



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 28 March 2008

7803/08

EUROPOL 34

COVER NOTE

from: Europol
to: Article 36 Committee
Subject: Five years Financing Plan 2009-2013

1. Article 35(4) of the Europol Convention, as amended by the 2003 Protocol¹, reads:

"The five-year financing plan shall be sent to the Council. It shall also be forwarded by the Council to the European Parliament for information."

2. Recently the Europol Management Board has approved the Financing Plan 2009-2013 and sent it to the Council. The plan is set out in Annex.
3. The Article 36 Committee is requested to invite COREPER / Council to note the annexed Financing Plan 2009-2013 and forward it to the European Parliament for information.

¹ OJ C 2, 6.1.2004, p. 3.

Financing Plan 2009-2013

INTRODUCTION

In line with the requirement of Article 35(3) of the Europol Convention and Article 11 of the Financial Regulation, this document outlines the Five-Year Financing Plan for the years 2009-2013 which is provided together with the Draft Budget 2009. This plan is an integral part of the Business Plan for this period which is presented together with this document.

In the Five-Year Business Plan 2009-2013, an overview is provided of the strategic objectives which are foreseen to be financed through the Europol budgets for the five years in question. This note contains a brief explanation of how the related costs have been estimated. The result is provided in the attached annex.

It should be noted that all the figures in this note are based on the current legal framework for the organisation and in particular the current Staff Regulations whilst bearing in mind expected inflation of 2% per year. In addition there are expected changes for future years in certain specific areas which have been taken into consideration. Examples are; the expected increase in maintenance and running costs once the New Headquarters will be in use, and for areas where temporary local staff was foreseen for a specific purpose with limited duration, these costs have been reduced for calculations of future years as this additional support should then no longer be required.

The Financing Plan is a non-binding planning instrument.

THE PLAN

Amounts rounded and in millions

| | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|--------------|------|-------|------|------|------|------|
| Plan 2008-12 | 63.9 | 75.9 | 70.0 | 72.5 | 75.2 | - |
| Plan 2009-13 | - | 65.4 | 76.0 | 70.6 | 73.4 | 76.3 |
| Difference | | -10.5 | 6.0 | -1.9 | -1.8 | |

Over the four-year period covered by both the existing Financing Plan 2008-2012 and the new Financing Plan 2009-2013 there is an overall decrease of approximately €8.1M, based on the following:

- The provision for salaries has decreased by more than €9.3M which is largely as a result of the overall reduction of salary costs by 6% in 2009, in line with expected vacancies and despite increases in other elements of salary related costs (e.g. temporary staffing related to the Draft Council Decision).
- An increase in activity related costs in line with the increased implementation in this area in 2007, and the unforeseen activities for the Draft Council Decision and the delay with the delivery of the New Headquarters combined with a reduction of €1M for consultancy for the New Headquarters in line with recent positive discussions on indefinite contracts comes to an overall decrease under Title 3 of approximately €0.1M.
- For Title 4, which effectively falls outside the control of the Director, an increase of €0.6M is foreseen over the 4 year period. This increase partially results from the inclusion of €450,000 in the Draft Budget 2009 for the translation of legal texts as a consequence of the Draft Council Decision.

- For Title 6 (ICT) an increase of almost €0.8M is foreseen which is mainly a result of the indexation of the increase of the DB2009 and indexation of this amount for future years. A small part relates to the delay with the delivery of the New Headquarters and an additional increase in costs foreseen for the Draft Council Decision.

Personnel

The Financing Plan 2008-2012 foresaw an increase in posts of 10 per year. For the period 2009-2013 this increase has been kept at the same level except for 2009 where 11 additional posts are proposed.

2.2 Other expenditure

Activity related costs (Chapter 30) have increased in comparison to the Financing Plan 2008-2012. The main reasons for this increase are the general growth of the organisation and the rise in implementation rate for 2007 in comparison to previous years.

From 2011 onwards the calculations for increases in maintenance and running costs for the New Headquarters, as provided to Member States mid 2007 (File no. 2730-29), have been taken into consideration. These costs have been derived at in close cooperation with experts from the Host State. Although Europol feels confident that these figures are robust, there might be a need for adjustments in the future once more details on the usage costs of the New Headquarters are available.

2.3 Bodies and organs

The figures for Title 4 (Bodies and Organs) have been based on the requests received from the Management Board Secretariat, the Joint Supervisory Body, the Financial Controller, and the Police Chiefs Task Force.

Besides the additional costs for the translation of legal texts for the Draft Council Decision the Financing Plan 2009-2013 has not changed considerably compared to the existing Plan (2008-2012).

The proposed budgets under Title 4 effectively fall outside the control of the Europol Director. However, for the implementation of the budget the same rules apply as for the other budget titles.

2.4. ICT including TECS

As mentioned under point 2, the main difference compared to the previous planning is mainly a result of the indexation of the increase of the DB2009 and indexation of this amount for future years. A small part relates to the delay with the delivery of the New Headquarters. In addition, costs relating to the Draft Council Decision have now been included which were previously not foreseen.

2.5. Host State

The Budget for the Host State is foreseen to cover for costs of security staff and related costs and costs for investments and maintenance of the security system. The figures provided in the plan for 2009 have been estimated in close cooperation with the Host State and are projected to increase by 2.5-3% annually. Bearing in mind the foreseen changes related to the New Headquarters from 2010 onwards, in particular in relation to maintenance of the security installation which is planned to be financed by Europol in the future, the figures from 2010 onwards should be considered as indicative.

Overview Financing Plan for Europol 2009-2013

| 1. Expenditure, Euro | | | | | | |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| Personnel, Title 2 | 44,091,000 | 44,165,000 | 45,877,000 | 47,650,000 | 49,826,000 | 52,070,000 |
| Other expenditures, Title 3 | 5,645,000 | 6,450,000 | 6,360,000 | 6,487,000 | 6,617,000 | 6,749,000 |
| New building, (Increased maintenance & other running costs for Title 3 from 2011 onwards) ¹ | - | - | 8,632,000 | 1,075,000 | 1,255,000 | 1,413,000 |
| Bodies and organs, Title 4 | 3,560,000 | 4,118,000 | 3,750,000 | 3,825,000 | 3,902,000 | 3,980,000 |
| ICT including TECS, Title 6 | 10,625,000 | 10,675,000 | 11,363,000 | 11,590,000 | 11,822,000 | 12,058,000 |
| Subtotal | 63,921,000 | 65,408,000 | 75,982,000 | 70,627,000 | 73,422,000 | 76,270,000 |
| | | | | | | |
| Security and building costs (Host state) | 2,524,000 | 2,593,000 | 2,675,000 | 2,630,000 | 2,710,000 | 2,795,000 |
| | | | | | | |
| 2. Personnel, posts | | | | | | |
| | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| Europol, Title 2 | 425 | 436 | 446 | 456 | 466 | 476 |
| Bodies and organs, Title 4 | 8 | 8 | 8 | 8 | 8 | 8 |
| Total, Europol budget | 433 | 444 | 454 | 464 | 474 | 484 |
| ELOs, LOs, experts, security etc. | 185 | 190 | 195 | 200 | 205 | 210 |
| Grand total | 618 | 634 | 649 | 664 | 679 | 694 |

¹ For 2009 a total amount of €562,000 has been included for the New Headquarters under the relevant Budget Titles (T2, T3 and T6).