

# NOTE TO THE MANAGEMENT BOARD ON THE AMENDMENT OF THE EFSA BUDGET STRUCTURE

## EXECUTIVE SUMMARY

In light of the recently adopted EFSA Strategy 2020 and the organisational developments leading to the centralisation and consolidation of the procurement, contract management and planning and monitoring functions, EFSA considered opportune to adapt its budget structure to foster strategic execution and a streamlined budgetary management, via:

- The consolidation of the scientific cooperation budget lines
- The creation of a new budget line with differentiated credits for optimising implementation strategic multiannual development projects with an IT component.

The Management Board is kindly asked to adopt the new structure for Title III of EFSA's Budget. Should the Management Board agree with this adaptation, the new structure will be used for drafting EFSA's Draft Budget 2017, which the Board will be called to adopt at meeting in December 2016.

## 2017 BUDGET STRUCTURE

### A. Consolidation of scientific cooperation budget lines

As adopted by Management Board in October 2012, a system of budget lines at the level of Departments with local lines subdivision at the level of Units has been in use for Grants & Procurement since 2013. This was a first attempt to consolidate the management and use of this budget line, as beforehand each unit had its own budget line. The lessons learned following four years of implementation have been positive, as it decreased fragmentation and improved flexibility, particularly at the level of the Departments. Notwithstanding the above, it has also led to the realisation that further improvements in streamlining the management of the grants and procurement budget are possible, and would even be appropriate considering the centralisation of procurement, contract management and planning and monitoring functions and towards in maximising the use of this tool for the realisation of common, EFSA-wide strategic objectives. It is therefore proposed to create a new chapter on Scientific Cooperation, merging the existing budget lines into one, and keeping the local lines only at the level of the Departments, maximising efficiency, flexibility and strategic focus, and maintaining accountability at the corporate and Department levels.

To further strengthen the consolidation of the scientific cooperation activities, we propose the inclusion of all other relevant budget lines, namely the one on "scientific cooperation meetings" and "Pre-accession and ENP programmes".

More details on the impact of these changes to the budget structure can be found in Annex 1.

**B. Creation of a new budget line with differentiated credits for Multiannual development Projects with an IT component**

The development of an EFSA strategy and the implementation of project management in EFSA has provided an opportunity for the consolidation of development activities with an IT component, supporting scientific, communication and general business needs, in less but larger projects with a multiannual duration, similar to the nature of the projects funded by the Grants and Procurement differentiated credits budget line. In view of the above, we propose the creation of a new differentiated credits budget line under Title III, which would permit to commit all the budgetary resources needed at once, hence ensuring their availability following their prioritisation while the payments could be done over several years in line with the delivery of the requested services

More details on the impact of these changes to the budget structure can be found in Annex 1.

**C. Minor technical adjustments reallocation of the Quality budget line between chapters and other minor technical**

The budget line 3140 – Quality is moved from chapter 31 – Risk assessment and Scientific Assistance to the chapter 35 – Horizontal operations in order to better reflect its horizontal character.

More details on the impact of this change to the budget structure can be found in Annex 1.

A number of minor adjustments will be made in the names/descriptions of the budget lines for further clarity on their nature, Annex 2.

## ANNEX1

### Chapter 30

2016 budget structure	
30	SCIENTIFIC EVALUATION of REGULATED PRODUCTS
<b>301</b>	<b>REPRO Grants &amp; Procurement</b>
3010	REPRO Grants & Procurement
<b>tot. of 301</b>	
	<b>1,911,000.00</b>
<b>302</b>	<b>REPRO Experts meetings</b>
3020	REPRO Experts meetings
<b>tot. of 302</b>	
	<b>4,471,289.00</b>
<b>tot. of 30</b>	
	<b>6,382,289.00</b>

Proposed revised budget structure	
30	SCIENTIFIC EVALUATION of REGULATED PRODUCTS
<b>302</b>	<b>REPRO Experts meetings</b>
3020	REPRO Experts meetings
<b>tot. of 302</b>	
	<b>4,471,289.00</b>
<b>tot. of 30</b>	
	<b>4,471,289.00</b>

## Chapter 31

### 2016 budget structure

31 RISK ASSESSMENT & SCIENTIFIC ASSISTANCE

#### 311 RASA Grants & Procurement

3110 RASA Grants & Procurement

**tot. of 311 6,267,300.00**

#### 312 RASA Experts meetings

3120 RASA Experts meetings

**tot. of 312 3,824,000.00**

#### 313 Crisis support

3130 Crisis support

**tot. of 313 10,000.00**

#### 314 Quality Management

3140 Quality Management

**tot. of 314 180,000.00**

**tot. of 31 10,281,300.00**

### Proposed revised budget structure

31 RISK ASSESSMENT & SCIENTIFIC ASSISTANCE

#### 312 RASA Experts meetings

3120 RASA Experts meetings

**tot. of 312 3,824,000.00**

#### 313 Crisis support

3130 Crisis support

**tot. of 313 10,000.00**

**tot. of 31 3,834,000.00**

## Chapter 32

### 2016 budget structure

Chapter 32 not existing

### Proposed revised budget structure

32 SCISCIENTIFIC COOPERATION

#### 321 EFSA Grants & Procurement

3210 EFSA Grants & Procurement

**tot. of 321 9,688,650.00**

#### 322 Scientific Cooperation meetings

3220 Scientific Cooperation meetings

**tot. of 322 3,000.00**

#### 323 Pre-accession and ENP Programmes

3230 Pre-accession Programme

3231 ENP Programme

**tot. of 323 613,813.00**

**tot. of 32 10,305,463.00**

## Chapter 34

### 2016 budget structure

34	COMMUNICATIONS		
<b>341</b>	<b>Risk Communication</b>		
3410	Risk Communication		
		<b>tot. of 341</b>	<b>1,169,650.00</b>
<b>342</b>	<b>External relations</b>		
3420	External relations		
		<b>tot. of 342</b>	<b>431,000.00</b>
<b>343</b>	<b>Cooperation with Member States</b>		
3430	Scientific cooperation meetings		
3431	Focal Point and Grant Agreements		
		<b>tot. of 343</b>	<b>1,513,350.00</b>
<b>344</b>	<b>Pre-accession and ENP Programmes</b>		
3440	Pre-accession programme		
3441	ENP (European Neighbourhood programme)		
		<b>tot. of 344</b>	<b>613,813.00</b>
		<b>tot. of 34</b>	<b>3,727,813.00</b>

### Proposed revised budget structure

34	COMMUNICATIONS		
<b>341</b>	<b>Risk Communication</b>		
3410	Risk Communication, Web management, communication activities and materials		
		<b>tot. of 341</b>	<b>1,169,650.00</b>
<b>342</b>	<b>External relations</b>		
3420	External relations		
		<b>tot. of 342</b>	<b>431,000.00</b>
		<b>tot. of 34</b>	<b>1,600,650.00</b>

## Chapter 35

### 2016 budget structure

35	HORIZONTAL OPERATIONS		
<b>350</b>	<b>Operational IT Systems</b>		
3500	Operational IT Systems		
	<b>tot. of 350</b>	<b>4,852,545.00</b>	
<b>351</b>	<b>Operational support</b>		
3511	Translation, Interpretation, Linguistic Proofreading and Editing		
3512	Library		
3513	Mission of staff related to operational duties		
3514	Shuttles for experts and staff related to operational duties		
	<b>tot. of 351</b>	<b>2,653,720.00</b>	
<b>352</b>	<b>Conferences &amp; Outreach</b>		
3520	Conferences and Outreach		
	<b>tot. of 352</b>	<b>898,180.00</b>	
<b>353</b>	<b>Operational development &amp; Control</b>		
3530	Operational Development & Control		
	<b>tot. of 353</b>	<b>1,072,300.00</b>	
	<b>tot. of 35</b>	<b>9,476,745.00</b>	

### Proposed revised budget structure

35	HORIZONTAL OPERATIONS		
<b>350</b>	<b>Operational IT Systems</b>		
3500	Operational IT Systems		
3501	Multiannual operational IT projects		
	<b>tot. of 350</b>	<b>4,852,545.00</b>	
<b>351</b>	<b>Operational support</b>		
3511	Translation, Interpretation, Linguistic Proofreading and Editing		
3512	Library		
3513	Mission of staff related to operational duties		
3514	Shuttles for experts and staff related to operational duties		
	<b>tot. of 351</b>	<b>2,653,720.00</b>	
<b>352</b>	<b>Conferences &amp; Outreach</b>		
3520	Conferences and Outreach		
	<b>tot. of 352</b>	<b>898,180.00</b>	
<b>353</b>	<b>Operational development &amp; Control</b>		
3530	Operational Development & Control		
	<b>tot. of 353</b>	<b>1,072,300.00</b>	
<b>354</b>	<b>Quality Management</b>		
3540	Quality Management		
	<b>tot. of 354</b>	<b>180,000.00</b>	
	<b>tot. of 35</b>	<b>9,656,745.00</b>	

## ANNEX 2

### Updates of the budget comments

Minor changes have been proposed in the budgetary comments:

2017		2016		
3410	Risk Communication, Web management, communication activities and materials	Regulation (EC) 178/2002 and in particular Articles 23 (j) and 40. This appropriation is intended to cover the cost of 1)development of communication campaigns,2) development of communications/design concepts and tools, production, dissemination and evaluation of communication/information material, in whichever form (i.e. print, electronic, multimedia, social media, etc., including the sourcing of materials).3) Website and other online communications tools development, hosting and maintenance 4) the EFSA Journal, including external publication, hosting services and the possible development of supporting tools and services, as well as any other EFSA Journal related activities 5) Target audience research and insight services related to risk perception and risk communication 6) Consultancy, subscription and evaluation services related to all of the above activities	Risk Communication	Regulation (EC) 178/2002 and in particular Articles 23 (j) and 40. This appropriation is intended to cover the cost of 1) development of communications/design concepts and tools, production, dissemination and evaluation of communication/information material, in whichever form (i.e. print, electronic, multimedia, social media, etc., including the sourcing of materials).2) Website and other online communications tools development, hosting and maintenance 3) the EFSA Journal, including external publication, hosting services and the possible development of supporting tools and services, as well as any other EFSA Journal related activities 4) Target audience research and insight services related to risk perception and risk communication. 5) Consultancy, subscription and evaluation services related to all of the above activities.



3500	Operational IT Systems	This appropriation is intended to cover the Information Technology support to the scientific and communication activities at large. This encompasses technology management cost in the fields of Data collection, Expert services, Networking of organisation, application in the regulated product area, risk assessment, web development, communication and outreach.	Operational IT Systems	This appropriation is intended to cover the Information Technology support to the scientific and communication activities at large. This encompasses the support and development in the fields of Data collection, Expert services, Networking of organisation, application in the regulated product area, risk assessment, web development, communication and outreach.
3520	Conferences & Outreach	This appropriation is intended to cover the costs related to Art 40 of (EC) 178/2002 regulation and in particular, but not exhaustively, the expenditure related to the organisation and participation to scientific or corporate conferences/events/public hearings and regular meeting with EU member states representatives and experts.	Conferences & Outreach	This appropriation is intended to cover the costs related to Art 40 of (EC) 178/2002 regulation and in particular, but not exhaustively, the expenditure related to the organisation and participation to scientific or corporate conferences/events/public hearings and regular meeting with EU member states representatives and experts. It will also cover all needs linked to promotional and campaign activities to ensure the realisation of objectives outlined in the EFSA Single Programing Document.
3220	Scientific Cooperation meetings	Regulation 178/2002 and in particular articles 23, 27 and 36. This appropriation is intended to cover direct costs of the Advisory forum and Focal point sub-groups (e.g. discussion groups) as well as the international and interagency cooperation meetings, meetings with national bodies and other meetings linked to the articles above.	Scientific Cooperation meetings	This appropriation is intended to cover travel expenses of the members of the Advisory Forum discussion groups as well as the international and interagency cooperation and infrastructure costs associated with these meetings.