



EUROPEAN MEDICINES AGENCY
SCIENCE MEDICINES HEALTH

19 December 2019
EMA/MB/582178/2019 Noted
Management Board meeting of 18-19 December 2019

Summary of transfers of appropriations and Summary report on implementation of assigned revenue, fund sources R0 & CL, in budget 2019

Summary of transfers of appropriations

As provided by the Agency's Financial Regulation (FR), and subject to authorisation by the Executive Director, the Agency has carried out three transfers related to budget 2019 appropriations since the Board's June meeting.

All of these transfers were within the scope and limit of Article 26(1) of FR. The details are summarised in table 1 annexed to this document.

Article 26(1) of the Agency's FR specifies that the Executive Director may make transfers from one chapter to another and from one article to another without limit and from one title to another up to a maximum of 10% of the appropriations for the financial year shown on the line from which the transfer is made.

In accordance with Article 26(2), the Executive Director may propose to the Management Board transfers of appropriations from one title to another beyond the limit referred to in Article 26(1). None of the transfers carried out exceeded the 10% inter-title limit.

The Executive Director shall inform the Management Board as soon as possible of all transfers made. He shall inform the Budgetary Authority of all transfers carried out under Article 26(2).

Details of the transfers carried out since the October report are available at Annex 1.

Summary report on implementation of assigned revenue, fund sources R0 & CL

The Agency's new Financial Regulation (FR), adopted at the June Management Board meeting, sets out detailed rules for the management of assigned revenue originating from external and internal sources.

One new aspect is that these fund sources are managed separately from fund source C1, which constitutes the annual budget as adopted by the Management Board at its December meeting. While fund sources R0 (external assigned revenue) and CL (internal assigned revenue) therefore do not



require the Board's approval, it is still a requirement that the Agency reports to the Board on their management and use.

It is therefore suggested that the commentary to the annual budget henceforth will include estimates of expected assigned revenue, and that the actual receipt and consumption will be reported in the annual accounts and budgetary implementation report.

Details of the amounts received and consumed for both internal and external assigned revenue, since the entry into force of the Financial Regulation on 1st July 2019, are available at Annex 2.

ANNEX I - summary of transfers carried out in 2019 – transfers No. 9-11

Item	Description	Initial Appropriation C1	Current Appropriation C1	Transfer 26 (1) C1	Future Appropriation C1
EXPENDITURE					
Title 1	Staff expenditure				
Chapter 11	Staff salaries & allowances				
1100	Basic salaries	45,251,000	45,667,000	200,000	€ 45,867,000
1101	Family allowances	6,855,000	7,011,000	700,000	€ 7,711,000
1102	Expatriation & foreign residence allowances	6,354,000	7,080,000	500,000	€ 7,580,000
1114	Basic salaries & allowances for contract agents	12,384,000	10,038,000	-1,000,000	€ 9,038,000
1115	Seconded national experts and visiting experts	4,661,000	4,061,000	-305,000	€ 3,756,000
1130	Employer's social security contributions	12,114,000	12,114,000	800,000	€ 12,914,000
1181	Allowances on entering & leaving the service & on transfer	15,214,000	11,807,000	-343,000	€ 11,464,000
1190	Weightings	8,598,000	8,940,000	1,000,000	€ 9,940,000
Chapter 12	Expenditure relating to staff recruitment				
1200	Staff recruitment	500,000	500,000	-42,000	€ 458,000
Chapter 13	Duty travel				
1300	Duty travel	1,000,000	1,150,000	89,000	€ 1,239,000
Chapter 14	Socio-medical infrastructure				
1410	Medical service	516,000	516,000	-50,000	€ 466,000
1420	Miscellaneous welfare expenditure	2,953,000	3,872,000	-479,000	€ 3,393,000
1430	Social contact between staff	60,000	80,000	-11,000	€ 69,000
Chapter 15	Training				
1500	Training	782,000	771,000	-493,000	€ 278,000
Chapter 16	External services				
1601	Interim services	2,302,000	2,302,000	-1,493,000	€ 809,000
1602	Administrative assistance from the European Union institutions	489,000	984,000	-80,000	€ 904,000
1604	Contributions to European schools	3,900,000	3,335,000	-948,000	€ 2,387,000
Chapter 17	Receptions & events				
1700	Receptions & events	106,000	106,000	15,000	€ 121,000
Title 2	Infrastructure & operating expenditure				
Chapter 20	Infrastructure & operating expenditure				
2000	Rent	3,676,000	15,207,000	-1,376,000	€ 13,831,000
2010	Insurances	222,000	369,000	-24,000	€ 345,000
2040	Fitting-out of premises	1,525,000	16,826,000	7,119,000	€ 23,945,000
2050	Security & surveillance of buildings	780,000	1,459,000	140,000	€ 1,599,000
2090	Utilities & other building charges	2,029,000	5,000,000	-2,297,000	€ 2,703,000
Chapter 21	Corporate information & communication technology				
2110	Hardware & software	270,000	495,000	80,000	€ 575,000
2114	Maintenance & support of applications	23,869,000	23,869,000	-1,500,000	€ 22,369,000
Chapter 22	Movable property & associated costs				
2203	Technical equipment & installations	548,000	626,000	163,000	€ 789,000
2210	Furniture	p.m.	20,000	207,000	€ 227,000
Chapter 23	Current administrative expenditure				
2300	Stationery & office supplies	30,000	30,000	32,000	€ 62,000
2320	Financial charges	60,000	144,000	-84,000	€ 60,000
2358	Business continuity	67,000	67,000	-62,000	€ 5,000
2359	Other operating expenditure	3,763,000	1,483,000	-297,000	€ 1,186,000
Chapter 24	Postage				
2400	Postal & delivery services	62,000	72,000	64,000	€ 136,000
Chapter 25	Other meetings				
2501	Memberships with professional bodies & organisations	335,000	316,000	-13,000	€ 303,000
Chapter 26	Restaurant & catering				
2600	Restaurant & catering	1,050,000	1,407,000	297,000	€ 1,704,000
Title 3	Operational expenditure				
Chapter 30	Operational expenditure				
3000	Reimbursement of persons attending meetings	4,219,000	6,249,000	250,000	€ 6,499,000
3003	Other expenditure in relation to meetings	281,000	419,000	-69,000	€ 350,000
3020	Translation centre, Luxembourg	2,859,000	2,758,000	-140,000	€ 2,618,000
3030	Scientific studies & services	3,679,000	3,256,000	-100,000	€ 3,156,000
Chapter 31	Expenditure on business related IT projects				
3105	Business IT development	10,150,000	9,708,000	-450,000	€ 9,258,000
				-11,656,000	
				11,656,000	
Total transfer(s) 9-11				€ 0	

ANNEX 2 – assigned revenue

EXTERNAL ASSIGNED REVENUE, FUND SOURCE R0

External assigned revenue consists of incentives related to the EMA building receivable from the Netherlands. The incentives total €18 million, of which €3 million will be consumed as reduction of the rent of the building over the duration of the lease. The remaining €15 million will be consumed on additional fitting-out of the EMA building. The table below details the amount received and consumed in 2019 which involved investment in IT hardware.

RECEIPTS					
Item	Description	Initial Appropriation R0	Current Appropriation R0	Amount received R0	Outstanding R0
REVENUE					
Title 6	Assigned revenue				
Chapter 60	Assigned revenue				
6000R	External assigned revenue	0	1,064,514	1,064,514	€ 0
TOTAL		0	1,064,514	1,064,514	0
CONSUMPTION					
EXPENDITURE		Initial Appropriation R0	Current Appropriation R0	Amount consumed R0	Outstanding R0
Title 2	Infrastructure & operating expenditure				
Chapter 21	Corporate information & communication technology				
2110	Hardware & software	0	1,064,514	1,064,514	€ 0
TOTAL		0	1,064,514	1,064,514	0

INTERNAL ASSIGNED REVENUE, FUND SOURCE CL

EMA continues to pay rent, building insurance and service charges on its former headquarters in Canary Wharf, London, to its landlord. The Agency sub-let the building in 2019. According to the sub-lease the sub-tenant, WeWork, pays these same amounts to EMA. In accordance with the Financial Regulation this income and expenditure must be handled separately, as fund source CL. In 2019 the income and expenditure detailed in the table below were processed. Since the amounts payable by and due to EMA are the same, the revenue and expenditure will balance over time.

Item	Description	Initial Appropriation CL	Current Appropriation CL	Amount received CL	Outstanding CL
REVENUE					
Title 6	Assigned revenue				
Chapter 60	Assigned revenue				
6010R	Internal assigned revenue	0	3,754,384	2,305,455	1,448,928
TOTAL		0	3,754,384	2,305,455	1,448,928
EXPENDITURE		Initial Appropriation CL	Current Appropriation CL	Amount consumed CL	Outstanding CL
Title 2	Infrastructure & operating expenditure				
Chapter 21	Corporate information & communication technology				
2000	Rent	0	0	0	0
2010	Insurances	0	327,043	0	327,043
2090	Utilities & other building charges	0	1,978,412	1,007,245	971,167
TOTAL		0	2,305,455	1,007,245	1,298,210