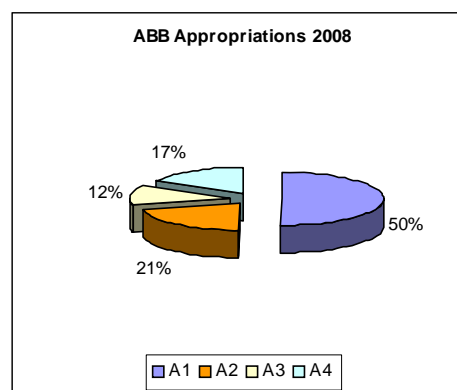


BUDGET EXECUTION SEPTEMBER 2008 & YEAR END FORECAST

1. Budget execution

In 2008, the budget has been allocated to each activity in function of the human, financial and infrastructure resources required. The scientific activities (1 & 2) represent 71 %, the communication and dialogue (activity 3) 12 % and the administration (activity 4) 17 % of the budget.



As of 15 September 2008,

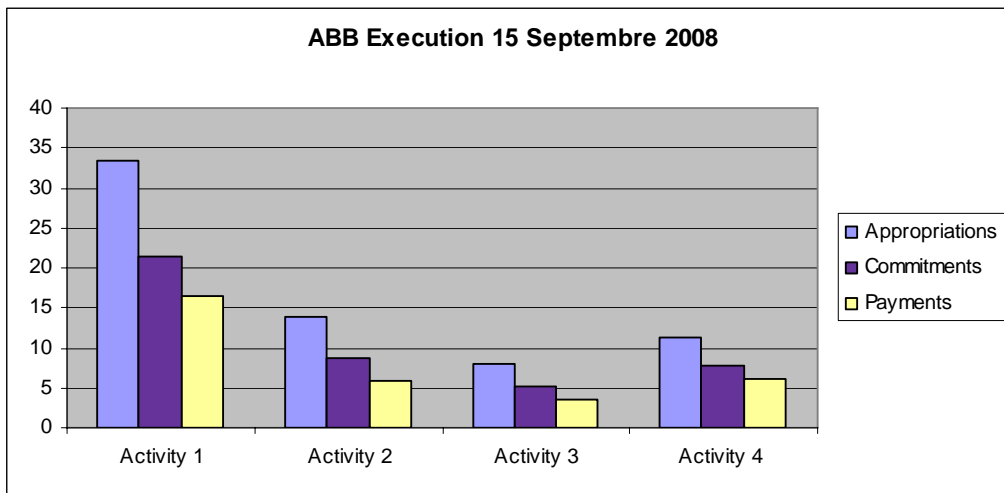
- EUR 43.1 million or 65 % of the EUR 66.4 million budget including the Pre-accession program was committed. The commitment level stands EUR 2.2 million below the forecast made at the beginning of the year (EUR 45.3 million). This is mainly due to sliding net recruitment compared to forecast as most of the new recruits arrived in the third and last quarter of the year and a slowdown of the operational activities during summer.
- EUR 32.3 million or 49 % of the total appropriations were paid. This payment level stands as the commitments, below the forecast made at the beginning of the year (EUR 34.6 million).

The following table and chart represent the budget execution along with the four activities identified by EFSA (Activity Based Budgeting) :

Activity (in MEUR)	Initial Appropriations	Appropriations (after transfers)	Commitments	% Committed	Payments	% Paid
Activity 1	32.4	33,3	21,3	64%	16,5	50%
Activity 2	13,9	13,8	8,8	64%	5,9	43%
Activity 3	9.5	8,1	5,3	65%	3,6	45%
Activity 4	10.6	11,2	7,7	69%	6,2	55%
TOTAL	66,4	66,4	43,1	65%	32,3	49%

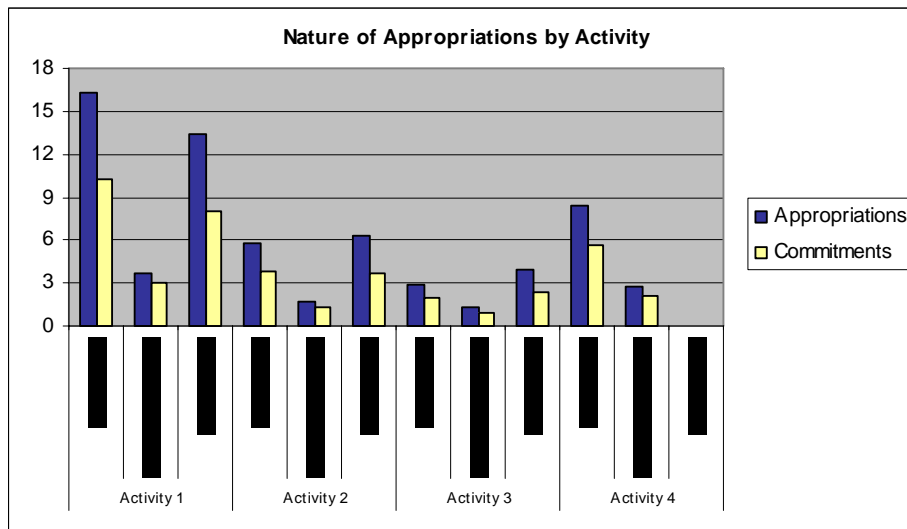
- Activity 1: Provide scientific opinion and advice to the European Commission, the European Parliament and the Member States
- Activity 2: Enhance risk assessment methodologies in Europe
- Activity 3: Communicate scientific advice and dialogue with interested parties
- Activity 4: Manage and provide administrative support

The commitment level of Activity 4 is, at 69 % slightly higher as the recruitment rate is higher in the Administration Directorate. The detailed execution by activity is as follow:



Activity	Titles	Appropriations 2008 M€	%	Commitments 15/092008 M€	%
Activity 1	PERSONNEL	16,2	24%	10,3	63%
	INFRASTRUCTURE	3,7	6%	3,0	81%
	OPERATIONS	13,4	20%	8,0	60%
	A1 Scientific opinions & advices	33,3	50%	21,3	64%
Activity 2	PERSONNEL	5,8	9%	3,8	65%
	INFRASTRUCTURE	1,7	3%	1,3	79%
	OPERATIONS	6,3	9%	3,7	58%
	A2 Methodologies & scientific cooperation	13,8	21%	8,8	64%
Activity 3	PERSONNEL	2,9	4%	1,9	67%
	INFRASTRUCTURE	1,3	2%	1,0	77%
	OPERATIONS	3,9	6%	2,4	60%
	A3 Risk communication & relationships	8,1	12%	5,3	65%
Activity 4	PERSONNEL	8,4	13%	5,6	67%
	INFRASTRUCTURE	2,8	4%	2,1	76%
	A4 Administration	11,2	17%	7,7	69%
	GRAND TOTAL	66,4	100%	43,1	65%

EUR 19,7 millions representing more than 80% of the operational credits have been allocated to the scientific activities (Activity 1 and 2) and 25% of the staff expenditures are devoted to administration activities.

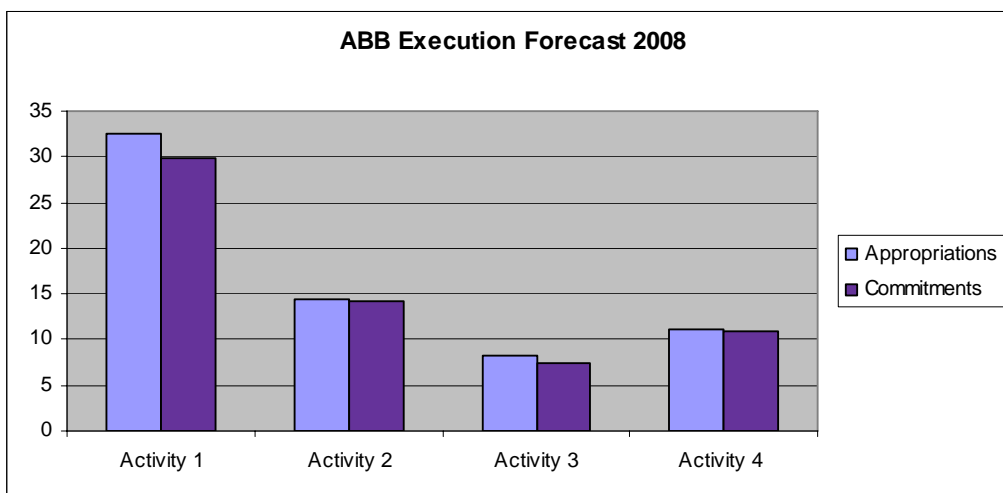


Compared to last year, the budget execution increased by EUR 6.9 million (+ 19 %) and the payments by EUR 8.0 million (+ 33 %). Activities 1 and 2 fully generated the increase on the budget execution, Communication decreased by comparison to last year (Colloquia fifth anniversary) and Administration activities are stable. In particular, Activity 2 has increased by 65% as compared to last year, the Directorate of Scientific Cooperation and Assistance having been significantly developed.

EUR million	Commitments 15 SEP 2008	Commitments 15 SEP 2007	Increase	Payments 15 SEP 2008	Payments 15 SEP 2007	Increase
1- Provide Scientific Advice & Opinion	21,3	17,6	21%	16,5	12,1	37%
2- Risk assessment methodologies	8,8	5,3	65%	5,9	3,7	62%
3- Communication and dialogue	5,3	5,7	-7%	3,6	2,9	27%
4- Management and Administration	7,7	7,7	1%	6,2	5,6	11%
TOTAL	43,1	36,2	19%	32,3	24,2	33%

3. Budget Forecast

Forecasts have been revised in order to integrate the updated recruitment data, overall, the expected budget execution rate would reach 94 % at year end



Activity	Titles	Appropriations 2008 M€ (1)	%	Commitments Forecast 2008 M€	%
Activity 1	PERSONNEL	15.8	24%	14,4	91%
	INFRASTRUCTURE	4.0	6%	3,9	98%
	OPERATIONS	12.7	19%	11,8	93%
	A1 Scientific opinions & advices	32.5	49%	30,1	92%
Activity 2	PERSONNEL	5,6	8%	5,3	93%
	INFRASTRUCTURE	1,9	3%	1,9	98%
	OPERATIONS	6,9	10%	6,7	97%
	A2 Methodologies & scientific cooperation	14.5	22%	13,8	96%
Activity 3	PERSONNEL	2,8	4%	2,7	95%
	INFRASTRUCTURE	1,4	2%	1,4	98%
	OPERATIONS	4.0	6%	3,3	84%
	A3 Risk communication & relationships	8,2	12%	7,4	90%
Activity 4	PERSONNEL	8,2	12%	8,1	99%
	INFRASTRUCTURE	3.0	5%	2,9	96%
	A4 Administration	11,2	17%	11.0	98%
	GRAND TOTAL	66,4	100%	62,3	94%

(1) The forecast includes the transfers aiming at adjusting the budget.

From an operational perspective, the scientific activities are expected to be executed at 94 %.

The personnel expenditure under these activities have a lower execution rate as most new comers have joined EFSA during the second and third semesters. All the recruitment procedures have been launched and are closely monitored in order to ensure that a maximum of new staff members will join by the end of the year.

Compared to 2007, the budget execution is expected to increase by EUR 14.9 million representing an increase of 31 %, out these EUR 14.9 million more than 85 % (EUR 13.0 million) should be devoted to the two scientific activities.

EUR million	Commitments 2008	Commitments 2007	Increase
1- Provide Scientific Advice & Opinion	30,1	22,4	34%
2- Risk assessment methodologies	13,8	8,5	63%
3- Communication and dialogue	7,4	7,6	-2%
4- Management and Administration	11,0	8,9	23%
TOTAL	62,3	47,4	31%