

EUROPEAN ORGANISATION FOR THE SAFETY OF AIR NAVIGATION

EUROCONTROL

- Measures of the Permanent Commission -

MEASURE No. 23/282

Amending Articles 6 and 7 of the Financial Regulations of the Agency

THE PERMANENT COMMISSION FOR THE SAFETY OF AIR NAVIGATION:

Having regard to the EUROCONTROL International Convention relating to Co-operation for the Safety of Air Navigation of 13 December 1960, as amended by the Protocol signed at Brussels on 12 February 1981 and in particular Articles 6.2(a) and 7.2 thereof and Article 11 of Annex 1 thereto (Statute of the Agency);

On the proposal of the Committee of Management

HEREBY TAKES THE FOLLOWING MEASURE

Article 1

The text of Articles 6 and 7 of the Financial Regulations of the Agency is amended as follows (changes marked in bold):

Financial Regulations of the Agency

Part Two - Presentation and Structure of the Budget

Article 6

1. *Definitions of types of expenditure*

1.1. *In the present Regulations, "investment expenditure" shall be deemed to mean expenditure incurred in the acquisition or creation of tangible or intangible fixed assets, which will provide future economic benefit to the Agency and which have a useful life exceeding one year.*

Within the "investment expenditure", "strategic investments" are multi-annual capital projects aiming at significantly improving the functioning of the Agency and/or its services, and that:

- ***contribute to the achievement of the Strategic Objectives of the Agency;***
- ***have a total estimated value higher than €15M, and***
- ***are to be approved by the Commission according to Article 6.1 (b) of the amended Convention.***

1.2. *In the present Regulations, "operating expenditure" (which includes staff expenditure), shall be deemed to mean expenditure incurred in order to enable the continuing activities of the Organisation to be carried out.*

2. Presentation of the budget

- 2.1. *The presentation of the budget and the financial five-year programme shall facilitate the understanding of the appropriations allocated to the Agency's various activities and the monitoring of the use of these appropriations (nature or projects/activities).*
- 2.2. *In accordance with the principles of economics and sound financial management, it shall justify the appropriations on the basis of the framework set by the Commission and the Agency's work programme (see Article 1.2).*

3. Structure of the budget

- 3.1. *The expenditure and receipts shall be presented in accordance with the budgetary structure and nomenclature as defined in the Rules of Application of the Financial Regulations, hereinafter referred to as "the Rules of Application".*

4. Budgetary classification

- 4.1. *The Budget shall contain a breakdown of approved appropriations for the budgetary year by nature, including relevant comments. The maximum number of budgetary posts approved, the appropriations approved for the current year, together with the latest outturn forecasts and the actual expenditure for the last completed year shall also be shown.*
- 4.2. *The Agency can enter into commitments for the current and future budgetary years, in accordance with the terms established below.*
 - a. *The commitments authorised by the Agency for the current budgetary year shall not exceed the approved appropriations, **except for strategic investments, for which the Agency has the flexibility to increase the approved appropriations up to 30% of the current budgetary year, provided that the total amount of the expenditure does not exceed the approved multi-annual envelope.***
 - b. *For future budgetary years, the commitments authorised by the Agency shall represent the obligations it has entered into, resulting from projects and activities, whose initiation is authorised under the current budget expenditure, but which are of a multiple year nature. The number of future budgetary years in respect of which such commitments may be made shall not be more than four, except for specific programmes mentioned in c. that exceed the four years duration. The maximum amount of commitments which the Agency might authorise for each future budgetary year shall not exceed the product of the budgetary envelopes - other than Staff Remuneration - endorsed for the two years following the current budget multiplied by 80% and multiplied by 60% for the third and fourth years.*
 - c. ***Without prejudice to the "strategic investments",** the Director General may, in the case of specific programmes, request the approval from the Commission to enter into future commitments which exceed the time limits and percentages set out in paragraph b. above.*
 - d. *The appropriations approved in the Budget for any given budgetary year, which have not been committed at the end of this budgetary year, shall be automatically cancelled, **except for budgetary appropriation related to strategic investments.***

- 4.3. *The appropriations approved in the Budget shall constitute the upper limit of expenditure in respect of which payments may be made during a year to cover the Agency's commitment, **except for budgetary appropriation related to strategic investments.***

Article 7

1. *Budgetary appropriations which have not been committed at the end of the budgetary year ~~may~~ **shall** not be carried over, **except for budgetary appropriation related to strategic investments and for the exceptional carry-over foreseen in Article 7.2.***
2. *The Director General may request authorisation from the Commission for the exceptional carry-over of appropriations where circumstances so warrant.*
3. *The utilisation of the appropriations carried over shall be separately recorded in the accounts for the budgetary year into which they have been carried over.*

Article 2

This Measure shall enter into effect at the date of its signature.

Done at Brussels on 20.9.2023



Levan Karanadze
President of the Commission