



Report on Budgetary and Financial Management 2021
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1 Introduction

The purpose of this report is to present a summary of the budgetary and financial management by the Agency in 2021.

LEGAL BASIS

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.

Article 103 of the Agency Financial Regulation stipulates that the Agency shall prepare "a report on budgetary and financial management for the financial year".

2 Executive summary

The Agency started the year 2021 with the initial budget of 72 986 002 EUR. There were three amending budgets adopted by the Administrative Board during the year.

- Amending budget no. 1 reduced the overall appropriations by 35 977 629,55 EUR bringing the budget to the total amount of 37 008 372,45 EUR.
- Following the adoption the Space Programme Regulation and creation of the EUSPA, the amending budget no. 2 was adopted, reflecting the additional tasks of the Agency and an additional 41 posts allocated. Commitment appropriations were increased by 20 067 993 EUR and payment appropriations were increased by 12 718 370 EUR, bringing the budget to the amount of 57 076 365,45 EUR in commitment appropriations and 49 726 742,45 EUR in payment appropriations.
- Finally, the amending budget no. 3 increased commitment appropriations by 53 849,72 EUR in order to align with the final amount of EFTA contribution received. Payment appropriations were further reduced by 5 582 527,28 EUR. The final budget reached 57 130 215,17 EUR in commitment appropriations and 44 144 215,17 EUR in payment appropriations.

Budget execution for the year 2021 was 100% in C1 commitment appropriations and 100% in C1 payment appropriations when taking into account the non-automatic carry-forward in order to maintain the Agency's payment capacity on existing legal obligations (75% of payment appropriations were used in 2021 and 25% were carried over to 2022).

The cancellation rate of 2020 payment appropriations carried over to 2021 reached 3% (177 thousand EUR). The Agency succeeded in maintaining very good payment time statistics with 98,7% of all payments within the prescribed time limit.

The Agency continued to manage a large amount of delegated budget in 2021. A total of 6,3 billion EUR was committed under delegated budget in 2021 and 1,575 billion EUR made in payments.

3 Budget management

3.1 Overview of the budget

The EUSPA budget consists of three titles indicating the nature of the expenditure:

- Title 1 – staff expenditure
- Title 2 – buildings, data processing and miscellaneous administrative expenditure
- Title 3 – operational expenditure

Both non-differentiated and differentiated appropriations are used in the Agency. Non-differentiated appropriations where the amounts of commitment and payment appropriations must be the same are used for title 1 and title 2, whereas differentiated appropriations used for title 3 can differ in their amounts.

3.1.1 Initial budget, amending budget and final budget

The Agency draft budget 2021 in the amount of 72 986 002 EUR became final following the adoption of the 2021 EU budget by the Council and European Parliament.

Amending budget no. 1 reduced the overall appropriations by 35 977 629,55 EUR bringing the budget to the amount of 37 008 372,45 EUR.

Following the adoption the Space Programme Regulation and the creation of the EUSPA, the amending budget no. 2 increased the overall budget, reflecting the additional tasks of the Agency and an additional 41 posts approved for the Agency. Commitment appropriations were increased by 20 067 993 EUR bringing it to the final amount of 57 076 365,45 EUR. Payment appropriations were increased by 12 718 370 EUR bringing it to the final amount of 49 726 742,45 EUR.

The amending budget no. 3 increased commitment appropriations by 53 849,72 EUR in order to align with the final amount of EFTA contribution received. Payment appropriations were further decreased by 5 582 527,28 EUR. The delayed adoption of the 2021 Amended Single Programming Document resulted in the majority of operational contracts being signed at the end of the year and therefore less payment

appropriations under Title 3 were needed. The final budget reached the amount of 57 130 215,17 EUR in commitment appropriations and 44 144 215,17 EUR in payment appropriations.

Seven budget transfers were processed in 2021, all of them authorised by the Executive Director as they concerned transfers of amounts either within Titles or below 10% between Titles. For a detailed overview of the Agency initial and final budget structure, with a consolidated presentation of amendments and transfers, please refer to the table on the next page.

Table 1: 2021 Initial budget, amending budgets and final budget, in EUR

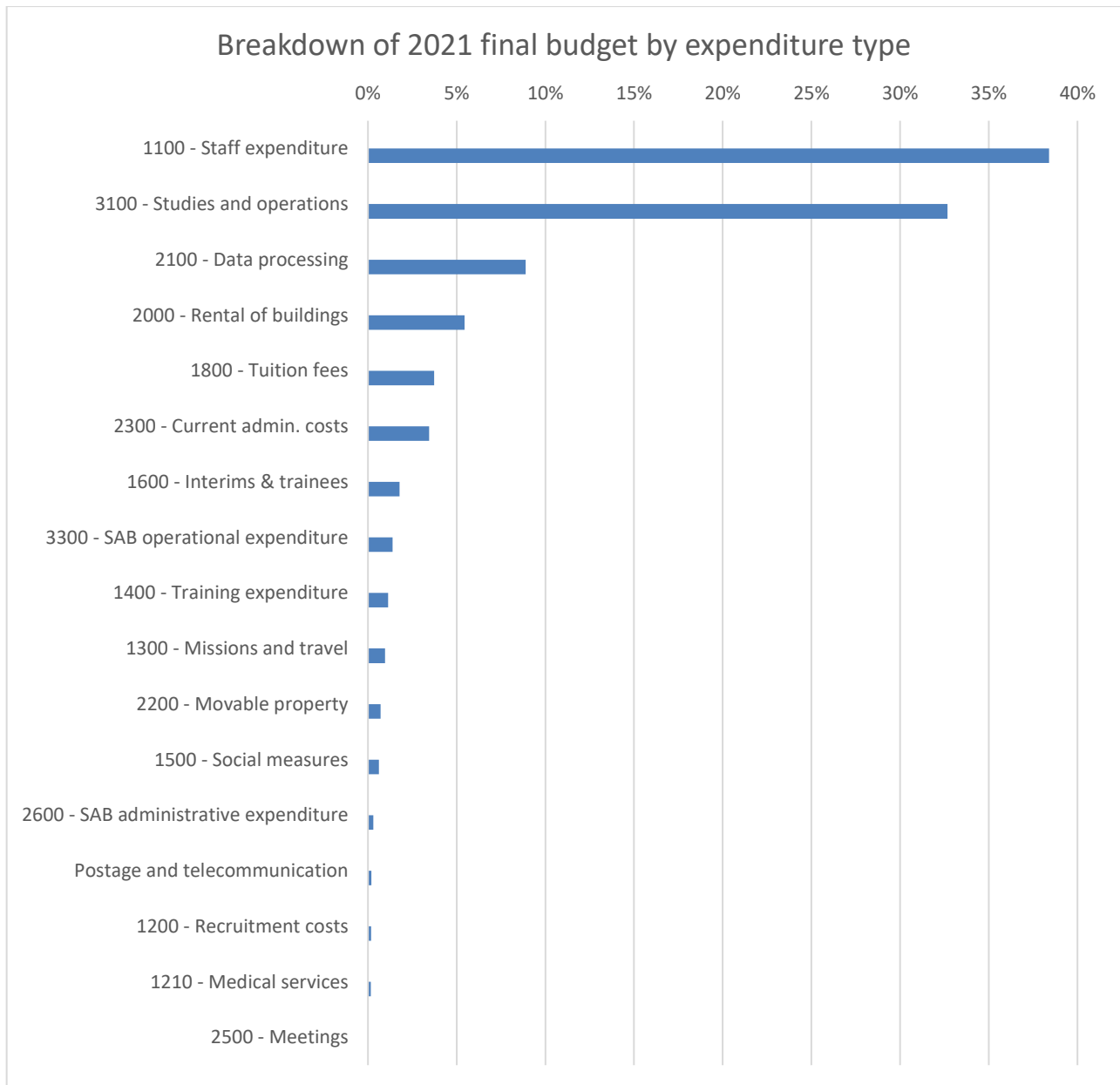
Title		Initial voted budget		Amendments/ transfers		Description	Final budget	
Bud. Line	Heading	Commitment appropriations	Payment appropriations	Commitment appropriations	Payment appropriations		Commitment appropriations	Payment appropriations
Title 1 - Staff expenditure								
1100	Staff expenditure	28 635 890,00	28 635 890,00	-6 695 444,93	-6 695 444,93	<p>Reasons for lower staff expenditure were the following:</p> <ul style="list-style-type: none"> EUSPA received additional 41 posts in 2021. The initial budget counted with the average recruitment date as of July 2021, however due to the delays in adoption of the Space Programme Regulation this had to be adjusted to October 2021. The fact that not all new staff had actually taken up their positions in 2021 also reduced the initially planned budget consumption. Each year the correction coefficient is announced in November and applies to July retroactively. It is therefore difficult to predict the budget needs with certainty. The correction coefficient for 2021 has decreased for France and the Netherlands and despite the increase for staff located in the Czech Republic and Spain the overall impact was lower than expected. 	21 940 445,07	21 940 445,07
1200	Recruitment costs	176 000,00	176 000,00	-79 438,16	-79 438,16	Lower recruitment expenditures were related to the fact that majority of the selection panels took place online and therefore travel costs of applicants were significantly lower.	96 561,84	96 561,84
1210	Medical services	129 500,00	129 500,00	-41 104,82	-41 104,82	Initial estimate had to be adjusted due to the lower consumption of the medical budget.	88 395,18	88 395,18
1300	Missions and travel	1 794 870,00	1 794 870,00	-1 244 804,00	-1 244 804,00	Mission budget has been gradually decreased in the budget amendments no.1 and no.2. Lower consumption was mainly related to travel restrictions related to COVID-19.	550 066,00	550 066,00
1400	Training expenditure	800 000,00	800 000,00	-154 360,00	-154 360,00	Training expenditure decrease reflects the fact that recruitment of the newcomers has been delayed due to the overall delay of the Space Programme Regulation adoption.	645 640,00	645 640,00

Title		Initial voted budget		Amendments/ transfers			Final budget	
1500	Social measures	940 000,00	940 000,00	-587 264,90	-587 264,90	Majority of newcomers was recruited towards the end of the year and not all managed to join the Agency in 2021, therefore consumption of Social measures budget was lower than initially foreseen.	352 735,10	352 735,10
1600	Interims & trainees	325 000,00	325 000,00	689 100,00	689 100,00	Higher need for Interims and Trainees budget was related to the necessary replacements for long term leave of the EUSPA staff, e.g. due to parental leave.	1 014 100,00	1 014 100,00
1700	Represent. expenditure	10 000,00	10 000,00	-10 000,00	-10 000,00	Representation budget has not been used mainly due to the pandemic situation.	0,00	0,00
1800	Tuition fees	2 235 211,00	2 235 211,00	-104 422,57	-104 422,57	Tuition fees were lower than initially anticipated, as it is difficult to predict number of children of the newcomers and schools they will attend.	2 130 788,43	2 130 788,43
	Total for title 1	35 046 471,00	35 046 471,00	-8 227 739,38	-8 227 739,38		26 818 731,62	26 818 731,62
Title 2 - Administrative expenditure								
2000	Rental of buildings	7 761 990,00	7 761 990,00	-4 655 078,47	-4 655 078,47	Draft budget 2021 that became final upon approval of EU budget included estimated expenditure related to the new HQ building in Prague (2,1 million EUR), the new GSMC building in Paris (2,3 million EUR) and rental costs of GSMC UK (0,3 million EUR). Given that both new buildings were not available in the 2021 and GSMC UK rental costs were settled towards the end of 2020, the budget has been adjusted accordingly (-4,7 million EUR).	3 106 911,53	3 106 911,53
2100	Data processing	4 304 405,00	4 304 405,00	773 180,32	773 180,32	The budget has been increased in the amending budget no. 2 in order to cover Digital transformation linked to the transition from GSA to EUSPA, increase of all systems and onboarding of more users.	5 077 585,32	5 077 585,32
2200	Movable property	118 703,00	118 703,00	291 473,54	291 473,54	Additional budget was needed in order to purchase the furniture for the new building in GSMC Paris that will become available in 2022.	410 176,54	410 176,54

Title		Initial voted budget		Amendments/ transfers			Final budget	
2300	Current admin. costs	1 570 657,00	1 570 657,00	396 905,41	396 905,41	Additional budget was used for the implementation support of the new EUSPA organisational structure.	1 967 562,41	1 967 562,41
2400	Postage and telecommunication	666 840,00	666 840,00	-561 506,52	-561 506,52	Connectivity budget has been reassigned to the budget line 2100 Data processing which is more appropriate for this type of expenditure. Postage and mobile communication costs were lower than initially expected as the newcomers joined the agency towards the end of 2021.	105 333,48	105 333,48
2500	Meetings	162 793,00	162 793,00	-143 642,00	-143 642,00	Lower budget needs were related to the COVID-19 restrictions.	19 151,00	19 151,00
2600	SAB administrative	502 143,00	502 143,00	-331 579,00	-331 579,00	Missions related to the satellite launch (FFK, SAB members) were reduced due to COVID-19.	170 564,00	170 564,00
	Total for title 2	15 087 531,00	15 087 531,00	-4 230 246,72	-4 230 246,72		10 857 284,28	10 857 284,28
	Total for titles 1 and 2	50 134 002,00	50 134 002,00	-12 457 986,10	-12 457 986,10		37 676 015,90	37 676 015,90
Title 3 - Operational expenditure								
3100	Studies and operations	21 935 000,00	21 935 000,00	-3 273 507,57	-16 757 197,52	Title 3 commitment appropriations have been decreased in line with the delay of the adoption of the Space Programme Regulation and 2021 Amending Single Programming Document. (Single Programming Document serves as a financing decision for Title 3 contracts). Given that the majority of the operational contracts was signed towards the end of 2021, less payment appropriations were needed under Title 3.	18 661 492,43	5 177 802,48
3300	SAB operational expenditure	917 000,00	917 000,00	-124 293,16	373 396,79		792 706,84	1 290 396,79
	Total for title 3	22 852 000,00	22 852 000,00	-3 397 800,73	-16 383 800,73		19 454 199,27	6 468 199,27

Title	Initial voted budget		Amendments/ transfers			Final budget	
TOTAL titles 1, 2 and 3	72 986 002,00	72 986 002,00	-15 855 786,83	-28 841 786,83	The Agency initially requested budget for the additional tasks attributed under the new Space Programme Regulation including additional posts for 2021 (72,9 million EUR). At the beginning of 2021 Space Programme Regulation was not yet approved, therefore the 2021 overall budget has been decreased by 36 million EUR (amending budget no. 1). Upon the approval of the Space Programme Regulation and allocation of new posts additional budget was approved (the Amending budget no.2: +20 million EUR in commitment appropriations and +12 million in payment appropriations). Finally, 53 thousand EUR has been added in commitment appropriations and payment appropriations were reduced by 5.6 million in the Amending budget no.3.	57 130 215,17	44 144 215,17

Graph 1: Breakdown of final 2021 core budget by expenditure type



3.1.2 List of amending budgets adopted by the Board

Table 2: List of amending budgets in 2021

Nr.	Date of adoption	Main subject Description	Impact on Commitment appropriations (in EUR)	Impact on Payment appropriations (in EUR)
1	28/01/2021	The amendment concerned reduction of both commitment and payment appropriations. The Agency initially requested budget for the additional tasks under the new Space Programme Regulation including additional posts for 2021. At the time of the amending budget the Space Programme Regulation was not yet approved and therefore the budget has been adjusted accordingly.	-35 977 629,55	-35 977 629,55
2	17/06/2021	Following the Space Programme Regulation approval, additional 41 TA posts were received in 2021 and core tasks of the Agency were extended. The amendment consisted of the increase of both commitment and payment appropriations.	20 067 993,00	12 718 370,00
3	01/10/2021	Commitment appropriations amounting to 53 849,72 EUR were added in order to align with the final amount of EFTA contribution for 2021. Payment appropriations under operational budget were reduced due to the later adoption of the amending Single Programming Document 2021, which serves as a financing decision for core operational budget. Majority of the operational contracts was signed at the end of the year and therefore less payment appropriations under Title 3 were needed.	53 849,72	-5 582 527,28

3.1.3 List of transfers adopted

Executive Director may approve transfers of appropriations from one title to another up to a maximum of 10% of the appropriations for the year shown on the line from which the transfer is made and within the Title without limit for core budget. Transfers between the Titles exceeding 10% of the appropriations for the year shown on the line from which the transfer is made are approved by the Administrative Board.

Seven budget transfers were processed in 2021, all of them concerned transfers of the amounts either within Titles or below 10% between Titles.

Table 3: List of transfers in 2021

#	Date of transfer adoption	Main subject description	From	To	Impact on Commitment appropriations (in EUR)	Impact on Payment appropriations (in EUR)
1	24/05/2021	This transfer concerns the reallocation of available funds from mission budget (BL1300) in order to cover increased needs on Interims and trainees budget line (BL1600). Funds were used for two interim contracts requested by Communication department and also covered higher needs of Trainees.	1300	1600	166 800,00	166 800,00
2	18/10/2021	Savings under Salaries budget line (BL1100) were available due to the fact that newcomers were starting later than initially planned. The funds in the amount of 70,100 EUR reinforced Interims and Trainees budget line (BL1600). The budget was used for extension of four existing interim contracts for HR, OED, Communication and ICT department. SAB operational expenditure line was reinforced by 14,000 EUR in order to provide sufficient budget for the last contract GSA/OP/08/18/LOT1/SC5 planned under this budget line. 1 886 000 EUR in payment appropriations only (Title 3 appropriations are differentiated) were transferred from BL3100 to BL3300 in order to cover expected payments on legal obligations from both previous year and 2021.	1100	1600	70 100,00	70 100,00
			3100	3300	14 000,00	14 000,00
			3100	3300		1 886 000,00
3	04/11/2021	The available funds from Salaries, SAB administrative expenditure and Meetings reinforced Current administrative expenditure (BL2300) to provide sufficient funds for contract for the implementation support of the new EUSPA organisational structure. Interims and trainees budget line (BL1600) was reinforced. The budget was used for the extension of three existing interim contracts of Communication department. Training budget (BL1400) was increased to allow signature of the contract for Competency framework – phase 2.	1100	2300	220 000,00	220 000,00
			1300	1600	50 000,00	50 000,00
			1500	1400	75 000,00	75 000,00
			2500	2300	20 000,00	20 000,00
			2600	2300	100 000,00	100 000,00

4	13/12/2021	<p>This transfer concerned mainly the reallocation of available funds from the Salaries budget line (BL1100) as December salaries and SNE allowances were processed and remaining reserve for correction coefficient effect could have been redistributed.</p> <p>Funds from Salaries budget line (BL1100) reinforced:</p> <ul style="list-style-type: none"> • Movable property line (BL2200) to finance purchase of the furniture for the new building in in GSMC France; • Operational budget line 3100 to provide sufficient budget for signature of spare Market Development contracts (GSA/OP/09/16/LOT2/SC13 EU space programme for Green Deal and GSA/OP/09/16/LOT5/SC3 for inputs preparation for the GOVSATCOM User Consultation Platform) and for the necessary budget increase of the Communication contract for events (GSA/OP/22/20/SC1). <p>The available funds from Medical services and Missions reinforced Interims and trainees expenditure (BL1600) to provide sufficient funds for interim contracts for HR and Finance.</p> <p>Savings under Meetings, SAB administrative expenditure and Buildings were transferred under Movable property budget line (BL2200) to provide budget for purchase of GSMC France furniture mentioned above.</p>	1100	3100	708 070,27	708 070,27
			1100	2200	63 949,56	63 949,56
			1200	1400	3 438,16	3 438,16
			1210	1600	41 000,00	41 000,00
			1700	1800	2 000,00	2 000,00
			1300	1600	78 000,00	78 000,00
			1300	2200	30 000,00	30 000,00
			1500	2200	29 892,90	29 892,90
			2000	2200	48 046,77	48 046,77
			2500	2200	25 849,00	25 849,00
			2600	2200	29 500,00	29 500,00
			2400	2100	24 666,52	24 666,52
			3300	3100	1 293,16	
5	16/12/2021	<p>This transfer concerned mainly the reallocation of available funds from the Salaries budget line (BL1100) as December salaries and SNE allowances were processed and remaining reserve for correction coefficient effect could have been redistributed.</p> <p>Funds from Salaries budget line (BL1100) reinforced:</p> <ul style="list-style-type: none"> • Movable property line (BL2200) to finance the last purchase order for furniture for the new building in in GSMC France; • Data processing budget line to finance contract for provision of CISCO items and cabling. 	1100	2100	64 758,80	64 758,80
			1100	2200	75 100,00	75 100,00
			1210	1400	3 201,84	3 201,84
			1300	1800	40 000,00	40 000,00
			2600	2200	15 504,00	15 504,00

		Savings under Missions (BL1300) were transferred to Tuition (BL1800) to provide sufficient budget to cover the costs of the additional children in the tuition scheme. Available budget under SAB administrative expenditure and Current administrative expenditure was transferred under Movable property budget line (BL2200) to provide budget for purchase of GSMC France furniture mentioned above. 647 441,08 EUR in payment appropriations only (Title 3 appropriations are differentiated) was transferred from BL3100 to BL3300 in order to cover expected payments on legal obligations from both previous year and 2021.	2300	2200	12 438,00	12 438,00
			3100	3300		647 441,08
6	21/12/2021	This transfer concerned the reallocation of available funds on a number of budget lines in order to ensure optimal use of commitment appropriations in 2021. The staff salaries line were reduced to zero, given that it is not possible to carry-forward appropriations. It is now possible to better estimate the amounts needed to carry-forward for missions raised and approved in 2021 (BL1300) and on other budget lines such as Medical services (BL1210), Training expenditure (BL1400), Social measures (BL1500), Interims and trainees (BL1600), Tuition (BL1800), Current administrative costs (BL2300) and SAB administrative expenditure (BL2600). Respective provisional commitments will be decreased or increased accordingly. 2 037 044,29 EUR in payment appropriations only (Title 3 appropriations are differentiated) were transferred from BL3300 to BL3100 in order to cover expected payments on legal obligations from both previous years and 2021.	1100	1500	2 810,00	2 810,00
			1100	1800	48 797,81	48 797,81
			1210	1800	1 083,98	1 083,98
			1300	1800	35 643,00	35 643,00
			1400	1800	4 000,00	4 000,00
			2200	2300	103,69	103,69
			3300	3100		2 037 044,29
7	22/12/2021	Funds available under the operational budget line (BL3100) reinforced mainly Tuition expenditure (BL1800), but also Current administrative expenditure (BL2300) and SAB administrative expenditure (BL2600). Budget under operational budget line (BL3100) became available after final decommitment at the end of GSA/RP/11/16 SC18 - SSS2 contract.	3100	2300	10 000,00	10 000,00
			3100	2600	3 068,00	3 068,00
			3100	1800	20 803,00	20 803,00

4 Budget implementation in 2021

Execution of C1 commitment appropriations remained high in all titles and budget lines, reaching a global 100% execution for core budget.

Where 2021 C1 payment appropriations were concerned, 75% were paid in 2021 and 25% were carried forward to 2022. Carry over rate incorporates the non-automatic carry forward of payment appropriations to the amount of 2 313 328,29 EUR adopted by the Administrative Board on 27 January 2022 in order to meet legal obligations arising from the operational contracts signed in 2021.

Commitment appropriations

- 100% in Title 1 and 2
Administrative budget
- 100% in Title 3
Operational budget

Payment appropriations

- 75% paid in 2021
on all 3 titles
- 25% carried
forward

4.1 Execution of commitments in 2021

Table 4: Execution of C1 commitment appropriations 2021, in EUR

Budget line	Heading	COMMITMENT APPROPRIATIONS BUDGETED 2021	Commitment Appropriations (CAs)			
			EXECUTED IN 2021	%	UNCOMMITTED	%
Title 1 - Staff expenditure						
1100	Staff expenditure	21 940 445,07	21 940 445,07	100%	0	0%
1200	Recruitment costs	96 561,84	96 561,84	100%	0	0%
1210	Medical services	88 395,18	88 395,18	100%	0	0%
1300	Missions and travel	550 066,00	550 066,00	100%	0	0%
1400	Training expenditure	645 640,00	645 640,00	100%	0	0%
1500	Social measures	352 735,10	352 735,10	100%	0	0%
1600	Interims & Trainees	1 014 100,00	1 014 100,00	100%	0	0%
1700	Representation expenditure	0,00	0,00	100%	0	0%
1800	Tuition fees	2 130 788,43	2 130 788,43	100%	0	0%
	Total for title 1	26 818 731,62	26 818 731,62	100%	0	0%
Title 2 - Administrative expenditure						
2000	Rental of buildings	3 106 911,53	3 106 911,53	100%	0	0%
2100	Data processing	5 077 585,32	5 077 585,32	100%	0	0%
2200	Movable property	410 176,54	410 176,54	100%	0	0%
2300	Current administrative costs	1 967 562,41	1 967 562,41	100%	0	0%
2400	Postage and telecommunication costs	105 333,48	105 333,48	100%	0	0%
2500	Meetings	19 151,00	19 151,00	100%	0	0%
2600	SAB administrative expenditure	170 564,00	170 564,00	100%	0	0%
	Total for title 2	10 857 284,28	10 857 284,28	100%	0	0%
	Total for titles 1 and 2	37 676 015,90	37 676 015,90	100%	0	0%
Title 3 - Operational expenditure						
3100	Expenditure on studies	18 661 492,43	18 661 492,43	100%	0	0%
3300	SAB operational expenditure	792 706,84	792 706,84	100%	0	0%
	Total for title 3	19 454 199,27	19 454 199,27	100%	0	0%
	TOTAL T1+T2+T3	57 130 215,17	57 130 215,17	100%	0	0%

4.2 Execution of payments in 2021

Table 5: Execution of C1 payment appropriations 2021, in EUR

Budget line	Heading	PAYMENT APPROPRIATIONS BUDGETED 2021	Payment Appropriations (PAs)				TOTAL EXECUTED	%
			PAID IN 2021	%	CARRIED FORWARD	%		
Title 1 - Staff expenditure								
1100	Staff expenditure	21 940 445,07	21 940 445,07	100%	0,00	0%	21 940 445,07	100%
1200	Recruitment costs	96 561,84	83 061,84	86%	13 500,00	14%	96 561,84	100%
1210	Medical services	88 395,18	25 753,78	29%	62 641,40	71%	88 395,18	100%
1300	Missions and travel	550 066,00	470 525,71	86%	79 540,29	14%	550 066,00	100%
1400	Training expenditure	645 640,00	183 538,23	28%	462 101,77	72%	645 640,00	100%
1500	Social measures	352 735,10	289 989,08	82%	62 746,02	18%	352 735,10	100%
1600	Interims & Trainees	1 014 100,00	543 340,94	54%	470 759,06	46%	1 014 100,00	100%
1700	Representation expenditure	0,00	0,00	0%	0,00	0%	0,00	0%
1800	Tuition fees	2 130 788,43	1 865 897,22	88%	264 891,21	12%	2 130 788,43	100%
	Total for title 1	26 818 731,62	25 402 551,87	95%	1 416 179,75	5%	26 818 731,62	100%
Title 2 - Administrative expenditure								
2000	Rental of buildings	3 106 911,53	1 359 719,72	44%	1 747 191,81	56%	3 106 911,53	100%
2100	Data processing	5 077 585,32	1 157 964,91	23%	3 919 620,41	77%	5 077 585,32	100%
2200	Movable property	410 176,54	14 978,00	4%	395 198,54	96%	410 176,54	100%
2300	Current administrative costs	1 967 562,41	772 105,12	39%	1 195 457,29	61%	1 967 562,41	100%
2400	Postage and telecommunication costs	105 333,48	49 852,68	47%	55 480,80	53%	105 333,48	100%

2500	Meetings	19 151,00	17 150,83	90%	2 000,17	10%	19 151,00	100%
2600	SAB administrative expenditure	170 564,00	82 526,98	48%	88 037,02	52%	170 564,00	100%
	Total for title 2	10 857 284,28	3 454 298,24	32%	7 402 986,04	68%	10 857 284,28	100%
	Total for titles 1 and 2	37 676 015,90	28 856 850,11	77%	8 819 165,79	23%	37 676 015,90	100%
Title 3 - Operational expenditure								
3100	Expenditure on studies	5 177 802,48	3 174 629,19	61%	2 003 173,29	39%	5 177 802,48	100%
3300	SAB operational expenditure	1 290 396,79	980 241,79	76%	310 155,00	24%	1 290 396,79	100%
	Total for title 3	6 468 199,27	4 154 870,98	64%	2 313 328,29	36%	6 468 199,27	100%
	TOTAL T1+T2+T3	44 144 215,17	33 011 721,09	75%	11 132 494,08	25%	44 144 215,17	100%

4.3 Internal assigned revenues (C4, C5) – implementation

Fund source C4 – Internal assigned revenues of the year

Table 6: Execution of C4 commitment and payment appropriations 2021, in EUR

Budget line	Heading	Appropriation (1)	Committed (2)	% Committed (2/1)	Paid (3)	% Paid (3/1)	Uncommitted	Carried over
1300	Missions and travel	9 378,53	0,00	0%	0,00	0%	9 378,53	9 378,53
1500	Social measures	6 820,85	0,00	0%	0,00	0%	6 820,85	6 820,85
1800	Tuition fees	5 521,23	0,00	0%	0,00	0%	5 521,23	5 521,23
2000	Rental of buildings	296 236,59	0,00	0%	0,00	0%	296 236,59	296 236,59
2300	Current administration	156,64	0,00	0%	0,00	0%	156,64	156,64
2600	Security accreditation	2 499,36	0,00	0%	0,00	0%	2 499,36	2 499,36
	Total	320 613,20	0,00	0%	0,00	0%	320 613,20	320 613,20

Fund source C5 – Carried-over internal assigned revenues

Table 7: Execution of C5 commitment and payment appropriations 2021, in EUR

Budget line	Heading	Appropriation (1)	Committed (2)	% Committed (2/1)	Paid (3)	% Paid (3/1)	Uncommitted	Balance Payment (2-3)
1300	Missions and travel	4 060,76	4 060,76	100%	4 060,76	100%	0,00	0,00
1400	Training expenditure	49,05	49,05	100%	49,05	100%	0,00	0,00
1500	Social measures	4 139,72	4 139,72	100%	4 139,72	100%	0,00	0,00
1800	Tuition fees	28 490,13	28 490,13	100%	28 490,13	100%	0,00	0,00
2000	Rental of buildings	248 628,76	248 628,76	100%	248 628,76	100%	0,00	0,00
2100	Data processing cost	12 350,26	12 350,26	100%	12 350,26	100%	0,00	0,00
	Total	297 718,68	297 718,68	100%	297 718,68	100%	0,00	0,00

4.4 Operational Expenditure – multi-annual overview

Table 8: C1 commitment appropriations under Title 3 in 2021, 2020 and 2019, in EUR

Budget line	Heading	Commitment Appropriations 2021	Commitment Appropriations 2020	Commitment Appropriations 2019
3100	GSMC operations	2 208 392,00	1 500 682,00	2 367 918,00
3100	Promotion and marketing of the services	4 349 064,03	2 903 481,50	3 265 211,84
3100	Security activities	12 104 036,40	0,00	0,00
3300	Security accreditation	792 706,84	965 811,66	468 302,81
	Total	19 454 199,27	5 369 975,16	6 101 432,65

4.5 Appropriations arising from earmarked revenue – Delegation agreements with the European Commission (EC)

The Agency continued to manage a large number of delegated appropriations by the European Commission during 2021. Earmarked appropriations are appropriations from external assigned revenue – fund source R0.

Table 9: Overview of external assigned revenue budget lines in 2021

Budget line	Heading	Summary of development
3917	FP7 3 rd call	All projects financed under this call were closed in 2016. Closure of the budget line is pending the enforcement of one open recovery order in the amount of 8 thousand EUR.
3918	PRS Delegation Agreement	The PRS Delegation Agreement covers the implementation of the following tasks: i) development of a standalone first generation PRS receiver within the framework of the PRS Pilot Project; ii) provision of technical assistance to the Commission for setting up the Galileo Security Monitoring Centre (GSMC). Payments in the value of 121 thousand EUR were made in 2021. No additional payment appropriations were requested in 2021.

3920	EGNOS Exploitation Delegation Agreement	<p>The EGNOS Exploitation Delegation Agreement was signed in April 2014. Total amount of 1,514 billion EUR is currently delegated under this agreement.</p> <p>It makes provision for the Agency to carry out the implementation of tasks related to (A) Programme Management and Engineering Activities; (B) Operational Activities and Service Provision; (C) Communication Activities and (D) Asset Management.</p> <p>A total amount of 346,9 million EUR was committed in 2021 with a total of 113,1 million EUR made in payments. 169.3 million EUR was inscribed under this budget line in 2021.</p>
3921	Horizon 2020 1 st call	<p>By the end of 2020, all 27 projects were technically concluded and the final payments were processed, except for one project, for which the final payment is under assessment.</p> <p>One PRS contract is still ongoing.</p> <p>Under H2020 1st call the Agency has committed 35 thousand EUR and a total of 1,3 million EUR was paid in 2021.</p>
3922	Galileo Exploitation Delegation Agreement	<p>The Galileo Exploitation Delegation Agreement was signed in October 2014 for a period of 7 years. Total amount of 2,94 billion EUR has been delegated under this agreement.</p> <p>The Delegation Agreement makes provision for the Agency to carry out the implementation of tasks related to (A) Operational Activities; (B) Management Activities; (C) Contribution to definition of mission, service and system evolutions; (D) Activities concerning fundamental elements; (E) Asset management and (F) Contribution to the management of the security activities.</p> <p>A total amount of 513,2 million EUR was committed in 2021 and a total amount of 429,8 million EUR was made in payments in 2021.</p> <p>Payment appropriations for a total of 251 million EUR were inscribed.</p>
3923	Horizon 2020 2 nd call	<p>Out of 13 grant agreements, all projects of the 2nd call were technically completed, for 11 grants the final payment was processed and for the 2 remaining projects the final payment is either under review or the request is being prepared by the Consortium.</p> <p>Under H2020 2nd call the Agency has committed 18 thousand EUR and nearly 16 thousand EUR was paid in 2021.</p> <p>Payment appropriations for a total of 37 thousand EUR were inscribed in 2021.</p>
3924	Horizon 2020 3 rd call	<p>Out of 18 grant agreements, 10 projects were technically completed by the end of 2020 and the remaining 8 were still ongoing. For 6 grants the final payment was processed and for 4 grants the final payment is under assessment or the request is being prepared by the Consortia.</p> <p>Under H2020 3rd call the Agency has committed 9 thousand EUR and a total of 621 thousand EUR was paid in 2021.</p>
3925	Horizon 2020 4 th call	<p>The Agency signed 12 Grant agreements for the H2020 4th call in the amount of 19,9 million EUR in 2019 and 2020, all projects are ongoing. Under H2020 4th call the Agency has paid a total of 5,9 million EUR in 2021. Payment appropriations for a total of 7,5 million EUR were inscribed in 2021.</p>

3926	GOVSATCOM Preparatory action	GOVSATCOM preparatory action contribution agreement was signed 7 April 2020 with a delegated budget of 4,5 million EUR. During 2021, 330,5 thousand EUR was committed and 357,6 thousand EUR of payment appropriations was used. Payment appropriations for a total of 295 thousand EUR were inscribed in 2021.
3927	H2020 - 5th call	The Agency signed 9 Grant agreements for the H2020 5 th call in the amount of 20,9 million EUR at the end of 2020. Under H2020 5 th call the Agency has committed 3,9 million EUR and a total of 1,95 million EUR was paid in 2021. Payment appropriations for a total of 3,8 million EUR were inscribed in 2021.
3928	GOVSATCOM Entrusted	The Agency has entered into an agreement with the European Commission represented by the Research Executive Agency for coordinating a H2020 research grant ENTRUSTED, complementing GOVSATCOM activities. The grant agreement was signed in August 2020 for a maximum grant amount of 2 999 940 EUR. ENTRUSTED will be implemented by almost 20 institutions representing EU Member States and EU agencies. Commitment appropriations in the amount of 2,8 million EUR were used in 2021. On the other hand, 2,1 million EUR was paid.
3929	Galileo activities	Contribution agreement between the European Commission and the Agency under the Financial Framework Partnership Agreement was signed in 2021 entrusting the Agency with the role of Galileo exploitation manager for total amount of 7,1 billion EUR. During 2021 5,02 billion EUR was committed and 946,7 million EUR was paid in the same year. Payment appropriations for a total of 1,12 billion EUR were inscribed in 2021.
3930	EGNOS activities	Contribution agreement between the European Commission and the Agency under the Financial Framework Partnership Agreement was signed in 2021 entrusting the Agency with tasks for the role of EGNOS exploitation manager for the total amount of 1,4 billion EUR. A total of 475,3 million EUR was committed in 2021 and 73 million EUR paid in the same year. Payment appropriations for a total of 246 million EUR were inscribed in 2021.
3931	GOVSATCOM activities	Contribution agreement between the European Commission and the Agency under the Financial Framework Partnership Agreement was signed in 2021 entrusting the Agency with tasks for the GOVSATCOM activities for the 165 million EUR. A total of 1,5 million EUR of payment appropriations was inscribed in 2021.
3932	SSA activities	Contribution agreement between the European Commission and the Agency under the Financial Framework Partnership Agreement was signed in 2021 entrusting the Agency with support tasks, activities related to security and activities related to user uptake of data, information and services for the SSA in the amount of 1,6 million EUR.
3933	Horizon Europe – Downstream activities	Contribution agreement between the European Commission and the Agency under the Financial Framework Partnership Agreement was signed in 2021 entrusting the Agency with tasks for the Downstream activities – Horizon Europe in the amount of 304,9 million EUR. Payment appropriations for a total of 23 million EUR were inscribed in 2021.

3934	Copernicus – Downstream activities	<p>Contribution agreement between the European Commission and the Agency under the Financial Framework Partnership Agreement was signed in 2021 entrusting the Agency tasks for the Downstream activities – Space Programme Copernicus in the amount of 30 million EUR.</p> <p>600 thousand EUR was committed during 2021.</p> <p>A total of 4 million EUR of payment appropriations was inscribed in 2021.</p>
3935	Galileo application	<p>The Agency has entered into a contribution agreement with the European Commission’s DG MOVE (MOVE/DDG2.C/SUB/2021-543/SI2.864105) on 21 December 2021 to finance the implementation of the action “Enhanced Galileo Green Lanes”.</p> <p>The agreement was signed for the amount of 500 thousand EUR.</p>

Cash flow of delegated budget

Table 10: Overview of earmarked revenue (R0) during 2021, in EUR

Budget line	Activity	Commitments in 2021	Payment appropriations 1/1/2021	2021 payment appropriations received (+) /returned (-)	Payments made during 2021	Remaining payment app. 31/12/2021
3917	FP7 3rd call	0,00	0,00	0,00	0,00	0,00
3918	PRS DA	0,00	686 180,50	0,00	121 175,00	565 005,50
3920	EGNOS DA	346 865 306,06	246 564 058,98	169 288 506,24	113 104 911,60	302 747 653,62
3921	H2020 1st call	34 858,24	2 726 928,53	4 138,02	1 316 238,24	1 414 828,31
3922	Galileo DA	513 231 953,25	532 679 910,67	251 213 706,08	429 769 143,10	354 124 473,65
3923	H2020 2nd call	18 000,00	1 087 327,95	37 266,53	15 887,58	1 108 706,90
3924	H2020 3rd call	8 558,34	1 714 982,69	631 684,19	621 397,35	1 725 269,53
3925	H2020 4th call	0,00	577 800,69	7 540 981,12	5 922 340,64	2 196 441,17
3926	GOVSATCOM Prep	330 524,00	1 171 774,00	295 000,00	357 628,20	1 109 145,80
3927	H2020 – 5th call	3 901 477,00	921 999,92	3 782 660,88	1 949 862,35	2 754 798,45
3928	GOVSATCOM Entrusted	2 812 440,00	2 109 330,00	0,00	2 109 330,00	0,00
3929	Galileo activities	5 018 649 595,38	0,00	1 118 000 000,00	946 655 484,94	171 344 515,06
3930	EGNOS activities	475 252 406,30	0,00	246 000 000,00	73 000 000,00	173 000 000,00
3931	GOVSATCOM activities	0,00	0,00	1 500 000,00	0,00	1 500 000,00
3932	SSA activities	0,00	0,00	0,00	0,00	0,00
3933	Horizon Europe - Downstream activities	0,00	0,00	23 000 000,00	0,00	23 000 000,00
3934	Copernicus - Downstream activities	600 000,00	0,00	4 000 000,00	0,00	4 000 000,00
3935	GALILEO application	0,00	0,00	0,00	0,00	0,00
	Total	6 361 705 118,57	790 240 293,93	1 825 293 943,06	1 574 943 399,00	1 040 590 837,99

Table 11: Overview of earmarked revenue (R0) – cumulative appropriations, in EUR

Budget line	Activity	Cumulative Commit. Appropriations (1)	Cumulative Executed Commitment amount (2)	% Committed (2/1)	Cumulative Credit Not Used (1-2)	Cumulative Payment Appropriations (3)	2021 Executed Payment amount (4)	% Paid (4/3)	R A L (2-4)
3917	FP7 3rd call	1 419 030,18	0,00	0%	1 419 030,18	0,00	0,00	N/A	0,00
3918	PRS DA	790 667,88	686 180,50	87%	104 487,38	686 180,50	121 175,00	18%	565 005,50
3920	EGNOS DA	674 347 368,97	509 255 835,22	76%	165 091 533,75	415 852 565,22	113 104 911,60	27%	396 150 923,62
3921	H2020 1st call	3 522 506,25	2 992 240,35	85%	530 265,90	2 731 066,55	1 316 238,24	48%	1 676 002,11
3922	Galileo DA	921 220 992,38	921 220 992,38	100%	0,00	783 893 616,75	429 769 143,10	55%	491 451 849,28
3923	H2020 2nd call	3 034 935,42	562 423,33	19%	2 472 512,09	1 124 594,48	15 887,58	1%	546 535,75
3924	H2020 3rd call	4 389 788,10	3 115 135,17	71%	1 274 652,93	2 346 666,88	621 397,35	26%	2 493 737,82
3925	H2020 4th call	9 558 475,57	9 412 268,32	98%	146 207,25	8 118 781,81	5 922 340,64	73%	3 489 927,68
3926	H2020 - 5th call	4 471 774,00	643 776,00	14%	3 827 998,00	1 466 774,00	357 628,20	24%	286 147,80
3927	GOVSATCOM Prep	14 128 734,71	14 127 989,45	100%	745,26	4 704 660,80	1 949 862,35	41%	12 178 127,10
3928	GOVSATCOM Entrusted	2 999 940,00	2 812 440,00	94%	187 500,00	2 109 330,00	2 109 330,00	100%	703 110,00
3929	Galileo activities	7 100 000 000,00	5 018 649 595,38	71%	2 081 350 404,62	1 118 000 000,00	946 655 484,94	85%	4 071 994 110,44
3930	EGNOS activities	1 400 000 000,00	475 252 406,30	34%	924 747 593,70	246 000 000,00	73 000 000,00	30%	402 252 406,30
3931	GOVSATCOM activities	165 000 000,00	0,00	0%	165 000 000,00	1 500 000,00	0,00	0%	0,00
3932	SSA activities	1 600 000,00	0,00	0%	1 600 000,00	0,00	0,00	N/A	0,00
3933	Horizon Europe - Downstream activities	304 900 000,00	0,00	0%	304 900 000,00	23 000 000,00	0,00	0%	0,00
3934	Copernicus - Downstream activities	30 000 000,00	600 000,00	2%	29 400 000,00	4 000 000,00	0,00	0%	600 000,00
3935	GALILEO application	500 000,00	0,00	0%	500 000,00	0,00	0,00	N/A	0,00
Total		10 641 884 213,46	6 959 331 282,40	65%	3 682 552 931,06	2 615 534 236,99	1 574 943 399,00	60%	5 384 387 883,40

4.6 Payment appropriations carried over

Table 12: Automatic carry over, in EUR

	Automatic carry over from 2021 to 2022			Automatic carry over from 2020 to 2021		
	Total C1 commitments 2021	Payment appropriations carried over to 2022	%	Total C1 commitments 2020	Payment appropriations carried over to 2021	%
Title 1 Staff	26 818 731,62	1 416 179,75	5%	23 091 279,97	843 964,87	3,65%
Title 2 Administrative expenditure	10 857 284,28	7 402 986,04	68%	6 988 224,72	4 177 213,85	59,78%
Title 3 Operational expenditure	19 454 199,27	0,00	0%	5 369 975,16	0,00	0,00%
Total	57 130 215,17	8 819 165,79	15%	35 449 479,85	5 021 178,72	14,16%

Table 13: Non automatic carry over, in EUR

	Non automatic carry over 2021 to 2022			Non automatic carry over 2020 to 2021		
	Total C1 commitments 2021	Payment appropriations carried over to 2022	%	Total C1 commitments 2020	Payment appropriations carried over to 2021	%
Title 1 Staff	26 818 731,62	0,00	0%	23 091 279,97	0,00	0%
Title 2 Administrative expenditure	10 857 284,28	0,00	0%	6 988 224,72	0,00	0%
Title 3 Operational expenditure	19 454 199,27	2 313 328,29	12%	5 369 975,16	870 792,31	16%
Total	57 130 215,17	2 313 328,29	4%	35 449 479,85	870 792,31	2%

4.7 Analysis on outstanding commitments

This chapter summarises the evolution of outstanding commitment balances during 2021 by budget line and title.

The cancellation rate of payment appropriations carried over from 2020 to 2021 was 3% (177 030,53 EUR).

Table 14: Overview of outstanding balances at the end of 2021, in EUR

Budget line	Description	Outstanding balances as of 01/01/2021 C8	De-commitments	Payments on outstanding balances in 2021	New 2021 commitments C1,C4, C5	Payments on new 2021 commitments C1,C2,C4,C5	Payment appropriations cancellations in 2021	Outstanding balances as of 31/12/2021 RAL
		(a)	(b)	(c)	(d)	(e)	(f)	(g)=(a)-(b)-(c)+(d)-(e)
1100	Staff costs	0,00	0,00	0,00	21 940 445,07	21 940 445,07	0,00	0,00
1200	Recruitment	0,00	0,00	0,00	96 561,84	83 061,84	0,00	13 500,00
1210	Medical expenses	48 156,29	17 115,79	31 040,50	88 395,18	25 753,78	17 115,79	62 641,40
1300	Missions	19 716,67	670,12	19 046,55	554 126,76	474 586,47	670,12	79 540,29
1400	Training	120 608,54	40 932,50	79 676,04	645 689,05	183 587,28	40 932,50	462 101,77
1500	Social measures	175 049,36	0,00	175 049,36	356 874,82	294 128,80	0,00	62 746,02
1600	Interims & Trainees	315 468,34	26 471,12	288 997,22	1 014 100,00	543 340,94	26 471,12	470 759,06
1700	Representation	0,00	0,00	0,00	0,00	0,00	0,00	0,00
1800	Tuition fees	164 965,67	0,00	164 965,67	2 159 278,56	1 894 387,35	0,00	264 891,21
	Total title 1	843 964,87	85 189,53	758 775,34	26 855 471,28	25 439 291,53	85 189,53	1 416 179,75

Budget line	Description	Outstanding balances as of 01/01/2021 C8	De-commitments	Payments on outstanding balances in 2021	New 2021 commitments C1,C4, C5	Payments on new 2021 commitments C1,C2,C4,C5	Payment appropriations cancellations in 2021	Outstanding balances as of 31/12/2021 RAL
2000	Rent	1 287 397,69	44 069,75	1 243 327,94	3 355 540,29	1 608 348,48	44 069,75	1 747 191,81
2100	Data processing	2 223 192,99	27 541,70	2 195 651,29	5 089 935,58	1 170 315,17	27 541,70	3 919 620,41
2200	Movable property	6 799,98	2 117,99	4 681,99	410 176,54	14 978,00	2 117,99	395 198,54
2300	Current admin costs	569 207,45	13 915,63	555 291,82	1 967 562,41	772 105,12	13 915,63	1 195 457,29
2400	Postage and telecommunication costs	88 902,04	3 962,01	84 940,03	105 333,48	49 852,68	3 962,01	55 480,80
2500	Meetings	0,00	0,00	0,00	19 151,00	17 150,83	233,92	2 000,17
2600	SAB administrative expenditure	1 713,70	233,92	1 479,78	170 564,00	82 526,98	0,00	88 037,02
	Total title 2	4 177 213,85	91 841,00	4 085 372,85	11 118 263,30	3 715 277,26	91 841,00	7 402 986,04
3100	Operations & studies	3 738 262,35	198 931,59	3 153 046,37	18 661 492,43	892 375,13	0,00	18 155 401,69
3300	SAB operational expenditure	770 719,81	2 030,37	768 689,44	792 706,84	211 552,35	0,00	581 154,49
	Total title 3	4 508 982,16	200 961,96	3 921 735,81	19 454 199,27	1 103 927,48	0,00	18 736 556,18
	Totals	9 530 160,88	377 992,49	8 765 884,00	57 427 933,85	30 258 496,27	177 030,53	27 555 721,97

5 Revenue

5.1 Nature of Revenue

Table 15: Overview of revenue in 2021, in EUR

Budget Item	Type of revenue	Revenue Budget	Entitlements established	Revenue received	Outstanding at the end of the year
2000	Operating subsidy from European Commission	44 144 215,17	44 144 215,17	44 144 215,17	0,00
2008	Other subsidy from European Commission (Delegation/Contribution Agreements)	0,00	1 751 688 316,36	1 751 688 316,36	0,00
9000	Other income (Recovery orders issued in 2021)	0,00	74 386 574,19	73 926 239,90	460 334,29
	TOTAL	44 144 215,17	1 870 219 105,72	1 869 758 771,43	460 334,29

6 Staff and establishment plan for 2021

Table 16: Establishment plan in 2021

	2021			
	Authorised under the EU Budget		Filled as of 31/12/2021	
	Permanent posts	Temporary Posts	Permanent posts	Temporary Posts
AD 16				
AD 15				
AD 14		1		1
AD 13		5		2
AD 12		10		0
AD 11		12		8
AD 10		21		14
AD 9		36		21
AD 8		55		32
AD 7		34		54
AD 6		8		35
AD 5		7		20
AD total		189		187
AST 11				
AST 10				
AST 9				
AST 8				
AST 7		1		
AST 6		1		2
AST 5				
AST 4				1
AST 3				1
AST 2				
AST 1				
AST total		2		4
GRAND TOTAL		191		191

7 Financial management

7.1 Financial and accounting systems

Since September 2012, and given the multi-location environment under which the Agency is operating (offices and staff spread out in four EU countries), Paperless, an electronic workflow validation system. The Agency uses it in order to carry out all financial transactions in the Agency. Paperless is used together with the standard EU financial tools ABAC Workflow (budgetary management) ABAC Accounting (SAP), ABAC Assets (management of fixed assets) and ABAC Data Warehouse (financial reporting tool).

EUSPA uses the ABAC system, hosted by the Commission, for its budget accounts and for the purposes of its budgetary management i.e. commitment and payment transactions. From this system and together with the use of ABAC Data Warehouse reporting tool, reports on financial management and budget execution are produced. EUSPA uses the ABAC Assets system to manage and account for its fixed assets. H2020 projects and external experts are processed in the EC IT tools (Compass/Syigma, EMI).

The general accounts are maintained by the SAP system which is managed and hosted by the Commission.

Since November 2015, the European Commission's Accounting Officer has provided accounting services for the EUSPA on the basis of a Service Level Agreement.

The Administrative Board adopted on 16 August 2019 Agency's Financial Regulation 2019 based on 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.

7.2 Financial management

Overall, 4 067 financial transactions were processed by the Agency in 2021. That corresponds to the increase of 7% in comparison to the previous year (3 785 transactions processed in 2020). The overall amount includes transactions such as commitments, de-commitments and modification of commitments, payment requests, mission orders, recovery orders, guarantees, forecasts of revenue and budget transfers.

The Agency succeeded in maintaining very good payment time statistics with 98,7% of all payments within the prescribed time limit. An average payment time was 18,1 days in 2021, well below the 30 days EC benchmark and 20 days target (14,26 days in 2020).

Annex 1

List of Acronyms and Abbreviations

Abbreviation	Definition
AD	Administrator
AST	Assistant
AO	Authorising officer
DA	Delegation agreement
CA	Contract agent
C1	Appropriations of the current year, approved by the budgetary authority and entered in the budget at the start of the financial year.
C2	Appropriations carried-over non-automatically
C4	Appropriations from internal assigned revenue of the year
C5	Appropriations from internal assigned revenue carried over
C8	Carry-forward of commitments (differentiated and non-differentiated) and corresponding payment appropriations (non-differentiated)
C9	Carry-forward of commitments without the corresponding payment (non-differentiated) appropriations
R0	Appropriations from external assigned revenue of the year and carried over
EC	European Commission
EGNOS	EGNOS European Geostationary Navigation Overlay System
FKC	Flight Key Cell
FP-7	Seventh Framework Programme for Research and Development
H2020	Horizon 2020
PRS	Public Regulated Service
SAB	Security Accreditation Board

Glossary

Term	Definition
ABAC	This is the name given to the Commission's accounting system, which since 2005 has been enriched by accrual accounting rules. Apart from the cash-based budget accounts, the Commission produces accrual-based accounts which recognise revenue when earned, rather than when collected. Expenses are recognised when incurred rather than when paid. This contrasts with cash basis budgetary accounting that recognises transactions and other events only when cash is received or paid.
Accounting	The act of recording and reporting financial transactions, including the creation of the transaction, its recognition, processing, and summarisation in the financial statements.
Administrative appropriations	Administrative appropriations cover the running costs of the Institutions and entities (staff, buildings, office equipment).
Adjustment	Amending budget or transfer of funds from one budget item to another.
Adopted budget	Draft budget becomes the adopted budget as soon as it is approved by the Budgetary Authority. Cf. Budget.
Agencies	EU bodies having a distinct legal personality, and to whom budget implementing powers may be delegated under strict conditions. They are subject to a distinct discharge from the discharge authority.
Amending budget	Decision adopted during the budget year to amend (increase, decrease, transfer) aspects of the adopted budget of that year.
Annuality	The budgetary principle according to which expenditure and revenue is programmed and authorised for one year, starting on 1 January and ending on 31 December.
Appropriations	Budget funding. The budget forecasts both commitments (legal pledges to provide finance, provided that certain conditions are fulfilled) 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. Non-differentiated appropriations apply to administrative expenditure, for agricultural market support and direct payments and commitment appropriations equal payment appropriations.

Assigned revenue External/Internal	Dedicated revenue received to finance specific items of expenditure. Main sources of external assigned revenue are financial contributions from third countries to programmes financed by the Union. Main sources of internal assigned revenue is revenue from third parties in respect of goods, services or work supplied at their request; (c) revenue arising from the repayment of amounts wrongly paid and revenue from the sale of publications and films, including those on an electronic medium.
Authorising Officer (AO)	The AO is responsible in each institution for authorising revenue and expenditure operations in accordance with the principles of sound financial management and for ensuring that the requirements of legality and regularity are complied with.
Budget	Annual financial plan, drawn up according to budgetary principles, that provides forecasts and authorises, for each financial year, an estimate of future costs and revenue and expenditures and their detailed description and justification, the latter included in budgetary remarks.
Budget result	The difference between income received and amounts paid, including adjustments for carry-overs, cancellations and exchange rate differences. The resulting amount will have to be reimbursed to the funding authority as provided in the Financial Regulation for Agencies.
Budget implementation	Consumption of the budget through expenditure and revenue operations.
Budget item / Budget line / Budget position	As far as the budget structure is concerned, revenue and expenditure are shown in the budget 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 authority	Institutions with decisional powers on budgetary matters: the European Parliament and the Council of Ministers
Budgetary commitment	A budgetary commitment is a reservation of appropriations to cover for subsequent expenses.
Cancellation of appropriations	Unused appropriations that may no longer be used.
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 cost of legal obligations (contracts, grant agreements/decisions) that could be signed in the current financial year. Art. 7 FR: <i>Commitment appropriations cover the total cost in the current financial year of legal obligations (contracts, grant agreements/decisions) entered into for operations extending over more than one year.</i>
De-commitment	Cancellation of a reservation of appropriations

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. Art. 7 FR: <i>Differentiated appropriations are entered for multiannual operations. They consist of commitment appropriations and payment appropriations.</i>
Earmarked revenue	Revenue earmarked for a specific purpose, such as income from foundations, subsidies, gifts and bequests, including the earmarked revenue specific to each institution. (Cf. Assigned revenue)
Economic result	Impact on the balance sheet of expenditure and revenue based on accrual accounting rules.
Entitlements established	Entitlements are recovery orders that the European Union must establish for collecting income.
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 currency at the closure.
Expenditure	Term used to describe spending the budget from all types of funds sources.
Financial regulation (FR)	Adopted through the ordinary legislative procedure after consulting the European Court of Auditors, this regulation lays down the rules for the establishment and implementation of the general budget of the European Union.
Funds Source	Type of appropriations (e.g.: C1, C2, etc.)
Grants	Direct financial contributions, by way of donation, from the budget in order to finance either an action intended to help achieve an objective part of an EU policy or the functioning of a body which pursues an aim of general European interest or has an objective forming part of an EU policy.
Implementation	Cf. Budget implementation
Income	Cf. Revenue
Joint Undertakings (JUs)	A legal EU-body established under the TFEU. The term can be used to describe any collaborative structure proposed for the " <i>efficient execution of Union research, technological development and demonstration programmes</i> ".
Lapsing appropriations	Unused appropriations to be cancelled at the end of the financial year. <i>Lapsing</i> means the cancellation of all or part of the authorisation to make expenditures and/or incur liabilities which is represented by an appropriation.
Legal base (basic act)	The legal base or basis is, as a general rule, a law based on an article in the Treaty giving competence to the Community for a specific policy area and setting out the conditions for fulfilling that competence including budget implementation. Certain Treaty articles authorise the Commission to undertake certain actions, which imply spending, without there being a further legal act.
Legal commitment	A legal commitment establishes a legal obligation towards third parties.

Non-differentiated appropriations	Non-differentiated appropriations are for operations of an annual nature. (Art. 9 FR). In the EU-Budget non-differentiated appropriations apply to administrative expenditure, for agricultural market support and direct payments
Operational appropriations	Operational appropriations finance the different policies, mainly in the form of grants or procurement.
Outstanding commitment	Legal commitments having not fully given rise to liquidation by payments. Cf. RAL.
Outturn	Cf. Budget result
Payment	A payment is a cash disbursement to honour legal obligations.
Payment appropriations	Payment appropriations cover expenditure due in the current year, arising from legal commitments entered in the current year and/or earlier years (Art. 7 FR).
RAL	Sum of outstanding commitments. Outstanding commitments (or RAL, from the French ' <i>reste à liquider</i> ') 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. (Cf. <i>Outstanding commitments</i>)
Recovery	The recovery order is the procedure by which the Authorising officer (AO) registers an entitlement by the Commission in order to retrieve the amount which is due. The entitlement is the right that the Commission has to claim the sum which is due by a debtor, usually a beneficiary.
Result	Cf. Outturn
Revenue	Term used to describe income from all sources financing the budget.
Rules of application	Detailed rules for the implementation of the financial regulation. They are set out in a Commission regulation adopted after consulting all institutions and cannot alter the financial regulation upon which they depend.
Surplus	Positive difference between revenue and expenditure (see Budget result) which has to be returned to the funding authority as provided in the Financial Regulation.
Transfer	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. They are, however, expressly authorised by the Treaty on the Functioning of the European Union under the conditions laid down in the Financial Regulation. The FR identifies different types of transfers depending on whether they are between or within budget titles, chapters, articles or headings and require different levels of authorization.

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