

Annex 4 Financial Reports - DG COMP - Financial Year 2008

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Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

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TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS IN 2008 (in Mio €)

Chapter		Commitment appropriations authorised *	Commitments made	%
		1	2	3=2/1
Title 03 : Competition				
03 01	Administrative expenditure of 'Competition' policy area	6,91	6,69	96,88 %
03 03	Cartels, anti-trust and liberalisation	12,20	12,20	100,00 %
Total Title 03		19,11	18,89	98,87 %
Total DG COMP		19,11	18,89	98,87 %

* Commitment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, budget amendments as well as miscellaneous commitment appropriations for the period (e.g. internal and external assigned revenue).

% Outturn on commitment appropriations

100 %
100 %
99 %
99 %
98 %
98 %
97 %-
97 %

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

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TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS IN 2008 (in Mio €)

Chapter		Payment appropriations authorised *	Payments made	%
		1	2	3=2/1
Title 03 : Competition				
03 01	Administrative expenditure of 'Competition' policy area	10,51	5,18	49,30 %
03 03	Cartels, anti-trust and liberalisation	12,61	8,54	67,74 %
Total Title 03		23,12	13,72	59,36 %
Total DG COMP		23,12	13,72	59,36 %

* Payment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, budget amendments as well as miscellaneous payment appropriations for the period (e.g. internal and external assigned revenue).

% Outturn on payment appropriations

70 %[^]
60 %
50 %
40 %
30 %
20 %⁻
10 %⁻
0 %

TABLE 3a : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2008 (in Mio €)

Chapter	2008 Commitments to be settled				Commitments to be settled from financial years previous to 2008	Total of Commitments to be settled at end of financial year 2008 (incl.corrections)
	Commitments 2008	Payments 2008	RAL 2008	% to be settled		
	1	2	3=1-2	4=1-2//1		
Title 03 : Competition						
Administrative expenditure of 'Competition' policy area	6,69	2,13	4,56	68,10 %	0,00	4,56
Administrative expenditure of 'Competition' policy area	12,20	8,44	3,77	30,86 %	0,05	3,82
Administrative expenditure of 'Competition' policy area	18,89	10,57	8,32	44,05 %	0,05	8,38
Total DG COMP	18,89	10,57	8,32	44,05 %	0,05	8,38

Breakdown of Commitments remaining to be settled (in Mio EUR)

5,00

4,50-

4,00

3,50

3,00-

2,5

2,0

1,50

1,00-

0,50

0,00

TABLE 3b: AVERAGE PAYMENT TIME LIMITS FOR 2008 - DG COMP

Maximum Payment Time (Days)	Total Number of Payments	Nbr of Payments within Time Limit	Percentage	Average Payment Times (Days)	Nbr of Late Payments	Percentage	Average Payment Times (Days)
30	262	193	73,66 %	16,85	69	26,34 %	34,93
45	14	11	78,57 %	25,27	3	21,43 %	76,00
60	39	39	100,00 %	27,85			
Total Number of Payments	315	243	77,14 %		72	22,86 %	
Average Payment Time	23,03			19,00			36,64

Late Interest paid in 2008

DG	GL Account	Description	Amount (Eur)
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Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

TABLE 4a : SITUATION ON REVENUE AND INCOME IN 2008

Chapter	Revenue and income recognized			Revenue and income cashed from			Outstanding balance 7=3-6
	Current year RO	Carried over RO	Total	Current Year RO	Carried over RO	Total	
	1	2	3=1+2	4	5	6=4+5	
Title 6: CONTRIBUTIONS AND REFUNDS IN CONNECTION WITH COMMUNITY AGREEMENTS AND PROGRAMMES							
66	OTHER CONTRIBUTIONS AND REFUNDS	0,00	20 540,47	20 540,47	0,00	20 540,47	20 540,47
	Total Title 6	0,00	20 540,47	20 540,47	0,00	20 540,47	20 540,47
Title 7: INTEREST ON LATE PAYMENTS AND FINES							
70	INTEREST ON LATE PAYMENTS	-9 142,15	147 118,84	137 976,69	-9 142,15	20 845,25	11 703,10
71	FINES	3 156 403 306,45	8 408 917 733,33	11 565 321 039,78	-2 108 962,65	1 645 083 350,61	9 922 346 037,83
	Total Title 7	3 156 394 164,30	8 409 064 852,17	11 565 459 016,47	-2 118 104,80	1 645 104 195,86	9 922 472 929,44
Title 9: MISCELLANEOUS REVENUE							
90	MISCELLANEOUS REVENUE	7 000,00	5 000,00	12 000,00	7 000,00	5 000,00	12 000,00
	Total Title 9	7 000,00	5 000,00	12 000,00	7 000,00	5 000,00	12 000,00
	Total DG COMP	3 156 401 164,30	8 409 090 392,64	11 565 491 556,94	-2 111 104,80	1 645 129 736,33	9 922 472 929,44

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Year of Origin

TOTAL

TABLE 4c : RECOVERY OF UNDUE PAYMENTS (Number of Recovery Contexts and corresponding Transaction Amount)

RECOVERY ORDERS ISSUED IN 2008	No error / irregularity		TOTALS	
	Nbr	RO Accepted Amount	Nbr	RO Accepted Amount
Year of Origin (commitment)				
No Link	40	3 212 657 900,00	40	3 212 657 900,00
	40	3 212 657 900,00	40	3 212 657 900,00

EXPENSES

INCOME LINES IN INVOICES

	No error / irregularity	
	Nbr	Non-Eligible Amount
NON ELIGIBLE AMOUNT IN COST CLAIMS	2	8 994,38

	No error / irregularity	
	Nbr	Credit Note Amount
CREDIT NOTES	10	-41 312,93

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors. The provisional closure will be based on the recovery context situation at 28/02/2009.

TABLE 5: AGEING BALANCE OF RECOVERY ORDERS AT 31/12/2008

Year of Origin	Number at 01/01/2008	Number at 31/12/2008	Evolution	Open Amount (Eur) at 01/01/2008	Open Amount (Eur) at 31/12/2008	Evolution
1989	1		-100,00 %	327 735,70		-100,00 %
1992	5	5	0,00 %	1 564 256,31	1 564 256,31	0,00 %
1999	3	3	0,00 %	5 670 000,00	5 670 000,00	0,00 %
2001	11	10	-9,09 %	169 830 000,00	168 260 000,00	-0,92 %
2002	12	9	-25,00 %	830 113 000,00	596 068 000,00	-28,19 %
2003	18	16	-11,11 %	311 271 000,00	212 270 000,00	-31,81 %
2004	25	19	-24,00 %	862 105 904,00	285 629 600,00	-66,87 %
2005	29	27	-6,90 %	632 572 156,16	628 413 000,00	-0,66 %
2006	41	39	-4,88 %	2 104 920 500,00	1 814 420 500,00	-13,80 %
2007	61	46	-24,59 %	3 490 715 840,47	3 051 665 300,00	-12,58 %
2008		32			3 158 512 269,10	
Totals	206	206	0,00 %	8 409 090 392,64	9 922 472 925,41	18,00 %

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

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TABLE 6 : RECOVERY ORDER WAIVERS IN 2008 >= EUR 100.000

Waiver Central Key	Linked RO Central Key	RO Accepted Amount (Eur)	LE Official Name	Commission Decision	Comments
3233800010	3240311203	1 570 000,00	CARRS PAPER LIMITED*		
3233800366	3240809227	10 000 000,00	KLOCKNER BITUMEN BV*		
3233800400	3240012051	143 735,70	FERRIERE NORD SPA*		
Total DG COMP		11 713 735,70			

Number of RO waivers **3**

1) Commission Decision C(2008)232 of 23 January 2008. Due to insolvency of the debtor.

2) Commission Decision C(2008)7556 of 4 December 2008. Due to insolvency of the debtor.

3) Commission Decision C(2008)5716 of 13 October 2008. The foreseeable cost of recovery would exceed the amount to be recovered.

TABLE 7a : CENSUS OF NEGOTIATED PROCEDURES - DG COMP - YEAR 2008

NEGOTIATED PROCEDURES - Contracts > € 60.000

Count : 2

Total amount : 1 555 854,00

Number	Contractor(s)		Type of contract	Description	Amount (€)	Legal base
	Name	Address				
0238772	TAEUS EUROPE LIMITED*	BEDFORD ROAD 20-22,LONDON,GB	Service	TAEUS - TECHNICAL MONITORING	1 000 000,00	Art. 126 1b
0238883	BAKER TILLY INTERNATIONAL LIMITED*	BLOOMSBURY STREET 2,LONDON,GB	Service	LEGAL ASSISTANCE AND CONSULTING SERVICES - TRAVEL AGENCY	555 854,00	Art. 126 1e

TABLE 7b : SUMMARY OF PROCEDURES OF DG COMP (excluding building contracts and contracts < 60.000 €)

Type of contract	2007		2008	
	Count	Amount (€)	Count	Amount (€)
Service	3	1 110 896,00	6	11 327 484,00
TOTAL	3	1 110 896,00	6	11 327 484,00

Procedures	2007		2008	
	Count	Amount (€)	Count	Amount (€)
Negotiated Procedures	1	800 000,00	2	1 555 854,00
Open Procedures	2	310 896,00	4	9 771 630,00
TOTAL	3	1 110 896,00	6	11 327 484,00

Additional comments

In 2008 DG Comp signed two contracts made through negotiated procedure.

" In order to ensure the continuity of our expert assistance and consulting services for the assessment of MyTravel's damages action in Case T-212/03 MyTravel Group plc v Commission it was decided to renew our previous contract with Baker Tilly through a negotiated procedure in accordance with Art. 126(1)(e) ME. The Commission does not control the duration of the court proceedings and as this procedure was in its final stages, continuity was highly important. The new framework contract was signed in the beginning of January for a total amount of €555.854. The CFI ruled in favour of the Commission on 9 September 2008. The assistance received from Baker Tilly largely contributed to the successful outcome of the case.

" The second contract, in accordance with Art. 126(1)(b) ME, was made in order to ensure the continuity of the monitoring services in the case against Microsoft for a short period of time. Following the judgment by the CFI on 17 September 2007 where it partially annulled Art. 7 the Commission had to pay for the monitoring of Microsoft's compliance with the Commission's 2004 antitrust decision. In 2008, it became clear that we were no longer able to use these monitoring services from the nominated Monitoring Trustee and we therefore decided to publish an open call for tender for monitoring services under a framework contract. However, as the outcome and the period up to the contract signature in an open call for tender is uncertain, it was decided, as a short term solution, to enter into a negotiated procedure for a 6-months contract with one of our current contractors in the relevant field. This contractor, TAEUS Europe Limited, has provided the Commission with similar expertise and assistance in relation to the Microsoft case since 2006. No other economic operator could deliver the expert advice and technical reports of the required professional quality in the short term. However, such timely delivery was necessary in order to bridge an enforcement gap that would otherwise have existed until such time that an open tender procedure started in parallel would have been completed. Indeed, it was highly unlikely that any other candidate could do much useful work in the short term at all, given its need to review the records of four years of prior enforcement work, including Court proceedings as well as all prior expert opinions by the Monitoring Trustee.

TABLE 8a : BUILDING CONTRACTS

Count : 0

Total amount :

Contractor(s)

Number	Name	Address	Type of contract	Description	Amount (€)	Legal base
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TABLE 8b : SECRET CONTRACTS

Count : 0

Total amount :

Contractor(s)

Number	Name	Address	Type of contract	Description	Amount (€)	Legal base
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TABLE 9 : BALANCE SHEET

	DG COMP	2008	2007
NON CURRENT ASSETS		<i>0,00</i>	
LT Pre-Financing		0,00	
CURRENT ASSETS		9 826 761 281,93	3 561 601 470,12
Short-term Pre-Financing		23 564,63	0,00
Short-term Receivables		9 826 737 717,30	3 561 601 470,12
ASSETS		9 826 761 281,93	3 561 601 470,12
NON CURRENT LIABILITIES		<i>0,00</i>	
Employee Benefits		0,00	
CURRENT LIABILITIES		-4 280 810,45	-15 584 911,68
Short-term provisions		-404 000,00	-14 794 127,00
Accounts Payable		-3 876 810,45	-790 784,68
LIABILITIES		-4 280 810,45	-15 584 911,68
#####			
##### NET ASSETS/LIABILITIES		823 462,42	823 462,42
##### Accumulated Surplus / Deficit		823 462,42	823 462,42
##### NET ASSETS/LIABILITIES			

TABLE 10 : ECONOMIC OUTTURN ACCOUNT

	ECONOMIC OUTTURN ACCOUNT	
DG COMP	2008	2007
FROM OPERATING ACTIVT	-3 148 239 839,05	-3 315 150 837,85
OPERATING REVENUES	-3 171 262 857,94	-3 338 949 536,46
Other operating revenue	-3 171 262 857,94	-3 338 949 536,46
OPERATING EXPENSES	23 023 018,89	23 798 698,61
Administrative Expenses	4 075 542,49	2 090 592,15
Operating Expenses	18 947 476,40	21 708 106,46
ECONOMIC OUTTURN ACCOUNT	-3 148 239 839,05	-3 315 150 837,85

TABLE 11 : OFF-BALANCE SHEET DISCLOSURES

OFF-BALANCE SHEET DISCLOSURES			
DG COMP	2008	2007	
Contingent Liabilities	-1 669 054 821,83	-2 017 236 452,62	
CL Fines	0,00		
CL Comm against app. not yet con	-5 320 104,97	-3 327 876,07	
CL Amounts relating to legal cas	-1 663 734 716,86	-2 013 908 576,55	
OFF-BALANCE SHEET DISCLOSURES	-1 669 054 821,83	-2 017 236 452,62	
#####			
##### NET ASSETS/LIABILITIES	823 462,42	823 462,42	
##### Accumulated Surplus / Deficit	823 462,42	823 462,42	
##### NET ASSETS/LIABILITIES	823 462,42	823 462,42	

It should be noted that the balance sheet, economic outturn account and off-balance sheet of Directorate General , presented in Annex 4 to this Annual Activity Report, represent only the (contingent) assets, (contingent) liabilities, expenses and revenues that are under the control of this Directorate General. Significant amounts such as own resource revenues and cash held in Commission bank accounts are not included in this Directorate General's accounts since they are managed centrally by DG Budget, on whose balance sheet and economic outturn account they appear. Furthermore, since the accumulated result of the Commission is not split amongst the various Directorates General, it can be seen that the balance sheet presented here is not in equilibrium.

Additionally, the figures included in table 9 are provisional since they are, at this date, still subject to audit by the Court of Auditors. It is thus possible that amounts included in these tables may have to be adjusted following this audit.