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Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

amending Regulation (EU) No 1303/2013 as regards the resources for economic, social and territorial cohesion and correcting that Regulation as regards the resources for the investment for growth and jobs goal

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

• Reasons for and objectives of the proposal

The objective of the proposal is to adapt the amounts of resources available for the Investment for growth and jobs goal and for the European territorial cooperation goal set out in Articles 91(1) and 92(5) of Regulation (EU) No 1303/2013¹ and the annual breakdown of commitment appropriations reflected in Annex VI in order to reflect changes in the financial programming for the Youth Employment Initiative ('YEI'). More specifically, in line with the adopted budget for 2018, commitment appropriations for the specific allocation for the YEI should be increased by an amount of EUR 116.7 million, bringing the overall amount for 2018 up to EUR 350 million. The commitment appropriations for 2020 were adjusted to reflect the frontloading to 2018.

In addition, it is necessary to correct some errors with regard to the amounts and percentages concerning the resources for the Investment for Growth and Jobs goal set out in point (2)(a) of Article 1 of Regulation (EU) 2017/2305, amending Article 92(1) of Regulation (EU) No 1303/2013.

• Consistency with existing policy provisions in the policy area

This proposal is the result of the 2018 budgetary decision.

• Consistency with other Union policies

The proposal is consistent with other proposals and initiatives adopted by the European Commission.

2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY

• Legal basis

The review reflects the frontloading of the resources for the specific allocation for the Youth Employment Initiative (YEI) in the 2018 EU budget.

• Subsidiarity (for non-exclusive competence)

The proposal complies with the subsidiarity principle.

• Proportionality

The proposal is limited to the technical adjustments necessary.

¹ Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006 (OJ L 347 20.12.2013, p. 320), as last amended by Regulation (EU) 2017/2305 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) No 1303/2013 as regards the changes to the resources for economic, social and territorial cohesion and to the resources for the Investment for growth and jobs goal and for the European territorial cooperation goal (OJ L 335, 15.12.2017, p. 1).

- **Choice of the instrument**

Proposed instrument: amendment of the current regulation.

The Commission has explored the scope for manoeuvre provided by the legal framework and considers it necessary to propose amendments to Regulation (EU) No 1303/2013.

3. RESULTS OF EX-POST EVALUATIONS, STAKEHOLDER CONSULTATIONS AND IMPACT ASSESSMENTS

- **Ex-post evaluations/fitness checks of existing legislation**

There was no ex-post evaluation/or fitness checks of the existing legislation.

- **Stakeholder consultations**

There was no consultation of external stakeholders.

- **Collection and use of expertise**

Use of external expertise has not been necessary.

- **Impact assessment**

Not applicable.

- **Regulatory fitness and simplification**

This is not an initiative within the Regulatory Fitness Programme (REFIT)

- **Fundamental rights**

The proposal has no consequences for the protection of fundamental rights.

4. BUDGETARY IMPLICATIONS

There are changes in commitment appropriations resulting from frontloading of the specific allocation for the YEI. The commitment appropriations for 2018 should be increased by EUR 116.7 million in current prices and the amount for 2020 should be decreased by the same amount.

5. OTHER ELEMENTS

- **Implementation plans and monitoring, evaluation and reporting arrangements**

Not applicable.

- **Explanatory documents (for directives)**

Not applicable.

- **Detailed explanation of the specific provisions of the proposal**

The objective of the proposal is to adapt the amounts of resources available for the Investment for growth and jobs goal and for the European territorial cooperation goal set out in Articles 91(1) and 92(5) of Regulation (EU) No 1303/2013 and the annual breakdown of commitment appropriations reflected in Annex VI in order to reflect changes in the financial programming for the YEI. More specifically, in line with the adopted budget for 2018, commitment appropriations for the specific allocation for the YEI should be increased by an

amount of EUR 116.7 million, bringing the overall amount for 2018 up to EUR 350 million. The commitment appropriations for 2020 were adjusted to reflect the frontloading to 2018.

In addition, it is necessary to correct some errors with regard to the amounts and percentages concerning the resources for the Investment for Growth and Jobs goal set out in point (2)(a) of Article 1 of Regulation (EU) 2017/2305, amending Article 92(1) of Regulation (EU) No 1303/2013.

Article 92(1) of Regulation (EU) No 1303/2013, as amended by Regulation (EU) 2017/2305 reads as follows:

'1. Resources for the Investment for growth and jobs goal shall amount to 96.09% of the global resources (i.e., a total of EUR 317 103 114 309) and shall be allocated as follows:

(a) 48.64% (i.e., a total of EUR 160 498 028 177) for less developed regions;

(b) 10.19% (i.e., a total of EUR 33 621 675 154) for transition regions;

(c) 15.43% (i.e., a total of EUR 50 914 723 304) for more developed regions;

(d) 20.01% (i.e., a total of EUR 66 029 882 135) for Member States supported by the Cohesion Fund;

(e) 0.42% (i.e., a total of EUR 1 378 882 914) as additional funding for the outermost regions identified in Article 349 TFEU and the NUTS level 2 regions fulfilling the criteria laid down in Article 2 of Protocol No 6 to the 1994 Act of Accession.';

That provision should read correctly as follows and should therefore be corrected:

'1. Resources for the Investment for growth and jobs goal shall amount to 96.09 % of the global resources (i.e., a total of EUR 317 073 545 392) and shall be allocated as follows:

(a) 51.52% (i.e., a total of EUR 163 359 380 738) for less developed regions;

(b) 10.82% (i.e., a total of EUR 34 319 221 039) for transition regions;

(c) 16.33 % (i.e., a total of EUR 51 773 321 432) for more developed regions;

(d) 20.89 % (i.e., a total of EUR 66 236 030 665) for Member States supported by the Cohesion Fund;

(e) 0.44 % (i.e., a total of EUR 1 385 591 518) as additional funding for the outermost regions identified in Article 349 TFEU and the NUTS level 2 regions fulfilling the criteria laid down in Article 2 of Protocol No 6 to the 1994 Act of Accession.'

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

amending Regulation (EU) No 1303/2013 as regards the resources for economic, social and territorial cohesion and correcting that Regulation as regards the resources for the investment for growth and jobs goal

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 177 thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee²,

Having regard to the opinion of the Committee of the Regions³,

Acting in accordance with the ordinary legislative procedure,

Whereas:

- (1) Regulation (EU) No 1303/2013 of the European Parliament and of the Council⁴ lays down the common and general rules applicable to the European Structural and Investment Funds.
- (2) Regulation (EU) 2017/2305 of the European Parliament and of the Council⁵ amended Regulation (EU) No 1303/2013, among others, as regards the resources allocated for economic, social and territorial cohesion.
- (3) The general budget of the European Union for the financial year 2018⁶ amended the financial programming for the Youth Employment Initiative ('YEI') by increasing commitment appropriations for the specific allocation for the YEI by an amount of EUR 116.7 million in current prices and bringing the overall amount of commitment appropriations for the YEI for 2018 up to EUR 350 million in current prices.

² OJ C [...], [...], p. [...].

³ OJ C [...], [...], p. [...].

⁴ Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006 (OJ L 347, 20.12.2013, p. 320).

⁵ Regulation (EU) 2017/2305 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) No 1303/2013 as regards the changes to the resources for economic, social and territorial cohesion and to the resources for the Investment for growth and jobs goal and for the European territorial cooperation goal (OJ L 335, 15.12.2017, p. 1).

⁶ OJ L 57, 28.2.2018, p. 1.

- (4) The amount of commitment appropriations for 2020 needs to be adjusted downwards accordingly to reflect the frontloading to 2018. Regulation (EU) No 1303/2013 should therefore be amended accordingly.
- (5) When Article 92(1) of Regulation (EU) No 1303/2013 was amended by Regulation (EU) 2017/2305, certain financial data set in point (a) of Article 1(2) of Regulation (EU) 2017/2305 were wrong. That financial data should be replaced by correct data. Regulation (EU) No 1303/2013 should therefore be corrected accordingly.
- (6) Given the urgency of amending the programmes supporting the YEI, this Regulation should enter into force on the day following that of its publication in the *Official Journal of the European Union*.

HAVE ADOPTED THIS REGULATION:

Article 1

Regulation (EU) No 1303/2013 is amended as follows:

- (1) in Article 91, paragraph 1 is replaced by the following:

"1. The resources for economic, social and territorial cohesion available for budgetary commitment for the period 2014 - 2020 shall be EUR 329 982 345 366 in 2011 prices, in accordance with the annual breakdown set out in Annex VI, of which EUR 325 938 694 233 represents the global resources allocated to the ERDF, the ESF and the Cohesion Fund and EUR 4 043 651 133 represents a specific allocation for the YEI. For the purposes of programming and subsequent inclusion in the budget of the Union, the amount of resources for economic, social and territorial cohesion shall be indexed at 2 % per year.";
- (2) in Article 92, paragraph 5 is replaced by the following:

"5. Resources for the YEI shall amount to EUR 4 043 651 133 from the specific allocation for the YEI and at least EUR 4 043 651 133 from ESF targeted investment.";
- (3) Annex VI is replaced by the text set out in the Annex to this Regulation.

Article 2

Regulation (EU) No 1303/2013 is corrected as follows:

in Article 92, paragraph 1 is replaced by the following:

- "1. Resources for the Investment for growth and jobs goal shall amount to 96.09 % of the global resources (that is to say, a total of EUR 317 073 545 392) and shall be allocated as follows:
- (a) 51.52 % (that is to say, a total of EUR 163 359 380 738) for less developed regions;
 - (b) 10.82 % (that is to say, a total of EUR 34 319 221 039) for transition regions;
 - (c) 16.33 % (that is to say, a total of EUR 51 773 321 432) for more developed regions;
 - (d) 20.89 % (that is to say, a total of EUR 66 236 030 665) for Member States supported by the Cohesion Fund;

(e) 0.44 % (that is to say, a total of EUR 1 385 591 518) as additional funding for the outermost regions identified in Article 349 TFEU and the NUTS level 2 regions fulfilling the criteria laid down in Article 2 of Protocol No 6 to the 1994 Act of Accession."

Article 3

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

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

Done at Brussels,

For the European Parliament
The President

For the Council
The President

LEGISLATIVE FINANCIAL STATEMENT

1. FRAMEWORK OF THE PROPOSAL/INITIATIVE

- 1.1. Title of the proposal/initiative
- 1.2. Policy area(s) concerned in the ABM/ABB structure
- 1.3. Nature of the proposal/initiative
- 1.4. Objective(s)
- 1.5. Grounds for the proposal/initiative
- 1.6. Duration and financial impact
- 1.7. Management mode(s) planned

2. MANAGEMENT MEASURES

- 2.1. Monitoring and reporting rules
- 2.2. Management and control system
- 2.3. Measures to prevent fraud and irregularities

3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE

- 3.1. Heading(s) of the multiannual financial framework and expenditure budget line(s) affected
- 3.2. Estimated impact on expenditure
 - 3.2.1. *Summary of estimated impact on expenditure*
 - 3.2.2. *Estimated impact on operational appropriations*
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 - 3.2.4. *Compatibility with the current multiannual financial framework*
 - 3.2.5. *Third-party contributions*
- 3.3. Estimated impact on revenue

LEGISLATIVE FINANCIAL STATEMENT

1. FRAMEWORK OF THE PROPOSAL/INITIATIVE

1.1. Title of the proposal/initiative

Proposal for a
REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL
amending Regulation (EU) No 1303/2013 as regards the resources for economic, social and territorial cohesion and correcting that Regulation as regards the resources for the investment for growth and jobs goal

1.2. Policy area(s) concerned in the ABM/ABB structure⁷

4 Employment, social affairs and inclusion
04 02 60 – European Social Fund – Less developed regions -Investment for growth and jobs goal
04 02 61 – European Social Fund – Transition regions - -Investment for growth and jobs goal
04 02 62 – European Social Fund – More developed regions – Investment for growth and jobs goal
04 02 64 – Youth Employment Initiative (YEI)
13 Regional and Urban policy
13 03 60 – European Regional Development Fund (ERDF) – Less developed regions –Investment for growth and jobs goal
13 03 61 – European Regional Development Fund (ERDF) – Transition regions – Investment for growth and jobs goal
13 03 62 – European Regional Development Fund (ERDF) – More developed regions- Investment for growth and jobs goal
13 03 63 - European Regional Development Fund (ERDF) — Additional allocation for outermost and sparsely populated regions — Investment for growth and jobs goal
13 03 64 01 - European Regional Development Fund (ERDF) — European territorial cooperation
13 04 60 — Cohesion Fund — Investment for growth and jobs goal

1.3. Nature of the proposal/initiative

- ☐ The proposal/initiative relates to **a new action**
- ☐ The proposal/initiative relates to **a new action following a pilot project/preparatory action⁸**
- ☒ The proposal/initiative relates to **the extension of an existing action**
- ☐ The proposal/initiative relates to **an action redirected towards a new action**

⁷ ABM: activity-based management; ABB: activity-based budgeting.

⁸ As referred to in Article 54(2)(a) or (b) of the Financial Regulation.

1.4. Objective(s)

1.4.1. *The Commission's multiannual strategic objective(s) targeted by the proposal/initiative*

N/A

1.4.2. *Specific objective(s) and ABM/ABB activity(ies) concerned*

Specific objective No

N/A

ABM/ABB activity(ies) concerned

N/A

1.4.3. *Expected result(s) and impact*

Specify the effects which the proposal/initiative should have on the beneficiaries/groups targeted.

N/A

1.4.4. *Indicators of results and impact*

Specify the indicators for monitoring implementation of the proposal/initiative.

N/A

1.5. Grounds for the proposal/initiative

1.5.1. *Requirement(s) to be met in the short or long term*

N/A

1.5.2. *Added value of EU involvement*

N/A

1.5.3. *Lessons learned from similar experiences in the past*

N/A

1.5.4. *Compatibility and possible synergy with other appropriate instruments*

N/A

1.6. Duration and financial impact

☐ Proposal/initiative of **limited duration**

– ☒ Proposal/initiative in effect from 01/01/2017 to 31/12/2023

– ☒ Financial impact in 2017 - 2020

☐ Proposal/initiative of **unlimited duration**

– Implementation with a start-up period from YYYY to YYYY,

– followed by full-scale operation.

1.7. Management mode(s) planned⁹

☐ **Direct management** by the Commission

⁹

Details of management modes and references to the Financial Regulation may be found on the BudgWeb site: http://www.cc.cec/budg/man/budgmanag/budgmanag_en.html

- ☐ by its departments, including by its staff in the Union delegations;
- ☐ by the executive agencies
- ☒ **Shared management** with the Member States
- ☐ **Indirect management** by entrusting budget implementation tasks to:
 - ☐ third countries or the bodies they have designated;
 - ☐ international organisations and their agencies (to be specified);
 - ☐ the EIB and the European Investment Fund;
 - ☐ bodies referred to in Articles 208 and 209 of the Financial Regulation;
 - ☐ public law bodies;
 - ☐ bodies governed by private law with a public service mission to the extent that they provide adequate financial guarantees;
 - ☐ bodies governed by the private law of a Member State that are entrusted with the implementation of a public-private partnership and that provide adequate financial guarantees;
 - ☐ persons entrusted with the implementation of specific actions in the CFSP pursuant to Title V of the TEU, and identified in the relevant basic act.
- *If more than one management mode is indicated, please provide details in the 'Comments' section.*

Comments

N/A

2. MANAGEMENT MEASURES

2.1. Monitoring and reporting rules

Specify frequency and conditions.

N/A

2.2. Management and control system

2.2.1. Risk(s) identified

N/A

2.2.2. Information concerning the internal control system set up

N/A

2.2.3. Estimate of the costs and benefits of the controls and assessment of the expected level of risk of error

N/A

2.3. Measures to prevent fraud and irregularities

Specify existing or envisaged prevention and protection measures.

N/A

3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE

3.1. Heading(s) of the multiannual financial framework and expenditure budget line(s) affected

- Existing budget lines

In order of multiannual financial framework headings and budget lines.

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Number [Heading..... ...]	Diff./Non-diff. ¹⁰	from EFTA countries ¹¹	from candidate countries ¹²	from third countries	within the meaning of Article 21(2)(b) of the Financial Regulation
1 Smart and Inclusive Growth	04 02 60 – European Social Fund – Less developed regions -Investment for growth and jobs goal	Diff.	NO	NO	NO	NO
	04 02 61 – European Social Fund – Transition regions - -Investment for growth and jobs goal					
	04 02 62 – European Social Fund – More developed regions – Investment for growth and jobs goal					
	04 02 64 – Youth Employment Initiative (YEI)					
	13 03 60 – European Regional Development Fund (ERDF) – Less developed regions –Investment for growth and jobs goal					
	13 03 61 – European Regional Development Fund (ERDF) – Transition regions – Investment for growth and jobs goal					
	13 03 62 – European Regional Development Fund (ERDF) – More developed regions- Investment for growth and jobs goal					
	13 03 63 - European Regional Development Fund (ERDF) — Additional allocation for outermost and sparsely populated regions — Investment for growth and jobs goal					

¹⁰ Diff. = Differentiated appropriations / Non-diff. = Non-differentiated appropriations.

¹¹ EFTA: European Free Trade Association.

¹² Candidate countries and, where applicable, potential candidate countries from the Western Balkans.

	13 03 64 01 - European Regional Development Fund (ERDF) — European territorial cooperation 13 04 60 — Cohesion Fund — Investment for growth and jobs goal					
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- New budget lines requested

In order of multiannual financial framework headings and budget lines.

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Number [Heading..... ...]	Diff./Non-diff.	from EFTA countries	from candidate countries	from third countries	within the meaning of Article 21(2)(b) of the Financial Regulation
	[XX.YY.YY.YY]		YES/N O	YES/N O	YES/N O	YES/NO

3.2. Estimated impact on expenditure

Commitment appropriations for the specific allocation for the YEI for 2018 should be increased by EUR 116.7 million in current prices and the amount for 2020 should be decreased by the same amount. Payment appropriations have been adjusted accordingly.

3.2.1. Summary of estimated impact on expenditure

EUR in current prices

Heading of multiannual financial framework	Number 1	Smart and Inclusive Growth
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DG: EMPL, REGIO			2014	2015	2016	2017	2018 ¹³	2019	2020	TOTAL
• Operational appropriations										
1b: Economic, social and territorial cohesion European Regional Development Fund, the European Social Fund, the Cohesion Fund	Commitments									
	04 02 60 – European Social Fund – Less developed regions - Investment for growth and jobs goal					237 320 881	242 067 299	246 908 645	251 846 817	978 143 642
	04 02 61 – European Social Fund – Transition regions - Investment for growth and jobs goal	(1)				251 466 089	256 495 412	261 625 320	266 857 826	1 036 444 647
	04 02 62 – European Social Fund – More developed					87 329 881	89 076 479	90 858 008	92 675 169	359 939 537

¹³

In line with Article 136 of Regulation (EU) No 1303/2013 the pre-financing shall be justified (cleared) with YEI expenditure declared by 31/12/2018.

	regions – Investment for growth and jobs goal								
	04 02 64 – Youth Employment Initiative (YEI)				500 000 000	350 000 000	233 333 333	116 666 667	1 200 000 000
	13 03 60 – European Regional Development Fund (ERDF) – Less developed regions – Investment for growth and jobs goal				237 320 880	242 067 299	246 908 645	251 846 645	978 143 469
	13 03 61 – European Regional Development Fund (ERDF) – Transition regions – Investment for growth and jobs goal				251 466 089	256 495 411	261 625 320	266 857 826	1 036 444 646
	13 03 62 – European Regional Development Fund (ERDF) – More developed regions - Investment for growth and jobs goal				87 329 881	89 076 479	90 858 009	92 675 168	359 939 537
	13 04 60 — Cohesion Fund — Investment for growth and jobs goal				-26 071 285	-26 592 711	-27 124 565	-27 667 056	-107 455 617

	Payments									
	04 02 60 – European Social Fund – Less developed regions - Investment for growth and jobs goal						25 285 013	50 887 923	108 495 693	184 668 629
	04 02 61 – European Social Fund – Transition regions - Investment for growth and jobs goal						26 792 094	53 921 033	114 962 440	195 675 567
	04 02 62 – European Social Fund – More developed regions – Investment for growth and jobs goal	(2)					9 304 437	18 725 854	39 924 494	67 954 785
	04 02 64 – Youth Employment Initiative (YEI)					85 000.000	329 000 000	231 000 000	175 000 000	820 000 000
	13 03 60 – European Regional Development Fund (ERDF) – Less developed regions – Investment for growth and jobs goal						25 285 013	50 887 923	108 495 693	184 668 629

13 03 61 – European Regional Development Fund (ERDF) – Transition regions – Investment for growth and jobs goal						26 792 094	53 921 033	114 962 440	195 675 567
13 03 62 – European Regional Development Fund (ERDF) – More developed regions - Investment for growth and jobs goal						9 304 437	18 725 854	39 924 493	67 954 785
13 03 63 - European Regional Development Fund (ERDF) — Additional allocation for outermost and sparsely populated regions — Investment for growth and jobs goal									
13 03 64 01 - European Regional Development Fund (ERDF) — European territorial cooperation									
13 04 60 — Cohesion Fund — Investment for growth and jobs goal						-2 777 728	-5 590 378	-11 918 977	-20 287 083

Appropriations of an administrative nature financed from the envelope of specific programmes ¹⁴										
N/A		(3)								
TOTAL appropriations for DG EMPL, REGIO	Commitments	=1+1a+3				1 626 162 416	1 498 685 668	1 404 992 715	1 311 759 062	5 841 599 861
	Payments	=2+2a+3				85 000 000	448 985 360	472 479 242	689 846 276	1 696 310 879

• TOTAL operational appropriations	Commitments	(4)	0	0	0	0	0	0	0	0
	Payments	(5)	0							
• TOTAL appropriations of an administrative nature financed from the envelope for specific programmes		(6)	0	0	0	0	0	0	0	0
TOTAL appropriations under HEADING 1 of the multiannual financial framework	Commitments	=4+ 6	0	0	0	0	0	0	0	0
	Payments	=5+ 6	0							0

If more than one heading is affected by the proposal / initiative:

• TOTAL operational appropriations	Commitments	(4)								
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¹⁴ Technical and/or administrative assistance and expenditure in support of the implementation of EU programmes and/or actions (former ‘BA’ lines), indirect research, direct research.

	Payments	(5)								
• TOTAL appropriations of an administrative nature financed from the envelope for specific programmes		(6)								
TOTAL appropriations under HEADINGS 1 to 4 of the multiannual financial framework (Reference amount)	Commitments	=4+ 6								
	Payments	=5+ 6	0							0

Heading of multiannual financial framework	5	‘Administrative expenditure’
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EUR million (to three decimal places)

		Year N	Year N+1	Year N+2	Year N+3	Enter as many years as necessary to show the duration of the impact (see point 1.6)			TOTAL
DG: <.....>									
• Human resources									
• Other administrative expenditure									
TOTAL DG <.....>	Appropriations								

TOTAL appropriations under HEADING 5 of the multiannual financial framework	(Total commitments = Total payments)								
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EUR million (to three decimal places)

		Year N ¹⁵	Year N+1	Year N+2	Year N+3	Enter as many years as necessary to show the duration of the impact (see point 1.6)			TOTAL
TOTAL appropriations under HEADINGS 1 to 5 of the multiannual financial framework	Commitments								
	Payments								

¹⁵

Year N is the year in which implementation of the proposal/initiative starts.

3.2.2. Estimated impact on operational appropriations

- ☐ The proposal/initiative does not require the use of operational appropriations
- ☒ The proposal/initiative requires the use of operational appropriations, as explained below:

Commitment appropriations in EUR million (to three decimal places)

Indicate objectives and outputs ↓			Year N		Year N+1		Year N+2		Year N+3		Enter as many years as necessary to show the duration of the impact (see point 1.6)						TOTAL	
	OUTPUTS																	
	Type ¹⁶	Average cost	No	Cost	No	Cost	No	Cost	No	Cost	No	Cost	No	Cost	No	Cost	Total No	Total cost
SPECIFIC OBJECTIVE No 1 ¹⁷ ...																		
- Output																		
- Output																		
- Output																		
Subtotal for specific objective No 1																		
SPECIFIC OBJECTIVE No 2 ...																		
- Output																		
Subtotal for specific objective No 2																		
TOTAL COST																		

¹⁶

Outputs are products and services to be supplied (e.g.: number of student exchanges financed, number of km of roads built, etc.).

¹⁷

As described in point 1.4.2. 'Specific objective(s)...'

3.2.3. Estimated impact on appropriations of an administrative nature

3.2.3.1. Summary

- ☒ The proposal/initiative does not require the use of appropriations of an administrative nature
- ☐ The proposal/initiative requires the use of appropriations of an administrative nature, as explained below:

EUR million (to three decimal places)

	Year N ¹⁸	Year N+1	Year N+2	Year N+3	Enter as many years as necessary to show the duration of the impact (see point 1.6)			TOTAL
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HEADING 5 of the multiannual financial framework								
Human resources								
Other administrative expenditure								
Subtotal HEADING 5 of the multiannual financial framework								

Outside HEADING 5¹⁹ of the multiannual financial framework								
Human resources								
Other expenditure of an administrative nature								
Subtotal outside HEADING 5 of the multiannual financial framework								

TOTAL								
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The appropriations required for human resources and other expenditure of an administrative nature will be met by appropriations from the DG that are already assigned to management of the action and/or have been redeployed within the DG, together if necessary with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of budgetary constraints.

¹⁸ Year N is the year in which implementation of the proposal/initiative starts.

¹⁹ Technical and/or administrative assistance and expenditure in support of the implementation of EU programmes and/or actions (former 'BA' lines), indirect research, direct research.

3.2.3.2. Estimated requirements of human resources

- ☒ The proposal/initiative does not require the use of human resources.
- ☐ The proposal/initiative requires the use of human resources, as explained below:

Estimate to be expressed in full time equivalent units

	Year N	Year N+1	Year N+2	Year N+3	Enter as many years as necessa ry to show the duratio n of the impact (see point 1.6)		
• Establishment plan posts (officials and temporary staff)							
XX 01 01 01 (Headquarters and Commission's Representation Offices)							
XX 01 01 02 (Delegations)							
XX 01 05 01 (Indirect research)							
10 01 05 01 (Direct research)							
• External staff (in Full Time Equivalent unit: FTE)²⁰							
XX 01 02 01 (AC, END, INT from the 'global envelope')							
XX 01 02 02 (AC, AL, END, INT and JED in the delegations)							
XX 01 04 yy ²¹	- at Headquarters						
	- in Delegations						
XX 01 05 02 (AC, END, INT - Indirect research)							
10 01 05 02 (AC, END, INT - Direct research)							
Other budget lines (specify)							
TOTAL							

XX is the policy area or budget title concerned.

The human resources required will be met by staff from the DG who are already assigned to management of the action and/or have been redeployed within the DG, together if necessary with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of budgetary constraints.

Description of tasks to be carried out:

Officials and temporary staff	
External staff	

²⁰ AC= Contract Staff; AL = Local Staff; END= Seconded National Expert; INT = agency staff; JED= Junior Experts in Delegations.

²¹ Sub-ceiling for external staff covered by operational appropriations (former 'BA' lines).

3.2.4. Compatibility with the current multiannual financial framework

- ☒ The proposal/initiative is compatible the current multiannual financial framework.
- ☐ The proposal/initiative will entail reprogramming of the relevant heading in the multiannual financial framework.

Explain what reprogramming is required, specifying the budget lines concerned and the corresponding amounts.

- ☐ The proposal/initiative requires application of the flexibility instrument or revision of the multiannual financial framework.

Explain what is required, specifying the headings and budget lines concerned and the corresponding amounts.

3.2.5. Third-party contributions

- The proposal/initiative does not provide for co-financing by third parties.
- The proposal/initiative provides for the co-financing estimated below:

Appropriations in EUR million (to three decimal places)

	Year N	Year N+1	Year N+2	Year N+3	Enter as many years as necessary to show the duration of the impact (see point 1.6)			Total
Specify the co-financing body								
TOTAL appropriations co-financed								

3.3. Estimated impact on revenue

- ☒ The proposal/initiative has no financial impact on revenue.
- ☐ The proposal/initiative has the following financial impact:
 - ☐ on own resources
 - ☐ on miscellaneous revenue

EUR million (to three decimal places)

Budget revenue line:	Appropriations available for the current financial year	Impact of the proposal/initiative ²²					
		Year N	Year N+1	Year N+2	Year N+3	Enter as many years as necessary to show the duration of the impact (see point 1.6)	
Article							

For miscellaneous 'assigned' revenue, specify the budget expenditure line(s) affected.

Specify the method for calculating the impact on revenue.

²²

As regards traditional own resources (customs duties, sugar levies), the amounts indicated must be net amounts, i.e. gross amounts after deduction of 25 % for collection costs.