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COMMISSION OF THE EUROPEAN COMMUNITIES

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**PRELIMINARY DRAFT AMENDING BUDGET N° 2
TO THE GENERAL BUDGET 2009**

**STATEMENT OF EXPENDITURE BY SECTION
Section III - Commission**

(presented by the Commission)

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Having regard to:

- the Treaty establishing the European Community, and in particular Article 272 thereof,
- the Treaty establishing the European Atomic Energy Community, and in particular Article 177 thereof,
- the Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities¹, as last amended by Council Regulation (EC, Euratom) No 1525/2007², and in particular Article 37 thereof,

The European Commission hereby presents to the budgetary authority the Preliminary Draft Amending Budget No 2 to the 2009 budget.

¹ OJ L 248, 16.9.2002, p. 1.

² OJ L 343, 27.12.2007, p. 9.

TABLE OF CONTENTS

1.	Introduction	4
2.	SESAR	4
3.	European Centre for Disease Prevention and Control (ECDC).....	5
4.	European Railway Agency (ERA).....	6
5.	Modification of Budgetary Remarks.....	6
5.1.	GMES operational services.....	6
5.2.	Food Facility	7

CHANGES TO THE STATEMENT OF EXPENDITURE BY SECTION

The changes to the statement of expenditure by section are forwarded separately via the SEI-BUD system. An English version of the changes to the statement of expenditure by section is attached for information as a budgetary annex.

1. INTRODUCTION

Preliminary Draft Amending Budget (PDAB) No 2 for the year 2009 covers the following elements:

- The inclusion in the Community budget of the establishment plan of the SESAR Joint Undertaking, in line with the modification of Regulation (EC) 219/2007³.
- Modifications to the establishment plan of the European Centre for Disease Prevention and Control (ECDC), coherent with the 2009 budget.
- Modifications to the establishment plan of the European Railway Agency (ERA).
- Modifications to the budget remarks.

PDAB 2/2009 has no financial consequences.

2. SESAR

The SESAR Joint Undertaking (SJU) for the development of a new generation European air traffic management system was established on 27 February 2007 (Council Regulation (EC) 219/2007) under Article 171 of the Treaty. However, the absence of a clear definition of the legal status of Joint Undertakings (JUs) has created many difficulties in setting up its legal and administrative structure. In fact, at present, although the SJU and its staff fall under Belgian law, the JU has been created and it is governed by a Council Regulation.

With the launching of the 7th RTD Framework Programme the EU Institutions have adopted a new approach for the setup of JUs. The main aspect of this approach is that JUs are recognised as "Community bodies" benefiting of the privileges and immunities of the European Community. As a result, the staff of these bodies is covered by the EC Staff Regulations and the Protocol on Privileges and Immunities applies to the bodies and their staff. This approach has been applied for the first time for the establishment of five new JUs (the CLEAN SKY, ENIAC, IMI, ARTEMIS and FCH Joint Technology Initiatives) in 2008.

The SJU had been established a year earlier on the same legal basis as the new JUs. In order to ensure consistency in the Community's approach for setting up these bodies, the SJU legal status shall be amended and aligned to that of the other JUs.

For this reason the Commission has proposed to amend Regulation (EC) 219/2007. One of the consequences of this amendment is that the SJU staff will be covered by the EC Staff Regulations as temporary or contractual agents. Consequently, the SJU establishment plan will have to be included in the Community budget. Council Regulation (EC) 1361/2008 amending Regulation (EC) 219/2007 was adopted on 16 December 2008⁴, and entered into force on 1 January 2009.

³ OJ L 64, 2.3.2007, p.1.

⁴ OJ L 352, 31.12.2008, p.12.

The SJU is already operational and has already recruited some initial staff. In order to ensure continuity of the SJU operations, a seamless transition of the existing staff to an EC statute and the completion of its recruitment process within 2009, is essential. It is therefore necessary to include the SJU's establishment plan in the Community budget as from the beginning of the 2009 exercise.

The establishment plan is included in the budgetary annex.

3. EUROPEAN CENTRE FOR DISEASE PREVENTION AND CONTROL (ECDC)

The European Centre for Disease Prevention and Control (ECDC) is a decentralised "1st pillar" agency based in Stockholm and tasked with monitoring, assessing and communicating threats to human health from communicable diseases. The present preliminary draft amending budget is justified by the need to amend its establishment plan in coherence with the decisions taken by the Budget Authority in the 2009 budget.

The ECDC's basic organisational structure and capacities are currently in place in defined functional areas; an epidemiological surveillance system is established, capacities are set up for preparedness and response, there is the ability to respond to requests for scientific advice and risk assessments as well as the capacity to provide epidemiological training and to conduct proper health communication. Nonetheless, the Centre is still at an early stage of its development. The core services it provides are useful, but do not meet all the needs and expectations of its stakeholders.

An external evaluation has recently confirmed that ECDC has succeeded in establishing itself as a centre of scientific excellence and that it brings added value in the prevention and control of communicable diseases but recommended a consolidation and deepening of activities on communicable diseases.

The Commission shares the conclusions of the external evaluation report. Further investment is needed if ECDC is to fully discharge its current mandate of strengthening Europe's defences against infectious diseases. Coherently with this approach, on 13 November 2008 the Commission adopted a Communication to the European Parliament and the Council on the ECDC's planned future activities and resources needs (COM/2008/741). The Communication updated the initial financial statement adopted in 2003 (when the Centre was set up) taking into account the achievements of the ECDC over its first three years of operation and the results of the external evaluation. It should be noted that the financial resources foreseen in the multi-annual financial framework 2007-2013 are a sufficient basis for ECDC to implement its planned future activities.

During the final stages of the 2009 budget procedure, the European Parliament voted an amendment by which it lifted the reserve on the ECDC's budget which was proposed by the Commission in the PDB 2009, pending the adoption of the above referred Communication. However, the voted amendment did not deal with the updating of the ECDC's establishment plan necessary to adapt it to the new planned structure of the Centre, as described in the Commission Communication of 13 November and integrated in the credits authorised in the 2009 budget.

It is therefore necessary for the Commission to present an amending budget integrating the changes to the ECDC's establishment plan necessary to be in coherence with the Commission

Communication to the European Parliament and the Council of 13 November and the authorised 2009 budget allocations.

The proposed establishment plan implies the allocation of the 40 additional temporary agent posts. The full establishment plan is included in the budgetary annex. The details per target area are as follows:

Target	Title	New posts 2009	Total TA posts by end 2009
1	Disease specific	9	27
2	Surveillance	6	28
3	Scientific advice	6	23
4	Preparedness and response	5	19
5	Training	1	7
6	Health communication	6	21
7	Partnerships	1	5
Internal	Governance, management	1	9
Internal	Administrative services	5	31
Total		40	170

4. EUROPEAN RAILWAY AGENCY (ERA)

The establishment plan 2009 as authorised under the Community budget does not fully reflect the needs of the Agency as far as its extended competences under Regulation (EC) No 1335/2008 of 16 December 2008⁵ and its staff policy including career development are concerned (as laid down in the multi-annual staff policy plan 2009 – 2011 of the Agency). Therefore, the establishment plan needs to be amended:

- Previous establishment plans included an AD15 post for the Executive Director. This post was erroneously deleted from the establishment plan in the 2009 budget, and should now be reintroduced.
- The number of AST posts is increased by three, with a corresponding reduction of three AD posts, to allow an appropriate level of administrative support for the operational activities of the Agency.

The full establishment plan, showing all the technical adjustments, is included in the budgetary annex. There is no change to the total number of posts authorised for the agency, and the adjustments do not lead to any additional budget request.

5. MODIFICATION OF BUDGETARY REMARKS

5.1. GMES operational services

In 2008, the implementation of the Preparatory action - “GMES operational services” (Global Monitoring for Environment and Security, budget article 02 02 11) was successfully concluded with the completion of the tender in the field of emergency response services and the subsequent commitment of the budget appropriations. The next step of the action in 2009 is the implementation of a reference data service element in partnership with existing data

⁵ OJ L 354, 31.12.2008, p.51.

providers such as National Mapping Agencies. However, the budgetary remark should be modified accordingly (see revised remark in the budgetary annex).

5.2. Food Facility

Following the agreement on the facility for a rapid response to soaring prices in developing countries reached between the European Commission, the European Council and the European Parliament, eligibility for funding should be extended to entities such as non-governmental organisations (NGOs) and non-state actors. As a consequence the methods of implementation, originally relying exclusively on partnerships with international and regional organisations, will have to be adapted accordingly. The extension to NGOs and non-state actors will, in particular, require a closer and more labour-intensive follow-up by the Commission on the ground. In order to enable the recruitment of the external personnel in Delegations financed on budgetary line 21 01 04 05 Facility for rapid response to soaring food prices in developing countries — Expenditure on administrative management, the Commission proposes to amend the budget remark accordingly, without modifying the amounts already approved by the budget authority for administrative management.