

Note for the Management Board

Subject: Amendment 1-2021 to the budget of the Agency

Dear Members of the Management Board,

The Agency and the Commission started exchanging information since the summer, in order to perform a joint assessment of revised budgetary needs towards year-end. The present proposal for the amending budget is in line with the consultations held with the Commission.

1. Scope of the amendment proposal

The proposal for the amending budget is composed of two items:

SUMMARY OF AMENDING BUDGET N.1-2021 (in EURO)		
	Commitment appropriations	Payment appropriations
a) Budget for VIS recast	- 17,227,322	- 17,227,322
b) Additional payment appropriations for EES, ETIAS and Shared Infrastructure		59,517,317
TOTAL	- 17,227,322	42,289,995

In the sections below, each item is described in detail:

a) Budget for VIS recast

The Agency's voted budget for the financial year 2021 earmarked commitment and payment appropriations for the VIS recast¹, which had been adopted on 7 July 2021 by legislator with a revised timeline. In order to align with the final adopted LFS for VIS recast these appropriations have to be returned to the EU general budget.

In a joint review with DG HOME, the Agency proposed to shift the appropriations and establishment plan foreseen for VIS recast by one year compared to the planning contained in the Legislative Financial Statement.

¹ REGULATION (EU) 2021/1134 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 7 July 2021 amending Regulations (EC) No 767/2008, (EC) No 810/2009, (EU) 2016/399, (EU) 2017/2226, (EU) 2018/1240, (EU) 2018/1860, (EU) 2018/1861, (EU) 2019/817 and (EU) 2019/1896 of the European Parliament and of the Council and repealing Council Decisions 2004/512/EC and 2008/633/JHA, for the purpose of reforming the Visa Information System

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The proposal is therefore to amend the 2021 budget as follows:

Budgetary Title		2021 commitment appropriations	2021 payment appropriations
A01	Staff expenditure	983,322	983,322
B03	Operational expenditure	16,244,000	16,244,000
Total		17,227,322	17,227,322

in EUR

Such appropriations will be made available to the Agency in the 2022 budget, subject to a corresponding amendment to the EU General Budget as initiated by the Commission.²

- b) Payment appropriations required for legal obligations related to the EES, ETIAS and Shared Infrastructure

In the previous financial years, the Agency has highlighted the fact that payment appropriations for new tasks were planned by the respective LFS too early in time. Combined with the delays in the adoption of the legal basis and subsequent acts, this resulted in substantial returns of payment appropriations to the General Budget. This situation started to revert in 2020, and is continuing in 2021, as summarised in the following table.

Operational Expenditure						
System/task	Returned Payment Appropriations				Additional Payment Appropriations	
	2017	2018	2019	2017-2019	2020	2021
Shared Infrastructure						1.5
EES	-54.5	-38.0	-23.5	-116.0	37.4	35.9
ETIAS		-23.5	-6.6	-30.1		22.1
ECRIS			-3.8	-3.8		
	-54.5	-61.5	-33.9	-149.9	37.4	59.5

mio EUR

Based on a detailed analysis of contractual payment deadlines and implementation status of respective projects, the Agency identified an additional need of EUR 59,517,317 in payment appropriations.

2. The amendment proposal

Based on the above, the Agency proposes an amendment of the 2021 budget consisting of:

- a) the return to the EU general budget of commitment and payment appropriations earmarked for VIS recast, as the conditions for their use are not met by the end of 2021;
- b) the inscription of additional payment appropriations to the Agency's budget to fulfil its legal obligations related to the EES, ETIAS and Shared Infrastructure.

The financial details of the points above are presented in Annex I.

² COM(2021) 642 final - AMENDING LETTER No 1 TO THE DRAFT GENERAL BUDGET 2022

- c) in addition to the above substantial points, the amendment proposal reflects the revenue received from the Associated Countries.³ For the purpose of budgetary accounting accuracy, this revenue is now included in the present amendment proposal as a technical adjustment.

Article 45 (8) of Regulation (EC) No 2018/1726 of the European Parliament and of the Council of 14 November 2018 on the European Union Agency for the operational management of large-scale IT systems in the area of freedom, security and justice foresees that any modification to the budget shall follow the same procedure followed for the adoption of the Agency's budget. The establishment plan is not affected by the present amendment proposal.

Article 34 of the Agency's Financial Regulation (2019-198 REV 1) foresees that any amendment of the budget shall be the subject of an amending budget adopted by the same procedure as the initial budget of the Agency.

Therefore, I hereby request the Management Board to adopt the following decision:

The Management Board decides to amend the 2021 budget of the Agency in accordance with the proposal described in document 2021-325 REV 1 'Annex II: Proposal for amending budget n. 1-2021'.

Annexes: Annex I – Summary of proposal for amending budget n. 1-2021
 Annex II - Proposal for amending budget n. 1-2021

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Executive Director

³ In the initial 2019 budget, this revenue was indicated pour memoire as the recovery process was still in progress. The corresponding revenue is listed in Section A – item 3, while the expenditure is listed in section B.2 of Annex II.