

**Report on Budgetary  
and Financial Management  
accompanying the annual accounts**

**European Environment Agency**

**Financial Year 2016**

**Copenhagen, February 2016**

## INTRODUCTION

The purpose of this report is to present a synthesis of the budgetary and financial management of the budget managed by the European Environment Agency in 2016.

## LEGAL BASIS

Article 93 of the Financial Regulation of the European Environment Agency stipulates that accounts of the Agency shall be accompanied by a report on budgetary and financial management.

The EEA decided not to adopt EEA Implementing Rules, therefore the general Implementing Rules (EC, Euratom) No 966/2012 of 29 October 2012 shall apply by analogy.

The present report will address the requirements of the EEA Financial Regulation and general Implementing Rules without duplicating the substance of the separate Annual Activity Report required under the same Regulation or the Annual Report required under the EEA Founding Regulation.

## BUDGETARY PRINCIPLES

The budget of the European Environment Agency has been established in compliance with the principles of unity, budget accuracy, annularity, equilibrium, unit of accounts, universality, specification, sound financial management and transparency as set out in the EEA Financial Regulation.

A number of instruments are used to enforce the above financial rules, amongst these quarterly resource hearings are conducted. These often result in minor transfers to fine tune the budget implementation.

## BUDGET BY TITLE

The budget of the EEA is distributed in three Titles:

- Title 1 - covers staff expenditure such as salaries, trainings, recruitment cost, missions and staff well being
- Title 2 – covers administrative cost associated to the functioning of the agency such as building, infrastructure, equipment and governance.
- Title 3 – covers all other operational expenditure such as communication, IT expenses, expert meetings, European Topic Centres and Strategic Actions etc.

## NOMENCLATURE

The nomenclature of appropriations is as follows:

C1: Current year's appropriation (2016)

C4: Appropriations of internal assigned revenue

C5: Appropriations of internal assigned revenue carried over

C8: Appropriations automatically carried forward from previous year (2015)

R0: External assigned revenue (multiannual credits)

## BUDGETARY AND FINANCIAL MANAGEMENT 2016

### PLANNING CYCLE

#### PRIORITIES FOR 2016

The EEA Multiannual Work Programme 2014-2018 is built on three main goals:

To be the prime source of knowledge at European level informing the implementation of European and national environment and climate policies;

To be a leading knowledge centre on the knowledge needed to support long term transition challenges and objectives;

To be the lead organisation at European level facilitating knowledge-sharing and capacity -building in the field of environment and climate change.

To secure the knowledge and evidence base for this developing policy framework in line with Priority objective 5 of the 7th EAP, the MAWP is structured around four strategic areas (SA 1 - 4):

- Informing policy implementation (SA1)
- Assessing systemic challenges (SA2)
- Knowledge co-creation, sharing and use (SA3)
- EEA management (SA4)

The priorities for 2016 were laid down in the annual work programme 2016 and details are mentioned under key activities page 5 in the EEA AWP 2016.

### ESTABLISHING THE INITIAL BUDGET

#### BUDGETARY PROCEDURE 2016

The Agency submitted its proposal into the preparations for the draft budget process for 2016 respecting the 0% increase of the budget as one of the austerity measures introduced by the Council.

The EEA accepted a 2% reduction of staff (across temporary agents, contract agents and seconded national experts) in line with the European Commission budget proposal although the EEA in line with the agencies network only accepts a principle of a 5% reduction in the period 2013-2018.

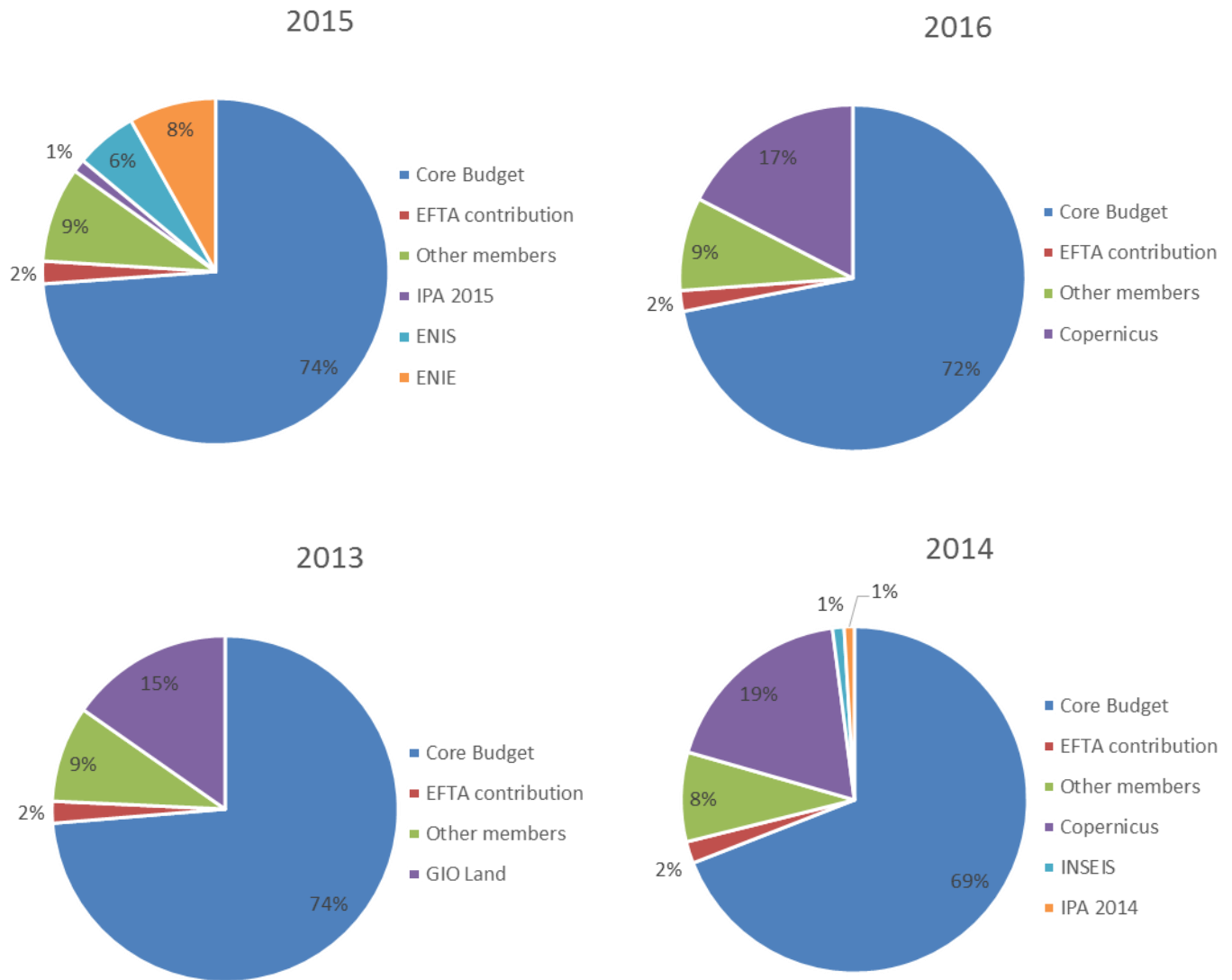
On this basis the establishment table is in the agency request reduced by three posts.

Specifically in the Draft Budget and related Multi Annual staff Policy Plan for 2014-2018 it was highlighted that the EEA constantly is reviewing its staffing and organisational structure on a continuous basis, including the total number of staff, the available experience and expertise, requirements for new expertise, upcoming retirements and the balance between long- and short-term support staff. Thus, vacancies created from staff turn-over and retirement are continuously being used to reinforce work in priority operational areas, and over the recent years the EEA has deployed staff into the areas designated as priorities by the EEA Management Board.

## THE EVOLUTION OF THE BUDGET

The EEA budget has four main constituent parts:

- EU subsidy
- Contributions from other member countries
- Earmarked revenue (external assigned revenue)
- Miscellaneous revenue



	2014	2015	2016	Difference between 2015 and 2016
EU subsidy	36,309,240	36,309,240	36,309,240	0
Contributions from other member countries	5,461,657	5,409,066	5,378,257	-30,809
Earmarked funds	10,802,174	7,438,168	8,800,000	1,361,832
<b>Total</b>	<b>52,573,071</b>	<b>49,156,474</b>	<b>50,487,497</b>	<b>1,331,023</b>

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## EU SUBSIDY

The EEA core budget has been stable over the past years. External assigned revenue (non-core funding in support of Community projects) has increased in the past years and is with the current agreements in place expected to be of the order of EUR 16,000,000 – 17,000,000 in the coming years.

Revenue (EUR)	Union subsidy	Non-EU members contribution	Total core budget	Non-core
2015	36,309,240	5,409,066	41,718,306	7,438,168
2016	36,309,240	5,378,257	41,687,497	8,800,000
2017	36,309,240	5,380,066	41,689,306	15,800,000

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## DEVELOPMENT OF CONTRIBUTIONS FROM OTHER MEMBER COUNTRIES

The EEA has 33 member countries;

- 28 European Union Member States,
- Turkey (EU candidate country)
- Iceland, Liechtenstein and Norway (European Economic Area countries)
- Switzerland

Contributions to the EEA budget from these countries are except from Turkey calculated on the basis of the EU contribution. The contribution from Turkey is established in “Agreement between the European Community and the Republic of Turkey concerning the participation of the Republic of Turkey in the European Environment Agency and the European environment information and observation network”.

	2015	2016	Difference between 2015 and 2016
EFTA contribution	1,036,125	981,369	-54,756
New member countries contribution	4,372,941	4,396,888	23,947
<i>Total</i>	<i>5,409,066</i>	<i>5,378,257</i>	<i>-30,809</i>

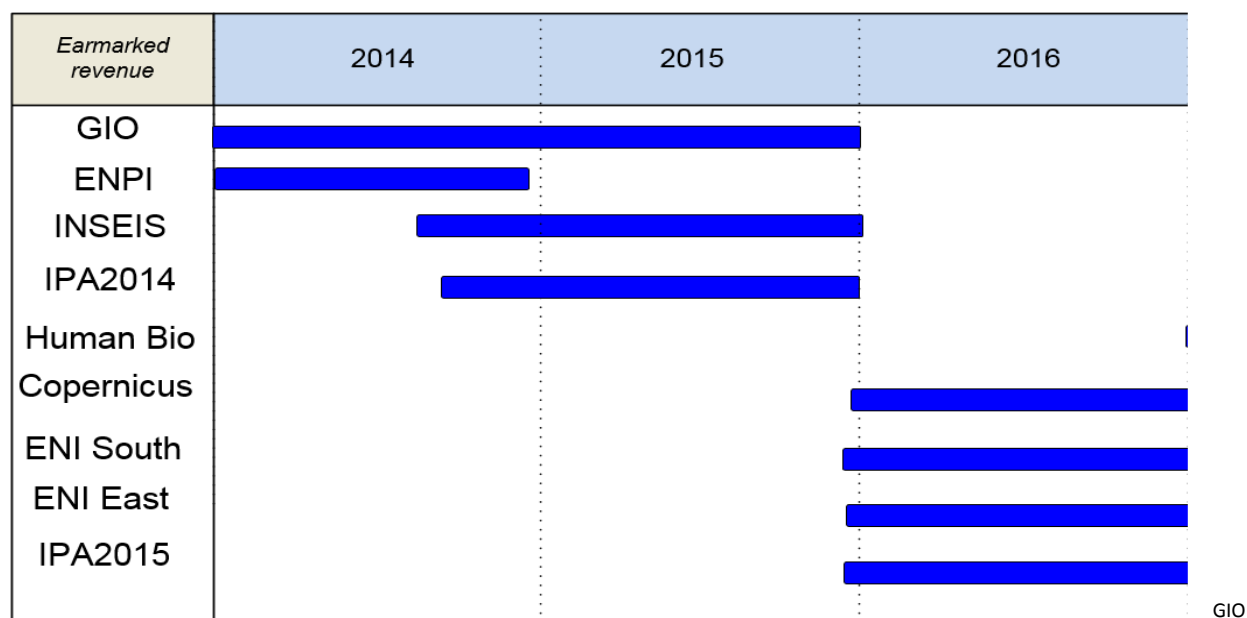
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## DEVELOPMENT OF EARMARKED FUNDS

Earmarked revenue is in comparison to the other fund sources different as they are multiannual (external assigned revenue). The funds are activated in the budget following approval of the EEA Management Board and gradually executed in line with the principles laid down in the individual agreements.

<i>External assigned revenue</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>
IPA2015		600,000	
ENI South		2,838,168	
ENI East		4,000,000	
INSEIS	572,174		
IPA2014	500,000		
Copernicus	9,730,000		8,800,000
<i>Total</i>	<i>10,802,174</i>	<i>7,438,168</i>	<i>8,800,000</i>

Figure 1 OVERVIEW OF EARMARKED REVENUE IN THE LAST THREE YEARS



GMES Land monitoring service agreement (GIO)

GIO

- ENPI Towards a shared Environmental Information System (SEIS) in the European Neighbourhood countries
- Human Bio HumanBio4EU (2017-2021)
- IPA2014 Specific project for the West Balkan Countries (2014/338-534)
- INSEIS Increased collaboration with EEA and further implementation of SEIS in interested ENP countries
- Copernicus Copernicus Land monitoring service agreement
- IPA2015 Instrument for pre-Accession (West Balkan Countries) 2015-2016
- ENI South Instrument for pre-Accession (West Balkan Countries) (2014/347-199)
- ENI East Instrument for pre-Accession (West Balkan Countries) (2014/344-044)

## YEAR 2015 AND 2016 IN BRIEF (FIGURES)

### BUDGET IMPLEMENTATION AND EXECUTION PER TITLE (IN PERCENTAGE)

2016	Final budget (core funds (EUR))	Funds committed as a percentage of final budget	Funds paid as a percentage of final budget (at year-end)
Title 1 — Staff	23 660 474.00	99.9 %	98.8 %
Title 2 — Administrative expenditure	4 158 411.00	99.7 %	89.2 %
Title 3 — Operating expenditure	13 868 612.00	99.9 %	74.7 %
Total budget	41 687 497.00	99.9 %	89.8 %

2015	Final budget (core funds (EUR))	Funds committed as a percentage of final budget	Funds paid as a percentage of final budget (at year-end)
Title 1 — Staff	22,946,540.00	99.7%	98.3%
Title 2 — Administrative expenditure	4,385,412.00	96.2%	87.6%
Title 3 — Operating expenditure	14,386,354.00	99.7%	70.2%
Total budget	41,718,306.00	99.4%	87.2%

### TOTAL AUTOMATIC CARRYOVERS

		2015–2016	2016–2017
<b>Total</b>	Automatic carryovers	4,944,738	4,203,111
	Total budget	41,451,788	41,645,166
	Carryforward as a percentage of total budget	11.9%	10.1%
	Cancelled carryforward	266,518	
	Cancelled carryforward as a percentage of total carryforward	5.4%	

## YEAR 2016 IN DETAILS

### CANCELLED APPROPRIATIONS

Un-committed core funds not carried forward at year end (C1 – 2016), unpaid carried forward core commitments from previous year (C8 – 2016), and lapsed earmarked revenue (project ended) constitute the cancelled appropriations in total as follows:

### COMMITMENTS (C1-2016 – CORE ONLY)

Titles	Appropriation 2016 (core funds only)	Committed	Non-committed appropriations cancelled	Paid	Available for carryover	Carried over	Committed appropriation cancelled
1.Staff	23,660,474.00	23,637,510.34	22,963.66	23,373,662.91	263,847.43	263,480.07	367.36
2.Administrative expenditure	4,158,411.00	4,147,104.86	11,306.14	3,710,849.85	436,255.01	436,255.01	0
3.Operating Expenditure	13,868,612.00	13,860,550.79	8,061.21	10,357,174.83	3,503,375.96	3,503,375.96	0
Total	41,687,497.00	41,645,165.99	42,331.01	37,441,687.59	4,203,478.40	4,203,111.04	367.36

### 2016 – C8

Titles	Carryover from 2015	Paid	Committed appropriation cancelled
1.Staff	324,051.38	263,251.34	60,800.04
2.Administrative expenditure	376,684.40	287,016.28	89,668.12
3.Operating Expenditure	4,244,003.43	4,049,560.30	194,443.13
Total	4,944,739.21	4,599,827.92	344,911.29

### COMMITMENTS (R0-2016)

Titles	Appropriation 2016	Committed	Non-committed appropriations	Paid	Available for carryover
1.Staff	3,103,458.82	2,888,844.18	214,614.64	857,418.31	2,031,425.87
2.Administrative expenditure	170,220.39	130,479.62	39,740.77	130,229.00	250.62
3.Operating Expenditure	24,178,690.49	19,740,306.79	4,438,383.21	7,375,763.80	12,364,542.99
Total	27,452,369.21	22,759,630.59	4,692,738.62	8,363,411.11	14,396,219.48



## PAYMENTS 2016

Titles	Core funds (C1)	R0s	Total payments
1.Staff	23,373,662.91	857,418.31	24,231,081.22
2.Administrative expenditure	3,710,849.85	130.229.00	3,841,079.11
3.Operating Expenditure	10,357,174.83	7,375,763.80	17,732,938.63
Total	37,441,687.59	8,363,411.37	45,805,098.96

## 2016 – R0 – COPERNICUS

Titles	Appropriation 2016 (core funds only)	Committed	Non-committed appropriations	Paid	Available for carryover	Carried over	Committed appropriation cancelled
1.Staff	1,077,370.27	1,002,370.27	75,000.00	542,068.36	535,301.91	535,301.91	0
2.Administrative expenditure	130,440.00	130,440.00	0,00	130.229.00	211.00	211.00	0
3.Operating Expenditure	16,540,852.49	16,465,736.99	75,115.50	5,341,470.95	11,199,381.54	11,199,381.54	0
Total	17,748,662.76	17,598,547.26	150,115.50	6,013,768.31	11,734,894.45	11,734,894.45	0

## 2016 – R0 – ENIE

Titles	Appropriation 2016 (core funds only)	Committed	Non-committed appropriations cancelled	Paid	Available for carryover	Carried over	Committed appropriation cancelled
1.Staff	1,361,000.00	1,361,000.00	0,00	226,032.56	1,134,967.44	1,134,967.44	0
2.Administrative expenditure	0.00	0.00	0,00	0.00	0.00	0.00	0
3.Operating Expenditure	2,639,000.00	513,121.00	2,125,879.00	292,661.06	2,346,338.94	2,346,338.94	0
Total	4,000,000.00	1,874,121.00	2,125,879.00	518,693.62	3,481,306.38	3,481,306.38	0

## 2016 – R0 - ENIS

Titles	Appropriation 2016 (core funds only)	Committed	Non-committed appropriations	Paid	Available for carryover	Carried over	Committed appropriation cancelled
1.Staff	382,500.00	382,500.00	0,00	84,047.35	298,452.65	298,452.65	0
2.Administrative expenditure	0.00	0.00	0,00	0.00	0.00	0.00	0
3.Operating Expenditure	2,313,760.00	2,283,835.00	29,925.00	1,532,157.49	781,602.51	781,602.51	0
Total	2,696,260.00	2,666,335.00	29,925.00	1,616,204.84	1,080,055.16	1,080,055.16	0

2016 – R0 – IPA 2015

Titles	Appropriation 2016 (core funds only)	Committed	Non-committed appropriations	Paid	Available for carryover	Carried over	Committed appropriation cancelled
1.Staff	128,000.00	12,500.00	115,500.00	4,939.76	123,060.24	123,060.24	0
2.Administrative expenditure	0.00	0.00	0,00	0.00	0.00	0.00	0
3.Operating Expenditure	472,000.00	447,371.00	24,629.00	209,421.43	262,578.57	262,578.57	0
Total	600,000.00	459,871.00	140,129.00	214,361.19	385,638.81	385,638.81	0

2016 – R0 – IPA 2014

Titles	Appropriation 2016 (core funds only)	Committed	Non-committed appropriations	Paid	Available for carryover	Carried over	Committed appropriation cancelled
1.Staff	8,226.20	8,226.20	0,00	330.28	7,895.92	7,895.92	0
2.Administrative expenditure	0.26	0.26	0,00	0.00	0.26	0.26	0
3.Operating Expenditure	81,739.80	30,242.80	51,497.0	52.87	81,686.93	81,686.93	0
Total	89,966.26	38,469.26	51,497.00	383.15	89,583.11	89,583.11	0

2016 – R0 – GIO – DISCONTINUED IN 2017

Titles	Appropriation 2016 (core funds only)	Committed	Paid	Available for carryover	Carried over but not active in 2017
1.Staff	135,805.72	122,247.71	0.00	135,805.72	135,805.72
2.Administrative expenditure	40.13	39.36	0.00	40.13	40.13
3.Operating Expenditure	2,087,878.72	0.00	0.00	2,087,878.72	2,087,878.72
Total	2,223,724.57	122,287.07	0.00	2,223,724.57	2,223,724.57

2016 – R0 – INSEIS – DISCONTINUED IN 2017

Titles	Appropriation 2016 (core funds only)	Committed	Paid	Available for carryover	Carried over but not active in 2017
1.Staff	10,556.63	0.00	0.00	10,556.63	10,556.63
2.Administrative expenditure	39,740.00	0.00	0.00	39,740.00	39,740.00
3.Operating Expenditure	43,458.99	0.00	0.00	43,458.99	43,458.99
Total	93,755.62	0.00	0.00	93,755.62	93,755.62

**TOTAL CARRY OVER - R0 – INCL. GIO, COPERNICUS, ENIE, ENIS IPA2014 AND IPA 2015.**

Titles	Appropriation 2016 (none core funds only)	Committed	Non-committed appropriations	Paid	Available for carryover	Carried over
1.Staff	3,092,902.19	2,888,844.18	204,058.01	857,418.31	2,235,483.88	2,235,483.88
2.Administrative expenditure	130,480.39	130,479.62	0.77	130,229.00	251.39	251.39
3.Operating Expenditure	24,135,231.01	19,740,306.79	4,394,924.22	7,375,763.80	16,759,467.21	16,759,467.21
<b>Total</b>	<b>27,358,613.59</b>	<b>22,759,630.59</b>	<b>4,598,983.00</b>	<b>8,363,411.11</b>	<b>18,995,202.48</b>	<b>18,995,202.48</b>

**TOTAL CARRY-OVER**

Titles	2016 – C1 Committed (2017-C8)	2016 – R0 Committed and uncommitted appropriation	Total carry forward appropriations on all fund sources
1.Staff	263,480.07	2,235,483.88	2,498,963.95
2.Administrative expenditure	436,255.01	251.39	436,506.40
3.Operating Expenditure	3,503,375.96	16,759,467.21	20,262,843.17
<b>Total</b>	<b>4,203,111.04</b>	<b>18,995,202.48</b>	<b>23,198,313.52</b>

**TOTAL CANCELLED APPROPRIATION**

Titles	2016 – C1 Non-committed	2016 – C1 (2017 – C9) Committed appropriation cancelled	2016 – C8 Committed appropriation cancelled	2016 – R0 INSEIS Un-committed appropriation cancelled	2016 – R0 GIO Appropriation cancelled	Total cancelled appropriations on all fund sources
1.Staff	22,963.66	367.36	60,800.04	10,556.63	135,805.72	230,493.41
2.Administrative expenditure	11,306.14	0	89,668.12	39,740.00	40.13	140,754.39
3.Operating Expenditure	8,061.21	0	194,443.13	43,458.99	2,087,878.72	2,333,842.05
<b>Total</b>	<b>42,331.01</b>	<b>367.36</b>	<b>344,911.29</b>	<b>93,755.62</b>	<b>2,223,724.57</b>	<b>2,705,089.85</b>

**AMENDING BUDGETS 2016**

<b>No. of Revision</b>	<b>Subject</b>	<b>Amount in EURO</b>	<b>Comments</b>	<b>Decision</b>
1st. Amended Budget	Amendment to Copernicus	8.800.000	Copernicus	Management Board written procedure approval (13 <sup>th</sup> November 2015)
2 <sup>nd</sup> Amended Budget	Change in EFTA contribution and new member countries	-121 737	Change in contribution	Management Board written procedure approval (23 <sup>th</sup> November 2016)

## BUDGET TRANSFERS 2016

Within the scope of art. 23.2 of EEA Financial regulation budgetary transfers can be made up to 10 % of the budget without having to seek the approval of the management board. Budget transfers and internal resource hearings are used as instruments for fine-tuning of budget implementation.

### TOTAL AMOUNT OF TRANSFERS CARRIED OUT IN 2016 – ON CORE

Chapters in EEA budget	Initial Appropriations 2016	Transfers (incl. amendments)	Final Appropriations
Staff in active employment	21,987,234	113,356	22,100,590
Expenditure related to recruitment	250,000	58,500	308,500
Missions and duty travel	700,000	-131,416	568,584
Socio medical infrastructure	760,000	-91,200	668,800
Social services	5,000	9,000	14,000
<b>Staff total</b>	<b>23,702,234</b>	<b>-41,760</b>	<b>23,660,474</b>
Rental of buildings and associated costs	3,215,000	-187	3,214,813
Movable property and associated costs	270,000	-84,734	185,266
Current administrative expenditure	460,000	737	460,737
Entertainment and representation expenses	12,000	-4,614	7,386
Eea governance	230,000	56,418	286,418
Environmental management of the agency	10,000	-6,209	3,791
<b>Administrative expenditure total</b>	<b>4,197,000</b>	<b>-38,589</b>	<b>4,158,411</b>
Resources	13,115,000	68,012	13,183,012
Strategic actions	795,000	-109,400	685,600
<b>Operating expenditure total</b>	<b>13,910,000</b>	<b>-41,388</b>	<b>13,868,612</b>
<b>Budget total</b>	<b>41,809,234</b>	<b>-121,737</b>	<b>41,687,497</b>

## IMPLEMENTATION 2016 – CORE BUDGET

In the following tables a detailed breakdown of the 2016 operational core budget (C1) and its' implementation, is presented.

Titles	Appropriation 2016 (core funds only)	Committed	Non-committed appropriations cancelled	Paid	Available for carryover	Carried over
1.Staff	23,660,474.00	23,637,510.34	22,963.66	23,373,662.91	263,847.43	263,480.07
2.Administrative expenditure	4,158,411.00	4,147,104.86	11,306.14	3,710,849.85	436,255.01	436,255.01
3.Operating Expenditure	13,868,612.00	13,860,550.79	8,061.21	10,357,174.83	3,503,375.96	3,503,375.96
<b>Total</b>	<b>41,687,497.00</b>	<b>41,645,165.99</b>	<b>42,331.31</b>	<b>37,441,687.59</b>	<b>4,203,478.40</b>	<b>4,203,111.04</b>

### TITLE 3 - OPERATING EXPENDITURE IN DETAIL

Chapter	Appropriation	Committed	Paid	Available for carryover	Carried over	Cancelled
Resources	13,183,012.00	13,180,590.79	9,747,214.83	3,433,375.96	3,433,375.96	0.00
Strategic Actions	685,600.00	679,960.00	609,960.00	70,000.00	70,000.00	0.00
<b>Total</b>	<b>13,868,612.00</b>	<b>13,860,550.79</b>	<b>10,357,174.83</b>	<b>3,503,375.96</b>	<b>3,503,375.96</b>	<b>0.00</b>

### RESOURCES IN DETAIL

Description	Appropriation	Committed	Paid	Available for carryover	Carried over	Cancelled
Meetings	619,502.00	619,502.00	533,706.05	85,795.95	85,795.95	0.00
IT & communications	4,531,510.00	4,531,351.72	3,580,537.07	950,814.65	950,814.65	0.00
ETC's (details below)	8,032,000	8,029,737.07	5,632,971.71	2,396,765.36	2,396,765.36	0.00
<b>Total</b>	<b>13,183,012.00</b>	<b>13,180,590.79</b>	<b>9,747,214.83</b>	<b>3,433,375.96</b>	<b>3,433,375.96</b>	<b>0.00</b>

### IT& COMMUNICATIONS IN DETAIL

Description	Appropriation	Committed	Paid	Available for carryover	Carried over	Cancelled
Publication and graphic services	206,400.00	206,368.32	154,731.20	51,637.12	51,637.12	0.00
IT infrastructure and services	1,418,424.00	1,418,370.17	1,160,732.64	257,637.53	257,637.53	0.00
Technological development	1,114,250.00	1,114,250.00	866,527.08	247,722.92	247,722.92	0.00
Communications	494,086.00	494,077.39	366,932.51	127,144.88	127,144.88	0.00
Translation	200,000.00	200,000.00	151,199.00	48,801.00	48,801.00	0.00
Data Management	1,098,350.00	1,098,285.84	880,414.64	217,871.20	217,871.20	0.00
<b>Total</b>	<b>4,531,510.00</b>	<b>4,531,351.72</b>	<b>3,580,537.07</b>	<b>950,814.65</b>	<b>950,814.65</b>	<b>0.00</b>

## EUROPEAN TOPIC CENTRES - ETC'S IN DETAIL

Description	Appropriation	Committed	Paid	Available for carryover	Carried over	Cancelled
ETC - ACM	2,365,000.00	2,365,000.00	1,655,500.00	709,500.00	709,500.00	0.00
ETC - ICM	1,580,000.00	1,580,000.00	1,106,000.00	474,000.00	474,000.00	0.00
ETC - BD	1,450,000.00	1,449,996.01	1,050,000.00	399,996.01	399,996.01	0.00
ETC - ULS	950,000.00	949,747.00	664,822.90	284,924.10	284,924.10	0.00
ETC – WMGE	1,057,000.00	1,055,083.67	715,711.54	339,372.13	339,372.13	0.00
ETC – CCA	630,000.00	629,910.39	440,937.27	188,973.12	188,973.12	0.00
<i>Total</i>	8,032,000	8,029,737.07	5,632,971.71	2,396,765.36	2,396,765.36	0.00

## STRATEGIC ACTIONS IN DETAIL

Description	Appropriation	Committed	Paid	Available for carryover	Carried over	Cancelled
Air pollution, transport and noise	30,000.00	30,000.00	30,000.00	0.00	0.00	0.00
Climate change mitigation and energy	115,000.00	115,000.00	45,000.00	70,000.00	70,000.00	0.00
Climate change imp, vulnerability etc.	40,000.00	40,000.00	40,000.00	0.00	0.00	0.00
Biodiversity and Ecosystems	109,000.00	108,960.00	108,960.00	0.00	0.00	0.00
Urban, Land Use and soil	90,000.00	90,000.00	90,000.00	0.00	0.00	0.00
Resource-efficient economy and the environment	1,000.00	1,000.00	1,000.00	0.00	0.00	0.00
Megatrends and transition	175,000.00	175,000.00	175,000.00	0.00	0.00	0.00
Sustainability assessment	120,000.00	120,000.00	120,000.00	0.00	0.00	0.00
Quality management and operational services	5,600.00	0.00	0.00	0.00	0.00	0.00
<i>Total</i>	685,600.00	679,960.14	609,960.00	70,000.00	241,631.00	0.00

Detailed information on the activities, outputs and results under each of these operational budget headings are presented in the Annual Report 2016 and the Annual Activity Report 2016, which are available from 15 June 2017.

Detailed reports on the budget execution for all budget items are included in the annual accounts 2016 but will be included in the Report on Budgetary and Financial Management 2017 when the EEA implements the common structure of the Report on Budgetary and Financial Management as all EU bodies.

## BUDGET OVERTURN AND CANCELLATION OF APPROPRIATIONS

### Calculation of budget overrun (EUR) <sup>1</sup>

Budget overrun	2014	2015	2016
Revenue actually received (+)	52 313 845	43 022 053	56 797 441
Payments made (-)	-43 777 178	-51 024 771	-45 805 099
Carryover of appropriations (-)	-21 982 721	-16 726 848	-23 198 314
Cancellation of appropriations carried over (+)	385 124	854 824	344 911
Adjustment for carryover of assigned revenue appropriations from previous year (+)	23 273 912	16 988 141	11 782 109
Exchange rate differences (+/-)	2 741	-13 013	5 236
Adjustment for negative balance from previous year (-)	-9 463 337	8 042 450	486 947
Positive balance from year N-1 reimbursed in year N	-1 422 874	-752 386	-1 142 835
<b>Total</b>	<b>752 386</b>	<b>1 142 835</b>	<b>413 233</b>

### Cancellation of appropriations

#### Cancellation of commitment appropriations

Non-committed core funds in 2016 amount to EUR 42 331 (i.e. 0.10 % of total commitment appropriation).

#### Cancellation of payment appropriations for the year

See above.

#### Cancellation of payment appropriations carried over

Unpaid C8 amounts to EUR 344 911; 56 % in Title 3.

### Justification

A positive budgetary result is to be reimbursed to the Commission. The positive result for 2016, EUR 413,232.74, is composed of the following elements:

Budget result specification	2015	2016
<b>C1 – CURRENT YEAR APPROPRIATIONS</b>		
Amount not made available in the budget		
Non-committed	266,519	42,331
Committed, carried over to C9	1	367
<b>C4 – REUSE OF FUNDS CURRENT YEAR</b>		
Amounts not made available in the budget	34,504	1,795
<b>C8 – APPROPRIATIONS CARRIED OVER FROM PREVIOUS YEAR</b>		
Cancellation of unused appropriations	854,824	344,911
<b>R0 – EARMARKED FUNDS</b>		
Amounts not made available in the budget		18,592
Exchange rate difference (gain+/loss-)	-13,013	5,236
<b>Total</b>	<b>1,142,835</b>	<b>413,232</b>

Cancellation of unused payment appropriations carried over from previous year (C8 funds) amounted to EUR 344,911.29 which is substantially lower than in the previous year (EUR 854,824).

<sup>1</sup> Amounts can be reconciled with EEA Annual Account 2016