Annual accounts of the European Union Agency for the Space Programme

Financial year 2023

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CERTIFICATION OF THE ACCOUNTS

I acknowledge my responsibility for the preparation and presentation of the annual accounts of EUSPA, the European Union Agency for the Space Programme, in accordance with Article 102 of the Framework Financial Regulation ('FFR')[1] and I hereby certify that the annual accounts of the EUSPA for the year 2023 have been prepared in accordance with Title IX of the FFR and the accounting rules adopted by the Commission's Accounting Officer, as are to be applied by all the institutions and union bodies.

I have obtained from the Authorising Officer, who certified its reliability, all the information necessary for the production of the accounts that show the EUSPA's assets and liabilities and the budgetary implementation. Based on this information, and on such checks as I deemed necessary to sign off the accounts, I have a reasonable assurance that the accounts present fairly, in all material aspects, the financial position, the results of the operations and the cash-flow of the EUSPA.

Done in Prague on 03/06/2024

Alexandru STERIAN

Accounting Officer of the

European Union Agency for the Space Programme

[1] COMMISSION DELEGATED REGULATION (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council.

BACKGROUND INFORMATION NOTE

1. General background on the entity

Establishment

With Regulation (EU) 2021/696 of 28 April 2021, which entered into force on 12 May 2021, the European GNSS Agency (GSA) was restructured into the European Union Agency for the Space Programme (EUSPA).

Building on the legacy of the European GNSS Agency (GSA), and with an increased scope of activities, the EUSPA is responsible for using the EU space programme for creating even more opportunities for EU citizens and the economy.

The Agency is based in Prague, Czechia.

Mission

As defined by the EU Space Programme, EUSPA's mission is to be the user-oriented operational Agency of the EU Space Programme, thus contributing to sustainable growth, security and safety of the European Union.

Main operational activities

The main operational activities supporting the mission are:

(1) Provide long-term, state-of-the-art safe and secure Galileo and EGNOS positioning, navigation and timing services and cost-effective satellite communications services for GOVSATCOM, whilst ensuring service continuity and robustness;

(2) Provide security accreditation and operational management for the IRIS/2 programme, together with the provision of the governmental services in particular through GOVSATCOM;

(3) Provide Space Surveillance and Tracking (SST) Frontdesk services;

(4) Communicate, promote, and develop the market for data, information and services offered by Galileo, EGNOS, Copernicus and GOVSATCOM;

(5) Provide space-based tools and services to enhance the safety of the Union and its Member States. In particular, to support PRS (Public Regulated Services) usage across the EU;

(6) Implement and monitor the security of the EU Space Programme and to assist in and be the reference for the use of the secured services, enhancing the security of the Union and its Member States;

(7) Contribute to fostering a competitive European industry for Galileo, EGNOS, and GOVSATCOM, reinforcing the autonomy, including technological autonomy, of the Union and its Member States;

(8) Contribute to maximising the socio-economic benefits of the EU Space Programme by fostering the development of a competitive and innovative downstream industry for Galileo, EGNOS, and Copernicus, leveraging also Horizon 2020 & Horizon Europe, other EU funding mechanisms and innovative procurement mechanisms; and

(9) Contribute to fostering the development of a wider European space ecosystem, with a particular focus on innovation, entrepreneurship and start-ups, and reinforcing know-how in Member States and Union regions.

The implementation of these activities is facilitated by the delegation of the European Commission[2] of the following specific tasks:

- Tasks delegated by the Commission under the 2014-2020 financial perspective:
  - The EGNOS Exploitation delegation agreement, signed in 2014, delegates responsibility for tasks related to the operational exploitation of the EGNOS Satellite system;
  - The Galileo Exploitation delegation agreement, signed in 2014, delegates responsibility for tasks related to the operational exploitation of the Galileo Satellite system;
  - The Horizon 2020 delegation agreement, signed in 2014, delegates to the Agency the management of GNSS-related Research and Development (R&D) projects for the H2020 programme, with the objective of generating further innovative European Global Navigation Satellite System (EGNSS) applications; and
  - The European Union Governmental Satellite Communications (GOVSATCOM) preparatory activities contribution agreement, signed in 2020, delegates responsibility to the GSA to allow support to the Commission in the areas of user uptake and coordination, security aspects and secure ground infrastructure for the GOVSATCOM initiative.
- Tasks delegated by the Commission (DG DEFIS) under the 2021-2027 financial perspective through a single Contribution Agreement, signed in 2021:
  - Continuation and evolution of EGNOS and GALILEO activities including management of exploitation and security of the system;
  - GOVSATCOM programme management activities including coordination of user-related aspects with stakeholders;
  - SSA (Space Situational Awareness) programme management and oversight including security aspects;
  - Downstream activities with the aim of developing downstream markets and fostering of innovation based on Galileo, EGNOS and Copernicus:
    - overall coordination of Copernicus user activities and definition of the programme's technical baselines and security component;
    - implementation of Horizon Europe programme, including security aspects;
    - overall coordination of the CASSINI Space Entrepreneurship initiative.
- Tasks financed by the Commission (DG MOVE) under the Contribution Agreement for the action "Enhanced Galileo Green Lane" which began implementation in 2022.
- In addition to the delegated activities, the Agency is also the Coordinator of the ENTRUSTED Coordination and Support Action Grant under the H2020 programme awarded by the Research Executive Agency (REA) and transferred to European Health and Digital Executive Agency (HaDEA), related to GOVSATCOM activities for which it does not receive any funding.

Governance

EUSPA is headed by an Executive Director, who is accountable to an Administrative Board which is responsible for the Agency's governance as well as all administrative and budgetary activities.

The Administrative Board is composed of one representative appointed by each Member State, five representatives appointed by the Commission and a non-voting representative appointed by the European Parliament.

The Security Accreditation Board is an EUSPA body that performs the tasks entrusted to the Agency with regard to security accreditation and takes 'security accreditation decisions in particular on the approval of the security accreditation strategy and of satellite launches, the authorisation to operate the systems in their different configurations and for the various services, the authorisation to operate the ground stations and the sensor stations located in third countries, as well as the authorisation to manufacture receivers containing PRS technology and their components. The Security Accreditation Board shall be composed of

[2] Hereinafter referred to as the 'Commission'.

one representative per Member State, one representative from the Commission and one from the High Representative for Foreign Affairs and Security Policy.

Sources of financing

EUSPA does not receive any external financing. All the financial resources stem from the general budget of the European Union, and can be split as follows:

- Annual balancing subsidy, covering the core activities of the agency such as staff costs, administrative and IT costs as well as specific operational activities designated as core tasks within the framework of the Agency; and
- Operational subsidies, by means of:
  - Delegation agreements for specific operational activities allowing the exploitation of the EGNOS and GALILEO satellite systems, including research and development activities, through the H2020 programme, during the 2014-2020 Financial Perspective.
  - Delegation agreements for preparatory activities for Public Regulated Services and GOVSATCOM.
  - A single Contribution agreement signed in 2021 covering all operational activities for the 2021-2027 Financial Perspective including:
    - exploitation, management and oversight, research and development, market up-take, set-up and system evolution for EGNOS, GALILEO, GOVSATCOM, SSA and Copernicus;
    - further supported by research and development activities through the Horizon Europe Programme.
  - The ENTRUSTED H2020 Grant Agreement for GOVSATCOM activities, awarded by the Research Executive Agency, which does not provide direct financing for the Agency's costs but entails reception and distribution of funds to the other Public Bodies in the Consortium as per the H2020 rules.
  - The Contribution Agreement awarded by DG MOVE for the development of the Galileo Green Lane Application.

2. Annual accounts

Basis for preparation

The legal framework and the deadlines for the preparation of the annual accounts are set by the Framework Financial Regulation (FFR)[3]. As per this regulation, the annual accounts are prepared in accordance with the rules adopted by the Accounting Officer of the Commission (EU Accounting Rules, EAR), which are based on internationally accepted accounting standards for the public sector (IPSAS).

Accounting Officer

In accordance with the FFR, the Administrative Board of the entity appoints the Accounting Officer who is, amongst other tasks, responsible for preparation of the annual accounts, which are consolidated in those of the EU.

Following the notification of termination of full Accounting Services by the Accounting Officer of the EC and the decision of the EUSPA's Administrative Board of 30 March 2023, the EUSPA transitioned to an internally nominated Accounting Officer as of 1 July 2023, limiting the scope of the Accounting Service Level Agreement with the European Commission to treasury services.

Composition of the annual accounts

The annual accounts cover the period from 1 January to 31 December and comprise the financial statements and the reports on the implementation of the budget. While the financial statements and the complementary notes are prepared on an accrual accounting basis, the budget implementation reports are primarily based on movements of cash.

Process from provisional accounts to discharge

The provisional annual accounts prepared by the Accounting Officer are transmitted, by 1 March of the following year, to the European Court of Auditors (ECA) and to the audit company selected by the entity. Following the audit, the Accounting Officer prepares the final annual accounts and submits them to the Administrative Board for opinion.

The final annual accounts, together with the opinion of the Administrative Board, are sent to the Accounting Officer of the Commission, the Court of Auditors, the European Parliament and the Council by 1 July of the following financial year. The ECA scrutinises the final annual accounts and includes any findings in the annual report for the European Parliament and the Council.

It falls to the Council to recommend, and then to the European Parliament to decide, whether to grant discharge to the Director in respect of the implementation of the budget for a given financial year. Amongst other elements this decision is also based on a review of the accounts and the annual report of the ECA.

[3] COMMISSION DELEGATED REGULATION (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council.

3. Operational highlights

Achievements of the year

For EUSPA, 2023 was marked by the continued expansion of the scope of its activities, starting new tasks including:

- Providing the Space Surveillance and Tracking (SST) Frontdesk services;
- Support of a Copernicus security component;
- For IRIS2 in line with the Regulation (EU) 2023/588

along with the continued implementation of the EU Space Programme Regulation and the Financial Framework Partnership Agreement.

This translates in particular for 2023 in:

- Continuing security accreditation activities through the Security Accreditation Board;
- Maintaining the provision of service operations for Galileo services;
- Maintaining the provision of EGNOS services;
- Operational security for Galileo and EGNOS, including operations of the Galileo Security Monitoring Centre (GSMC);
- Awarding and managing grants and prizes, in particular in support of market downstream development;
- Undertaking tasks under Horizon Europe, GOVSATCOM, Copernicus, IRIS2 and SSA; and
- Continuing to support EU space programme activities established under the 2013-2020 financial perspective.

It is noted that the Agency was re-certified in accordance with the Quality Management System Standard ISO 9001 in 2023, thus demonstrating its continued commitment to quality and stakeholder satisfaction.

During the financial year 2023, EUSPA has achieved a number of milestones with financial impact, including:

- Excellent service performances of Galileo, faster positioning & improved data robustness due to I/NAV;
- First EGNOS security accreditation ATO (Air Traffic Operators); More than 20 EGNOS V3 sites delivered to industry with authorization to deploy;
- Award of GOVSATCOM Hub tender and publication of the Secure SATCOM Report; GOVSATCOM implementation baseline delivered and endorsed;
- EGNOS 242B entry in service on 4 November;
- HAS Service declaration, and arrival to the market of the first HAS (High Accuracy Service) receivers; OSNMA (Open Service Navigation Message Authentication) Initial Operational Capability; publication of new Open Service Definition Document;
- Adoption of standards for Galileo in aviation and EGNOS in Maritime
- Installation Medium Gain antenna at Galileo Reference Centre (GRC), and monitoring of more services (HAS, OSNMA, Public Regulated Services)
- 12 new Horizon Europe projects awarded;
- EUSpace4Ukraine demonstrated in the field, with the participation of the Ukraine Red Cross;
- Organization of 40 events promoting the EU Space Programme.

Disclosures relating to the war in Ukraine

- **Interruption in the use of Soyuz launchers for Galileo satellites:**

Launches of Galileo satellites have historically relied on the use of the Russian Soyuz launcher for a significant number of launches. Following the invasion of Ukraine and the unilateral withdrawal of the Russian Soyuz launcher team by ROSCOSMOS, the future use of the Soyuz platform has been cancelled.

As of December 2023, EUSPA, ESA and the European Commission have concluded a settlement agreement with the launch services contractor Arianespace. In particular it provides the terms of the financial settlement for the cancellation of the two planned Soyuz launches and the treatment of funds paid by the EC to ESA for the launches. Given the cancelled launches were contracted by agreement between EC, ESA and Arianespace without direct contractual involvement of the EUSPA there is no current financial impact to the EUSPA accounts as a result of the settlment. Terms of the settlemenet agreement affecting future launches managed by the EUSPA, come into effect after 2025 and will be integrated into the usual budgetary and accounting exercise.

Separately, the Agency has worked intenstively throughout 2023 with the Commission and ESA to ensure the next Galileo launches can take place as of 2024, noting that Galileo services have continued to be provided without impact. Future launches will continue to be financed through funds delegated by the Commission and are planned in particular to ensure no degradation on observed or committed performances, enhancing redundancy and progressive improvements of the system, as part of a standard lifecycle.

Accordingly, EUSPA does not envisage any direct, immediate impact on the financial performance of the Agency.

- **Disruption of work carried out in Ukraine in setting-up EGNOS RIMS ground stations in Kyiv and Kharkiv:**

As part of the investments in the ground infrastructure for the EGNOS system, EUSPA has financed, through funds delegated by the Commission, stations in Kyiv Sikorsky International Airport and Kharkiv International Airport, with the aim of increasing the robustness of the EGNOS system. In particular the financing has been used for equipment set-up on the grounds of the Kyiv International Airport and the assessment and planning for a second location on the grounds of Kharkiv International Airport.

As of 2023, the equipment for the stations has been recovered and has been placed in storage in EUSPA custody. We note that the functional equipment is the property of the European Commission, and not the EUSPA's, and therefore there is no special accounting treatment related to the storage or potential future use, as all costs related the equipment have been declared on the Financial Statements as of the original purchase of the equipment.

The suspension of the work on the Ukrainian RIMS sites, will not have any effect on the current functioning of the EGNOS system and value of the activities undertaken is imaterial and does not pose any concern to the overall programme.

Disclosures relating to interruption of specific consulting services

As of December 2023, EUSPA has decided to terminate its contracts with one of its main providers of engineering support services to the Agency following the results of an OLAF investigation into this contractor.

The Agency is taking all steps necessary to ensure that and disruption to its activities are minimised and only short term in nature.

Budget and budget implementation

The European Union Agency for the Space Programme (EUSPA), as a decentralised agency of the EU, is entrusted with budget implementation tasks within the scope laid down by article 62 of the EU Financial Regulation 2018 on indirect management of funds of the Commission.

In summary, a total of EUR 1.5 billion of payments were made in 2023.

The core budget of the agency amounted to EUR 76.9 million in 2023 in payment appropriations and a further EUR 1.4 billion in differentiated payment appropriations (delegated budget).

For reference, with regards to the core budget, the EUSPA was awarded EUR 76.9 million in commitment appropriations which was implemented 100% on all three Titles.

The implementation of payment appropriations reached 81% for the core budget and 19% of appropriations were carried forward.

Delegated budget funds under Title 3 are committed on an assigned revenue fund source; therefore, the principle of annuality is not applicable and commitment of funds is done on a multiannual basis over the duration of the delegation agreement. This implies automatic carry forward of commitment appropriations until the multiannual programme closure.

Revenue

As of 2023, EUSPA does not have any self-financing capacity, the Commission being its only source of revenue. EUSPA's revenue can be split into two different groups according to the nature of the funds: subsidy (administrative and core operations) and external assigned revenue (aimed to fulfil specific and tailored objectives). In 2023, EUSPA received a gross sum of circa EUR 76.9 million as a subsidy, circa EUR 1.4 billion as external assigned revenue and circa EUR 0.9 million as miscellaneous revenue.

Expenditure

Expenditure on Titles 1 and 2 is fully covered by funds received in the form of a subsidy from the Commission (balancing subsidy). Expenditure on Title 3 is partly covered by the subsidy, but mainly also by the external assigned revenue funds, received in relation to the contribution agreements with the Commission.

The total expenditure stemming from EUSPA's operations in 2023 amounted to circa EUR 1.5 billion – EUR 39 million for costs under Title 1; EUR 7 million for costs under Title 2 and EUR 1.48 billion for costs under Title 3.

The low level of consumption in Title 3 in comparison to Title 1 and Title 2 is driven by the implementation of the Financial Framework Partnership Agreement and the various Contribution Agreements associated with it (namely, the latest agreements related to Galileo, EGNOS exploitation and Horizon Europe). In order to cover the high-value multiannual contracts related to the agreements, the full amount of commitment appropriations is opened upon signature of the agreements and not on an annual basis. Payment appropriations are inscribed on the basis of the cash received from the Commission, on a biannual basis, in accordance with the contribution agreements, and therefore there may be some misalignment with the real timing of payments.

Further details can be found in section of the budgetary implementation reports.

Impact of the activities in the financial statements

In the financial statements, the impact of the above-mentioned activities resulted in:

- **Increase of pre-financing** (see note **2.3**): The overall high balance of the open pre-financing is primarily due to the regular prepayments made by EUSPA to the European Space Agency (ESA) in order to provide ESA with the necessary float to carry out activities stemming from the EGNOS and GALILEO Contribution Agreements. The net increase of total pre-financing compared to 2022 amounted to EUR 274 million.

- **Decrease of exchange receivables** (see note **2.4**) from EUR 893 million in 2022 to EUR 845 million in 2023 can be partly explained by the decrease under the central treasury liaison accounts of EUR 55 million. This evolution in the cash available to the agency is directly linked to the use of the pre-financing received in 2022 from the Commission in order to cover increased activities related to both the EGNOS and GALILEO programmes.

- **Significant increase of pre-financing received from the Commission**: The significantly higher balance of these liabilities in 2023 compared to 2022 can be explained by the forecast of funds

necessary for continuation and expansion of Contribution Agreement activities for both EGNOS and GALILEO. In particular, to cover the high prepayments to the satellite service providers (ESSP for EGNOS and GSOp for Galileo) and for activities under the Contribution Agreement with ESA for both systems. Overall, the liability resulting from the funds received from the Commission increased by EUR 275 million, which is a combined effect of a decrease of the non-current liability by EUR 36 million (see note **2.5**) and an increase of the payables by EUR 276 million (see note **2.6**).

- **Increase of revenue from non-exchange transaction** (see note **3.1**) **and operational costs** (see note **3.4**): The increase of revenues from the Commission's subsidy from EUR 1 177 million in 2022 to EUR 1 241 million in 2023 is correlated with the increase of the operating costs from EUR 1 130 million in 2022 to 1 185 million in 2023. This evolution can be explained by the continued activities for the EGNOS and GALILEO programmes as well as the ramp-up of activities under other delegated activities such as GOVSATCOM, SST, Copernicus and Horizon Europe.

- **Increase of staff expenses** (see note **3.5**) by EUR 6.2 million and **other expenses** (see note **3.7**) by EUR 5 million is directly linked to the additional resources and support services needed by the Agency so as to cope with its increased responsibilities.

EUROPEAN UNION SPACE AGENCY PROGRAM
FINANCIAL YEAR 2023

FINANCIAL STATEMENTS AND EXPLANATORY NOTES

It should be noted that due to the rounding of figures into thousands of euros (kEUR), some financial data in the tables below may appear not to add-up.

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BALANCE SHEET

EUR '000

	Note	31.12.2023	31.12.2022
NON-CURRENT ASSETS			
Intangible Assets	*2.1*	*190*	*278*
Property, plant and equipment	*2.2*	*4 481*	*2 552*
Pre-financing	*2.3*	*211 837*	*179 958*
		216 508	**182 788**
CURRENT ASSETS			
Pre-financing	*2.3*	*885 808*	*643 743*
Exchange receivables and non-exchange recoverables	*2.4*	*845 473*	*892 931*
		1 731 281	**1 536 675**
TOTAL ASSETS		**1 947 788**	**1 719 462**
NON-CURRENT LIABILITIES			
Financial liabilities	*2.5*	*(71 762)*	*(107 731)*
		(71 762)	**(107 731)**
CURRENT LIABILITIES			
Payables and other liabilities	*2.6*	*(1 767 952)*	*(1 491 308)*
Accrued charges and deferred income	*2.7*	*(97 555)*	*(109 866)*
		(1 865 507)	**(1 601 174)**
TOTAL LIABILITIES		**(1 937 269)**	**(1 708 906)**
NET ASSETS		**10 519**	**10 557**
Accumulated surplus		*10 557*	*9 881*
Economic result of the year		*(37)*	*676*
NET ASSETS		**10 594**	**10 557**

STATEMENT OF FINANCIAL PERFORMANCE

EUR '000

	Note	2023	2022
REVENUE			
Revenue from non-exchange transactions			
Funds from the Commission	*3.1*	*1 241 420*	*1 176 774*
Recovery of expenses	*3.2*	*784*	*216*
		1 242 204	**1 176 990**
Revenue from exchange transactions			
Financial revenue		*9*	*9*
Other	*3.3*	*444*	*246*
		452	**256**
Total revenue		**1 242 656**	**1 177 246**
EXPENSES			
Operational costs	*3.4*	*(1 185 015)*	*(1 130 081)*
Staff costs	*3.5*	*(34 243)*	*(28 083)*
Finance costs	*3.6*	*(10)*	*(4)*
Other expenses	*3.7*	*(23 426)*	*(18 403)*
Total expenses		**(1 242 693)**	**(1 176 570)**
ECONOMIC RESULT OF THE YEAR		**(37)**	**676**

CASHFLOW STATEMENT[4]

EUR '000

	2023	2022
Economic result of the year	*(37)*	*676*
Operating activities		
Depreciation and amortization	*1 743*	*1 009*
(Increase)/decrease in pre-financing	*(273 944)*	*(149 840)*
(Increase)/decrease in exchange receivables and non-exchange	*47 459*	*161 160*
Increase/(decrease) in payables	*276 644*	*14 476*
Increase/(decrease) in accrued charges & deferred income	*(12 311)*	*15 680*
Increase/(decrease) in financial liabilities	*(35 970)*	*(40 990)*
Investing activities		
(Increase)/decrease in intangible assets and property, plant and equipment	*(3 584)*	*(2 171)*
NET CASHFLOW	**-**	**-**
Net increase/(decrease) in cash and cash equivalents	-	-
Cash and cash equivalents at the beginning of the year	-	-
Cash and cash equivalents at year-end	-	-

[4] Since 2015, the treasury of EUSPA was integrated into the Commission's treasury system. Because of this, EUSPA does not have any bank accounts of its own. All payments and receipts are processed via the Commission's treasury system and registered on intercompany accounts, which are presented under the heading exchange receivables.

STATEMENT OF CHANGES IN NET ASSETS

EUR '000

	Accumulated Surplus/ (Deficit)	Economic result of the year	Net Assets
BALANCE AS AT 31.12.2021	**4 479**	**5 402**	**9 881**
Allocation 2021 economic result	*5 402*	*(5 402)*	*-*
Economic result of the year	*-*	*676*	*676*
BALANCE AS AT 31.12.2022	**9 881**	**676**	**10 557**
Allocation 2022 economic result	*676*	*(676)*	*-*
Economic result of the year	*-*	*(37)*	*(37)*
BALANCE AS AT 31.12.2023	**10 557**	**(37)**	**10 519**

NOTES TO THE FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

1.1. ACCOUNTING PRINCIPLES

The objective of financial statements is to provide information about the financial position, performance and cashflows of an entity that is useful to a wide range of stakeholders.

The overall considerations (or accounting principles) to be followed when preparing the financial statements are laid down in EU Accounting Rule 1 'Financial Statements' and are the same as those described in IPSAS 1: fair presentation, accrual basis, going concern, consistency of presentation, materiality, aggregation, offsetting and comparative information. The qualitative characteristics of financial reporting are relevance, faithful representation (reliability), understandability, timeliness, comparability and verifiability.

1.2. BASIS OF PREPARATION

1.2.1. Reporting period

Financial statements are presented annually. The accounting year begins on 1 January and ends on 31 December.

1.2.2. Currency and basis for conversion

The annual accounts are presented in thousands of euros, the euro being the EU's functional currency. Foreign currency transactions are translated into euros using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the re-translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of financial performance. Different conversion methods apply to property, plant and equipment and intangible assets, which retain their value in euros at the date when they were purchased.

Year-end balances of monetary assets and liabilities denominated in foreign currencies are translated into euros on the basis of the European Central Bank (ECB) exchange rates applying on 31 December.

Euro exchange rates

Currency	31.12.2023	31.12.2022	Currency	31.12.2023	31.12.2022
BGN	**1.9558**	1.9558	**PLN**	**4.1770**	4.6808
CZK	**24.7240**	24.1160	**RON**	**4.6585**	4.9495
DKK	**7.4529**	7.4365	**SEK**	**9.8438**	11.1218
GBP	**0.8691**	0.8869	**CHF**	**1.1702**	0.9847
HUF	**382.8000**	400.8700	**JPY**	**135.0100**	140.6600
HRK	**N/A**	7.5156	**USD**	**1.1993**	1.0666

1.2.3. Use of estimates

In accordance with IPSAS and generally accepted accounting principles, the financial statements necessarily include amounts based on estimates and assumptions by management based on the most reliable information available. Significant estimates include, but are not limited to: amounts for employee benefit liabilities, financial risk of accounts receivable and the amounts disclosed in the notes concerning financial instruments, impairment allowance for financial assets at amortised cost and for financial guarantee contract liabilities, accrued revenue and charges, provisions, degree of impairment of intangible assets and

property, plant and equipment, net realisable value of inventories, contingent assets and liabilities. Actual results could differ from those estimates.

Reasonable estimates are an essential part of the preparation of financial statements and do not undermine their reliability. An estimate may need revision if changes occur in the circumstances on which the estimate was based or as a result of new information or more experience. By its nature, the revision of an estimate does not relate to prior periods and is not the correction of an error. The effect of a change in accounting estimate shall be recognised in the surplus or deficit in the periods in which it becomes known.

1.2.4. Application of new and amended European Union Accounting Rules (EAR)

New EAR which are effective for annual periods beginning on or after 1 January 2023

There are no new EAR which became effective for annual periods beginning on or after 1 January 2023.

New EAR adopted but not yet effective at 31 December 2023

There are no new EAR adopted during 2023.

1.3. BALANCE SHEET

1.3.1. Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance. An asset is identifiable if it is either separable, or arises from binding arrangements. Acquired intangible assets are stated at historical cost less accumulated amortisation and impairment losses. Internally developed intangible assets are capitalised when the relevant criteria of the EU accounting rules are met and the expenses relate solely to the development phase of the asset. Intangible assets are amortised on a straight-line basis over their estimated useful lives (3 to 11 years).

1.3.2. Property, plant and equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition, construction or transfer of the asset. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits or service potential associated with the item will flow to the entity and its cost can be measured reliably. Repairs and maintenance costs are charged to the statement of financial performance during the financial period in which they are incurred. Land is not depreciated, as it is deemed to have an indefinite useful life. Assets under construction are not depreciated as these assets are not yet available for use. Depreciation on other assets is calculated using the straight-line method to allocate their cost less their residual values over their estimated useful lives, as follows:

Type of asset	Straight line depreciation rate
Buildings	*4 % to 10 %*
Plant and equipment	*10 % to 25 %*
Furniture and vehicles	*10 % to 25 %*
Computer hardware	*25 % to 33 %*
Other	*10 % to 33 %*

Gains or losses on disposals are determined by comparing proceeds less selling expenses with the carrying amount of the disposed asset and are included in the statement of financial performance.

Leases

A lease is an agreement whereby the lessor conveys to the lessee, in return for a payment or series of payments, the right to use an asset for an agreed period of time. Leases are classified as either finance leases or operating leases.

Finance leases are leases where substantially all the risks and rewards incidental to ownership are transferred to the lessee.

An operating lease is a lease other than a finance lease, i.e. a lease where the lessor retains substantially all the risks and rewards incidental to ownership of an asset. When entering an operating lease as a lessee, the operating lease payments are recognised as an expense in the statement of financial performance on a straight-line basis over the lease term with neither an asset nor a liability recognised in the balance sheet.

1.3.3. Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation/depreciation and are tested annually for impairment. Assets that are subject to amortisation/depreciation are tested for impairment whenever there is an indication at the reporting date that an asset may be impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable (service) amount. The recoverable (service) amount is the higher of an asset's fair value less costs to sell and its value in use.

Intangible assets and property, plant and equipment residual values and useful lives are reviewed, and adjusted if appropriate, at least once per year. If the reasons for impairments recognised in previous years no longer apply, the impairment losses are reversed accordingly.

1.3.4. Financial assets

The classification of the financial instruments is determined at initial recognition. Based on the management model and the asset contractual cash-flow characteristics the financial assets can be classified in three categories: Financial assets at amortised cost ('AC'), financial assets at fair value through net assets/equity ('FVNA') or financial assets at fair value through surplus or deficit ('FVSD'). Based on this classification, the entity has only 'financial assets at amortised cost', which are exchange receivables.

Financial assets at amortised cost are non-derivative financial assets that meet two conditions: 1) The entity holds them in order to collect the contractual cash flows. 2) On specified days, there are contractual cash flows that are solely payments of the principal and interest on the outstanding principal.

Financial assets at amortised cost are included in current assets, except for those with maturity of more than 12 months from the balance sheet reporting date.

Initial recognition and measurement

Financial assets at amortised cost are initially recognised at their fair value plus the transaction costs.

Subsequent measurement

Financial assets at amortised cost are carried at amortised cost, which is the amount initially recognised minus the principal repayments, plus or minus the cumulative amortisation of the interests using the effective interest method. In addition, the entity recognises a loss allowance for expected credit losses over the lifetime of the financial assets. At each reporting date, the annual movement in the loss allowance adjusts the carrying amount of the financial asset. In the statement of financial performance, the entity recognises an impairment gain or loss for the adjustment of the loss allowance.

De-recognition

Financial assets at amortised cost are derecognised either when the rights to receive cash flows from the investments have expired or are waived, or when the entity has transferred substantially all risks and rewards of ownership to another party.

1.3.5. Pre-financing amounts

Pre-financing is a payment intended to provide the beneficiary with a cash advance, i.e. a float. It may be split into a number of payments over a period defined in the particular contract, decision, agreement or basic legal act. The float or advance is either used for the purpose for which it was provided during the period defined in the agreement or it is repaid. If the beneficiary does not incur eligible expenditure, he has the obligation to return the pre-financing advance to the entity. Thus, as the entity retains control over the pre-financing and is entitled to a refund for the ineligible part, the amount is recognised as an asset.

Pre-financing is initially recognised on the balance sheet when cash is transferred to the recipient. It is measured at the amount of the consideration given. In subsequent periods pre-financing is measured at the amount initially recognised on the balance sheet less eligible expenses (including estimated amounts where necessary) incurred during the period.

1.3.6. Receivables and recoverables

The EU accounting rules require separate presentation of exchange and non-exchange transactions. To distinguish between the two categories, the term 'receivable' is reserved for exchange transactions, whereas for non-exchange transactions, i.e. when the EU receives value from another entity without directly giving approximately equal value in exchange, the term 'recoverables' is used (e.g. recoverables from Member States related to own resources).

Receivables from exchange transactions meet the definition of financial instruments. The entity classified them as financial assets at amortised cost and measured them accordingly.

Recoverables from non-exchange transactions are carried at fair value as at the date of acquisition less write-down for impairment. A write-down for impairment is established when there is objective evidence that the entity will not be able to collect all amounts due according to the original terms of the recoverables. The amount of the write-down is the difference between the asset's carrying amount and the recoverable amount. The amount of the write-down is recognised in the statement of financial performance.

1.3.7. Payables

Included under accounts payable are both amounts related to exchange transactions such as the purchase of goods and services, and to non-exchange transactions e.g. to cost claims from beneficiaries, grants or other EU funding, or pre-financing received (see note **1.4.1**).

Where grants or other funding are provided to the beneficiaries, the cost claims are recorded as payables for the requested amount, at the moment when the cost claim is received. Upon verification and acceptance of the eligible costs, the payables are valued at the accepted and eligible amount.

Payables arising from the purchase of goods and services are recognised at invoice reception for the original amount. The corresponding expenses are entered in the accounts when the supplies or services are delivered and accepted by the entity.

1.3.8. Accrued and deferred revenue and charges

Transactions and events are recognised in the financial statements in the period to which they relate. At year-end, if an invoice is not yet issued but the service has been rendered, or the supplies have been delivered by the entity or a contractual agreement exists (e.g. by reference to a contract), an accrued revenue will be recognised in the financial statements. In addition, at year-end, if an invoice is issued but the services have not yet been rendered or the goods supplied have not yet been delivered, the revenue will be deferred and recognised in the subsequent accounting period.

Expenses are also accounted for in the period to which they relate. At the end of the accounting period, accrued expenses are recognised based on an estimated amount of the transfer obligation of the period. The calculation of accrued expenses is done in accordance with detailed operational and practical guidelines issued by the Accounting Officer. These aim at ensuring that the financial statements provide a faithful representation of the economic and other phenomena they purport to represent. By analogy, if a payment has been made in advance for services or goods that have not yet been received, the expense will be deferred and recognised in the subsequent accounting period.

1.4. STATEMENT OF FINANCIAL PERFORMANCE

1.4.1. Revenue

Revenue comprises gross inflows of economic benefits or service potential received and receivable by the entity, which represents an increase in net assets, other than increases relating to contributions from owners.

Depending on the nature of the underlying transactions in the statement of financial performance, revenue is distinguished between:

(i) Revenue from non-exchange transactions

Revenue from non-exchange transactions are taxes and transfers, because the transferor provides resources to the recipient entity, without the recipient entity providing approximately equal value directly in exchange. Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes. For the EU entities, transfers mostly comprise funds received from the Commission (e.g. balancing subsidy to the traditional agencies, operating subsidy for the delegation agreements).

The entity shall recognise an asset in respect of transfers when the entity controls the resources as a result of a past event (the transfer) and expects to receive future economic benefits or service potential from those resources, and when the fair value can be reliably measured. An inflow of resources from a non-exchange transaction recognised as an asset (i.e. cash) is also recognised as revenue, except to the extent that the entity has a present obligation in respect of that transfer (condition), which needs to be satisfied before the revenue can be recognised. Until the condition is met the revenue is deferred and recognised as a liability.

(ii) Revenue from exchange transactions

Revenue from the sale of goods and services is recognised when the significant risk and rewards of ownership of the goods are transferred to the purchaser. Revenue associated with a transaction involving the provision of services is recognised by reference to the stage of completion of the transaction at the reporting date.

1.4.2. Expenses

Expenses are decreases in economic benefits or service potential during the reporting period in the form of outflows or consumption of assets or the incurring of liabilities that result in decreases in net assets. They include both the expenses from exchange transactions and expenses from non-exchange transactions.

Expenses from exchange transactions arising from the purchase of goods and services are recognised when the supplies are delivered and accepted by the entity. They are valued at the original invoice amount.

Furthermore, at the balance sheet date expenses related to the service delivered during the period for which an invoice has not yet been received or accepted are recognised in the statement of financial performance.

Expenses from non-exchange transactions relate to transfers to beneficiaries and can be of three types: entitlements, transfers under agreement and discretionary grants, contributions and donations. Transfers are recognised as expenses in the period during which the events giving rise to the transfer occurred, as long as the nature of the transfer is allowed by regulation or an agreement has been signed authorising the transfer; any eligibility criteria have been met by the beneficiary; and a reasonable estimate of the amount can be made.

When a request for payment or cost claim is received and meets the recognition criteria, it is recognised as an expense for the eligible amount. At year-end, incurred eligible expenses due to the beneficiaries but not yet reported are estimated and recorded as accrued expense.

1.5. CONTINGENT ASSETS AND LIABILITIES

1.5.1. Contingent assets

A contingent asset is a possible asset that arises from past events and of which the existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is disclosed when an inflow of economic benefits or service potential is probable.

1.5.2. Contingent liabilities

A contingent liability is either a possible obligation of which the existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or a present obligation where it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation.

A contingent liability also arises in the rare circumstances where a present obligation exists but cannot be measured with sufficient reliability.

Contingent liabilities are not recognised in the accounts. They are disclosed unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

1.6. CONSOLIDATION

The accounts of this entity are fully consolidated in the consolidated annual accounts of the EU.

2. NOTES TO THE BALANCE SHEET

ASSETS

2.1. INTANGIBLE ASSETS

EUR '000

	TOTAL
Gross carrying amount at 31.12.2022	*610*
Additions	*39*
Gross carrying amount at 31.12.2023	**649**
Accumulated amortisation at 31.12.2022	*(332)*
Depreciation charge for the year	*(127)*
Accumulated amortisation at 31.12.2023	***(459)***
NET CARRYING AMOUNT AT 31.12.2023	**190**
NET CARRYING AMOUNT AT 31.12.2022	*278*

The decrease in the carrying amount can be explained by the implementation of several in-house software applications in 2022, as a result of the Agency's digitalization policy, whereas in 2023 only one new application was capitalised. The new addition in 2023 relate to a in-house secure data management and workflow approval software application.

2.2. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and are expected to be used during more than one reporting period.

EUR '000

	Land and buildings	Plant and equipment	Furniture and vehicles	Computer hardware	Other	TOTAL
Gross carrying amount at 31.12.2022	*8*	*238*	*605*	*6 043*	*1 066*	*7 959*
Additions	*-*	*3*	*190*	*3 246*	*120*	*3 559*
Disposals	*-*	*-*	*(17)*	*(6)*	*(1)*	*(24)*
Gross carrying amount at 31.12.2023	**8**	**242**	**777**	**9 283**	**1 185**	**11 495**
Accumulated depreciation at 31.12.2022	*(1)*	*(62)*	*(426)*	*(4 224)*	*(695)*	*(5 408)*
Depreciation charge for the year	*(1)*	*(30)*	*(53)*	*(1 366)*	*(167)*	*(1 617)*
Disposals	*-*	*-*	*6*	*5*	*0*	*10*
Accumulated depreciation at 31.12.2023	**(2)**	**(92)**	**(473)**	**(5 585)**	**(862)**	**(7 014)**
NET CARRYING AMOUNT AT 31.12.2023	**6**	**150**	**304**	**3 698**	**323**	**4 481**
NET CARRYING AMOUNT AT 31.12.2022	*6*	*177*	*179*	*1 819*	*371*	*2 552*

The additions of kEUR 3 246 under computer hardware are primarily related to the purchases of laptops, power storage facilities, servers, security applicances and storage systems. Part of the additions to the computer hardware are due to purchases for the Agency's off-site server facilities which were secured to enhance the Agency's data processing capacity.

2.3. PRE-FINANCING

Pre-financing is a payment intended to provide the beneficiary with a cash advance, i.e. a float. It may be split into a number of payments over a period defined in the particular underlying contract, decision, agreement or basic legal act.

The pre-financing amounts relate to advance payments given to beneficiaries. The grant agreements usually cover a period between 12-24 months.

EUR '000

	31.12.2023	31.12.2022
Non-current pre-financing	*211 837*	*179 958*
Current pre-financing	*885 808*	*643 743*
	1 097 645	**823 702**

For all pre-financing amounts open at 31 December 2023, a commitment-by-commitment assessment has been performed. Pre-financing that was considered unlikely to be cleared in the course of 2024 was classified as non-current. The outstanding current pre-financing was reduced by amounts of estimated expenses of kEUR 274 861 related to commitments for which services were rendered but no cost claims were completed by 31 December 2023. The remaining portion of the cut-off expenses is recorded in accrued charges (see note **2.7**).

The overall high balance of the open pre-financing is primarily due to the regular prepayments made by EUSPA to the European Space Agency (ESA) in order to provide ESA with the necessary float to carry out activities stemming from the EGNOS and GALILEO Contribution Agreement. The pre-financing will be cleared within 12 months when ESA provides the annual report to EUSPA.

In particular, the increase in current pre-financing is due to the amounts pre-paid for satellite services, related primarily to the EGNOS service provision, and grants on top of the existing prepayments, all of which are expected to generate costs in 2024.

At 31 December 2023, guarantees received covering pre-financing amounted to kEUR 179 194 (2022: kEUR 124 667).

2.4. EXCHANGE RECEIVABLES & NON-EXCHANGE RECOVERABLES

Exchange transactions are transactions in which the entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange. Non-exchange transactions are transactions in which an entity either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange.

At 31 December 2023 EUSPA did not have any non-current receivables and recoverables. The amounts included under this heading are of a current nature and can be broken down as follows:

EUR '000

	31.12.2023	31.12.2022
Recoverables from non-exchange transactions		
Member States	*616*	*842*
Other	*370*	*11*
	986	**853**
Receivables from exchange transactions		
Central treasury liaison accounts	*831 141*	*886 464*
Deferred charges relating to exchange transactions	*13 032*	*5 323*
Customers	*247*	*248*
Other	*67*	*43*
	844 487	**892 078**
Total	**845 473**	**892 931**

Recoverables from Member States represent VAT amounts (kEUR 616 to be recovered from Spain, France, Czechia and the United Kingdom).

Since 2015, the treasury of EUSPA was integrated into the Commission's treasury system. Because of this, EUSPA does not have any bank accounts of its own. All payments and receipts are processed via the Commission's treasury system and registered on inter-company accounts, which are presented under this heading. The ending balance of this heading is thus the result of the incoming and outgoing payments and represents the funds available to the Agency. The decrease of the Central treasury liaison accounts is due to the reduction of cash flows related to the use of the pre-financing received from the Commission in order to cover increased activities related to both the EGNOS and GALILEO programmes in 2023.

The heading "deferred charges relating to exchange transactions", consists of advance payments made in 2023 for school tuition fees, subscriptions, maintenance fees and other IT services to be delivered in 2024 and onwards. The increase of deferred charges is due to the signature of contracts used for the supply of a large package of software licences for operational security activities (covering 2024 onwards) needed in order to accommodate the growth and increased responsibilities of the Agency following the signature of the Contribution Agreement along with occupational charges for use by the GSMC of new security facilities and other operational services provided by CNES.

LIABILITIES

2.5. FINANCIAL LIABILITIES

EUR '000

	31.12.2023	31.12.2022
Financial liabilities	*71 762*	*107 731*

The liability under this heading is of a non-current nature and relates to operational subsidy received from the Commission for delegation agreements for EGNOS Exploitation and Galileo Exploitation that will be used after 31 December 2023. All the amounts related to this subsidy that were, based on the cash planning, estimated to be used by 31 December 2023 are presented under payables. The decrease of the financial liability reflects the planning of 2024 costs, which are expecte to cover a higher amount of the subsidy received in 2023, relative to the same estimate made in 2022, which is in line with the overall planning of EUSPA activities (see note **2.6**).

2.6. PAYABLES

Payables are liabilities to pay for goods or services that have been received or supplied and - unlike accrued charges - have already been invoiced or formally agreed with the supplier. Payables can relate to both exchange transactions (such as the purchase of goods and services) and non-exchange transactions (e.g. cost claims from beneficiaries of grants, pre-financing or other EU funding).

EUR '000

	31.12.2023	31.12.2022
Pre-financing received from Commission - operational subsidy	*1 754 319*	*1 479 127*
Vendors	*12 893*	*11 266*
Participants Guarantee Fund	*-*	*(387)*
Public bodies	*160*	*701*
Pre-financing received from Commission - balancing subsidy	*580*	*157*
Member States	*-*	*384*
Other	*-*	*62*
Total	**1 767 952**	**1 491 308**

The most significant item under this heading is the current open pre-financing received as an operational subsidy from the Commission for the Delegation and Contribution Agreements for EGNOS Exploitation (kEUR 268 208) and Galileo Exploitation (kEUR 1 436 434). In particular, the high value of funds received from the operational subsidy is due to the signature of the new Contribution Agreement for both EGNOS and GALILEO, which implies high pre-financing payments to the satellite service providers (ESSP for EGNOS and GSOp for Galileo) and for activities under the Working Agreement with ESA for both systems. All the amounts that were, based on the cash planning, estimated to be paid after 31 December 2023 are presented under non-current financial liabilities (see note **2.5**).

The amount under Vendors largely relates to cost claims received from beneficiaries of the grant agreements in the last quarter of the year which have not yet been validated and paid out.

2.7. ACCRUED CHARGES

Accruals are liabilities to pay for goods or services that have been received or supplied but - unlike payables - have not yet been invoiced or formally agreed with the supplier. They include amounts due to employees (e.g. accruals for untaken holidays). The calculation of accruals is based on the open amount of budgetary commitments at year-end. The portion of the estimated accrued charges relating to pre-financing paid has been recorded as a reduction of the pre-financing amounts.

EUR '000

	31.12.2023	31.12.2022
Accrued charges	*97 108*	*109 804*
Accrued charges with consolidated entities	*447*	*61*
Total	**97 555**	**109 866**

Accrued charges are mainly composed of estimated operational expenses primarily relating to the implementation of delegation agreements.

In accordance with the pro-rata temporis method, only costs that reflect work performed up to 31 December 2023 are included in the estimation. The portion of estimated accrued charges relating to commitments with pre-financing has been recorded as a reduction of the pre-financing amounts (see note **2.3**).

Included under this heading are also accrued administrative expenses, i.e. estimated costs of services and goods delivered in year 2023 but not yet invoiced or processed by the end of the year of kEUR 2 860. The heading also includes accrued staff expenses for untaken leave of kEUR 1 032.

3. NOTES TO THE STATEMENT OF FINANCIAL PERFORMANCE

REVENUE

NON-EXCHANGE REVENUE

3.1. FUNDS FROM THE COMMISSION

Revenue from non-exchange transactions relates to transactions where the transferor provides resources to the recipient entity without the recipient entity providing approximately equal value directly in exchange. The heading mainly includes amounts received from the Commission during the year and recoveries of operational expenses.

EUR '000

	2023	2022
Revenue from the operational subsidy	*1 165 078*	*1 111 537*
Revenue from the balancing subsidy	76 342	*65 237*
Total	**1 241 420**	**1 176 774**

The revenue under this heading relates to the Commission operational subsidy that was used in the year for implementation of activities under delegation agreements between EUSPA and the Commission. It also contains the Commission balancing subsidy that was used during the year on the implementation of the EUSPA core tasks.

The increase of revenue from the operational subsidy is correlated with the continued increase in activities for the EGNOS and GALILEO programmes as well as the ramp up of activities under other delegated activities such as GOVSATCOM, SST, Copernicus and Horizon Europe (see note **3.4**).

3.2. RECOVERY OF EXPENSES

EUR '000

	2023	2022
Recovery of expenses	*784*	*216*

The increase in amount under this heading in 2023 relates to the recovery of funds under the H2020 programme following audits implemented by the EUSPA and price adjustments to the EGNOS service provision contract.

EXCHANGE REVENUE

3.3. OTHER EXCHANGE REVENUE

The revenue from exchange transactions and events can relate to following types of transactions: rendering of services; sale of goods; and the use by others of entity assets yielding interest, royalties and dividends.

EUR '000

	2023	2022
Foreign exchange gains	*96*	*(41)*
Other Exchange operating revenues	*11*	*8*
Recovery of expenses-Administrative procurement	*337*	*279*
Total	**444**	**246**

EXPENSES

3.4. OPERATIONAL COSTS

Included under this heading are expenses incurred in relation to operational activities.

		EUR '000
	2023	2022
Operational costs	*1 185 015*	*1 130 081*

Included under this heading are operational expenses incurred in relation to core tasks and tasks delegated by the Commission carried out in 2023. For open commitments, without any validated cost statements the 2023 expenses were estimated on a commitment-by-commitment basis using the best available information at 31 December 2023 (see note **2.7**).

The operational costs depict expenses arising from the multi-annual financial framework (MFF) that the Agency signed in 2021. The costs includes activities under both EGNOS and GALILEO as well as new and existing programmes under H2020 and Horizon Europe and activities under GOVSATCOM, SST, Copernicus. The increase compared to last year is in line with the increase of activities under those programmes in 2023.

3.5. STAFF COSTS

This heading includes the expenses for salaries, allowances and other employment-related benefits. Based on the service level agreement between the entity and the Commission, the calculations of staff-related costs is carried out by the Commission's Office for Administration and Payment of Individual Entitlements (also known as the Paymaster's Office - PMO). The pensions of the entity staff members are covered by the Pension Scheme of European Officials. This pension scheme is a defined benefit plan, i.e. the amount of benefit an employee will receive on retirement depends on several factors, the most important of which is years of service. Both the entity staff and the EU budget contribute to the pension scheme, with the contribution percentage being revised annually in line with the changes in the Staff Regulation governing the scheme. The cost to the EU Budget is not reflected in the entity accounts. Similarly, no provision related to the future pension payments is recognised in the annual accounts of the entity, as the obligation falls to the Commission. Consequently, both the annual cost to the EU budget, and the future benefits payable to the entity staff, are accounted for in the Commission's annual accounts as part of its provision for pensions and other post-employment benefits. The pension costs included in the Commission's Statement of Financial Performance represent current service cost (rights accrued during the year due to service) and interest cost (unwinding of the liability discounting) which have arisen following the year-end actuarial valuation of the employee benefits liabilities.

		EUR '000
	2023	2022
Staff costs	*34 243*	*28 083*

The staff costs increased by kEUR 6 160, mainly due to the indexation of salaries that took place twice in 2023 (in January and in July) and a minor increase to the number of staff of the Agency.

3.6. FINANCE COST

The heading comprises interest on late payments.

EUR '000

	2023	2022
Other interest expenses	*10*	*4*

3.7. OTHER EXPENSES

EUR '000

	2023	2022
External IT service	*7 809*	*5 469*
External non IT services	*6 071*	*5 108*
Maintenance & Security - Building	*4 454*	*3 288*
Missions	*1 189*	*1 234*
Expenses with other Consolidated entities	*1 045*	*1 066*
Property, plant and equipment related expenses	*1 755*	*1 009*
Training Costs	*479*	*531*
Operating leasing expenses	*483*	*282*
Foreign exchange losses	*(59)*	*225*
EPSO Costs (Recruitment)	*92*	*86*
Experts and related expenditure	*101*	*97*
Losses on realisation of trade debtors	*6*	*8*
Total	**23 426**	**18 403**

The increase under this heading can be explained mainly by higher IT costs and non-IT services related cost incurred in 2023 on external IT and non-IT support that was required to help the Agency with its transition to its new structure, that will efficiently support the increased activities and responsibilities of the EUSPA across all areas. In addition, the effect of high inflation is shown in the prices of goods and services that EUSPA paid in 2023. Maintenance and security costs are directly affected by the inflationary effect. Finally, new building was leased for use as an external data centre that increased both the costs of mainteenance and security and the operating lease expenses. Due to the current exchange rate fluctuation, EUSPA overall recognised a foreign exchange gain on its expenses.

The operating leasing expenses included under this heading relate to the premises in France and in Prague, including the new data centre in Prague, leading to an increase in the disclosed amount compared to 2022. The amounts committed to be paid during the remaining term of these lease contracts are as follows:

EUR '000

	Future amounts to be paid			
	< 1 year	1- 5 years	> 5 years	Total
Buildings	*625*	*2 483*	*4 932*	*8 040*
IT materials and other equipment	*10*	*40*	*79*	*129*
Total	**635**	**2 523**	**5 011**	**8 169**

4. OTHER SIGNIFICANT DISCLOSURES

4.1. CONTINGENT ASSETS

EUR '000

	31.12.2023	31.12.2022
Performance guarantees	*10 000*	*10 000*

The performance guarantees are requested to ensure that the beneficiaries of the EUSPA funding meet the obligations of their contracts with the EUSPA.

4.2. OUTSTANDING COMMITMENTS NOT YET EXPENSED

The outstanding commitments not yet expensed comprise the budgetary RAL ('Reste à Liquider') less related amounts that have been included as expenses in the current year's statement of financial performance. The RAL represents the open budgetary commitments for which payments and/or de-commitments have not yet been made. This is the normal consequence of the existence of multi-annual programmes.

EUR '000

	31.12.2023	31.12.2022
Outstanding commitments not yet expensed	*3 964 074*	*4 359 770*

The overall high value of this amount is directly related to the signature of the Contribution Agreement with the European Space Agency and contracting the Satellite service providers for EGNOS and GAL at the start of the FFPA. These two activities cover the vast majority of the EUR 9 billion in funds delegated to EUSPA by the Commission. Since the ABAC commitments were created at the start of the FFPA after June 30 for a duration of up to 7 years, there are not yet many accruals to be counted against the RAL.

The decrease in the RAL in 2023 is a natural result of the lifecycle of the very large commitments signed by EUSPA in 2021 with ESA and the Satellite Service Providers under the new Contribution Agreement. Because these commitments concern operational activities, they are in force for multiple years covering the entire financial perspective, and so their RAL is gradually expensed over time, until new commitments are created in the future financial perspectives.

4.3. SERVICES IN KIND

Based on the host agreement between the EUSPA and the Czech Republic which entered into force on 31 May 2012, the headquarters building in Prague was provided to EUSPA for a symbolic charge of EUR 1 per year during the first five years. The yearly value of the rent is estimated to be kEUR 863 plus indexation amounting to kEUR 1 113 in 2023. Since 2017, EUSPA is charged 25% of the estimated market value yearly, i.e. kEUR 278 in 2023. The contract has been concluded for an indefinite period of time.

Based on the host agreement between the EUSPA and the Czech Republic which entered into force on 1 April 2023, EUSPA rented a the data centre in Prague for 25% of the estimated market value yearly of kEUR 802 plus indexation. In 2023, EUSPA was charged kEUR 151. The contract has been concluded for an indefinite period of time.

Based on the host agreement between EUSPA and the Netherlands that entered into force on 30 May 2016, the GRC (Galileo Reference Centre) building is provided to EUSPA free of charge. The yearly value of the rent is estimated to be kEUR 366.

EUSPA has also signed two host agreements with Spain. According to the first one, which entered into force on 30 June 2014, the GSC (Galileo Service Centre) building is provided to EUSPA free of charge. The yearly value of the rent is estimated to be kEUR 130.

The second host agreement, which entered into force in 2019, states that the GSMC (Galileo Security Monitoring Centre) back-up site building is provided free of charge. The yearly value of the rent is estimated to be kEUR 184. As of 2023, an additional building has been provided under the same agreement for additional office and operations areas free of charge, with an estimated yearly rent value of kEUR 361.

4.4. RELATED PARTIES

The related parties of the entity are the other EU consolidated entities and the key management personnel of these entities. As transactions between the relevant entity and the parties involved take place as part of the normal operations of the entity and on terms and conditions that are normal for such transactions, no specific disclosures are required.

4.5. KEY MANAGEMENT ENTITLEMENTS

The highest ranked civil servant of the EUSPA is the Executive Director, who executes the role of the Authorising Officer by delegation.

	31.12.2023	31.12.2022
Executive Director	*AD 14*	*AD 14*

The Director, or head of entity, is remunerated in accordance with the Staff Regulations of the European Union, which establish the rights and obligations of all officials of the EU. The Staff Regulations are published on the Europa website.

5. FINANCIAL RISK MANAGEMENT

5.1. TYPES OF RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate, because of variations in market prices. Market risk embodies not only the potential for loss, but also the potential for gain. It comprises currency risk, interest rate risk and other price risk (the entity has no significant interest rate risk and other price risk).

(1) Currency risk is the risk that the entity operations will be affected by changes in exchange rates. This risk arises from the change in the price of one currency against another.

(2) Interest rate risk is the possibility of a reduction in the value of a security, especially a bond, resulting from an increase in interest rates. In general, higher interest rates will lead to lower prices of fixed rate bonds, and vice versa. The entity does not have any securities thus it is not exposed to the interest rate risk.

Credit risk is the risk of loss due to a debtor's non-payment or other failure to meet a contractual obligation. The default events include a delay in repayments, and bankruptcy.

Liquidity risk is the risk that an EU entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

5.2. CURRENCY RISKS

At the end of the year, the financial assets are composed of exchange receivables. The financial liabilities are composed of accounts payable. Their ending balances are mainly quoted in EUR, the entity is thus not exposed to currency risk.

5.3. CREDIT RISK

At the end of the year, the financial assets comprise exchange receivables that are not past due for more than 30 days. As no credit loss is expected during the life time of those receivables the entity is not exposed to any significant credit risk.

5.4. LIQUIDITY RISK

The financial liabilities are composed of kEUR 1 767 952 of current payables with contractual maturity less than 1 year and of kEUR 71 762 of non-current payables with contractual maturity in 2024. As non-current payables refer to pre-financing liability, the entity is not exposed to any significant liquidity risk.

THE BUDGET IMPLEMENTATION REPORTS AND EXPLANATORY NOTES

It should be noted that due to the rounding of figures into thousands of euros (kEUR), some financial data in the tables below may appear not to add-up.

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1. BUDGETARY PRINCIPLES AND STRUCTURE

1.1. BUDGETARY PRINCIPLES

The establishment and implementation of the GSA budget is governed by the following basic principles set out in the Title II of the GSA (EUSPA) Financial Regulation 2019:

Principles of unity and budget accuracy

This principle means that no revenue shall be collected and no expenditure effected unless booked to a line in the GSA (EUSPA) budget. No expenditure may be committed or authorised in excess of the appropriations authorised by the budget. An appropriation may be entered in the budget only if it is for an item of expenditure considered necessary.

Principle of annuality

The appropriations entered in the budget shall be authorised for a financial year which shall run from 1 January to 31 December.

Principle of equilibrium

Revenue and payment appropriations shall be in balance.

Principle of unit of account

The budget shall be drawn up and implemented in euro and the accounts shall be presented in euro.

Principle of universality

Total revenue shall cover total payment appropriations and all revenue and expenditure shall be entered in full without any adjustment against each other.

Principle of specification

Appropriations shall be earmarked for specific purposes by title and chapter. The chapters shall be further subdivided into articles and items.

Principle of sound financial management

Appropriations shall be used in accordance with the principle of sound financial management, namely in accordance with the principles of economy, efficiency and effectiveness.

Principle of transparency

The budget shall be established and implemented and the accounts presented in accordance with the principle of transparency. The budget and any amending budgets shall be published in the Official Journal of the European Union within three months of their adoption.

1.2. STRUCTURE AND PRESENTATION OF THE BUDGET

Following the provisions of the GSA (EUSPA) Financial Regulation 2019, the budget accounts shall consist of a statement of revenue and a statement of expenditure. The statement of expenditure must be set out on the basis of a nomenclature with a classification by purpose. That nomenclature shall be determined by GSA and shall make a clear distinction between administrative appropriations and operating appropriations:

Title 1

Budget lines relating to staff expenditure such as salaries and allowances for personnel working with GSA. It also includes recruitment expenses, staff missions, expenses for the socio-medical infrastructure and representation costs.

Title 2

Budget lines relating to all buildings, equipment and miscellaneous administrative expenditure.

Title 3

Budget lines providing for the implementation of the activities and tasks assigned to assigned to the GSA (EUSPA) by Regulation (EU) 2021/696 of the European Parliament and of the Council of 28 April 2021 establishing the Union Space Programme and the European Union Agency for the Space Programme and repealing Regulations (EU) No 912/2010, (EU) No 1285/2013 and (EU) No 377/2014 and Decision No 541/2014/EU (OJ L 170, 12.5.2021, p. 69) and Regulation (EU) 2023/588 of the European Parliament and of the Council of 15 March 2023 establishing the Union Secure Connectivity Programme for the period 2023-2027.

Assigned revenue

Budget lines relating to financing of specific items of expenditure. They can be external or internal assigned.

2. RESULT OF THE IMPLEMENTATION OF THE BUDGET

EUR '000

	Title	2023	2022
Revenue		**1482 094**	**1 157 283**
of which:			
Payments from the institutions and bodies	2	1481 223	1 156 765
Miscellaneous revenue	9	872	517
Expenditure		**(1 520 631)**	**(1 310 752)**
of which:			
Staff expenditure	1	(39 247)	(31 826)
Administrative expenditure	2	(6 994)	(4 809)
Operational expenditure	3	(1 474 389)	(1 274 116)
Payment appropriat. carried over to the following year		**(14 604)**	**(17 744)**
of which:			
Staff expenditure	1	(670)	(762)
Administrative expenditure	2	(12 493)	(15 011)
Operational expenditure	3	(1 441)	(1 972)
Cancellation of unused appropr. carried over from year n-1		**425**	**483**
Evolution of assigned revenue (B)-(A)		**53 140**	**171 214**
Unused appropriations at the end of current year (A)		816 558	869 698
Unused appropriations at the end of previous year (B)		869 698	1 040 911
Exchange rate differences		**155**	**(266)**
Budget result		**580**	**217**

3. RECONCILIATION OF ECONOMIC RESULT WITH BUDGET RESULT

EUR '000

	2023	2022
ECONOMIC RESULT OF THE YEAR	**(37.30)**	**676**
Adjustment for accrual items (items not in the budgetary result but included in the economic result)		
Adjustments for accrual cut-off (net)	*615,729.27*	*520 858*
Unpaid invoices at year end but booked in expenses (net)	*4,229.64*	*272*
Depreciation, amortization and impairment of intangible and tangible assets	*1,754.81*	*1 009*
Movement in provisions	-	-
Recovery orders issued in the year and not yet cashed	-	*(1)*
Pre-financing given in previous year and cleared in the year	*15,596.15*	*16 085*
Pre-financing received in previous year and cleared in the year	*(1,084,956.89)*	*(1 110 661)*
Payments made from carry-over of payment appropriations	*17,319.31*	*10 650*
Other individually immaterial items	*34.23*	*(55)*
Adjustment for budgetary items (item included in the budgetary result but not in the economic result)		
Asset acquisitions (less unpaid amounts)	*(3,551.92)*	*(2 171)*
New pre-financing paid in the year and remaining open as at 31 December	*(929,254.94)*	*(681 154)*
New pre-financing received in the year and remaining open as at 31 December	*1,324,759.49*	*1 090 652*
Entitlements established in previous year and cashed in the year	*12.36*	*2*
Entitlements established on balance sheet accounts and cashed in the year	*35.73*	*40*
Payment appropriations carried over to next year	*(831,161.78)*	*(887 442)*
Cancellation of unused carried over payment appropriations from previous year	*425.07*	*483*
Adjustment for carry-over of assigned revenue appropriations from previous year	*869,697.90*	*1 040 911*
Other individually immaterial items	*(50.64)*	*62*
BUDGET RESULT OF THE YEAR	**580.50**	**217**

4. IMPLEMENTATION OF BUDGET REVENUE

4.1. Implementation of budget revenue – Title 2

EUR '000

Item		Income appropriations		Entitlements established			Revenue				Out-standing
		Initial budget	Final budget	Current year	Carried over	Total	On entitlements of current year	On entitlements carried over	Total	%	
		1	2	3	4	5=3+4	6	7	8=6+7	9=8/2	10=5-8
2000	Operating subvention European Commission	74 611	76 923	76 923	-	76 923	76 923	-	76 923	100 %	-
2008	Programmes subvention European Commission	0	0	1 404 300	-	1 404 300	1 404 300	-	1 404 300	-	-
Total Chapter 20		74 611	76 923	1 481 223	-	1 481 223	1 481 223	-	1 481 223	1 926 %	-
Total Title 2		**74 611**	**76 923**	**1 481 223**	**-**	**1 481 223**	**1 481 223**	**-**	**1 481 223**	**1 926 %**	**-**

4.2. Implementation of budget revenue – Title 9

EUR '000

Item		Income appropriations		Entitlements established			Revenue				Out-standing
		Initial budget	Final budget	Current year	Carried over	Total	On entitlements of current year	On entitlements carried over	Total	%	
		1	2	3	4	5=3+4	6	7	8=6+7	9=8/2	10=5-8
9000	Miscellaneous revenue	0	0	860	452	1 311	860	12	872	-	439
Total Chapter 90		0	0	860	452	1 311	860	12	872	-	439
Total Title 9		**0**	**0**	**860**	**452**	**1 311**	**860**	**12**	**872**	**-**	**439**
GRAND TOTAL		**74 611**	**76 923**	**1 482 082**	**452**	**1 482 534**	**1 482 082**	**12**	**1 482 094**	**1 927 %**	**439**

5. IMPLEMENTATION OF BUDGET EXPENDITURE

5.1. Breakdown & changes in commitment appropriations

5.1.1. Breakdown & changes in commitment appropriations – Title 1

EUR '000

Item	Budget appropriations				Additional appropriations			Total appropr. available
	Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Carry-overs	Assigned revenue	Total	
	1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
1100 Staff expenditure	32 959	2 077	(998)	34 038	–	36	36	34 074
Total Chapter 11	32 959	2 077	(998)	34 038	–	36	36	37 074
1200 Recruitment costs	70	10	21	101	–	–	–	101
1210 Medical services	125	5	(88)	43	–	–	–	43
Total Chapter 12	195	15	(67)	144	–	–	–	144
1300 Missions and travel	1 000	300	21	1 321	–	2	2	1 323
Total Chapter 13	1 000	300	21	1 321	–	2	2	1 323
1400 Training expenditure	598	–	68	666	–	–	–	666
Total Chapter 14	598	–	68	666	–	–	–	666
1500 Social measures	650	(300)	(18)	332	–	1	1	333
Total Chapter 15	650	(300)	(18)	332	–	1	1	333
1600 External service providers	350	(120)	73	303	–	–	–	303
Total Chapter 16	350	(120)	73	303	–	–	–	303
1700 Representation expenditure	2	–	(2)	0	–	–	–	0
Total Chapter 17	2	–	(2)	0	–	–	–	0
1800 Tuition fees	2 675	(26)	410	3 059	–	38	38	3 097
Total Chapter 18	2 675	(26)	410	3 059	–	38	38	3 097
Total Title 1	**38 430**	**1 947**	**(514)**	**39 863**	**–**	**77**	**77**	**39 939**

5.1.2. Breakdown & changes in commitment appropriations – Title 2

EUR '000

Item	Budget appropriations				Additional appropriations			Total appropr. available
	Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Carry-overs	Assigned revenue	Total	
	1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
2000 Investment in immovable property, rental	5 528	(408)	1 014	6 134	–	616	616	6 750
Total Chapter 20	5 528	(408)	1 014	6 134	–	616	616	6 750
2100 Data processing cost	6 121	2 566	810	9 496	–	–	–	9 496
Total Chapter 21	6 121	2 566	810	9 496	–	–	–	9 496
2200 Movable property and associated costs	382	163	(271)	274	–	–	–	274
Total Chapter 22	382	163	(271)	274	–	–	–	274
2300 Current administrative expenditure	2 767	249	9	3 026	–	0	0	3 026
Total Chapter 23	2 767	249	9	3 026	–	0	0	3 026
2400 Postage and telecommunication costs	230	(95)	(16)	119	–	–	–	119
Total Chapter 24	230	(95)	(16)	119	–	–	–	119
2500 Expenditure in meetings	109	5	(81)	33	–	–	–	33
Total Chapter 25	109	5	(81)	33	–	–	–	33
2600 Security Accreditation Board (SAB) administrative expenditure	238	27	(144)	121	–	3	3	125
Total Chapter 26	238	27	(144)	121	–	3	3	125
Total Title 2	**15 376**	**2 506**	**1 322**	**19 204**	**–**	**619**	**619**	**19 823**

5.1.3. Breakdown & changes in commitment appropriations – Title 3

EUR '000

Item		Budget appropriations				Additional appropriations			Total appropr. available
		Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Carry-overs	Assigned revenue	Total	
		1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
3100	Expenditure on studies	19 805	(2 416)	(532)	16 857	–	–	–	16 857
Total Chapter 31		19 805	(2 416)	(532)	16 857	–	–	–	16 857
3300	Security Accreditation Board (SAB) expenditure	1 000	275	(276)	999	–	–	–	999
Total Chapter 33		1 000	275	(276)	999	–	–	–	999
3917	FP7 - 3rd call	–	–	–	–	–	1 419	1 419	1 419
3918	Public regulated services	–	–	–	–	–	104	104	104
3920	EGNOS exploitation	–	–	–	–	–	1 487	1 487	1 487
3921	Horizon 2020 - 1st call	–	–	–	–	–	1 021	1 021	1 021
3922	GALILEO exploitation	–	–	–	–	–	3 675	3 675	3 675
3923	Horizon 2020 - 2nd call	–	–	–	–	–	2 761	2 761	2 761
3924	Horizon 2020 - 3rd call	–	–	–	–	–	1 658	1 658	1 658
3925	Horizon 2020 - 4th call	–	–	–	–	–	468	468	468
3926	GOVSATCOM prep.	–	–	–	–	–	3 857	3 857	3 857
3927	Horizon 2020 - 5th call	–	–	–	–	–	18	18	18
3928	Govsatcom Entrusted	–	–	–	–	–	188	188	188
3929	GALILEO activities	–	–	–	–	–	2 169 593	2 169 593	2 169 593
3930	EGNOS activities	–	–	–	–	–	853 144	853 144	853 144
3931	GOVSATCOM activities	–	–	–	–	–	161 583	161 583	161 583
3932	SSA activities	–	–	–	–	–	5 429	5 429	5 429
3933	Horizon Europe - Downstream activities	–	–	–	–	–	270 108	270 108	270 108
3934	Copernicus - Downstream activities	–	–	–	–	–	29 038	29 038	29 038
3935	GALILEO Application	–	–	–	–	–	404	404	404
3936	Copernicus Security	–	–	–	–	–	4 000	4 000	4 000
Total Chapter 39		–	–	–	–	–	3 509 955	3 509 955	3 509 955
Total Title 3		**20 805**	**(2 141)**	**(807)**	**17 857**	**–**	**3 509 955**	**3 509 955**	**3 509 955**
GRAND TOTAL		**74 611**	**2 312**	**0**	**76 923**	**–**	**3 510 652**	**3 510 652**	**3 587 574**

5.2. Breakdown & changes in payment appropriations

5.2.1. Breakdown & changes in payment appropriations – Title 1

EUR '000

Item	Budget appropriations				Additional appropriations			Total appropr. available
	Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Carry-overs	Assigned revenue	Total	
	1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
1100 Staff expenditure	32 959	2 077	(998)	34 038	-	36	36	34 074
Total Chapter 11	32 959	2 077	(998)	34 038	-	36	36	34 074
1200 Recruitment costs	70	10	21	101	41	-	41	141
1210 Medical services	125	5	(88)	43	28	-	28	71
Total Chapter 12	195	15	(67)	144	68	-	68	212
1300 Missions and travel	1 000	300	21	1 321	228	2	230	1 550
Total Chapter 13	1 000	300	21	1 321	228	2	230	1 550
1400 Training expenditure	598	0	68	666	155	-	155	821
Total Chapter 14	598	0	68	666	155	-	155	821
1500 Social measures	650	(300)	(18)	332	208	1	209	541
Total Chapter 15	650	(300)	(18)	332	208	1	209	541
1600 External service providers	350	(120)	73	303	17	-	17	319
Total Chapter 16	350	(120)	73	303	17	-	17	319
1700 Representation expenditure	2	-	(2)	0	-	-	-	0
Total Chapter 17	2	-	(2)	0	-	-	-	0
1800 Tuition fees	2 675	(26)	410	3 059	85	38	123	3 183
Total Chapter 18	2 675	(26)	410	3 059	85	38	123	3 183
Total Title 1	**38 430**	**1 947**	**(514)**	**39 863**	**762**	**77**	**839**	**40 701**

5.2.2. Breakdown & changes in payment appropriations – Title 2

EUR '000

Item	Budget appropriations				Additional appropriations			Total appropr. available
	Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Carry-overs	Assigned revenue	Total	
	1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
2000 Investment in immovable property, rental	5 528	(408)	1 014	6 134	1 393	616	2 009	8 143
Total Chapter 20	5 528	(408)	1 014	6 134	1 393	616	2 009	8 143
2100 Data processing cost	6 121	2 566	810	9 496	11 187	–	11 187	20 683
Total Chapter 21	6 121	2 566	810	9 496	11 187	–	11 187	20 683
2200 Movable property and associated costs	382	163	(271)	274	153	–	153	427
Total Chapter 22	382	163	(271)	274	153	–	153	427
2300 Current administrative expenditure	2 767	249	9	3 026	2 178	0	2 178	5 204
Total Chapter 23	2 767	249	9	3 026	2 178	0	2 178	5 204
2400 Postage and telecommunication costs	230	(95)	(16)	119	78	–	78	197
Total Chapter 24	230	(95)	(16)	119	78	–	78	197
2500 Expenditure in meetings	109	5	(81)	33	5	–	5	38
Total Chapter 25	109	5	(81)	33	5	–	5	38
2600 Security Accreditation Board (SAB) administrative expenditure	238	27	(144)	121	17	3	21	142
Total Chapter 26	238	27	(144)	121	17	3	21	142
Total Title 2	**15 376**	**2 506**	**1 322**	**19 204**	**15 011**	**619**	**15 630**	**34 834**

5.2.3. Breakdown & changes in payment appropriations – Title 3

EUR '000

Item	Budget appropriations				Additional appropriations			Total appropr. available
	Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Carry-overs	Assigned revenue	Total	
	1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
3100 Expenditure on studies	19 805	(2 416)	(761)	16 628	1 697	–	1 697	18 325
Total Chapter 31	19 805	(2 416)	(761)	16 628	1 697	–	1 697	18 325
3300 Security Accreditation Board (SAB) expenditure	1 000	275	(47)	1 228	275	–	275	1 503
Total Chapter 33	1 000	275	(47)	1 228	275	–	275	1 503
3920 EGNOS exploitation	–	–	–	–	–	229 168	229 168	229 168
3921 Horizon 2020 - 1st call	–	–	–	–	–	1 054	1 054	1 054
3922 GALILEO exploitation	–	–	–	–	–	268 394	268 394	268 394
3923 Horizon 2020 - 2nd call	–	–	–	–	–	851	851	851
3924 Horizon 2020 - 3rd call	–	–	–	–	–	1 361	1 361	1 361
3925 Horizon 2020 - 4th call	–	–	–	–	–	2 418	2 418	2 418
3926 GOVSATCOM prep.	–	–	–	–	–	2 873	2 873	2 873
3927 Horizon 2020 - 5th call	–	–	–	–	–	8 326	8 326	8 326
3929 GALILEO activities	–	–	–	–	–	1 509 966	1 509 966	1 509 966
3930 EGNOS activities	–	–	–	–	–	197 586	197 586	197 586
3931 GOVSATCOM activities	–	–	–	–	–	9 419	9 419	9 419
3932 SSA activities	–	–	–	–	–	616	616	616
3933 Horizon Europe - Downstream activities	–	–	–	–	–	38 026	38 026	38 026
3934 Copernicus - Downstream activities	–	–	–	–	–	3 715	3 715	3 715
3935 GALILEO Application	–	–	–	–	–	400	400	400
Total Chapter 39	–	–	–	–	–	2 274 173	2 274 173	2 274 173
Total Title 3	**20 805**	**(2 141)**	**(807)**	**17 857**	**1 972**	**2 274 173**	**2 276 145**	**2 294 002**
GRAND TOTAL	**74 611**	**2 312**	**0**	**76 923**	**17 744**	**2 274 869**	**2 292 614**	**2 369 537**

5.3. Implementation of commitment appropriations

5.3.1. Implementation of commitment appropriations - Title 1

EUR '000

Item	Total approp. available	Commitments made					Appropriations carried over to 2023			Appropriations lapsing			
		from final adopt. budget	from carry-overs	from assign. revenue	Tctal	%	Assign. revenue	By decision	Total	from final adopt. budget	from carry-overs	from assign. revenue	Total
	1	2	3	4	5=2+3+4	6=5/1	7	8	9=7+8	10	11	12	13=10+11+12
1100 Staff expenditure	34 074	34 038	–	36	34 074	100 %	–	–	–	–	–	0	–
Total Chapter 11	34 074	34 038	–	36	34 074	100 %	–	–	–	–	–	0	–
1200 Recruitment costs	101	101	–	–	101	100 %	–	–	–	–	–	0	–
1210 Medical services	43	43	–	–	43	100 %	–	–	–	–	–	0	–
Total Chapter 12	144	144	–	–	144	100 %	–	–	–	–	–	0	–
1300 Missions and travel	1 323	1 321	–	1	1 322	100 %	1	–	1	–	–	–	–
Total Chapter 13	1 323	1 321	–	1	1 322	100 %	1	–	1	–	–	–	–
1400 Training expenditure	666	666	–	–	666	100 %	–	–	–	–	–	0	–
Total Chapter 14	666	666	–	–	666	100 %	–	–	–	–	–	0	–
1500 Social measures	333	332	–	–	332	100 %	1	–	1	–	–	–	–
Total Chapter 15	333	332	–	–	332	100 %	1	–	1	–	–	–	–
1600 External service providers	303	303	–	–	303	100 %	–	–	–	–	–	0	–
Total Chapter 16	303	303	–	–	303	100 %	–	–	–	–	–	0	–
1700 Representation expenditure	0	0	–	–	0	100 %	–	–	–	–	–	0	–
Total Chapter 17	0	0	–	–	0	100 %	–	–	–	–	–	0	–
1800 Tuition fees	3 097	3 059	–	18	3 078	99 %	19	–	19	–	–	–	–
Total Chapter 18	3 097	3 059	–	18	3 078	99 %	19	–	19	–	–	–	–
Total Title 1	**39 939**	**39 863**	**–**	**55**	**39 918**	**100 %**	**21**	**–**	**21**	**–**	**–**	**–**	**–**

5.3.2. Implementation of commitment appropriations - Title 2

EUR '000

Item		Total approp. available	Commitments made					Appropriations carried over to 2023			Appropriations lapsing			
			from final adopt. budget	from carry-overs	from assign. revenue	Total	%	Assign. revenue	By decision	Total	from final adopt. budget	from carry-overs	from assign. revenue	Total
		1	2	3	4	5=2+3+4	6=5/1	7	8	9=7+8	10	11	12	13=10+11+12
2000	Investment in immovable property, rental	6 750	6 134	–	280	6 413	95 %	336	–	336	–	–	–	–
Total Chapter 20		6 750	6 134	–	280	6 413	95 %	336	–	336	–	–	–	–
2100	Data processing cost	9 496	9 496	–	–	9 496	100 %	–	–	–	–	–	0	–
Total Chapter 21		9 496	9 496	–	–	9 496	100 %	–	–	–	–	–	0	–
2200	Movable property and associated costs	274	274	–	–	274	100 %	–	–	–	–	–	0	–
Total Chapter 22		274	274	–	–	274	100 %	–	–	–	–	–	0	–
2300	Current administrative expenditure	3 026	3 026	–	0	3 026	100 %	–	–	–	–	–	–	–
Total Chapter 23		3 026	3 026	–	0	3 026	100 %	–	–	–	–	–	–	–
2400	Postage and telecommunication costs	119	119	–	–	119	100 %	–	–	–	–	–	0	–
Total Chapter 24		119	119	–	–	119	100 %	–	–	–	–	–	0	–
2500	Expenditure in meetings	33	33	–	–	33	100 %	–	–	–	–	–	0	–
Total Chapter 25		33	33	–	–	33	100 %	–	–	–	–	–	0	–
2600	Security Accreditation Board (SAB) administrative expenditure	125	121	–	3	125	100 %	–	–	–	–	–	–	–
Total Chapter 26		125	121	–	3	125	100 %	–	–	–	–	–	–	–
Total Title 2		**19 823**	**19 204**	**–**	**283**	**19 487**	**98 %**	**336**	**–**	**336**	**–**	**–**	**–**	**–**

5.3.3. Implementation of commitment appropriations - Title 3

EUR '000

	Item	Total approp. available	Commitments made					Appropriations carried over to 2023			Appropriations lapsing			
			from final adopt. budget	from carry-overs	from assign. revenue	Total	%	Assign. revenue	By decision	Total	from final adopt. budget	from carry-overs	from assign. revenue	Total
		1	2	3	4	5=2+3+4	6=5/1	7	8	9=7+8	10	11	12	13=10+11+12
3100	Expenditure on studies	16 857	16 857	–	–	16 857	100 %	–	–	–	–	–	0	–
Total Chapter 31		16 857	16 857	–	–	16 857	100 %	–	–	–	–	–	0	–
3300	Security Accreditation Board (SAB) expenditure	999	999	–	–	999	100 %	–	–	–	–	–	0	–
Total Chapter 33		999	999	–	–	999	100 %	–	–	–	–	–	0	–
3917	FP7 - 3rd call	1 419	–	–	–	–	0 %	1 419	–	1 419	–	–	0	–
3918	Public regulated services	104	–	–	–	–	0 %	104	–	104	–	–	0	–
3920	EGNOS exploitation	1 487	–	–	–	–	0 %	1 487	–	1 487	–	–	0	–
3921	Horizon 2020 - 1st call	1 021	–	–	–	–	0 %	1 021	–	1 021	–	–	0	–
3922	GALILEO exploitation	3 675	–	–	–	–	0 %	3 675	–	3 675	–	–	0	–
3923	Horizon 2020 - 2nd call	2 761	–	–	–	–	0 %	2 761	–	2 761	–	–	0	–
3924	Horizon 2020 - 3rd call	1 658	–	–	–	–	0 %	1 658	–	1 658	–	–	0	–
3925	Horizon 2020 - 4th call	468	–	–	–	–	0 %	468	–	468	–	–	0	–
3926	GOVSATCOM prep.	3 857	–	–	3 465	3 465	90 %	392	–	392	–	–	0	–
3927	Horizon 2020 - 5th call	18	–	–	18	18	100 %	0	–	0	–	–	0	–
3928	Govsatcom Entrusted	188	–	–	–	–	0 %	188	–	188	–	–	0	–
3929	GALILEO activities	2 169 593	–	–	714 053	714 053	33 %	1 455 540	–	1 455 540	–	–	0	–
3930	EGNOS activities	853 144	–	–	67 172	67 172	8 %	785 792	–	785 972	–	–	0	–
3931	GOVSATCOM activities	161 583	–	–	15 864	15 864	10 %	145 719	–	145 719	–	–	0	–
3932	SSA activities	5 429	–	–	100	100	2 %	5 329	–	5 329	–	–	0	–
3933	Horizon Europe - Downstream activities	270 108	–	–	34 627	34 627	13 %	235 481	–	235 481	–	–	0	–

EUR '000

Item		Total approp. available	Commitments made					Appropriations carried over to 2023			Appropriations lapsing			
			from final adopt. budget	from carry-overs	from assign. revenue	Total	%	Assign. revenue	By decision	Total	from final adopt. budget	from carry-overs	from assign. revenue	Total
		1	2	3	4	5=2+3+4	6=5/1	7	8	9=7+8	10	11	12	13=10+11+12
3934	Copernicus - Downstream activities	29 038	–	–	5 099	5 099	18 %	23 939	–	23 939	–	–	0	–
3935	GALILEO Application	404	–	–	394	394	97 %	10	–	10	–	–	0	–
3926	Copernicus Security	4000	–	–	–	–	0 %	4000	–	4000	–	–	0	–
Total Chapter 39		3 509 955	–	–	840 791	840 791	19 %	2 669 164	–	2 669 164	–	–	0	–
Total Title 3		**3 527 812**	**17 857**	**–**	**840 791**	**858 648**	**24 %**	**2 669 164**	**–**	**2 669 164**	**–**	**–**	**0**	**–**
GRAND TOTAL		**3 587 574**	**76 923**	**–**	**841 130**	**918 052**	**26 %**	**2 669 522**	**–**	**2 669 522**	**–**	**–**	**–**	**–**

5.4. Implementation of payment appropriations

5.4.1. Implementation of payment appropriations - Title 1

EUR '000

Item	Total approp. availab.	Payments made					Appropriations carried over to 2023				Appropriations lapsing			
		from final adopt. budget	from carry-overs	from assign. revenue	Total	%	Autom. carry-overs	By decision	Assigned rev.	Total	from final adopt. budget	from carry-overs	from assig. rev.	Total
	1	2	3	4	5=2+3+4	6=5/1	7	8	9	10=7+8+9	11	12	13	14=11+12+13
1100 Staff expenditure	34 074	34 038	–	36	34 074	100 %	–	–	–	–	–	–	–	–
Total Chapter 11	34 074	34 038	–	36	34074	100 %	–	–	–	–	–	–	–	–
1200 Recruitment costs	141	99	41	–	140	99 %	2	–	–	2	(0)	–	–	(0)
1210 Medical services	71	14	17	–	30	43 %	29	–	–	29	–	11	–	11
Total Chapter 12	212	112	57	–	170	80 %	31	–	–	31	(0)	11	–	11
1300 Missions and travel	1 550	1 023	220	1	1 244	80 %	298	–	1	299	0	8	–	8
Total Chapter 13	1 550	1 023	220	1	1 244	80 %	298	–	1	299	0	8	–	8
1400 Training expenditure	821	473	155	–	628	77 %	192	–	–	192	–	–	–	–
Total Chapter 14	821	473	155	–	628	77 %	192	–	–	192	–	–	–	–
1500 Social measures	541	243	208	–	451	83 %	89	–	1	90	–	–	–	–
Total Chapter 15	541	243	208	–	451	83 %	89	–	1	90	–	–	–	–
1600 External service providers	319	303	13	–	316	99 %	–	–	–	–	0	4	–	4
Total Chapter 16	319	303	13	–	316	99 %	–	–	–	–	0	4	–	4
1700 Representation expenditure	0	0	–	–	0	100 %	–	–	–	–	–	–	–	–
Total Chapter 17	0	0	–	–	0	100 %	–	–	–	–	–	–	–	–
1800 Tuition fees	3 183	2 999	85	18	3 103	97 %	60	–	19	80	–	–	–	–
Total Chapter 18	3 183	2 999	85	18	3 103	97 %	60	–	19	80	–	–	–	–
Total Title 1	**40 701**	**39 192**	**738**	**55**	**39 986**	**98%**	**670**	**–**	**21**	**692**	**(0)**	**23**	**–**	**23**

5.4.2. Implementation of payment appropriations - Title 2

EUR '000

Item		Total approp. availab.	Payments made					Appropriations carried over to 2023				Appropriations lapsing			
			from final adopt. budget	from carry-overs	from assign. revenue	Total	%	Autom. carry-overs	By decision	Assigned rev.	Total	from final adopt. budget	from carry-overs	from assig. rev.	Total
		1	2	3	4	5=2+3+4	6=5/1	7	8	9	10=7+8+9	11	12	13	14=11+12+13
2000	Investment in immovable property, rental	8 143	3 264	1 287	280	4 831	59 %	2 870	-	336	3 206	-	106	-	106
Total Chapter 20		8 143	3 264	1 287	280	4 831	59 %	2 870	-	336	3 206	-	106	-	106
2100	Data processing cost	20 683	2 096	10 996	-	13 092	63 %	7 401	-	-	7 401	-	191	-	191
Total Chapter 21		20 683	2 096	10 996	-	13 092	63 %	7 401	-	-	7 401	-	191	-	191
2200	Movable property and associated costs	427	138	149	-	287	67 %	137	-	-	137	-	4	-	4
Total Chapter 22		427	138	149	-	287	67 %	137	-	-	137	-	4	-	4
2300	Current administrative expenditure	5 204	1 039	2 095	0	3 134	60 %	1 986	-	-	1 986	-	83	-	83
Total Chapter 23		5 204	1 039	2 095	0	3 134	60 %	1 986	-	-	1 986	-	83	-	83
2400	Postage and telecommunication costs	197	53	66	-	120	61 %	66	-	-	66	-	11	-	11
Total Chapter 24		197	53	66	-	120	61 %	66	-	-	66	-	11	-	11
2500	Expenditure in meetings	38	31	2	-	33	88 %	2	-	-	2	(0)	3	-	3
Total Chapter 25		38	31	2	-	33	88 %	2	-	-	2	(0)	3	-	3
2600	Security Accreditation Board (SAB) administrative expenditure	142	90	13	3	107	75 %	31	-	-	31	-	4	-	4
Total Chapter 26		142	90	13	3	107	75 %	31	-	-	31	-	4	-	4
Total Title 2		**34 834**	**6 711**	**14 609**	**283**	**21 603**	**62 %**	**12 493**	**-**	**336**	**12 829**	**(0)**	**402**	**-**	**402**

5.4.3. Implementation of payment appropriations - Title 3

EUR '000

	Item	Total approp. availab.	Payments made					Appropriations carried over to 2023				Appropriations lapsing			
			from final adopt. budget	from carry-overs	from assign. revenue	Total	%	Autom. carry-overs	By decision	Assigned rev.	Total	from final adopt. budget	from carry-overs	from assig. rev.	Total
		1	2	3	4	5=2+3+4	6=5/1	7	8	9	10=7+8+9	11	12	13	14=11+12+13
3100	Expenditure on studies	18 325	15 312	1 697	-	17 009	93 %	-	1316	-	1316	-	-	-	-
Total Chapter 31		18 325	15 312	1 697	-	17 009	93 %	-	1316	-	1316	-	-	-	-
3300	Security Accreditation Board (SAB) expenditure	1 503	1 103	275	-	1 378	92 %	-	125	-	125	-	-	-	-
Total Chapter 33		1 503	1 103	275	-	1 378	92 %	-	125	-	125	-	-	-	-
3920	EGNOS exploitation	229 168	-	-	175 337	175 337	77 %	-	-	53 831	53 831	-	-	-	-
3921	Horizon 2020 - 1st call	1 054	-	-	824	824	78 %	-	-	229	229	-	-	-	-
3922	GALILEO exploitation	268 394	-	-	171 987	171 987	64 %	-	-	96 407	96 407	-	-	-	-
3923	Horizon 2020 - 2nd call	851	-	-	-	-	0 %	-	-	851	851	-	-	-	-
3924	Horizon 2020 - 3rd call	1 361	-	-	171	171	13 %	-	-	1 189	1 189	-	-	-	-
3925	Horizon 2020 - 4th call	2 418	-	-	1 303	1 303	54 %	-	-	1 116	1 116	-	-	-	-
3926	GOVSATCOM prep.	2 873	-	-	235	235	8 %	-	-	2 638	2 638	-	-	-	-
3927	Horizon 2020 - 5th call	8 326	-	-	3 161	3 161	38 %	-	-	5 165	5 165	-	-	-	-
3929	GALILEO activities	1 509 966	-	-	955 625	955 625	63 %	-	-	554 341	554 341	-	-	-	-
3930	EGNOS activities	197 586	-	-	123 478	123 478	62 %	-	-	74 107	74 107	-	-	-	-
3931	GOVSATCOM activities	9 419	-	-	2 630	2 630	28 %	-	-	6 789	6 789	-	-	-	-
3932	SSA activities	616	-	-	516	516	84 %	-	-	99	99	-	-	-	-
3933	Horizon Europe - Downstream activities	38 026	-	-	21 719	21 719	57 %	-	-	16 308	16 308	-	-	-	-

EUR '000

Item		Total approp. availab.	Payments made					Appropriations carried over to 2023				Appropriations lapsing			
			from final adopt. budget	from carry-overs	from assign. revenue	Total	%	Autom. carry-overs	By decision	Assigned rev.	Total	from final adopt. budget	from carry-overs	from assig. rev.	Total
		1	2	3	4	5=2+3+4	6=5/1	7	8	9	10=7+8+9	11	12	13	14=11+12+13
3934	Copernicus - Downstream activities	3 715	–	–	817	817	22 %	–	–	2 897	2 897	–	–	–	–
3935	GALILEO Application	400	–	–	169	169	42 %	–	–	231	231	–	–	–	–
Total Chapter 39		2 274 173	–	–	1 457 973	1 457 973	64 %	–	–	816 200	816 200	–	–	–	–
Total Title 3		**2 294 002**	**16 415**	**1 972**	**1 457 973**	**1 476 361**	**64 %**	**–**	**1 441**	**816 200**	**817 641**	–	**–**	**–**	–
GRAND TOTAL		**2 369 537**	**62 319**	**17 319**	**1 458 312**	**1 537 950**	**65 %**	**13 163**	**1 441**	**816 558**	**831 162**	–	**425**	**–**	**425**

6. OUTSTANDING COMMITMENTS

6.1. Outstanding commitments – Title 1

EUR '000

Item	Commitments outstanding at the end of previous year				Commitments of the current year				Total commitm. outstanding at year-end
	Commitm. carried forward from previous year	Decommit. Revaluation Cancellations	Payments	Total	Commitments made during the year	Payments	Cancellation of commit. which cannot be carried forward	Commit. outstanding at year-end	
	1	2	3	4=1+2-3	5	6	7	8=5-6-7	9=4+8
1100 Staff expenditure	–	–	–	–	34 074	34 074	–	–	–
Total Chapter 11	–	–	–	–	34 074	34 074	–	–	–
1200 Recruitment costs	41	–	41	–	101	99	–	2	2
1210 Medical services	28	(11)	17	–	43	14	–	29	29
Total Chapter 12	68	(11)	57	–	144	112	–	31	31
1300 Missions and travel	228	(8)	220	–	1 322	1 024	–	298	298
Total Chapter 13	228	(8)	220	–	1 322	1 024	–	298	298
1400 Training expenditure	155	(0)	155	–	666	473	–	192	192
Total Chapter 14	155	(0)	155	–	666	473	–	192	192
1500 Social measures	208	–	208	–	332	243	–	89	89
Total Chapter 15	208	–	208	–	332	243	–	89	89
1600 External service providers	17	(4)	13	–	303	303	–	–	–
Total Chapter 16	17	(4)	13	–	303	303	–	–	–
1700 Representation expenditure	–	–	–	–	0	0	–	–	–
Total Chapter 17	–	–	–	–	0	0	–	–	–
1800 Tuition fees	85	–	85	–	3 078	3 018	–	60	60
Total Chapter 18	85	–	85	–	3 078	3 018	–	60	60
Total Title 1	**762**	**(23)**	**738**	**–**	**39 918**	**39 247**	**–**	**670**	**670**

6.2. Outstanding commitments – Title 2

EUR '000

Item		Commitments outstanding at the end of previous year				Commitments of the current year				
		Commitm. carried forward from previous year	Decommit. Revaluation Cancellations	Payments	Total	Commitments made during the year	Payments	Cancellation of commit. which cannot be carried forward	Commit. outstanding at year-end	Total commitm. outstanding at year-end
		1	2	3	4=1+2-3	5	6	7	8=5-6-7	9=4+8
2000	Investment in immovable property, rental	1 393	(106)	1 287	–	6 413	3 543	–	2 870	2 870
Total Chapter 20		1 393	(106)	1 287	–	6 413	3 543	–	2 870	2 870
2100	Data processing cost	11 187	(191)	10 996	–	9 496	2 096	–	7 401	7 401
Total Chapter 21		11 187	(191)	10 996	–	9 496	2 096	–	7 401	7 401
2200	Movable property and associated costs	153	(4)	149	–	274	138	–	137	137
Total Chapter 22		153	(4)	149	–	274	138	–	137	137
2300	Current administrative expenditure	2 178	(83)	2 095	–	3 026	1 039	–	1 986	1 986
Total Chapter 23		2 178	(83)	2 095	–	3 026	1 039	–	1 986	1 986
2400	Postage and telecommunication costs	78	(11)	66	–	119	53	–	66	66
Total Chapter 24		78	(11)	66	–	119	53	–	66	66
2500	Expenditure in meetings	5	(3)	2	–	33	31	–	2	2
Total Chapter 25		5	(3)	2	–	33	31	–	2	2
2600	Security Accreditation Board (SAB) administrative expenditure	17	(4)	13	–	125	94	–	31	31
Total Chapter 26		17	(4)	13	–	125	94	–	31	31
Total Title 2		**15 011**	**(402)**	**14 609**	**–**	**19 487**	**6 994**	**–**	**12 493**	**12 493**

6.3. Outstanding commitments – Title 3

EUR '000

	Item	Commitments outstanding at the end of previous year				Commitments of the current year				
		Commitm. carried forward from previous year	Decommit. Revaluation Cancellations	Payments	Total	Commitments made during the year	Payments	Cancellation of commit. which cannot be carried forward	Commit. outstanding at year-end	Total commitm. outstanding at year-end
		1	2	3	4=1+2-3	5	6	7	8=5-6-7	9=4+8
3100	Expenditure on studies	22 527	(258)	15 271	6 999	16 857	1 738	–	15 120	22 118
Total Chapter 31		22 527	(258)	15 271	6 999	16 857	1 738	–	15 120	22 118
3300	Security Accreditation Board (SAB) expenditure	449	(0)	449	–	999	929	–	70	70
Total Chapter 33		449	(0)	449	–	999	929	–	70	70
3920	EGNOS exploitation	385 621	(1 092)	175 337	209 192	–	–	–	–	209 192
3921	Horizon 2020 - 1st call	1 307	(483)	824	–	–	–	–	–	–
3922	GALILEO exploitation	274 167	(2 010)	171 987	100 170	–	–	–	–	100 170
3924	Horizon 2020 - 3rd call	1 537	(55)	171	1 311	–	–	–	–	1 311
3925	Horizon 2020 - 4th call	2 462	(211)	1 303	948	–	–	–	–	948
3926	GOVSATCOM prep.	285	(29)	235	21	3 465	–	–	3 465	3 487
3927	Horizon 2020 - 5th call	8 924	(17)	3 161	5 745	18	–	–	18	5 763
3928	Govsatcom Entrusted	422	–	–	422	–	–	–	–	422
3929	GALILEO activities	3 528 297	(944)	917 043	2 610 310	714 053	38 582	–	675 471	3 285 781
3930	EGNOS activities	419 836	(150)	110 143	309 542	67 172	13 335	–	53 837	363 379
3931	GOVSATCOM activities	3 520	(135)	2 492	893	15 864	138	–	15 726	16 619
3932	SSA activities	468	–	468	–	100	48	–	52	52
3933	Horizon Europe - Downstream activities	20 794	–	4 999	15 795	34 627	16 720	–	17 907	33 702
3934	Copernicus - Downstream activities	345	(60)	202	83	5 099	616	–	4 483	4 567
3935	GALILEO Application	96	–	64	32	394	105	–	289	321
Total Chapter 39		4 648 081	(5 186)	1 388 430	3 254 466	840 791	69 544	–	771 247	4 025 713
Total Title 3		**4 671 058**	**(5 443)**	**1 404 150**	**3 261 464**	**858 648**	**72 211**	**–**	**786 437**	**4 047 902**
GRAND TOTAL		**4 686 831**	**(5 869)**	**1 419 498**	**3 261 464**	**918 052**	**118 452**	**–**	**799 600**	**4 061 065**

7. GLOSSARY

Administrative appropriations

Appropriations to cover the running costs of the entities (staff, buildings, office equipment).

Adopted budget

Draft budget becomes the adopted budget as soon as approved by the budgetary authority.

Amending budget

Decision adopted during the budget year to amend (increase, decrease, transfer) aspects of the adopted budget of that year.

Appropriations

Budget funding.

The budget forecasts both commitments (legal pledges to provide finance) and payments (cash or bank transfers to the beneficiaries). Appropriations for commitments and payments often differ — differentiated appropriations — because multiannual programmes and projects are usually fully committed in the year they are decided and are paid over the years as the implementation of the programme and project progresses.

Assigned revenue

Revenue dedicated to finance specific items of expenditure.

Budget result

The difference between income received and amounts paid, including adjustments for carry-overs, cancellations and exchange rate differences.

For agencies, the resulting amount will have to be reimbursed to the funding authority.

Budget implementation

Consumption of the budget through expenditure and revenue operations.

Budget item / Budget line / Budget position

Revenue and expenditure are shown in the budget structure in accordance with a binding nomenclature, which reflects the nature and purpose of each item, as imposed by the budgetary authority. The individual headings (title, chapter, article or item) provide a formal description of the nomenclature.

Budgetary commitment

Operation by which the authorising officer responsible reserves the budget appropriations necessary to cover for subsequent payments to honour legal commitments.

Cancellation of appropriations

Appropriations which have not been used by the end of the financial year and which cannot be carried over, shall be cancelled.

Carryover of appropriations

Exception to the principle of annuality in so far as appropriations that could not be used in a given budget year may, under strict conditions, be exceptionally carried over for use during the following year.

Commitment appropriations

Commitment appropriations cover the total value of legal obligations (contracts, grant agreements or decisions) that could be signed in the current financial year.

De-commitment

Operation whereby the authorising officer responsible cancels wholly or partly the reservation of appropriations previously made by means of a budgetary commitment.

Differentiated appropriations

Differentiated appropriations are used to finance multiannual operations; they cover, for the current financial year, the total cost of the legal obligations entered into for operations whose implementation extends over more than one financial year.

Economic result

Impact on the balance sheet of expenditure and revenue based on accrual accounting rules.

Entitlements established

Right to collect income from a debtor as recognised through the issuing of a recovery order.

Exchange rate difference

The difference resulting from currency exchange rates applied to the transactions concerning countries outside the euro area, or from the revaluation of assets and liabilities in foreign currencies at the date of the accounts.

Expenditure

Term used to describe spending the budget from all types of funds sources.

Grants

Direct financial contributions from the budget to third-party beneficiaries, engaged in activities that serve Union policies.

Lapsing appropriations

Unused appropriations to be cancelled at the end of the financial year. Lapsing means the cancellation of all or part of the authorisation to make expenditures and/or incur liabilities, as represented by an appropriation.

For joint undertakings (and EIT), as specified in their Financial Rules, any unused appropriations may be entered in the estimate of revenue and expenditure of up to the following three financial years (the so-called "N+3" rule). Hence, lapsing appropriations for JUs can be re-activated until financial year "N+3".

Legal basis / basic act

The legal act adopted by the legislative authority (usually the Council and European Parliament) specifying the objective of a Union spending programme, the purpose of the appropriations, the rules for intervention, expiry date and the relevant financial rules to serve as a legal basis for the implementation of the spending programme.

Legal commitment

The act whereby the Authorising Officer enters into an obligation towards third parties which results in a charge for the Union budget.

Common forms of legal commitments are contracts in the case of procurement, grant agreements and grant decisions.

Non-differentiated appropriations

Appropriations which meet annual needs and must therefore be committed during the budget year. Only amounts qualifying for automatic carryover can be disbursed in the following year. Non-differentiated appropriations which have not been used, i.e. committed, by the end of the year, are cancelled (unless, exceptionally, permission is given by a Commission decision for a non-automatic carryover). Non-differentiated appropriations apply to administrative expenditure and commitment appropriations equal payment appropriations.

Operational appropriations

Operational appropriations finance the different policies, mainly in the form of grants or procurement.

Outstanding commitments

Outstanding commitments (or RAL, from the French 'reste à liquider') are defined as the amount of appropriations committed that have not yet been paid. They stem directly from the existence of multiannual programmes and the dissociation between commitment and payment appropriations.

Payment appropriations

Payment appropriations cover expenditure due in the current year, arising from legal commitments entered in the current year and/or earlier years.

RAL (Reste à liquider)

Amount remaining to be paid on a budgetary commitment at a given moment. Cf. Outstanding commitments

Surplus

Positive difference between revenue and expenditure, which has to be returned to the funding authority. Cf. Budget result

Transfer between budget lines

Transfers between budget lines imply the relocation of appropriations from one budget line to another, in the course of the financial year, and thereby they constitute an exception to the budgetary principle of specification.