

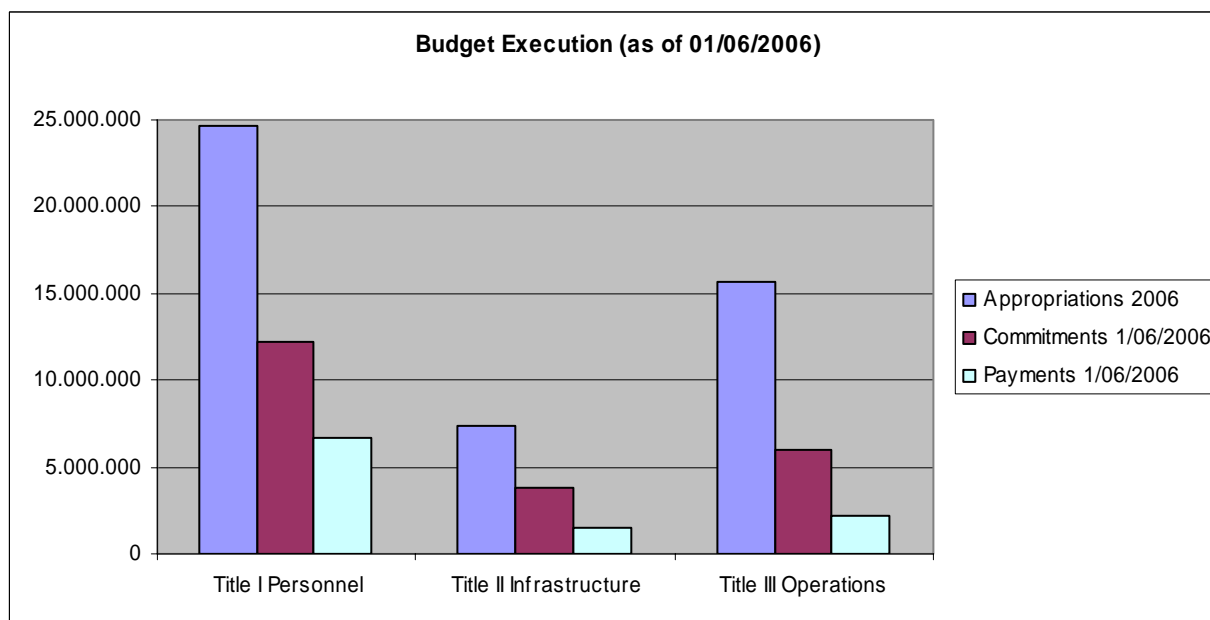


## European Food Safety Authority

### Management Board Meeting

20 June 2006

### BUDGET EXECUTION 2006 & STATE OF PLAY



As of 1 June 2006, EUR 22 million or 46 % of the EUR 47.7 million appropriations was committed. By Title, Title I and Title II were committed at more or less 50 % whereas Title III was at 38 % committed.

EUR	Appropriations 2006	Commitments 01/06/2006	%	Payments 01/06/2006	%
Title I Personnel	24.606.500	12.222.168	50%	6.715.696	<b>55%</b>
Title II Infrastructure	7.375.500	3.818.162	52%	1.478.369	<b>39%</b>
Title III Operations	15.711.288	5.941.963	38%	2.211.083	<b>37%</b>
<b>Total</b>	<b>47.693.288</b>	<b>21.982.293</b>	<b>46%</b>	<b>10.405.148</b>	<b>47%</b>

Globally, the payments executed, at EUR 10.5 million, represented 47 % of the commitments.

## **MB 20.06.2006 – 10 Budget execution 2006**

### Title I – Personnel:

The committed amount under this Title, in particular the amounts committed for the staff remuneration cover the first half year. The lower payment execution rate mainly resulted from the fact that the average length of the hiring process is much longer than expected and, as a consequence, resulted in lower number of incoming staff in the first 5 months of the year.. It is expected that the recruitment rate will again increase in line with the increased number of calls published. However and in spite of the efforts made to accelerate the recruitment process, it is likely that the budget under this Title will not be exhausted. The half-year budget closure exercise in course will provide an in depth analysis of the state of play and a first estimate for the full year budget consumption.

### Title II– Infrastructure:

The commitments under this Title are on track and a rather satisfactory budget execution for the various infrastructure, building and IT activities can be forecasted. The lower payment rate is explained by the nature and size of the contracts under this Title, mostly generating important, one-off payments.

### Title III – Operations:

It should firstly be noted that EUR 1.5 million related to Art.36 (subventions) and EUR 0.4 million related to the pre-accession program could not have been committed until now. For what concerns the subventions under Art.36, the underlying conditions are not yet in place but should be ready from this summer onwards and will result in substantial outsourcing during th second half of the year. For what concerns the pre-accession program, this amount should mostly be utilized in 2007. This excluded, the commitment rate would have been 43 % (instead of 38 %) which would have been more in line with the first five month period. The payment rate is to be accelerated.

### Follow-up of budget execution

A mid year closure and forecasting exercise will be done at the end of June. This exercise aims at accelerating the payment process for the amounts still to be liquidated by the operational departments under the existing commitment and at forecasting the budget execution for the year. This exercise will allow a better management of the funds available in the global context of the financial perspectives and may lead to transfers of amounts between the health and consumer protection actors based on expected surpluses and additional needs.