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ANNEX 1

ANNEX

to the

COMMISSION DECISION

on the adoption of DG ECFIN's annual work programme 2014, including procurement and grants, in the field of economic and financial affairs, serving as a financing decision

ANNEX

1.1. Introduction

This work programme contains the implementing measures for the year 2014 in the field of economic and financial affairs. The distribution of budget and the main actions are the following:

- for grants (implemented under direct management) (1.2): €6,190,000.
- for procurement (implemented under direct management) (1.3): €4,390,000 of which €3,990,000 for EMU-related projects, and €400,000 for macro-financial assistance.
- for actions implemented under indirect management through an agreement with an international organisation (1.4): €700,000 for contribution agreements with the OECD and the IMF.
- for administrative arrangement with the JRC (1.5): €150,000.
- for other actions (1.6): €58,432,294 for the provisioning of the guarantee fund for external actions.

1.2. Grants

The global budgetary envelope reserved in 2014 for grants amounts to €6,190,000 on the 'EMU' line.

1.2.1. Joint Harmonised European Union Programme for Business and Consumer Surveys (BCS)

Grants shall be covered by the grant agreements signed with the institutes participating in the BCS programme for a total amount of €5,740,000. In addition, given that all existing framework partnership agreements will come to and end in 2015, a call for proposals will be launched in 2014 with specific grant agreements expected to be signed in the first quarter of 2015. This call for proposals will have no major changes to the essential criteria and characteristics (listed below). It is intended to expand the duration of the future partnership agreements beyond four years. The main rationale is that the usefulness of the data for economic analysis of business-cycles crucially depends on the availability of long and stable time series. Linking of series stemming from different data providers (e.g. by means of regression techniques) can only be done once a sufficient amount of data points are collected and will be reliable only for sufficiently long individual time series. The BCS programme is and will remain a longstanding project which means that no potential beneficiaries are excluded by this extension. A duration of six years is envisaged so as to provide a match with the end of the MFF period.

LEGAL BASIS

No basic act since the action results from the Commission's institutional prerogatives (FR Art. 54(2)d)

BUDGETARY LINE

01.02 01 'Coordination, surveillance and communication activities on the economic and monetary union including the euro (EMU)'

PRIORITIES OF THE YEAR, OBJECTIVES TO BE FULFILLED AND FORESEEN RESULTS

The BCS constitute an essential tool for the Commission for fulfilling its Treaty-based obligations of surveillance of the EU economies. They constitute a basis for decision-making of EU economic policy makers, governments and research institutes. There are few alternative products at European level and none share the features of the Commission's surveys in terms of coverage, frequency and accuracy.

The Commission's objective consists in ensuring that reference to and usage of the analytical tools and EU reference indicators and other products should be comparable to those of other major institutions (IMF, OECD, ECB, ...) as measured in terms of downloads of data, references to publications, number of attendants of events.

DESCRIPTION AND OBJECTIVE OF THE IMPLEMENTING MEASURE

The BCS Programme ensures the harmonisation, coordination, analysis and dissemination of business and consumer surveys in Member States. Harmonisation is essential to allow the comparison of business cycles in the different Member States and the calculation of meaningful business cycle indices for the euro area and for the EU as a whole, in order to inform the EU authorities, the Member States and the various economic agents about the present economic situation. Business and consumer surveys summarise attitudes and judgements of a large number of managers and consumers for different sectors of the economy in the European Union. Results are published on a monthly basis.

IMPLEMENTATION

Directly by the DG.

TIMETABLE AND INDICATIVE AMOUNT OF THE CALL(S) FOR PROPOSALS /DIRECT AWARD

Call reference	Date	Amount	

A new call for proposals will be launched in Q2/2014 to sign framework partnership agreements in 2015.

The first specific grant agreements will be concluded for the period 2015-2016 with an estimated total budget of close to 6M€

In respect of current framework partnership agreements, specific grant agreements will be concluded under the following framework partnership agreement: ECFIN/2010/A3-020 (OJ C271 of 7.10.2010 pp. 14-24), ECFINA4/2011/014 (OJ C330 of 12.11.2011 pp. 11-21) and ECFIN /2012/008/A (OJ C171 of 16.6.2012 pp. 15-24). The specific grant agreements will be concluded for the period May 2014-April 2015 with a total budget of €5,740,000 and with submission by the respective entities in Q1/2014.

MAXIMUM POSSIBLE RATE OF CO-FINANCING

The EU's contribution in the joint financing may not exceed 50% of eligible costs both under the current framework partnership agreements or under the new call for proposals.

ESSENTIAL EXCLUSION AND ELIGIBILITY CRITERIA

The specific grant award procedure is based on the provisions of the corresponding framework partnership agreements.

Eligibility criteria: see sections 5.1 (legal status of applicants), 5.2 (grounds for exclusion) and 5.3 (illegal activities giving rise to exclusion) of the respective calls for proposals.

For the new call for proposals, to be eligible applicants have to be legal entities established in the EU Member States, the Candidate countries or the EFTA or EEA countries. Applicants will be excluded on the basis of articles 106(1) and 107(1) of the Financial Regulation.

ESSENTIAL SELECTION AND AWARD CRITERIA

For the new call for proposals

Selection criteria:

(1) financial capacity of applicants, as demonstrated by their balance sheet and profit and loss account, certified by auditors for at least 2 financial years.

(2) operational capability of applicants with at least 3 years of proven experience in preparing and carrying out monthly or quarterly surveys and the required qualifications of experts and managers, and the capacity of the applicant to complete the survey and deliver data each month in due time (on the basis of resources at disposal and the evidence of relevant experience)

Award criteria:

(1) The quality of the proposed survey methodology with reference to:

- sampling frame (source, survey unit, size, population coverage, updating frequency, cut-offs);
- sampling method (random vs. purposive, use of quota, stratification, panels);
- sample size
- number of completed interviews
- response rate
- survey mode (face-to-face, CATI, email, postal, internet, etc.);
- measures to raise/maintain response rates (advance letters, reminders, follow-up activities, incentives to respond, etc.);
- treatment of missing data (unit non-response and item non-response);
- weighting scheme (characteristics and updating frequency);
- data quality control system;

(2) The effectiveness of the proposed action and organisation of activities (including any possible sub-contracting of part of the activities) with a view to delivering results of sufficient quality in time;

(3) The efficiency of the candidate's work organisation, in terms of the resources deployed

in relation to the objectives envisaged (cost-effectiveness);

(4) Does the proposal contain specific added-value elements in terms of using survey results for cyclical and economic analysis and research, including analysis by sector?

For the existing framework partnership agreements, specific grants will be awarded on the basis of the relevance and the consistency of the proposals with the action plan submitted for the award of the corresponding framework partnership agreements, as well as on the basis of the cost-effectiveness of the proposals.

FORM OF THE GRANT AND VALUE AND TOTAL AMOUNT OF LUMP SUMS ALLOWED [if applicable]

Total value of the specific grant agreements: €5,740,000. No lump sums are foreseen.

SPECIFIC GRANT AGREEMENT [if applicable]

More than fifty framework partnership agreements have been signed with various beneficiaries. Specific grants based on these partnership agreements will be awarded in the first quarter of 2014 and written agreements will be signed. The eligibility period of the actions runs from 1 May 2014 till 30 April 2015.

1.2.2. Timely High-frequency indicators for global and regional trade (THIT)

Grants shall be covered by the grant agreements signed with the institute selected for the THIT project (€50,000).

LEGAL BASIS

No basic act since the action results from the Commission's institutional prerogatives (FR Art. 54(2)d)

BUDGETARY LINE

01.02 01 'Coordination, surveillance and communication activities on the economic and monetary union including the euro (EMU)'

PRIORITIES OF THE YEAR, OBJECTIVES TO BE FULFILLED AND FORESEEN RESULTS

The project will produce indicators on a regular basis allowing the calculation of timely high-frequency measures of the export performance of the EU, the euro area and the individual Member States. The indicators improve the assessment and accuracy of the forecast for international trade (and GDP) growth for non-EU countries and regions.

DESCRIPTION AND OBJECTIVE OF THE IMPLEMENTING MEASURE

The timely high-frequency indicators for trade (THIT) constitute valuable input for ECFIN's economic monitoring and forecasting activities.

IMPLEMENTATION

Directly by the DG.

TIMETABLE AND INDICATIVE AMOUNT OF THE CALL(S) FOR PROPOSALS /DIRECT AWARD

Call reference	Date	Amount	

A 4-year framework partnership agreement covering the period 2012-2016 has been signed.

MAXIMUM POSSIBLE RATE OF CO-FINANCING

The EU's contribution in the joint financing may not exceed 50% of eligible costs.

ESSENTIAL EXCLUSION AND ELIGIBILITY CRITERIA

The grant award procedure is based on the provisions of the corresponding framework partnership agreement.

Eligibility criteria will cover the legal status of applicants, the grounds for exclusion and the administrative and financial penalties (cf. sections 5.1, 5.2 and 5.3 of the framework partnership agreement).

ESSENTIAL SELECTION AND AWARD CRITERIA

Selection criteria: not applicable

Award criteria: the specific grant will be awarded on the basis of the relevance and the consistency of the proposal with the action plan submitted for the award of the corresponding framework partnership agreement, as well as on the basis of the cost-effectiveness of the proposals.

FORM OF THE GRANT AND VALUE AND TOTAL AMOUNT OF LUMP SUMS ALLOWED [if applicable]

Total value: €50,000. No lump sums are foreseen.

SPECIFIC GRANT AGREEMENT [IF APPLICABLE]

A new framework partnership agreement has been signed in 2012 covering a 4-year period. A specific grant agreement under the new partnership agreement will be awarded in 2014. The eligibility period of the action runs from 1 June 2014 till 31 May 2015.

1.2.3. Production and Broadcast of a Magazine on Economic Issues - Euronews

Grant agreement signed with Euronews implementing the 2010 framework partnership agreement (€400,000).

LEGAL BASIS

No basic act since the action results from the Commission's institutional prerogatives (FR Art. 54(2)d)

BUDGETARY LINE

01.02 01 'Coordination, surveillance and communication activities on the economic and monetary union including the euro (EMU)'

PRIORITIES OF THE YEAR, OBJECTIVES TO BE FULFILLED AND FORESEEN RESULTS

The multiannual framework partnership agreement with Euronews awarded on 20 December 2010 (reference number: Ares (2010)976039) is implemented through specific grant agreements. A specific grant agreement is foreseen for the purpose of raising awareness of the policies related to DG Economic and financial affairs in the form of the production and broadcast of TV news programmes. DG ECFIN intends to cross-sub-delegate the budget needed to finance this project to DG COMM. The project will significantly increase the volume and quality of the coverage of EU economic and financial affairs. Euronews will provide more information packaged in new attractive formats able to reach larger audience and therefore contribute to forging closer links between citizens and the institutions of the European Union.

DESCRIPTION AND OBJECTIVE OF THE IMPLEMENTING MEASURE

Co-financing through an action grant of the production and broadcast of a magazine on economic issues of economic magazine Euronews channel.

IMPLEMENTATION

by DG ECFIN and DG COMM

**TIMETABLE AND INDICATIVE AMOUNT OF THE CALL(S) FOR PROPOSALS
/DIRECT AWARD**

Call reference	Date	Amount	

A specific grant agreement under the existing framework partnership agreement with Euronews (signed on 28 December 2010) will be awarded in Q3/2014 with DG ECFIN's indicative amount being €400,000.

MAXIMUM POSSIBLE RATE OF CO-FINANCING

95% of the eligible costs.

ESSENTIAL EXCLUSION AND ELIGIBILITY CRITERIA

The grant award procedure is based on the provisions of the corresponding framework partnership agreement.

ESSENTIAL SELECTION AND AWARD CRITERIA

The grant award procedure is based on the provisions of the corresponding framework partnership agreement.

**FORM OF THE GRANT AND VALUE AND TOTAL AMOUNT OF LUMP SUMS
ALLOWED [if applicable]**

The grant will take the form of reimbursements on the basis of unit costs as authorised by the Commission Decision authorising the use of unit costs under action grant agreements signed with Euronews (C(2013)7360final of 07.11.2013) according to article 124 of the Financial Regulation and for a maximum amount of €400,000. No lump sums are foreseen.

SPECIFIC GRANT AGREEMENT [if applicable]

A specific grant agreement under the existing framework partnership agreement with Euronews (signed on 28 December 2010) will be awarded in Q3/2014 with DG ECFIN's indicative maximum amount being €400,000.

1.3. Procurement

The global budgetary envelope reserved in 2014 for procurement contracts amounts to € 4,390,000 of which € 3,990,000 on the 'EMU' line (EMU coordination and surveillance (€ 2,390,000) and EMU communication activities (€1,600,000)) and €400,000 on the MFA line.

1.3.1. Coordination and surveillance of economic and monetary union (EMU)

LEGAL BASIS

No basic act since the action results from the Commission's institutional prerogatives (FR Art. 54(2)d)

BUDGETARY LINE

01.02 01 'Coordination, surveillance and communication activities on the economic and monetary union, including the euro (EMU)'

INDICATIVE NUMBER AND TYPE OF CONTRACTS ENVISAGED

The main subjects of the contracts will be the following: external data supply (approx. 20 contracts), speakers and authors of papers (approx. 30 contracts), studies and evaluations (approx. 20 contracts), specialised software (approx. 10 contracts), other (approx. 20 contracts).

SUBJECT OF THE CONTRACTS ENVISAGED (if possible)

The contracts will cover several types of activities:

- I. Access to external commercial data supply services; development and maintenance of internal data bases;
- II. Conferences, workshops, seminars and visiting fellows;
- III. Studies and evaluations;
- IV. Business surveys;
- V. Rating services and other costs related to borrowing/lending activities;
- VI. Publications and associated software;
- VII. Statistical and economic software packages, including maintenance;
- VIII. IT developments;
- IX. Other

IMPLEMENTATION

Direct implementation by DG ECFIN.

INDICATIVE TIMEFRAME FOR LAUNCHING THE PROCUREMENT PROCEDURE

- I. Access to external commercial data supply services; development and maintenance of internal data bases
 - Automated feed of valuation prices and rates for financial market instrument: 2014 call for tenders with renewable yearly contracts
 - Macro-Economic Model software: 2014 call for tenders to purchase a software (site licenses) for the production of macro-economic forecasts.
- II. Conferences, workshops, seminars, visiting fellows, seminar speakers
The tenders will essentially cover:
 - calls for papers/essays and calls for speakers (low-value contracts)
 - calls covering logistical aspects (external venue, catering, ...).Calls are launched regularly throughout the year, depending on the date of the event.
- III. Studies and evaluations
 - Call for tenders for a study on the micro-macro paradox in climate finance.
 - Call for tenders for individual studies on the theme 'Mapping the New Normal: EMU in the global economy'..
- IV. Business surveys
 - Call for tenders for the financial services sector surveys (FSSS) for yearly renewable contracts over a 4-year period (2015-2019)
- V. Rating services and other costs related to borrowing/lending activities
- VI. Publications and associated software
- VII. Statistical and economic software packages, including maintenance
- VIII. IT developments
- IX. Other

INDICATIVE AMOUNT OF THE CALL FOR TENDERS [not mandatory]

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SPECIFIC CONTRACT [if applicable]

- I. Access to external commercial data supply services
 - Automated feed of valuation prices and rates for financial market instrument: one-year contract (Six Financial Information) - 2014 call for tenders with renewable yearly contracts
 - Financial market data sources and trading platform: renewable yearly contracts (Bloomberg and Thomson Reuters)
 - Provision of Macro-economic and financial data: renewable yearly contracts (IHS Global Insight)
 - Purchasing Managers Indices – PMI: renewable yearly contracts (Markit PMI)
 - Ratings data and research services: 2013 call for tenders for award in Q1/2014 - renewable yearly contracts

- Economic forecast data including energy: one year service contract (Consensus Economics Inc.)
- Bond and Equity data: renewable yearly contracts (Dealogic)
- Purchasing Bond Indices: 2013 call for tenders for award in Q4/2013
- Annual Accounts: renewable yearly contracts (Bureau Van Dijk)
- FDMS+: Forecast Data Management System: specific contracts based on a framework contract (Prognoz)
- Online News and Information Services for Emerging Markets: renewable yearly contracts (Internet Securities Limited)
- Macro-economic model software: 2014 call for tenders for a site license
- Economic forecasts with basic macro-economic variables for macro regions: one-year service contract (Focus Economics)
- Residential prices, rents and yields: one-year service contract (Global Property Guide)

II. Conferences, workshops and seminars

Specific contracts against framework contract PMO2/PR/2008/005/1 (travel and accommodation), 01/98/ADMIN.D.1/1 (catering)

III. Studies and evaluations

Specific contracts against ECFIN's framework contracts on evaluation and evaluation-related services ECFIN-003/008-2011 for "Instrumental studies to support intermediate and ex post evaluations of ECFIN policies and programmes" including the "Evaluation of the activities related to euro area enlargement", the "Evaluation of surveillance activities related to third countries in the context of EU enlargement and the European Neighbourhood Policy", and the "Stakeholder satisfaction survey on ECFIN's quality outputs".

IV. Business surveys

The contract for Financial Sector Services Surveys will be renewed for a fourth period (04/2014-03/2015 – Significant GFK NV).

V. Rating services

The services needed in 2014 will be covered by 3 framework service contracts signed with the major rating agencies (Moody's, Standard & Poor's, Fitch).

VI. Publications and associated software

Specific contracts against framework contracts managed by OP.

VII. Statistical and economic software packages, including maintenance

Specific contracts against framework contracts managed by DIGIT.

VIII. IT developments

Specific contracts against framework contracts managed by DIGIT and by ECFIN.

1.3.2. *PRINCE programme*

LEGAL BASIS

No basic act since the action results from the Commission's institutional prerogatives (FR Art. 54(2)d)

BUDGETARY LINE

01.02 01 'Coordination, surveillance and communication activities on the economic and monetary union, including the euro (EMU)'

INDICATIVE NUMBER AND TYPE OF CONTRACTS ENVISAGED

Framework contracts of DG ECFIN and other Commission services will be used in the large majority of cases. The number of specific contracts will amount to approximately 100, virtually all of which will be service contracts. The main subject of the contracts will be the following: conferences and events (approx. 20 contracts), exhibitions (approx. 20 contracts), seminars (approx. 20 contracts), publications (approx. 20 contracts or order forms).

SUBJECT OF THE CONTRACTS ENVISAGED (if possible)

The contracts will cover several types of activities, in particular to inform about the EU's response to the crisis, economic governance in the EU, to improve the general knowledge on the euro and EMU and to contribute to communication efforts in line with the 2014 work programme. These activities will also contribute, as far as possible, to the corporate communication priorities of the Commission, and in particular to the theme "EU for fairness", as identified by the Communication Steering Board".

I. Conferences, events and seminars on the euro/EMU within the EU, covering in particular:

- (a) network meetings;
- (b) seminars for journalists and other multipliers;
- (c) annual conferences (e.g. the Brussels Economic Forum and other high profile events);
- (d) high-level conferences in pre-in countries;
- (e) workshops and seminars

II. Exhibitions, notably including:

- (a) the itinerant euro exhibition;
- (b) stands with publications on the euro and EMU

III. Competitions, such as poster competitions, competitions targeted at photographers and cartoonists, etc.

IV. Public stands

V. Information activities in third countries, covering conferences and seminars, distribution of publications, school competitions, etc.

VI. Twinning programmes (between pre-in countries and euro-area countries)

VII. Studies and surveys, notably including:

- (a) surveys on citizens' perceptions in countries preparing for the imminent introduction of the euro;
- (b) Eurobarometer surveys on the euro;
- (c) studies on the impact of information activities on the euro

VIII. Publications, including ECFIN's flagship publications (European Economy, Economic Papers, etc.) and associated software (EP/kit) as well as publications for the general public and posters

IX. Electronic newsletter
X. Promotional material
XI. Advertising campaigns
XII. ECFIN website, including ad-hoc articles for the web
XIII. Audio-visual material
XIV. Technical assistance
The above list is not exhaustive.

IMPLEMENTATION

Direct implementation by DG ECFIN.

INDICATIVE TIMEFRAME FOR LAUNCHING THE PROCUREMENT PROCEDURE

Call for tenders to establish a framework contract for the organisation and management of events and exhibitions to be launched in Q4/2014.

INDICATIVE AMOUNT OF THE CALL FOR TENDERS

SPECIFIC CONTRACT [IF APPLICABLE]

The majority of the specific contracts will be concluded on existing framework contracts such as:
ECFIN-222-2011 Organisation and management of events
ECFIN-223-2011 Organisation and management of events
ECFIN-224-2011 Organisation and management of events
PMO2/PR/2008/005/1 Travel and accommodation
PO/2010-30/A2 Flash Eurobarometer Opinion polls
PO/2010-24/A6 Information briefings and seminars for journalists
Most of the contracts relating to printing publications will be implemented through framework contracts managed by OP (co-delegation).
Other framework contracts from different Commission services may be used.

1.3.3. Macro-financial assistance (procurement part)

The present financing decision does only cover MFA expenditure related to procurement (€400,000). All other measures, representing €59,600,000 will be subject to *ad hoc* financing decisions.

LEGAL BASIS

For operational assessments: Council decision granting MFA to the country.

For evaluations: FR Art. 30.

BUDGETARY LINE

01.03 02 'Macro- financial assistance'

INDICATIVE NUMBER AND TYPE OF CONTRACTS ENVISAGED

Several operational assessments - specific contracts under a framework contract.

One evaluation of MFA operations – specific contract under a framework contract.

SUBJECT OF THE CONTRACTS ENVISAGED (if possible)

Operational assessments of financial circuits and controls in the countries concerned by macro-financial assistance. The objective is to obtain reasonable assurance of the reliability of the financial and administrative procedures implemented in these countries. Recommendations contained in these OA reports give the Commission the possibility to assist these countries to improve their public finance management. Evaluations assess the contribution of MFA to structural reforms in the recipient countries and the macroeconomic performances of these countries.

IMPLEMENTATION

Direct implementation by DG ECFIN.

INDICATIVE TIMEFRAME FOR LAUNCHING THE PROCUREMENT PROCEDURE

- Open procedure for a framework contract for operational assessments
- Open procedure for a framework contract for evaluations

INDICATIVE AMOUNT OF THE CALL FOR TENDERS

SPECIFIC CONTRACT [IF APPLICABLE]

Operational assessments: based on framework contract ECFIN/012/2011 for operational assessments.

Evaluations: based on framework contract ECFIN/003-008/2011 with reopening of competition.

1.4. Actions implemented under indirect management through an agreement with an international organisation

1.4.1. Co-financing OECD research projects

LEGAL BASIS

No basic act since the action results from the Commission's institutional prerogatives (FR Art. 54(2)d)

BUDGETARY LINE

01.02 01 'Coordination, surveillance and communication activities on the economic and monetary union, including the euro (EMU)'

AMOUNT

€300,000.

IMPLEMENTING ENTITY

Organisation for Economic Co-operation and Development (OECD) established in Paris. The reason for co-operating with the OECD under indirect management derives from the strong and direct relevance of many of their economic study and research projects for ECFIN's policy-shaping activities in different areas.

OVERALL OBJECTIVE AND PURPOSE OF THE ACTION

Through the co-financing mechanism, usually along with the OECD Secretariat and several OECD members, the Commission can prioritise work on specific topics of high EU relevance as well as influence the scope and focus of the tasks undertaken by the OECD to fit its own needs.

1.4.2. Co-financing IMF

LEGAL BASIS

No basic act since the action results from the Commission's institutional prerogatives (FR Art. 54(2)d)

BUDGETARY LINE

01.02 01 'Coordination, surveillance and communication activities on the economic and monetary union, including the euro (EMU)'

AMOUNT

€400,000.

IMPLEMENTING ENTITY

The International Monetary Fund (IMF) is an organisation of 186 countries established in Washington, working to foster global monetary cooperation, secure financial stability, facilitate international trade, promote high employment and sustainable economic growth, and reduce poverty around the world. The reason for co-operating with the IMF is their expertise and their role in financial assistance programmes for EU Member States.

OVERALL OBJECTIVE AND PURPOSE OF THE ACTION

The IMF is closely involved in the different financial assistance programmes in favour of EU Member States such as the Balance-of-Payments (BOP) Facility for non-euro area countries, the rescue packages for Greece, Ireland and Portugal and the European Financial Stability Facility and associated Mechanism (EFSF & EFSM), notably in co-defining and co-monitoring the economic and financial policies that the relevant countries need to implement in order to recover market confidence and to strengthen their fiscal and financial position. Co-financing surveillance and technical assistance actions taken by the IMF contributes efficiently to the Commission's objectives of public finance surveillance.

1.5. Administrative Arrangement with the JRC

LEGAL BASIS

No basic act since the action results from the Commission's institutional prerogatives (FR Art. 54(2)d)

BUDGETARY LINE

01.02 01 'Coordination, surveillance and communication activities on the economic and monetary union, including the euro (EMU)'

AMOUNT

€150,000.

IMPLEMENTING ENTITY

The Joint Research Centre in Sevilla (JRC).

OVERALL OBJECTIVE AND PURPOSE OF THE ACTION

The use of micro-simulation models to allow ECFIN to better quantify, jointly with the JRC, the impact of tax reforms on revenue collection to meet fiscal objectives and on redistribution and welfare.

1.6. Other actions

1.6.1. Provisioning of the guarantee fund for external actions

LEGAL BASIS

Council Regulation (EC, Euratom) No 480/2009 of 25 May 2009 establishing a guarantee fund for external actions.

BUDGETARY LINE

01.03 06 'Provisioning of the Guarantee Fund'

AMOUNT

€58,432,294

DESCRIPTION AND OBJECTIVE OF THE IMPLEMENTING MEASURE

(1) The Guarantee Fund for External Actions was created in 1994. It provides the financial resources which are used as a smoothing mechanism to avoid a direct call on budget resources when, due to defaults of beneficiaries of loans, the Community must assure the reimbursement of maturing financial obligations (e.g. interest, principal). The Fund is financed from the general budget of the European Communities and its financial management is entrusted to the EIB.

(2) Council Regulation (EC, Euratom) 480/2009 of 25 May 2009 lays down the provisioning mechanism for the Guarantee Fund for External Actions. The level of provisioning under the current system is determined on an ex-post basis, and depends on the outstanding amount of loans and guaranteed loans. The transfer to the Fund takes the form of a single commitment and a single payment early in the budgetary year.

1.6.2. Regional and horizontal programmes (cross-subdelegation DG ELARG)

No appropriations are foreseen in the 2014 budget for reinforcing the trust accounts. However, interests earned on the trust accounts are considered as additional resources and may be used under the Agreement for the co-financing of projects with Participating Banks. Therefore it is necessary to proceed on an annual basis to the regularisation of the interest generated in order to keep the amount on the trust account and to reuse for projects under the Facilities.

The budget line concerned is 22.02.51 (Completion of former pre-accession assistance prior to 2014 - IFI Facilities managed by the EBRD, EIB and CEB: SMEFF, MFF, EEFF and MIF) and the amount of interests expected in 2014 is around €1,000,000.

Appendix to point 1.4 – Verification of the conditions for joint management (Article 60(2) and 61(1) Financial Regulation and Article 39 Rules of Application)

DG DEVCO R2 has finalised the assessments in order to evaluate whether the IMF and the OECD apply standards which offer guarantees equivalent to internationally accepted standards in its accounting, audit, internal control and procurement procedures.

The projects will be elaborated jointly under the framework agreement concluded with the OECD in April 2006 and with the IMF in January 2009. The Standard Contribution Agreement will be used to conclude the individual contribution-specific agreements.