the euro by providing for the measures necessary for its use as a single currency is applicable only to Member States which have adopted the euro as their single currency.

1.5.1. Requirement(s) to be met in the short or long term

Taking into account past experience and results under the implementation of Pericles, Pericles 2020 shall address several challenges to protect the euro against counterfeiting:

- new threats are emerging as the euro banknotes and coins continues to be of interest to criminal groups in an increasing number of third countries. The Pericles 2020 should be in the position to offer adequate support to the authorities of these countries to address the situation;
- the introduction of the new series of euro banknotes in the coming years is likely to increase demand for awareness-raising, as well as specialised training;
- new countries will be joining the EU and, potentially the euro area, which will add to the training needs;
- the demand for Pericles support should also be seen against the background of austerity and diminishing resources in Member States.

1.5.2. Added value of EU involvement

The Pericles 2020 programme is expected to contribute to maintaining and further raising the level of protection of the euro through awareness-raising actions and specialised training of relevant staff; exchanges of staff thus further promoting cooperation and networking among competent services of Member States and with third countries; provide technical assistance to the authorities involved in the protection of the euro.

These actions are expected to increase effectiveness of prevention and repression of euro counterfeiting and related fraud.

1.5.3. Lessons learned from similar experiences in the past

The Pericles programme was evaluated twice, in 2004 and in 2011. The evaluations showed that the Programme achieved its objectives and all beneficiaries expressed the view that the Programme must be continued.

The evaluations also showed areas where the Programme should be improved, namely a need for simplification of procedures, rationalisation of use of the grant and the greater possibility to assist authorities of third countries in their effort to protect Europe's single currency.

1.5.4. Coherence and possible synergy with other relevant instruments

The impact assessment showed that the Pericles programme is the only EU programme specifically dedicated to the protection of the euro against counterfeiting. Pericles should continue to support, for the period covered (2014-2020), a set of activities that are complementary to the activities covered by other programmes. To that end, dialogue at both national and EU level will continue to be organised in order to avoid potential overlaps and ensure overall coherence.

1.6. Duration and financial impact

Proposal/initiative of **limited duration (7years: from 2014-2020)**

- Proposal/initiative in effect from 01/01/2014 to 31/12/2020
- Financial impact from 2014 to 2023 (from 2021 to 2023 for payment appropriations only)

Proposal/initiative of **unlimited duration**

- Implementation with a start-up period from YYYY to YYYY,
- followed by full-scale operation.

1.7. Management mode(s) envisaged⁶

Centralised direct management by the Commission

Centralised indirect management with the delegation of implementation tasks to:

- executive agencies
- bodies set up by the Communities⁷
- national public-sector bodies/bodies with public-service mission
- persons entrusted with the implementation of specific actions pursuant to Title V of the Treaty on European Union and identified in the relevant basic act within the meaning of Article 49 of the Financial Regulation

Shared management with the Member States

Decentralised management with third countries

Joint management with international organisations (*to be specified*)

If more than one management mode is indicated, please provide details in the "Comments" section.

Comments

The procedure for determining the costs to be borne by the beneficiary and the Commission respectively has been simplified compared to previous versions of the Programme.

⁶ Details of management modes and references to the Financial Regulation may be found on the BudgWeb site: http://www.cc.cec/budg/man/budgmanag/budgmanag_en.html.

⁷ As referred to in Article 185 of the Financial Regulation.

2. MANAGEMENT MEASURES

2.1. Monitoring and reporting rules

Specify frequency and conditions.

See Article 12 of the proposal according to which:

- annual information on results, including consistency and complementarily with other EU programmes, shall be provided to the European Parliament and to the Council;
- an assessment of the implementation of the objectives of the programme (no later than 31 December 2017) is foreseen;
- in addition, a final report to the budgetary authority will be made on the achievement of the objectives of the Programme by the end of 2021.

2.2. Management and control system

2.2.1. Risk(s) identified

The level of risk is considered low for the grant agreements, since for 90% of the cases the beneficiaries are public administrations or law enforcement services in the Member States.

For the contracts awarded on the basis of a procurement process the risks are narrowed since an important part of the expenditure is legally and financially covered by a framework contract concluded for 1 year with the possibility to extend 3 times.

In line with the Commission requirements, a risk assessment exercise will be performed each year.

- An important risk identified in grant files is the leniently interpretation by the beneficiary of the grant conditions regarding eligibility of costs occurred in the implementation of the action.
- Expenses declared by the beneficiary which don't fall under the scope of the grant agreement.
- Staff costs not sufficiently substantiated.

2.2.2. Control method(s) envisaged

The control procedures for both sections of the programme (grants & procurements) are in compliance with the Financial Regulation.

Ex-ante verifications (commitment & payments)

The Commission/OLAF's choice of a financial management plan is for a partially decentralised model for which all of the ex-ante verification is done in the central Budget Unit. All files are verified by at least 3 agents (the file manager and financial verifying agent in the budget unit and the operational verifying agent in the unit responsible for the expenditure) before they are accepted by the Authorising Officer by sub-delegation.

Every head of unit has been granted a sub-delegation from the Director-General consequently every head of unit is responsible for the implementation of his part of the programme.

- Ex-ante controls are carried out by the FVA on every transaction which requires an approval of the AOSD.

- Controls are done on the sensitive variables following the results of the risk assessment carried out in the context of the Accounting Quality Report (such as: LE and BA, G/L accounts, budget lines, amounts and calculations, etc...).

In all the Pericles procurement files, an OLAF agent is present on the day action of the in order to supervise the good implementation of the funds (e.g. conferences and trainings).

Grants

- The grant agreement signed by the beneficiaries defines the conditions applying to the financing and activities resorting under the grant, including a chapter on control methods.

- Depending on a number of variables (the amount of the contract, the complexity of the file) an ex-post on the spot control is carried out by the financial and operational file operators. During those controls the quality as well as the financial impact of the output is evaluated. Commission/OLAF intend to carry out approximately 10 on the spot checks per year.

Procurement

- Detailed terms of reference are drafted and form the basis of the specific contract. Anti-fraud measures are foreseen in all contracts concluded between OLAF and the external party.

- OLAF performs controls of all deliverables and supervises all operations and services carried out by our frame work contractor.

Additionally, in compliance with Article 13 of the proposal for an European Parliament and Council Regulation establishing an exchange, assistance and training programme for the protection of the euro against counterfeiting (the 'Pericles 2020' programme), measures are foreseen at the level of the beneficiaries (supporting documents shall be made available to the Commission). Audits may be carried out during the contract or the agreement and for a period of five years following the last payment in order to lead, where appropriate, to recovery decisions by the Commission. The rights of access of Commission staff as well as outside authorised personnel are defined and the Court of Auditors and OLAF shall enjoy the same rights.

The controls established enable OLAF to have sufficient assurance of the quality and regularity of the expenditure and reduce the risk of non-compliance. The depth of the assessment reaches generally Level 3 and in some cases Level 4 where an on the spot check has been carried out⁸. The above mentioned controls reduce the potential risks virtually to zero and reach 100% of the beneficiaries.

⁸ Control with reference to and including access to the underlying documentation that is available at the stage of the process in question.

The costs entailed to implement the above control strategy represent 1,15% of the budget. This estimation is based on the control measures already in place for the Pericles II programme.

The programme control strategy is deemed efficient to limit the risk of non-compliance and is proportionate with the risk entailed given the small budget involved.

2.3. Measures to prevent fraud and irregularities

Specify existing or envisaged prevention and protection measures.

See Article 13(2) of the proposal. The Commission shall carry out on-the-spot checks and inspections under this programme in accordance with Council Regulation (Euratom, EC) No 2185/96 and, where necessary, investigations shall be conducted by OLAF in accordance with Regulation (EC) No 1073/1999 of the European Parliament and of the Council.

3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE

3.1. Heading(s) of the multiannual financial framework and expenditure budget line(s) affected

- Existing expenditure budget lines

In order of multiannual financial framework headings and budget lines.

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Number [Description.....]	Diff./non-diff (⁹)	from EFTA ¹⁰ countries	from candidate countries ¹¹	from third countries	within the meaning of Article 18(1)(aa) of the Financial Regulation
[1A]	24.0202 Union programme for exchange, assistance and training in the protection of the euro against counterfeiting	Diff	YES	YES	NO	NO

3.2. Estimated impact on expenditure

3.2.1. Summary of estimated impact on expenditure

EUR million (to 3 decimal places)

⁹ Diff. = Differentiated appropriations / Non-Diff. = Non-differentiated appropriations

¹⁰ EFTA: European Free Trade Association.

¹¹ Candidate countries and, where applicable, potential candidate countries from the Western Balkans.

Heading of multiannual financial framework:	Number	1A Smart and inclusive growth
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DG: OLAF			Year 2014 ¹²	Year 2015	Year 2016	Year 2017	Year 2018	Year 2019	Year 2020	Year 2021-2023	TOTAL
• Operational appropriations											
24 02 02	Commitments	(1)	1,0	1,1	1,1	1,1	1,1	1,1	1,2		7,7
	Payments	(2)	0,9	1	1	1	1	1	1	0,8	7,7
Appropriations of an administrative nature financed from the envelope for specific programmes ¹³											
Number of budget line		(3)									
TOTAL appropriations for DG OLAF	Commitments	=1+1a+3	1,0	1,1	1,1	1,1	1,1	1,1	1,2		7,7
	Payments	=2+2a+3	0,9	1	1	1	1	1	1	0,8	7,7
• TOTAL operational appropriations	Commitments	(4)	1,0	1,1	1,1	1,1	1,1	1,1	1,2		7,7
	Payments	(5)	0,9	1	1	1	1	1	1	0,8	7,7
• TOTAL appropriations of an administrative nature financed from the envelope for specific programmes			(6)								
TOTAL appropriations	Commitments	=4+ 6	1,0	1,1	1,1	1,1	1,1	1,1	1,2		7,7

¹² Year N is the year in which implementation of the proposal/initiative starts.

¹³ Technical and/or administrative assistance and expenditure in support of the implementation of EU programmes and/or actions (former "BA" lines), indirect research, direct research.

under HEADING 1A of the multiannual financial framework	Payments	=5+ 6	0,9	1	1	1	1	1	1	1	0,8	7,7
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If more than one heading is affected by the proposal / initiative:

• TOTAL operational appropriations	Commitments	(4)										
	Payments	(5)										
• TOTAL appropriations of an administrative nature financed from the envelope for specific programmes		(6)										
TOTAL appropriations under HEADINGS 1 to 4 of the multiannual financial framework (Reference amount)	Commitments	=4+ 6	1,0	1,1	1,1	1,1	1,1	1,1	1,1	1,2		7,7
	Payments	=5+ 6	0,9	1	1	1	1	1	1	1	0,8	7,7

Heading of multiannual financial framework:	5	" Administrative expenditure "
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EUR million (to 3 decimal places)

		Year 2014 ¹⁴	Year 2015	Year 2016	Year 2017	Year 2018	Year 2019	Year 2020	Year 2021-2023	TOTAL
DG: OLAF										
• Human resources		0,191	0,191	0,191	0,191	0,191	0,191	0,191	0	1,337
• Other administrative expenditure		0,015	0,015	0,015	0,015	0,015	0,015	0,015	0	0,105
TOTAL DG OLAF	Appropriations									
TOTAL appropriations under HEADING 5 of the multiannual financial framework	(Total commitments = Total payments)	0,206	0,206	0,206	0,206	0,206	0,206	0,206	0	1,442

		Year 2014 ¹⁵	Year 2015	Year 2016	Year 2017	Year 2018	Year 2019	Year 2020	Year 2021-2023	TOTAL

¹⁴ Year N is the year in which implementation of the proposal/initiative starts.

¹⁵ Year N is the year in which implementation of the proposal/initiative starts.

TOTAL appropriations under HEADINGS 1 to 5 of the multiannual financial framework	Commitments	1,206	1,306	1,306	1,306	1,306	1,306	1,406	0	9,142
	Payments	1,106	1,206	1,206	1,206	1,206	1,206	1,206	0,800	9,142

3.2.2. *Estimated impact on operational appropriations*

- The proposal/initiative does not require the use of operational appropriations
- The proposal/initiative requires the use of operational appropriations, as explained below:

EUR million (to 3 decimal places)

Indicate objectives and outputs ↓			Year 2014 ¹⁶	Year 2015	Year 2016	Year 2017	Year 2018	Year 2019	Year 2020	TOTAL						
	OUTPUTS															
	Type of output	Average cost of the output	Number. outputs	Cost	Number. outputs	Cost	Number. outputs	Cost	Number. outputs	Cost	Number. outputs	Cost	Number. outputs	Cost	Total number output	Cost
SPECIFIC OBJECTIVE N° 1																
Maintenance of the current overall level of training and technical																

¹⁶ Year N is the year in which implementation of the proposal/initiative starts.

assistance																		
Action 1: Pericles grant programme			12	0,700	12	0,770	13	0,770	13	0,770	14	0,770	14	0,770	14	0,840	96	5,390
Output 1: Seminar			7		6		6		6		7		6		7		45	
Output 2: Staff Exchange			4		6		7		7		7		8		6		45	
Output 3: Studies			1												1		2	
Output 4: purchase of equipments			1		1				1		1						4	
Action 2: Procurement				0,30		0,330		0,330		0,330		0,330		0,330		0,360	27	2,310
Output 1: Seminars			4		4		4		3		3		3		3		24	
Output 2 : Staff Exchange																		
Output 3 : Studies							1						1		1		3	
Sub-total for Specific Objective 1				1,000		1,100		1,100		1,100		1,100		1,100		1,200	123	7,700
TOTAL COST				1,000		1,100		1,100		1,100		1,100		1,100		1,200		7,700

3.2.3. Estimated impact on appropriations of an administrative nature

3.2.3.1. Summary

- The proposal/initiative does not require the use of administrative appropriations
- The proposal/initiative requires the use of administrative appropriations, as explained below:

EUR million (to 3 decimal places)

	Year 2014 ¹⁷	Year 2015	Year 2016	Year 2017	Year 2018	Year 2019	Year 2020 and later	TOTAL
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HEADING 5 of the multiannual financial framework								
Human resources	0,191	0,191	0,191	0,191	0,191	0,191	0,191	1,337
Other administrative expenditure	0,015	0,015	0,015	0,015	0,015	0,015	0,015	0,105
Subtotal HEADING 5 of the multiannual financial framework								

Outside HEADING 5¹⁸ of the multiannual financial framework								
Human resources								
Other expenditure of an administrative nature								

¹⁷ Year N is the year in which implementation of the proposal/initiative starts.

¹⁸ Technical and/or administrative assistance and expenditure in support of the implementation of EU programmes and/or actions (former "BA" lines), indirect research, direct research.

Subtotal outside HEADING 5 of the multiannual financial framework								
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TOTAL	0,206	0,206	0,206	0,206	0,206	0,206	0,206	1,442
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3.2.3.2. Estimated requirements of human resources

- The proposal/initiative does not require the use of human resources
- The proposal/initiative requires the use of human resources, as explained below:

Estimate to be expressed in full time equivalent units

	Year 2014 ¹⁹	Year 2015	Year 2016	Year 2017	Year 2018	Year 2019	Year 2020 and later
Establishment plan posts (officials and temporary agents)							
24 01 06 - A3 01 01 (Headquarters and Commission's Representation Offices)	1.5	1.5	1.5	1.5	1.5	1.5	1.5
XX 01 01 02 (Delegations)							
XX 01 05 01 (Indirect research)							
10 01 05 01 (Direct research)							
• External personnel (in Full Time Equivalent unit: FTE) ²⁰							
24 01 02 01 (CA, INT, SNE from the "global envelope")							
XX 01 02 02 (CA, INT, JED, LA and SNE in the delegations)							
XX 01 21 at Headquarters ²²							
04 yy in delegations							
01 05 02 (CA, INT, SNE - Indirect research)							
10 01 05 02 (CA, INT, SNE - Direct research)							
Other budget lines (specify)							

¹⁹ Year N is the year in which implementation of the proposal/initiative starts.

²⁰ CA= Contract Agent; INT= agency staff ("Intérimaire"); JED= "Jeune Expert en Délégation" (Young Experts in Delegations); LA= Local Agent; SNE= Seconded National Expert;

²¹ Under the ceiling for external personnel from operational appropriations (former "BA" lines).

²² Essentially for Structural Funds, European Agricultural Fund for Rural Development (EAFRD) and European Fisheries Fund (EFF).

TOTAL	1.5	1.5	1.5	1.5	1.5	1.5	1.5
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XX is the policy area or budget title concerned.

The human resources required will be met by staff from the DG who are already assigned to management of the action and/or have been redeployed within the DG, together if necessary with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of budgetary constraints.

Description of tasks to be carried out:

Officials and temporary agents	1,5 officials (0,75 AD, 0,75 AST) 1,5 x 127.000 =190.500
External personnel	

3.2.4. *Compatibility with the current multiannual financial framework*

- Proposal/initiative is compatible the current multiannual financial framework.
- Proposal/initiative will entail reprogramming of the relevant heading in the multiannual financial framework.

Explain what reprogramming is required, specifying the budget lines concerned and the corresponding amounts.

- Proposal/initiative requires application of the flexibility instrument or revision of the multiannual financial framework²³.

Explain what is required, specifying the headings and budget lines concerned and the corresponding amounts.

3.2.5. *Third-party contributions*

- The proposal/initiative does not provide for co-financing by third parties
- The proposal/initiative provides for the co-financing estimated below:

Appropriations in EUR million (to 3 decimal places)

	Year N	Year N+1	Year N+2	Year N+3	... enter as many years as necessary to show the duration of the impact (see point 1.6)			Total
<i>Specify the co-financing body</i>								
TOTAL appropriations cofinanced								

²³ See points 19 and 24 of the Interinstitutional Agreement.

3.3. Estimated impact on revenue

- Proposal/initiative has no financial impact on revenue.
- Proposal/initiative has the following financial impact:
 - on own resources
 - on miscellaneous revenue

EUR million (to 3 decimal places)

Budget revenue line:	Appropriations available for the ongoing budget year	Impact of the proposal/initiative ²⁴					... insert as many columns as necessary in order to reflect the duration of the impact (see point 1.6)		
		Year N	Year N+1	Year N+2	Year N+3				
Article									

For miscellaneous assigned revenue, specify the budget expenditure line(s) affected.

Specify the method for calculating the impact on revenue.

ANNEX to **the LEGISLATIVE FINANCIAL STATEMENT**

Name of the proposal/initiative:

Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the Pericles programme, the Union programme for exchange, assistance and training in the protection of the euro against counterfeiting

- (1) NUMBER and COST of HUMAN RESOURCES CONSIDERED NECESSARY
- (2) COST of OTHER EXPENDITURE of an ADMINISTRATIVE NATURE
- (3) METHODS used for the CALCULATION of COSTS

Relating to human resources

²⁴ As regards traditional own resources (customs duties, sugar levies), the amounts indicated must be net amounts, i.e. gross amounts after deduction of 25 % for collection costs.

Relating to other administrative expenditure

This annex will accompany the legislative financial statement during the inter-services consultation.

The tables included in the present serve to fill in the tables in the legislative financial statement.

The present annex is an internal document to be kept within Commission services.

(1) Number and cost of human resources considered necessary

X The proposal/initiative requires the use of human resources, described as follows:

EUR million (to 3 decimal places)

HEADING 5 of the multiannual financial framework	Year 2014		Year 2015		Year 2016		Year 2017		Year 2018		Year 2019		Year 2020		TOTAL		
	FTE	Appropriations	FTE	Appropriations	FTE	Appropriations	FTE	Appropriations	FTE	Appropriations	FTE	Appropriations	FTE	Appropriations	FTE	Appropriations	
• Establishment Plan Posts (officials and temporary agents)																	
24 01 06 – A3 01 01 (at headquarters and in Commission representation offices in Member States)	AD	0,75	0.0953	0,75	0.0953	0,75	0.0953	0,75	0.0953	0,75	0.0953	0,75	0.0953	0,75	0.0953	5.25	0.667
	AST	0,75	0.0953	0,75	0.0953	0,75	0.0953	0,75	0.0953	0,75	0.0953	0,75	0.0953	0,75	0.0953	5.25	0.667
XX 01 01 02 (in delegations)	AD	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
	AST	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
• External personnel ²⁵																	
24 01 06 00 (the global envelop)	CA	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
	INT	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
	TA	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.

²⁵ CA= Contract Agent; INT= agency staff ("Intérimaire"); JED= "Jeune Expert en Délégation" (Young Experts in Delegations); LA= Local Agent; SNE= Seconded National Expert;

	SNE	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
XX 01 02 02 (in delegations)	CA	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
	INT	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
	JED	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
	LA	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
	SNE	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
Other budget line (please specify)																	
Sub-total – HEADING 5 of the multiannual financial framework		1.5	0.191	1.5	0.191	1.5	0.191	1.5	0.191	1.5	0.191	1.5	0.191	1.5	0.191	10.5	1.337

24 is the policy area or budget title concerned

Outside HEADING 5 of the multiannual financial framework	Year 2014		Year 2015		Year 2016		Year 2017		Year 2018		Year 2019		Year 2020		TOTAL	
	FTE	Appropriations	FTE	Appropriations	FTE	Appropriations	FTE	Appropriations	FTE	Appropriations	FTE	Appropriations	FTE	Appropriations	FTE	Appropriations
• Establishment Plan Posts (officials and temporary agents)																
XX 01 05 01 (indirect)	AD	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.

Research)	AST	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
10 01 05 01 (direct Research)	AD	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
	AST	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.

• External personnel ²⁶

XX 01 04 yy Appropriations for external personnel authorised on former "BA" lines	At headquater s	CA	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	
		INT	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
		SNE	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
	In delegation s	CA	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
		INT	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
		JED	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.

²⁶ CA= Contract Agent; INT= agency staff ("Intérimaire"); JED= "Jeune Expert en Délégation" (Young Experts in Delegations); LA= Local Agent; SNE= Seconded National Expert;

		LA	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
		SN E	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
XX 01 05 02 (Indirect research)		CA	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
		IN T	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
		SN E	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
10 01 05 02 (Direct research)		CA	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
		IN T	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
Sub-total – Outside HEADING 5 of the multiannual financial framework			p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.

EUR million (to 3 decimal places)

	Year 2014	Year 2015	Year 2016	Year 2017	Year 2018	Year 2019	Year 2020	TOTAL
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	FTE	Appropriations	FTE	Appropriations	FTE	Appropriations	FTE	Appropriations	FTE	Appropriations	FTE	Appropriations	FTE	Appropriations	FTE	Appropriations
TOTAL HEADING 5 and Outside HEADING 5 of the multiannual financial framework	1.5	0.191	1.5	0.191	1.5	0.191	1.5	0.191	1.5	0.191	1.5	0.191	1.5	0.191	10.5	1.337

The human resources required will be met by the allocations already assigned to management of the action and/or to be redeployed, together if necessary with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of existing budgetary constraints

(2) Cost of other expenditure of an administrative nature

X The proposal/initiative requires the use of appropriations of an administrative nature, described as follows:

EUR million (to 3 decimal places)

	Year 2014	Year 2015	Year 2016	Year 2017	Year 2018	Year 2019	Year 2020	TOTAL
HEADING 5 of the multiannual financial framework								
<u>At headquarters:</u>								
24 01 06 - A3 01 02 11 - Missions and representation costs	0.015	0.015	0.015	0.015	0.015	0.015	0.015	0.105
24 01 06 00 - Conferences and meetings	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.

24 01 06 00 - Meetings of Committees ²⁷	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
24 01 06 00 - Studies and consultations	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
24 01 06 00 - Management & information IT systems	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
24 01 06 00 - Further training	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
24 01 06 00 - Equipment and furniture	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
24 01 06 00 04 - Services & other operating expenditure	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
<u>In delegations:</u>								
24 01 06 A3 01 02 11 - Missions, conferences and representation costs	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
24 01 06 00 - Further training of staff	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
24 01 06 00 - Acquisition, renting and related expenditure	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
24 01 06 00 - Equipment, furniture, supplies and services	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
Sub-total HEADING 5 of the multiannual financial framework	0.015	0.015	0.015	0.015	0.015	0.015	0.015	0.105

24 is the policy area or budget title concerned

²⁷ Specify the type of committee and the group concerned.

EUR million (to 3 decimal places)

	Year 2014	Year 2015	Year 2016	Year 2017	Year 2018	Year 2019	Year 2020	TOTAL
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Outside HEADING 5 of the multiannual financial framework								
24 01 06 yy - Administrative and technical assistance (<u>excluded</u> external personnel), financed by operational appropriations (former "BA" lines)	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
- at Headquarters	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
- in delegations	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
24 01 06 00- other management expenditure for indirect research	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
24 01 06 00 - other management expenditure for direct research	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
Sub-total Outside HEADING 5 of the multiannual financial framework	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.

24 is the policy area or budget title concerned

TOTAL HEADING 5 and Outside HEADING 5 of the multiannual financial framework	0.015	0.015	0.015	0.015	0.015	0.015	0.015	0.105
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The administrative appropriations required will be met by the appropriations which are already assigned to management of the action and/or which have been redeployed, together if necessary with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of existing budgetary constraints.

(3) Methods of calculation used to estimate costs

Relating to human resources

Give details of the method of calculation used for each category of staff (assumptions, average costs, etc.)

HEADING 5 of the multiannual financial framework
<u>Reminder:</u> Average costs for each category of staff are available on the BudgWeb site: http://www.cc.cec/budg/pre/legalbasis/pre-040-020_preparation_en.html#forms
<ul style="list-style-type: none">• relating to establishment plan posts (officials and temporary agents) – Financial managers and assistants and Operational file managers and assistants<ul style="list-style-type: none">– Administrative Support : 0,25 AD + 0,25 AST– Programme management : 0,50AD + 0,50 AST <p>Current average rates for officials and temporary agents have been used:</p> <ul style="list-style-type: none">– Official: 127.000 EUR/year– Temporary agent: 127.000 EUR/year
<ul style="list-style-type: none">• relating to external personnel <p>Not applicable</p> <p>Current average rates for officials and temporary agents have been used:</p> <ul style="list-style-type: none">– Contractual agent: 64.000 EUR/year– Technical assistance: 160,000 EUR/year– Seconded National Expert: 73.000 EUR/year

Outside HEADING 5 of the multiannual financial framework
<ul style="list-style-type: none">• relating to establishment plan posts (Research officials and temporary agents) <p>N/A</p>
<ul style="list-style-type: none">• relating to external personnel <p>N/A</p>

Relating to expenditure of an administrative nature

Give details of the method of calculation used for each budget line,

underlying assumptions (e.g. number of meetings per year, average costs, etc.)

HEADING 5 of the multiannual financial framework
Missions: assumption of 15 missions per year with average cost of EUR 1,000 per mission

Outside HEADING 5 of the multiannual financial framework

N/A