

## **Explanatory Note**

### **Transfers by the Administrative Manager in the BEREC Office Budget 2016 in July-September 2016**

#### **1. Introduction to transfers by Administrative Manager**

Article 27 from Decision MC/2014/1 of the Management Committee of the Office of the Body of European Regulators for Electronic Communication on the financial regulation applicable to the BEREC Office in conformity with the framework Financial Regulation for the bodies referred to in Article 208 of Council Regulation (EU, Euratom) No 966/2012 on the Financial Regulation applicable to the general budget of the European Union (hereinafter referred to as “the BEREC Office Financial Regulation”) specifies that:

- The Administrative Manager may transfer appropriations from one chapter to another, from one article to another without limit and from one title to another up to a maximum of 10 % of the appropriations for the year shown on the line from which the transfer is made.
- The Administrative Manager shall inform the Management Committee as soon as possible of all transfers made.

The transfers made within Titles 1. “Staff”, 2. “Buildings, equipment and miscellaneous operating expenditure” and 3. “Operational expenditure” of the BEREC Office 2016 budget have been made within the responsibility limits of the Administrative Manager.

#### **2. Revenues**

No changes on revenue side. All the transfers were made within section 2000, European Union subsidy.

### 3. Expenditure

#### 3.1. Transfers within and from title 1

Legal base: Art. 27(1)(a) of the BEREC Office Financial Regulation – transfers from one title to another up to a maximum of 10% of the appropriations for the year shown on the line from which the transfer is made.

Art.27(1) (b) - transfers from one chapter to another, from one article to another without limit.

The amounts transferred are provided in the table below:

Title Chapter Item	Description	Budget 2016 approved by budgetary authority	Transfers by administrative manager January-June 2016	Transfers by administrative manager July-September 2016	Budget with transfers	Difference (between initial and budget on 30.09.2016)
<b>1</b>	<b>STAFF</b>	<b>2,402,000.00</b>	<b>-64,736.00</b>	<b>-41,305.00</b>	<b>2,295,959.00</b>	<b>-4%</b>
<b>1 1</b>	<b>STAFF IN ACTIVE EMPLOYMENT</b>	<b>1,783,500.00</b>	<b>-30,900.00</b>	<b>-131,030.00</b>	<b>1,621,570.00</b>	<b>-9%</b>
A-1 1 0 0	Basic salaries	780,000.00	-20,900.00	-66,955.00	692,145.00	-11%
A-1 1 0 1	Family allowances	204,000.00		-10,000.00	194,000.00	-5%
A-1 1 0 2	Expatriation and foreign-residence allowances	202,000.00	-20,000.00	-46,000.00	136,000.00	-33%
A-1 1 1 0	Contract staff	365,514.00	-15,000.00		350,514.00	-4%
A-1 1 1 1	Seconded national experts	134,486.00	25,000.00		159,486.00	19%
A-1 1 2 1	Insurance against accidents and occupational disease	6,000.00		-375.00	5,625.00	-6%
A-1 1 3 1	Travel expenses for annual leave	38,500.00		-7,700.00	30,800.00	-20%
<b>1 2</b>	<b>MISCELLANEOUS EXPENDITURE ON STAFF RECRUITMENT AND TRANSFER</b>	<b>46,000.00</b>	<b>5,000.00</b>	<b>15,375.00</b>	<b>66,375.00</b>	<b>44%</b>
A-1 2 0 0	Travel expenses	10,000.00	5,000.00	17,000.00	32,000.00	220%
A-1 2 1 2	Removal expenses	6,000		-2,000	4,000	-33%
A-1 2 1 3	Daily subsistence allowances	15,000.00		375.00	15,375.00	3%
<b>1 3</b>	<b>MISSION AND DUTY TRAVEL</b>	<b>201,000.00</b>	<b>0.00</b>	<b>18,170.00</b>	<b>219,170.00</b>	<b>9%</b>
A-1 3 0 0	Mission expenses, duty travel expenses and other ancillary expenditure	201,000.00	0.00	18,170.00	219,170.00	9%
<b>1 5</b>	<b>TRAININGS</b>	<b>70,000.00</b>	<b>0.00</b>	<b>6,180.00</b>	<b>76,180.00</b>	<b>9%</b>
A-1 5 0 0	Training	70,000.00		6,180.00	76,180.00	9%
<b>1 6</b>	<b>EXTERNAL SERVICES</b>	<b>290,000.00</b>	<b>-38,836.00</b>	<b>50,000.00</b>	<b>301,164.00</b>	<b>4%</b>
A-1 6 0 0	External services	290,000.00	-38,836.00	50,000.00	301,164.00	4%

Explanations:

**Transfer from:**

A-1100 - Less expenditure is foreseen due to staff turnover. 5.3 % of the appropriation is transferred to title 2.

A-1101 – Less expenditure on family allowances is foreseen due to staff turnover

A-1102 - Less expenditure on expatriation allowances is foreseen due to staff turnover

A-1121 - Less expenditure on insurance against accidents is foreseen due to staff turnover

A-1131 - Less expenditure on travel for annual leave is foreseen due to staff turnover

A-1212 - Less expenditure on removal allowances is foreseen

**Transfers to:**

A-1200 - Due to staff turnover additional recruitments will be performed in 2016, therefore the budget line had to be increased.

A-1213 - Expenses on daily allowances are higher due to the staff turnover

A-1300 – Increase due to estimated increase of missions to be performed in 2016

A-1500 – Increase due to the staff turnover and arrival of new colleagues

A-1600 – Increase due to necessity to translate vacancy notices for the posts which became vacant and to increase resources for traineeship programme

## Transfers within and to title 2

Legal base: Art. 27(1)(a) of the BEREC Office Financial Regulation – transfers from one title to another up to a maximum of 10% of the appropriations for the year shown on the line from which the transfer is made.

Art.27(1) (b) - transfers from one chapter to another, from one article to another without limit.

The amounts transferred are provided in the table below:

Title Chapter Item	Description	Budget 2016 approved by budgetary authority	Transfers by administrative manager January-June 2016	Transfers by administrative manager July-September 2016	Budget with transfers	Difference between initial and budget on 30.09.2016
<b>2</b>	<b>BUILDINGS, EQUIPMENT AND MISCELLANEOUS OPERATING EXPENDITURE</b>	<b>260,505.00</b>	<b>64,736.00</b>	<b>41,305.00</b>	<b>366,546.00</b>	<b>41%</b>
<b>2 0</b>	<b>RENTAL OF BUILDINGS AND ASSOCIATED COSTS</b>	<b>85,405.00</b>	<b>6,621.00</b>	<b>-11,300.00</b>	<b>80,726.00</b>	<b>-5%</b>
A-2 0 0 0	Rent	33,000.00	6,201.00		39,201.00	19%
A-2 0 0 1	Insurance	1,100.00		1,200.00	2,300.00	109%
A-2 0 0 2	Water, gas, electricity and heating	30,250.00	-2,346.00	-900.00	27,004.00	-11%
A-2 0 0 4	Fitting-out and maintenance of premises	1,055.00	2,766.00		3,821.00	262%
A-2 0 0 5	Security and surveillance of buildings	20,000.00		-11,600.00	8,400.00	-58%
<b>2 1</b>	<b>INFORMATION TECHNOLOGY PURCHASES</b>	<b>81,900.00</b>	<b>14,116.00</b>	<b>21,885.00</b>	<b>117,901.00</b>	<b>44%</b>
A-2 1 0 0	Computer equipment	20,500.00	-7,500.00	12,535.00	25,535.00	25%
A-2 1 0 1	Software	12,600.00	-4,600.00	-650.00	7,350.00	-42%
A-2 1 0 2	Other external data processing services	48,800.00	26,216.00	10,000.00	85,016.00	74%
<b>2 2</b>	<b>MOVABLE PROPERTY AND ASSOCIATED COSTS</b>	<b>21,000.00</b>	<b>-6,616.00</b>	<b>51,620.00</b>	<b>66,004.00</b>	<b>214%</b>
A-2 2 0 0	Technical installations and electronic office equipment	1,000.00	-116.00	-880.00	4.00	-100%
A-2 2 1 0	Furniture	5,000.00		55,000.00	60,000.00	1100%
A-2 2 9 0	Books, newspapers and documentation	15,000.00	-6,500.00	-2,500.00	6,000.00	-60%
<b>2 3</b>	<b>CURRENT ADMINISTRATIVE EXPENDITURE</b>	<b>46,900.00</b>	<b>44,615.00</b>	<b>-5,680.00</b>	<b>85,835.00</b>	<b>83%</b>

Title Chapter Item	Description	Budget 2016 approved by budgetary authority	Transfers by administrative manager January-June 2016	Transfers by administrative manager July-September 2016	Budget with transfers	Difference between initial and budget on 30.09.2016
A-2 3 0 0	Stationery and office supplies	6,000.00	2,935.00	3,270.00	12,205.00	103%
A-2 3 2 9	Other financial charges	15,000.00		3,000.00	18,000.00	20%
A-2 3 3 0	Legal expenses	20,000.00		-15,000.00	5,000.00	-75%
A-2 3 5 9	Other operating expenses	5,400.00	41,680.00	3,050.00	50,130.00	828%
<b>2 4</b>	<b>POSTAGE AND TELECOMM.</b>	<b>21,300.00</b>	<b>0.00</b>	<b>-17,850.00</b>	<b>3,450.00</b>	<b>-84%</b>
A-2 4 1 0	Telecommunication charges	20,000.00		-17,850.00	2,150.00	-89%
<b>2 5</b>	<b>EXPENDITURE ON FORMAL AND OTHER MEETINGS</b>	<b>4,000.00</b>	<b>6,000.00</b>	<b>2,630.00</b>	<b>12,630.00</b>	<b>216%</b>
A-2 5 0 0	Meetings in general	4,000.00	6,000.00	2,630.00	12,630.00	216%

Explanations:**Transfers from:**

A-2002 - Less expenditure on utilities is foreseen

A-2005 - Due to the changes of contract conditions, less expenditure on security services is foreseen

A-2101 - Less expenditure on software is foreseen

A-2200 – No expenditure for technical installations is foreseen

A-2290 - Less expenditure on publications from Publication Office is foreseen

A-2330 - As there was no legal expenditure in the 1st semester and no new legal cases are open, less expenditure is foreseen

A-2410 – Expenses on telecommunications lower than the forecast of the beginning of the year.

**Transfer to:**

A-2001 - Due to higher expenditure expected for insurance, the budget line had to be increased

A-2100 - The budget line 'Computer equipment' was utilized for supporting the NN public consultation with in-house server solution and it had to be increased for future planned procurements

A-2102 – Increase due to decision to launch new procurement for IT support and maintenance

A-2210 - Increase due to higher estimated costs of furniture to be ordered- refurbishment of the big meeting room for the Audio-Visual conference facilities.

A-2300 – Increase due to necessity to order more branding materials

A-2329 – Increase due to higher prices of the new Commission FWC for external auditors

A-2359 – Increase due to necessity to hold testing of Business Continuity Plan

A-2500 – Increase due to higher expenditure expected for general meetings

### 3.2. Transfers within title 3

Legal base: Art. 27(1)(b) of the BEREC Office Financial Regulation – transfers from one chapter to another and from one article to another without limit.

The amounts transferred are provided in the table below:

Title Chapter Item	Description	Budget 2016 approved by budgetary authority	Transfers by administrative manager January-June 2016	Transfers by administrative manager July-September 2016	Budget with transfers	Difference (between initial and budget on 30.09.2016)
<b>3 1</b>	<b>Horizontal activities (other support not directly related to BEREC WP)</b>	<b>822,000</b>			<b>822,000</b>	0%
A-3 1 0 1	Other support activities to BEREC	500,000		125,000	625,000	25%
A-3 1 0 2	Provision of advice and other ad-hoc services to BEREC and other parties	322,000		-125,000	197,000	-39%

Explanations:

**Transfers from:**

B-3102 - Due to the postponement of BERECNet Phase 3 to 2017 and reduced amount needed in 2016 for provision of regulatory trainings to BEREC, less expenditure is foreseen

**Transfer to:**

B-3101 – Increase due to higher expenditure expected for other support activities to BEREC- including extraordinary Plenary meeting, Stakeholder forum with a wider scope and new activities envisaged for communication strategy.

## Annex: Overview of Transfers in BEREC Office Budget 2015 in January-September 2016

### Expenditure

Budget Line	Budget Item Description	Budget 2016 approved by budg. authority	Transfers Jan-June 2016	Transfers July 2016	Budget with transfers
	<b>Budget</b>	<b>4,246,000</b>	<b>0</b>	<b>0</b>	<b>4,246,000</b>
<b>1</b>	<b>STAFF</b>	<b>2,402,000</b>	<b>-64,736</b>	<b>-41,305</b>	<b>2,295,959</b>
<b>1 1</b>	<b>STAFF IN ACTIVE EMPLOYMENT</b>	<b>1,783,500</b>	<b>-30,900</b>	<b>-131,030</b>	<b>1,621,570</b>
<b>1 1 0</b>	<b>Staff in active employment</b>	<b>1,186,000</b>	<b>-40,900</b>	<b>-122,955</b>	<b>1,022,145</b>
1 1 0 0	Basic salaries	780,000	-20,900	-66,955	692,145
1 1 0 1	Family allowances	204,000		-10,000	194,000
1 1 0 2	Expatriation and foreign-residence allowances	202,000	-20,000	-46,000	136,000
<b>1 1 1</b>	<b>Contract staff and other staff</b>	<b>500,000</b>	<b>10,000</b>	<b>0</b>	<b>510,000</b>
1 1 1 0	Contract staff	365,514	-15,000		350,514
1 1 1 1	Seconded national experts	134,486	25,000		159,486
<b>1 1 2</b>	<b>Employer's social security contributions</b>	<b>58,000</b>	<b>0</b>	<b>-375</b>	<b>57,625</b>
1 1 2 0	Insurance against sickness	37,000			37,000
1 1 2 1	Insurance against accidents and occupational disease	6,000		-375	5,625
1 1 2 2	Insurance against unemployment	15,000			15,000
1 1 2 3	Constitution or maintenance of pension rights	0			0
<b>1 1 3</b>	<b>Miscellaneous allowances and grants</b>	<b>39,500</b>	<b>0</b>	<b>-7,700</b>	<b>31,800</b>
1 1 3 0	Childbirth and death allowances and grants	1,000			1,000
1 1 3 1	Travel expenses for annual leave	38,500		-7,700	30,800
1 1 3 9	Other allowances	0			0
<b>1 1 9</b>	<b>Salary weightings</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
1 1 9 0	Salary weightings	0			0
1 1 9 1	Adjustments to remunerations	0			0
<b>1 2</b>	<b>MISCELLANEOUS EXPENDITURE ON STAFF RECRUITMENT AND TRANSFER</b>	<b>46,000</b>	<b>5,000</b>	<b>15,375</b>	<b>66,375</b>
<b>1 2 0</b>	<b>Recruitment expenses</b>	<b>10,000</b>	<b>5,000</b>	<b>17,000</b>	<b>32,000</b>



Budget Line	Budget Item Description	Budget 2016 approved by budg. authority	Transfers Jan-June 2016	Transfers July 2016	Budget with transfers
1 2 0 0	Travel expenses	10,000	5,000	17,000	32,000
1 2 0 1	Miscellaneous expenditure on staff recruitment	0			0
<b>1 2 1</b>	<b>Expenses on entering/leaving</b>	<b>36,000</b>	<b>0</b>	<b>-1,625</b>	<b>34,375</b>
1 2 1 0	Travel expenses on entering/leaving	3,000			3,000
1 2 1 1	Installation, resettlement and transfer allowances	12,000			12,000
1 2 1 2	Removal expenses	6,000		-2,000	4,000
1 2 1 3	Daily subsistence allowances	15,000		375	15,375
<b>1 3</b>	<b>MISSIONS AND DUTY TRAVEL</b>	<b>201,000</b>	<b>0</b>	<b>18,170</b>	<b>219,170</b>
1 3 0 0	Mission expenses, duty travel expenses and other ancillary expenditure	201,000		18,170	219,170
<b>1 4</b>	<b>SOCIOMEDICAL SERVICES</b>	<b>6,000</b>	<b>0</b>	<b>0</b>	<b>6,000</b>
<b>1 4 0</b>	<b>Medical service</b>	<b>6,000</b>	<b>0</b>	<b>0</b>	<b>6,000</b>
1 4 0 0	Medical service	6,000			6,000
<b>1 5</b>	<b>TRAININGS</b>	<b>70,000</b>	<b>0</b>	<b>6,180</b>	<b>76,180</b>
<b>1 5 0</b>	<b>Training</b>	<b>70,000</b>	<b>0</b>	<b>6,180</b>	<b>76,180</b>
1 5 0 0	Training	70,000		6,180	76,180
<b>1 6</b>	<b>EXTERNAL SERVICES</b>	<b>290,000</b>	<b>-38,836</b>	<b>50,000</b>	<b>301,164</b>
1 6 0 0	External services	290,000	-38,836	50,000	301,164
<b>1 7</b>	<b>REPRESENTATION AND MISCELLANEOUS STAFF COSTS</b>	<b>5,500</b>	<b>0</b>	<b>0</b>	<b>5,500</b>
1 7 0 0	Representation, receptions and events, and miscellaneous staff expenses	5,500			5,500
<b>2</b>	<b>BUILDINGS, EQUIPMENT AND MISCELLANEOUS OPERATING EXPENDITURE</b>	<b>260,505</b>	<b>64,736</b>	<b>41,305</b>	<b>366,546</b>
<b>2 0</b>	<b>RENTAL OF BUILDINGS AND ASSOCIATED COSTS</b>	<b>85,405</b>	<b>6,621</b>	<b>-11,300</b>	<b>80,726</b>
<b>2 0 0</b>	<b>Buildings and associated costs</b>	<b>85,405</b>	<b>6,621</b>	<b>-11,300</b>	<b>80,726</b>
2 0 0 0	Rent	33,000	6,201		39,201
2 0 0 1	Insurance	1,100		1,200	2,300
2 0 0 2	Water, gas, electricity and heating	30,250	-2,346	-900	27,004
2 0 0 3	Cleaning	0			0
2 0 0 4	Fitting-out and maintenance of premises	1,055	2,766		3,821
2 0 0 5	Security and surveillance of buildings	20,000		-11,600	8,400

Budget Line	Budget Item Description	Budget 2016 approved by budg. authority	Transfers Jan-June 2016	Transfers July 2016	Budget with transfers
2 0 0 9	Other expenditure relating to the acquisition, construction or maintenance of a building	0			0
<b>2 1</b>	<b>INFORMATION TECHNOLOGY PURCHASES</b>	<b>81,900</b>	<b>14,116</b>	<b>21,885</b>	<b>117,901</b>
<b>2 1 0</b>	<b>Information technology purchases</b>	<b>81,900</b>	<b>14,116</b>	<b>21,885</b>	<b>117,901</b>
2 1 0 0	Computer equipment	20,500	-7,500	12,535	25,535
2 1 0 1	Software	12,600	-4,600	-650	7,350
2 1 0 2	Other external data processing services	48,800	26,216	10,000	85,016
<b>2 2</b>	<b>MOVABLE PROPERTY AND ASSOCIATED COSTS</b>	<b>21,000</b>	<b>-6,616</b>	<b>51,620</b>	<b>66,004</b>
<b>2 2 0</b>	<b>Technical installations and electronic office equipment</b>	<b>1,000</b>	<b>-116</b>	<b>-880</b>	<b>4</b>
2 2 0 0	Technical installations and electronic office equipment	1,000	-116	-880	4
<b>2 2 1</b>	<b>Furniture</b>	<b>5,000</b>	<b>0</b>	<b>55,000</b>	<b>60,000</b>
2 2 1 0	Furniture	5,000		55,000	60,000
<b>2 2 9</b>	<b>Other movable property and associated costs</b>	<b>15,000</b>	<b>-6,500</b>	<b>-2,500</b>	<b>6,000</b>
2 2 9 0	Books, newspapers and documentation	15,000	-6,500	-2,500	6,000
2 2 9 1	Cars, transport vehicles, and maintenance and repairs	0			0
2 2 9 9	Other movable property, and maintenance and repairs	0			0
<b>2 3</b>	<b>CURRENT ADMINISTRATIVE EXPENDITURE</b>	<b>46,900</b>	<b>44,615</b>	<b>-5,680</b>	<b>85,835</b>
<b>2 3 0</b>	<b>Stationery and office supplies</b>	<b>6,000</b>	<b>2,935</b>	<b>3,270</b>	<b>12,205</b>
2 3 0 0	Stationery and office supplies	6,000	2,935	3,270	12,205
<b>2 3 2</b>	<b>Financial charges</b>	<b>15,500</b>	<b>0</b>	<b>3,000</b>	<b>18,500</b>
2 3 2 0	Bank charges	500			500
2 3 2 1	Exchange rate losses	0			0
2 3 2 9	Other financial charges	15,000		3,000	18,000
<b>2 3 3</b>	<b>Legal expenses</b>	<b>20,000</b>	<b>0</b>	<b>-15,000</b>	<b>5,000</b>
2 3 3 0	Legal expenses	20,000		-15,000	5,000
2 3 3 1	Damages	0			0
<b>2 3 5</b>	<b>Other operating expenses</b>	<b>5,400</b>	<b>41,680</b>	<b>3,050</b>	<b>50,130</b>
2 3 5 0	Miscellaneous insurances	0			0
2 3 5 9	Other operating expenses	5,400	41,680	3,050	50,130
<b>2 4</b>	<b>POSTAGE AND TELECOMM.</b>	<b>21,300</b>	<b>0</b>	<b>-17,850</b>	<b>3,450</b>

Budget Line	Budget Item Description	Budget 2016 approved by budg. authority	Transfers Jan-June 2016	Transfers July 2016	Budget with transfers
2 4 0 0	Postage and delivery charges	1,300			1,300
2 4 1 0	Telecommunication charges	20,000		-17,850	2,150
<b>2 5</b>	<b>EXPENDITURE ON FORMAL AND OTHER MEETINGS</b>	<b>4,000</b>	<b>6,000</b>	<b>2,630</b>	<b>12,630</b>
2 5 0 0	Meetings in general	4,000	6,000	2,630	12,630
<b>3</b>	<b>OPERATIONAL EXPENDITURE</b>	<b>1,583,495</b>	<b>0</b>	<b>0</b>	<b>1,583,495</b>
<b>3 0</b>	<b>Support to implementation of BEREC WP 2015</b>	<b>761,495</b>	<b>0</b>	<b>0</b>	<b>761,495</b>
<b>3 0 0</b>	<b>Support to implementation of BEREC WP 2015</b>	<b>761,495</b>	<b>0</b>	<b>0</b>	<b>761,495</b>
3 0 0 1	Support to the BEREC Expert Working Groups	578,000			578,000
3 0 0 2	Activities under Articles 7 and 7a Framework Directive	33,000			33,000
3 0 0 3	Collection exchange and transmission of information	150,495			150,495
<b>3 1</b>	<b>Horizontal activities (other support not directly related to BEREC WP)</b>	<b>822,000</b>	<b>0</b>	<b>0</b>	<b>822,000</b>
<b>3 1 0</b>	<b>Horizontal activities (other support not directly related to BEREC WP)</b>	<b>822,000</b>	<b>0</b>	<b>0</b>	<b>822,000</b>
3 1 0 1	Other support activities to BEREC	500,000		125,000	625,000
3 1 0 2	Provision of advice and other ad-hoc services to BEREC and other parties	322,000		-125,000	197,000

Riga, 25 November 2016

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**László IGNÉCZI**  
Administrative Manager