



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 31.10.2006
COM(2006)647 final

Proposal for a

COUNCIL REGULATION (EC, EURATOM)

adjusting from 1 January 2007 the scale applicable to missions by officials and other servants of the European Communities in Bulgaria and Romania

(presented by the Commission)

1) BACKGROUND TO THE PROPOSAL

- **Grounds for and objectives of the proposal**

In accordance with Article 71 of the Staff Regulations, officials and other servants of the European Communities are entitled to reimbursement of expenses incurred by them in the course of or in connection with the performance of their duties.

- **General context**

The amounts for the reimbursement of mission expenses for Bulgaria and Romania were determined in accordance with the conditions applicable to non-member countries; they have not been adjusted since 2001; the equivalent scale for the 25 existing Member States was adjusted in 2006. Moreover, the amounts for the two countries in question were determined using methods of calculation different from those used for the 2006 adjustment.

- **Existing provisions in the area of the proposal**

Article 13 of Annex VII to the Staff Regulations setting out the rules for the reimbursement of expenses incurred in the course of missions in the Member States provides for a regular review of the amounts in question.

- **Consistency with other policies and objectives of the Union**

Not applicable.

2) CONSULTATION OF INTERESTED PARTIES AND IMPACT ASSESSMENT

- **Consultation of interested parties**

Methods of consultation used, main sectors covered and general profile of respondents

The elements of the proposal have been discussed with the staff representatives in accordance with the appropriate procedures.

Summary of replies received and the way in which they have been taken into account

The proposal takes account of the opinion of the parties consulted.

- **Collection and use of expertise**

There was no need for external expertise.

- **Impact assessment**

- The purpose of the proposal is to adjust the rate of the daily subsistence allowance and the hotel expenses ceilings for missions in accordance with the legislation in force.
- The legislation in force permits no alternative.

3) LEGAL ELEMENTS OF THE PROPOSAL

- **Summary of the proposed action**

In view of the probable accession of Bulgaria and Romania on 1 January 2007, the reimbursement to officials and other servants of expenses incurred in the course of missions in these countries will be subject from that date to the rules set out in Article 13 of Annex VII to the Staff Regulations.

Further to the adjustment made in 2006 for the existing Member States, the rates for these two countries must also be adjusted to take account of changes in prices since 2001 and to avoid any discrepancy between the methods used for determining the allowances for missions in these two countries and those in the existing Member States.

- **Legal basis**

Article 13 of Annex VII to the Staff Regulations.

- **Subsidiarity principle**

The proposal concerns an area that falls within the exclusive competence of the Community. The principle of subsidiarity does not therefore apply.

- **Proportionality principle**

The proposal is consistent with the principle of proportionality for the following reasons:

- Under Annex VII to the Staff Regulations, the Council has to act by qualified majority on a proposal by the Commission when adjusting the scale;
- The financial burden results directly from the application of the adjustment provided for in the Staff Regulations.

- **Choice of instruments**

Proposed instrument: regulation.

Other instruments would have been inappropriate for the following reasons:

- Article 13 of Annex VII to the Staff Regulations provides for a Council regulation.

4) BUDGETARY IMPLICATIONS

The impact on administrative expenditure of the adjustment of the scale for missions is detailed in the financial statement (see annex) (average 15% reduction in the daily allowance involving a reduction in annual expenditure of €0.08 million for all the institutions, of which €0.06 million for the Commission).

Proposal for a

COUNCIL REGULATION (EC, EURATOM)

adjusting from 1 January 2007 the scale applicable to missions by officials and other servants of the European Communities in Bulgaria and Romania¹

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to the Treaty of Accession of the Republic of Bulgaria and Romania to the European Union, and in particular Article 2 of the Protocol concerning the conditions and arrangements for the admission of the Republic of Bulgaria and Romania to the European Union,

Having regard to the Staff Regulations of Officials and the Conditions of Employment of Other Servants of the European Communities laid down by Council Regulation (EEC, Euratom, ECSC) No 259/68², as last amended by Regulation (EC, Euratom) No ...³, and in particular Article 13 of Annex VII thereto,

Having regard to the proposal from the Commission,

Whereas:

- (1) By virtue of the accession of the Republic of Bulgaria and Romania to the European Union on 1 January 2007, the reimbursement to officials and other servants of expenditure incurred on missions in these countries is now subject to the rules set out in Article 13 of Annex VII to the Staff Regulations,

HAS ADOPTED THIS REGULATION:

Article 1

The scale of mission allowances in Article 13(2) of Annex VII to the Staff Regulations is hereby replaced by the following table:

¹ This proposal is based on the hypothesis of accession by Bulgaria and Romania on 1 January 2007. Should the situation change, the proposal will be amended accordingly.
² OJ No L 56, 4.3.1968, p. 1.
³ OJ No ..., ..., p.1.

Destination	Hotel ceiling	Daily allowance
Belgium	140	92
Bulgaria	169	58
Czech Republic	155	75
Denmark	150	120
Germany	115	93
Estonia	110	71
Greece	140	82
Spain	125	87
France	150	95
Ireland	150	104
Italy	135	95
Cyprus	145	93
Latvia	145	66
Lithuania	115	68
Luxembourg	145	92
Hungary	150	72
Malta	115	90
Netherlands	170	93
Austria	130	95
Poland	145	72
Portugal	120	84
Romania	170	52
Slovenia	110	70
Slovakia	125	80
Finland	140	104
Sweden	160	97
United Kingdom	175	101

rticle 2

This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

It shall apply from 1 January 2007.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

*For the Council
The President*

LEGISLATIVE FINANCIAL STATEMENT

1. NAME OF THE PROPOSAL:

Council Regulation (EC, Euratom) adjusting from 1 January 2007 the scale for missions by officials and other servants of the European Communities in Bulgaria and Romania

2. ABM/ABB (ACTIVITY-BASED MANAGEMENT/ACTIVITY-BASED BUDGETING) FRAMEWORK

Policy area(s) concerned and associated activity/activities:

All areas and activities are potentially concerned.

3. BUDGET LINES

3.1. Budget lines (operational lines and related technical and administrative assistance lines (former BA lines)) including headings :

Commission expenditure:	XX.010211 (Overall budget)
	XX.0104yy, for the relevant XX and yy
	XX.010503 (Research), for the relevant XX
	24.010600 (OLAF)
	25.010203 (Special advisers)
	25.010213 (Commissioners)
	25.010901 (OPOCE)
	26.012x00 (Administrative Offices), for the relevant x
	26.015002 (ADMIN - participation in selection boards)
	26.015006 (ADMIN – officials seconded and on training schemes)
	06.xxxxxx (lines xxxxxx funding the mission expenses of nuclear inspectors)
	11.xxxxxx (ditto for fisheries inspectors)
	17.xxxxxx (ditto for veterinary and phytosanitary inspectors)
Other institutions' expenditure:	Article 130 (European Parliament, Council, Court of Justice, Court of Auditors, etc.)
	Article 104 (Members of the Court of Justice, Court of Auditors)

3.2. Duration of the action and of the financial impact:

Indefinite

3.3. Budgetary characteristics (add rows if necessary) :

Budget heading	Nature of expenditure		New	EFTA contribution	Contributions from applicant countries	Heading in financial perspective
See point 3.1.	NCE	NDA ⁴	NO	NO	NO	No [5]

4. SUMMARY OF RESOURCES

4.1. Financial resources

4.1.1. Summary of commitment appropriations (CA) and payment appropriations (PA)

EUR million (to 3 decimal places)

Nature of expenditure	Section No		Year n	n +1	n + 2	n +3	n +4	n+5 and later	Total
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Operational expenditure⁵: not applicable

Administrative expenditure within reference amount⁶: not applicable

TOTAL REFERENCE AMOUNT: not applicable

Administrative expenditure not included in reference amount⁷

<u>Human resources and associated expenditure (NDA)</u>	8.2.5	d							
<u>Administrative costs, other than human resources and associated costs, not included in reference amount (NDA)</u> ⁸	8.2.6	e	- 0.08 (- 0.06)	n.a.					

⁴ Non-differentiated appropriations.

⁵ Expenditure not falling under Chapter xx 01 of Title xx concerned.

⁶ Expenditure within Article xx 01 04 of Title xx.

⁷ Expenditure within Chapter xx 01 other than Articles xx 01 04 or xx 01 05.

⁸ Figures in brackets correspond to the budgetary impact of the reform solely for the Commission.

Total indicative financial cost of intervention

TOTAL CA, including cost of human resources		a+c +d+ e	- 0.08 (- 0,06)	n.a.					
TOTAL PA, including cost of human resources		b+c +d+ e	- 0.08 (- 0,06)	n.a.					

The Commission's requirements in terms of human and administrative resources will be covered by the allocation granted to the managing DG in the annual allocation procedure.

Co-financing details

If the proposal involves co-financing by Member States, or other bodies (please specify which), an estimate of the level of this co-financing should be indicated in the table below (additional lines may be added if different bodies are foreseen for the provision of the co-financing):

4.1.2. Compatibility with financial programming

Proposal is compatible with existing financial programming.

Proposal will entail reprogramming of the relevant heading in the financial perspective.

Proposal may require application of the provisions of the Interinstitutional Agreement⁹ (i.e. flexibility instrument or revision of the financial perspective).

4.1.3. Financial impact on revenue

Proposal has no financial impact on revenue

Financial impact - the effect on revenue is as follows:

Note: All details and observations relating to the method of calculating the effect on revenue should be shown in a separate annex.

4.2. Human resources ETP (including officials, temporary and external staff) - see detail under point 8.2.1.

5. CHARACTERISTICS AND OBJECTIVES

Details of the context of the proposal are required in the explanatory memorandum. This section of the legislative financial statement should include the following complementary information:

⁹ See points 19 and 24 of the Interinstitutional Agreement.

- 5.1. Need to be met in the short or long term
Obligation under the Staff Regulations
- 5.2. Value -added of Community involvement and coherence of the proposal with other financial instruments and possible synergy
Not applicable.
- 5.3. Objectives, expected results and related indicators of the proposal in the context of the ABM framework
Not applicable.
- 5.4. Method of implementation (indicative)
Show below the method(s)¹⁰ chosen for the implementation of the action.
- Centralised management**
- directly by the Commission: PMO
- indirectly by delegation to:
- executive agencies
 - bodies set up by the Communities as referred to in Article 185 of the Financial Regulation
 - national public-sector bodies/bodies with public-service mission
- Shared or decentralised management**
- with Member States
 - with third countries
- Joint management with international organisations (*please specify*)**

Relevant comments:

6. MONITORING AND EVALUATION

6.1. Monitoring system

Not applicable.

6.2. Evaluation

¹⁰ If more than one method is indicated, please provide additional details in the “Relevant comments” section of this point.

6.2.1. Ex ante evaluation

Not applicable.

6.2.2. Measures taken following an intermediate/ex post evaluation (lessons learned from similar experiences in the past)

Not applicable.

6.2.3. Terms and frequency of future evaluations

Evaluation every two years.

7. ANTI-FRAUD MEASURES

Not applicable.

8. DETAILS OF RESOURCES

8.1. Objectives of the proposal in terms of their financial cost: not applicable

8.2. Administrative expenditure

8.2.1. Number and type of human resources

8.2.2. Description of tasks deriving from the action

8.2.3. Sources of human resources (staff covered by the Staff Regulations)

(When more than one source is stated, please indicate the number of posts originating from each of the sources)

- Posts currently allocated to the management of the programme to be replaced or extended
- Posts pre-allocated within the APS/PDB exercise for year n
- Posts to be requested in the next APS/PDB procedure
- Posts to be redeployed using existing resources within the managing service (internal redeployment)
- Posts required for year n although not foreseen in the APS/PDB exercise for the year in question

8.2.4. Other administrative expenditure included in reference amount
(XX 01 04/05 – Expenditure on administrative management)

8.2.5. Financial cost of human resources and associated costs not included in reference amount

Calculation - <i>Officials and temporary staff</i>
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Reference should be made to point 8.2.1, if applicable

Calculation - **Staff financed by Article XX 01 02**

Reference should be made to point 8.2.1, if applicable

8.2.6. Other administrative expenditure not included in reference amount

EUR million (to 3 decimal places)

	Year n	Year n+1	Year n+2	Year n+3	Year n+4	Year n+5 and later	TOTAL
XX 01 02 11 01 – Missions¹¹	- 0.08 (- 0.06)	n.a.					
XX 01 02 11 02 - Meetings and conferences							
XX 01 02 11 03 - Committees¹²							
XX 01 02 11 04 - Studies and consultations							
XX 01 02 11 05 - Information systems							
2. Total other management expenditure (XX 01 02 11) 							
3. Other expenditure of an administrative nature (specify including reference to budget line)							
Total administrative expenditure, other than human resources and associated costs (NOT included in reference amount)							

Calculation - *Other administrative expenditure not included in reference amount*

The proposal covers two components of the reimbursement of mission expenses: (1) hotel expenses ceilings and (2) daily subsistence allowances.

¹¹ Figures in brackets correspond to the budgetary impact of the reform solely for the Commission.

¹² Specify the type of committee and the group to which it belongs.

As regards hotel expenses, the proposal adjusts the ceilings such that, for Bulgaria and Romania, 90% of the actual amounts of hotel bills reimbursed to European Union staff between 1 April 2005 and 30 March 2006 is lower than the ceilings. This should mean that it will be necessary to obtain derogations for exceeding the hotel ceilings for only 10% of missions. The method used for determining the ceilings is that in force for missions in the other Member States of the European Union. The planned adjustment of the accommodation ceilings has no annual budgetary impact as the proposed ceilings have been based on expenditure actually incurred.

As regards the daily subsistence allowances, the proposal involves determining the amount payable by taking the daily allowance for Belgium (set at €92) and applying to it the correction coefficients (“excluding accommodation”) applicable to Bulgaria and Romania. This method is identical to that used for determining the daily allowance in the 25 Member States.

The proposal results in an average reduction in costs of 15% which, when applied to the expenditure for all the institutions, represents a reduction of €0.08 million per year, of which €0.06 million for the Commission.