



Annual accounts of the  
SESAR Joint Undertaking

Financial year 2020

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## CERTIFICATION OF THE ACCOUNTS

I acknowledge my responsibility for the preparation and presentation of the annual accounts of SESAR Joint Undertaking in accordance with Article 52 of the Model Financial Regulation ('MFR')<sup>1</sup> and I hereby certify that the annual accounts of the SESAR Joint Undertaking for the year 2020 have been prepared in accordance with Chapter 8 of the MFR and the accounting rules adopted by the Commission's Accounting Officer, as are to be applied by all the institutions and union bodies.

I have obtained from the Authorising Officer, who certified its reliability, all the information necessary for the production of the accounts that show the SESAR Joint Undertaking's assets and liabilities and the budgetary implementation. Based on this information, and on such checks as I deemed necessary to sign off the accounts, I have a reasonable assurance that the accounts present fairly, in all material aspects, the financial position, the results of the operations and the cash-flow of the SESAR Joint Undertaking.

Rosa ALDEA BUSQUETS  
**Accounting Officer of the  
SESAR Joint Undertaking**

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<sup>1</sup> COMMISSION DELEGATED REGULATION (EU) 2019/887 of 13 March 2019 on the model financial regulation for public-private partnership bodies referred to in Article 71 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council.

## BACKGROUND INFORMATION NOTE

### 1.1. General background on the entity

#### Establishment

SESAR Joint Undertaking (SJU) is the European public-private partnership based in Brussels that is responsible for the modernisation of the European air traffic management (ATM) system by coordinating and concentrating all ATM relevant research and innovation efforts in the EU.

SJU was established under Council Regulation (EC) 219/2007 of 27 February 2007 (as modified by Council Regulation (EC) 1361 / 2008 (SJU Regulation) and last amended by the Council Regulation (EU) 721/2014).

#### Mission

The objective of SJU is to modernise European Air Traffic Management (ATM) by defining, developing and delivering new or improved technologies and procedures.

SESAR's vision builds on the notion of trajectory-based operations' and relies on the provision of air navigation services (ANS) in support of the execution of the business or mission trajectory — meaning that aircrafts can fly their preferred trajectories without being constrained by airspace configurations.

#### Main operational activities

As the technological pillar of Europe's Single European Sky (SES) initiative, SESAR is the mechanism which coordinates and concentrates all EU research and development (R&D) activities in ATM, pooling together a public and private resources to develop the new generation of ATM. The solutions developed and delivered by SESAR are divided into four key areas of ATM

- (1) High-performing airport operations: this feature addresses the enhancement of runway throughput, integrated surface management, airport safety nets and total airport management.
- (2) Advanced air traffic services: activities addressing enhanced arrivals and departures, separation management, enhanced air and ground safety nets and trajectory and performance-based free routing.
- (3) Optimised ATM network services: activities in the areas of advanced airspace management, advanced dynamic capacity balancing (DCB) and optimised airspace user operations, as well as optimised ATM network management through a fully integrated network operations plan (NOP) and airport operations plans (AOPs) via system-wide information management (SWIM).
- (4) Enabling aviation infrastructure: activities aimed on integration and rationalisation of aviation infrastructure for providing the required technical capabilities in a resource-efficient manner.

#### Governance

The SJU is headed by an Executive Director, who is appointed by the Administrative Board. The Administrative Board has overall responsibility for the strategic orientation and effective operation of the SESAR JU and supervises the implementation of its activities. It is comprised of:

- The EU, represented by the European Commission ("Commission"), the founding member;
- The European Organisation for the Safety of Air Navigation ("Eurocontrol");
- Industry Members;
- Stakeholders Representatives.

Other bodies of SESAR JU include:

The Programme Committee which support the Executive Director in the SESAR 2020 Programme delivery, covering the Industrial Research and Validation and VLD (Very Large Demonstration) phases of the programme.

The ATM Master Planning Committee which provides advice to the Executive Director on the progress of the execution and the implementation of the European ATM Master Plan. It monitors and identifies potential gaps or opportunities for improving Master Plan priorities and advise the Executive Director of needed measures.

The Scientific Committee which supports the Executive Director in ensuring the scientific excellence of the SESAR 2020 Programme.

## **Sources of financing**

The SESAR Joint Undertaking jointly funded by the European Union, Eurocontrol and Industry Members ("Members"), each of which contribute one third to the total funding. The funding comprises financial contributions paid in instalments and in kind contributions consisting of the costs incurred by Members in implementing indirect actions that are not reimbursed by the SJU. The resources of the SJU are composed of:

- Members' financial contributions to the administrative costs;
- Members' financial contributions to the operational costs;
- Any other revenue generated by the JU;
- Other financial contributions, resources and revenues namely related to the delegation agreements signed with the Commission.

## **1.2. Annual accounts**

### **Basis for preparation**

The legal framework and the deadlines for the preparation of the annual accounts are set by the Model Financial Regulation (MFR)<sup>2</sup>. As per this regulation, the annual accounts are prepared in accordance with the rules adopted by the Accounting Officer of the Commission (EU Accounting Rules, EAR), which are based on internationally accepted accounting standards for the public sector (IPSAS).

### **Accounting Officer**

In accordance with the MFR, the Administrative Board of the joint undertaking appoints the Accounting Officer who is, amongst other tasks, responsible for the preparation of the annual accounts.

Following the decision ADB(D)18-2016 of the SJU's Administrative Board, the Accounting Officer of the Commission shall, as of 1 November 2016, act as the Accounting Officer of SJU.

### **Composition of the annual accounts**

The annual accounts cover the period from 1 January to 31 December and comprise the financial statements and the reports on the implementation of the budget. While the financial statements and the complementary notes are prepared on an accrual accounting basis, the budget implementation reports are primarily based on movements of cash.

### **Process from provisional accounts to discharge**

The provisional annual accounts prepared by the Accounting Officer are transmitted, by 1 March of the following year, to the European Court of Auditors (ECA) and to the audit company selected by the entity. Following the audit, the Accounting Officer prepares the final annual accounts and submits them to the Administrative Board for opinion.

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<sup>2</sup> A Commission Delegated Regulation (EU) 2019/887 of 13 March 2019 on the model financial regulation for public-private partnership bodies referred to in Article 71 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council, OJEU L 142, 29.5.2019.

The final annual accounts, together with the opinion of the Administrative Board, are sent to the Accounting Officer of the Commission, the Court of Auditors, the European Parliament and the Council by 1 July of the following financial year. The ECA scrutinises the final annual accounts and includes any findings in the annual report for the European Parliament and the Council.

It falls to the Council to recommend, and then to the European Parliament to decide, whether to grant discharge to the Director in respect of the implementation of the budget for a given financial year. Amongst other elements this decision is also based on a review of the accounts and the annual report of the ECA.

## 1.3. Operational highlights

### Achievements of the year

In 2020, the SESAR JU continued research and investment efforts through the new Exploratory Research projects (ER4: 41 projects for a total of EUR 53.9 million), the closure of Wave 1 projects (restricted to the SESAR JU Members), the ramp-up of Wave 2 projects (restricted to the SESAR JU Members). Moreover, SESAR JU launched new calls for proposals closely coupled with the EU aviation policy (Very Large Demonstration activities (VLD2) open call: 8 projects for a total EUR 29.2 million) and Wave 3 projects (restricted to the SESAR JU Members: 5 projects for a total of EUR 30 million). By continuing these efforts in cooperation with its Members and with other organisations involved in ATM-related research, the SESAR JU will progress towards delivering the research necessary to achieve the performance ambitions set out in the European ATM Master Plan.

While delivering on its strategic objectives, the SESAR JU remains committed to strengthening its effective and efficient organisation by continually improving its processes, performance and risk management, ICT infrastructure, as well as by investing in its talented people.

In the context of the COVID-19 crisis and its financial impact on the SESAR JU Members, the SESAR JU announced a series of budgetary measures at the Administrative Board meeting of 7 May 2020. These measures aimed to provide the Members and the aviation sector with immediate cash-flow support through measures such as:

- The increase of pre-financing rates from 20% to 40% for projects under the VLD Open 2 call and from 60% to 80% for projects under the Wave 2 (pre-financing of second instalments) and Wave 3 (pre-financing) calls;
- The exceptional reduction of cash contributions from the Members other than the Union and EUROCONTROL to the SESAR JU's running costs by 50% in 2020 was compensated by a reduction of EUR 2.3 million (21%) of the SESAR JU's running costs for 2020. The reduction of cash will be balanced later on in the life-time of the Programme against the actual in-kind contributions of the Members;
- The increase of the overall budget for the ER4 call by EUR 15.4 million in order to fund the best ranked proposals from the reserve list of selected projects.

### SESAR1 reimbursement

In view of the very exceptional circumstances due to the COVID-19, the decision of an anticipated reimbursement of the remaining cash of the SESAR 1 Programme was submitted to the Administrative Board of the SESAR JU on 7 May 2020, and the decision was adopted on 8 October 2020 based on a positive opinion given by the Commission on the same day.

On 31 December 2020, all but three payments were made, for an amount of EUR 30.47 million (out of EUR 30.77, i.e. 99%):

	Due amount	Paid amount	%
EU	23.897.454,25	23.897.454,25	100%
Eurocontrol	4.778.826,05	4.778.826,05	100%
Other Members	2.090.817,92	1.798.305,25	86%
<b>TOTAL</b>	<b>30.767.098,22</b>	<b>30.474.585,55</b>	<b>99%</b>

## Budget and budget implementation

### 1. **Budget 2020**

In 2020, the SESAR JU Budget was amended 3 times:

#### **Initial budget 2020:**

##### *Revenue*

#### **SESAR JU revenue in 2020 – Commitment & Payment appropriations**

REVENUES	Initial Budget 2020	
	Commitment appropriations	Payment appropriations
EU contribution (EFTA included)	123.671.000,00	114.495.147,66
Other revenue	11.322.503,20	12.772.554,34
<b>TOTAL REVENUES</b>	<b>134.993.503,20</b>	<b>127.267.702,00</b>

##### *Expenditure*

#### **SESAR JU expenditure budget per Title in 2020 – Commitment & Payment appropriations**

EXPENDITURE	Initial Budget 2020	
	Commitment appropriations	Payment appropriations
<b>Title I</b>	6.157.360	6.157.360
<b>Title II</b>	3.417.079	3.417.079
<b>Title III</b>	112.035.660	88.972.260
<b>Title IV</b>	13.383.404	28.721.003
<b>TOTAL EXPENDITURE</b>	<b>134.993.503</b>	<b>127.267.702</b>

#### **1<sup>st</sup> amending budget 2020:**

- SESAR 1 Programme

The projects of the SESAR 1 Programme were closed by 31 December 2016. Following ex-post audit corrections, the financial and administrative closure of the programme was finalised in December 2019 (with the exception of an amount of kEUR 71 to be recovered; recovery was finalised in May 2020).

To ensure budget adequacy for executing the repayments, the Administrative Board has instructed the SESAR JU to record the cumulated Budget Outturn of EUR 31 million in the Statement of Revenue and in the Statement of Expenditure under Chapter 3.3 ('Other members operating expenditure S1').

- SESAR 2020 Programme

Since 2020 was the last year in which SESAR JU could launch new projects, it was essential to ensure that all necessary and unused commitment appropriations of previous years were available in 2020. Based on the outcome of the Wave 2 and ER4 calls for proposals and on more detailed information available since January 2020 on the final amounts to be paid in relation with the Wave 1 call, the

SESAR JU was in a position to determine requirements for 2020 payment appropriations. The amount determined (EUR 124.8 million in total for SESAR 2020 operational expenditure) will make it possible to optimise the use of payment appropriations for the overall programme with an appropriate level of pre-financing for the ER4, VLD Open 2 and IR-VLD Wave 3 calls.

### Revenue

#### SESAR JU revenue in 2020 – Commitment & Payment appropriations

REVENUES	Amendment 1	
	Commitment appropriations	Payment appropriations
EU contribution (EFTA included)	123.671.000,00	105.531.047,98
Other revenue	13.497.720,33	61.238.303,72
<b>TOTAL REVENUES</b>	<b>137.168.720,33</b>	<b>166.769.351,70</b>

### Expenditure

#### SESAR JU expenditure budget per Title in 2020 – Commitment & Payment appropriations

EXPENDITURE	Amendment 1	
	Commitment appropriations	Payment appropriations
<b>Title I</b>	6.157.360	6.537.347
<b>Title II</b>	3.417.079	3.417.079
<b>Title III</b>	114.210.877	155.721.636
<b>Title IV</b>	13.383.404	- 0
<b>TOTAL EXPENDITURE</b>	<b>137.168.720</b>	<b>166.769.352</b>

### **2<sup>nd</sup> amending budget 2020:**

- SESAR 1 Programme

The amount of EUR 31 million initially determined as an excess of financial contributions received from SESAR JU Members for SESAR 1 Programme needed to be adjusted to EUR 30.8 million (this budget outturn is the result of all transactions done under the SESAR 1 Programme, including recoveries from ex-post audit adjustments).

- SESAR 2020 Programme
- Running costs (Titles I and II):

Taking into account the reduction of cash contributions to the SESAR JU's running costs from Members other than the Union (-50%) in 2020, the SESAR JU updated the budget with a reduction of commitment appropriations by EUR 1.1 million (11%) and of payment appropriations by EUR 2.3 million (21%) using a combination of cost savings and the previous year's unspent appropriations.

- Operational expenditure (Title III):

The SESAR JU decided to increase the overall amount of funds available for the ER4 call for proposals by EUR 15.4 million and the pre-financing rates (increase from 20% to 40% for the VLD Open 2 call and from 60% to 80% for Wave 2 - pre-financing of 2nd second instalments - and Wave 3 pre-financing calls). The required appropriations for this Title are EUR 131.6 million in commitment appropriations and EUR 117 million in payment appropriations (covered by EUR 95.4 million of 2020 EU appropriations, the cash balance available at the beginning of 2020 and the remaining balance of assigned revenue for U-space demonstration activities).



**Revenue****SESAR JU revenue in 2020 – Commitment & Payment appropriations**

(EUR)

REVENUES	Amendment 2	
	Commitment appropriations	Payment appropriations
EU contribution (EFTA included)	123.671.000,00	105.531.047,98
Other revenue	29.820.121,67	50.939.837,74
<b>TOTAL REVENUES</b>	<b>153.491.121,67</b>	<b>156.470.885,72</b>

**Expenditure****SESAR JU expenditure budget per Title in 2020 – Commitment & Payment appropriations**

(EUR)

EXPENDITURE	Amendment 2	
	Commitment appropriations	Payment appropriations
<b>Title I</b>	5.454.684	5.544.647
<b>Title II</b>	3.022.095	3.164.888
<b>Title III</b>	131.630.939	147.761.351
<b>Title IV</b>	13.383.404	13.383.404
<b>TOTAL EXPENDITURE</b>	<b>153.491.122</b>	<b>156.470.886</b>

**3<sup>rd</sup> amending budget 2020**

It had become clear that the payment of pre-financing with an increased rate (as supported in May and adopted through the second amendment procedure) for grants under the Wave 3 and VLD Open 2 calls for proposals represented an extra need for payment appropriations.

Furthermore, in order to maximise the execution of the SESAR 2020 Programme budget and given the high quality of the projects on the reserve list, it is also proposed to increase the amount of the VLD Open 2 call by EUR 6.5 million. This increase can be covered by the transfer of EUR 10.4 million of unused appropriations from the budget for activities under the strategic area of operation 'Deliver Industrial Research and Validation'.

The increase of the pre-financing rate and the extension of the VLD Open 2 call amount by EUR 10.4 million called for an increase of payment appropriations by EUR 13 million for 2020, which still maintains the payment appropriation level for the SESAR JU within the budget adopted by the Budgetary Authority:

**Revenue****SESAR JU revenue in 2020 – Commitment & Payment appropriations**

REVENUES	Final Budget 2020 Amendment 3	
	Commitment appropriations	Payment appropriations
EU contribution (EFTA included)	123.671.000,00	118.521.320,18
Other revenue	29.820.121,67	50.939.837,74
<b>TOTAL REVENUES</b>	<b>153.491.121,67</b>	<b>169.461.157,92</b>

**Expenditure****SESAR JU expenditure budget per Title in 2020 – Commitment & Payment appropriations**

EXPENDITURE	Final Budget 2020 Amendment 3	
	Commitment appropriations	Payment appropriations
<b>Title I</b>	5.454.684	5.544.647
<b>Title II</b>	3.022.095	3.164.888
<b>Title III</b>	131.630.939	160.751.623
<b>Title IV</b>	13.383.404	- 0
<b>TOTAL EXPENDITURE</b>	<b>153.491.122</b>	<b>169.461.158</b>

**2. Budget 2020 implementation**

Overall in 2020, budget execution of commitment and payment appropriations reached 87% and 68% respectively (Sesar 1: 1% and 0.01%, Sesar 2020: 90% and 82% and Title 4: 0% and 0%). Nevertheless, the impact of the following factors had to be taken into account:

**Revenue**

In terms of revenue, an amount of EUR 108.4 million was received from the European Commission to cover SESAR JU outstanding operational obligations of 2020 and of the first months of 2021 and an amount of EUR 3.3 million to cover the running costs.

Under Delegation Agreements with DG MOVE the JU received EUR 6 million for Delegation Agreement DA MOVE/E3/DA/2017-564/SI2.771010 from the Connecting Europe Facility (CEF) funds to organise U-space demonstrations.

A total amount of EUR 1.1 million was received from Eurocontrol and EUR 1.3 million from the other Members.

SESAR recovered also exceptional revenues of EUR 3.3 million composed of:

- ✓ Administrative costs (excess of provision for the rental charges, insurance recoveries for missions' cancellations et.) for kEUR 20.
- ✓ Reimbursement of the Guarantee Fund following the closure of almost all Wave 1 projects for EUR 1.6 million.
- ✓ Recovery of some previous interim and pre-financing payments for projects closed in 2020 for EUR 1.7 million.

**Expenditure**

The good implementation rates of the SESAR 2020 programme show that H2020 projects are at their maximal growth level and the SESAR 2020 programme is in a ramping up phase.

Administrative and Staff expenditure (=“Running Costs” only under SESAR 2020 Programme)

Staff expenditure (Title 1) includes all staff related costs such as salaries, social security, taxes, insurance, mission costs, recruitment, secondments and interim support.

Administrative expenditure (Title 2) includes the administrative costs such as office supplies (printing, copiers, translation, publications, consumable office material), utilities (water, electricity, telecommunications costs), office rental and associated charges, legal, financial and fiscal expertise for administrative needs and all insurance not related to staff as well as expenses incurred for the activities of the Governance Bodies. This Title, furthermore, includes the procurement, purchase and maintenance of IT equipment, furniture and other technical facilities. The IT infrastructure including on-site and remote support is provided mainly by Eurocontrol as part of its services to the SJU.

In 2020 and in line with the new SESAR JU Financial Rules (Annex to SESAR JU Administrative Board decision ADB(D)21-2019 of 9 October 2019), stipulating that the budget of the SESAR JU shall contain (only) differentiated appropriations. Consequently, administrative payment appropriations (contained in Titles 1 and 2 of the SESAR JU's annual budget) are also considered as differentiated appropriations and are not automatically carried forward.

For Title 1 (Staff expenditure) and Title 2 (Administrative expenditure) the implementation rates for commitments are respectively 95% and 90% and for payment appropriations 93% and 93%. The unspent amounts related to missions, training, recruitment expenditures, HR support fees, IT services, and rental of the building, amongst others, were carried forward to the next year, mainly due to a contractually fixed time-lag in the invoicing process.

#### 1. SESAR 1 Programme closure

After consultation of DG BUDGET, the following operations have been implemented:

1. "Hors budget" payment request (without consumption of Payment appropriations inscribed in 2020 budget of EUR 30.8 million).

2. Regularisation of this "Hors budget" payment request through a regularisation recovery order to post the negative budget revenue on the income line(s) that were used for the initial contributions. As a result of this approach the aggregated (for all years) budget revenue and expenditure of SESAR 1 will be correct.

#### 2. Title 4

As the last year to request the remaining EU entitlements was 2020, the SESAR JU received in 2020 EUR 13.4 million of commitment appropriations frontloaded in 2020 for 2021-2024 expenditure to cover the running costs. The frontloaded amount is going to be redistributed annually by EUR 3.4 million.

#### Operational expenditure

Regarding SESAR 2020 operational costs, the execution rate on the commitment appropriations reached 95% and of payment appropriations 81%.

The 2020 payments executed are distributed as follows:

- ✓ EUR 74.1 million for interim and final payments for Wave 1 projects, 2nd pre-financing of Wave 2 projects and pre-financing of Wave 3 projects (all these projects are restricted to our Members).
- ✓ EUR 15.9 million for pre-financing, interim and balance payments under Exploratory Research calls.
- ✓ EUR 12.1 million for interim payments of the First Very Large Demonstration Activities call and pre-financing of the second Very Large Demonstration Activities call.
- ✓ EUR 6.3 million for other operational activities.
- ✓ EUR 4.6 million for Delegation Agreements (U-Space and Geo-fencing).

The unused payment appropriations will be re-inscribed in 2021.

Detailed information regarding the budget implementation is provided in the 'Report on the Budgetary and Financial management' of the year.

#### Budget Outturn

The 2020 budget shows a negative budget result of EUR 28.2 million (of which a deficit of EUR 30.4 million for SESAR 1 Programme and a surplus of EUR 2.2 million for the SESAR 2020 Programme). Nevertheless, with the cumulated Budget Outturns from previous years of EUR 50.2 million (of which EUR 30.7 million for SESAR 1 Programme and EUR 19.5 million for SESAR 2020 Programme), the new Budget surplus amounts to EUR 22.1 million (of which kEUR 300 for SESAR 1 Programme and EUR 21.8 million for SESAR 2020 Programme). The remaining Budget result for the SESAR 1 Programme will be used to reimburse the surplus Cash Contributions of three Members.

## Impact of the activities in the financial statements

In the financial statements, the impact of the above-mentioned activities resulted in:

- **Increase of pre-financing:** Amounts paid to the beneficiaries of the grant agreements increased in 2020 to a total of kEUR 132 955 (2019: kEUR 55 906) largely due to payments related to 2019 and 2020 calls.
- **Decrease of exchange receivables:** The liaison accounts decreased by kEUR 28 158 in 2020 due to large payments of pre-financing made in the last months of the year (see note **2.4**).
- **Increase of contributions from Members:** The increase of kEUR 246 098 is largely due to the increase of EU contributions and the validated in-kind contributions from members (see note **2.6**).
- **Increase of revenue from recovery of expenses:** The increase of kEUR 4 583 is due to recognition and reclassification of revenue related to delegation agreement MOVE/E3/DA/2017 for U-Space Services (see note **3.1**).
- **Decrease of operational costs:** The decrease in operational costs is largely explained by closure of projects of H2020-2016-2 and H2020-2015-2 calls and the new projects started in 2020 second part of the year (ER4 call) which were not at the same level of expenditure.
- **Decrease of other expenses:** The general decrease of certain other administrative expenses is related to the outbreak of COVID-19.

# FINANCIAL STATEMENTS AND EXPLANATORY NOTES

*It should be noted that due to the rounding of figures into thousands of euros (kEUR), some financial data in the tables below may appear not to add-up.*

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**BALANCE SHEET**

EUR '000

	Note	31.12.2020	31.12.2019
<b>NON-CURRENT ASSETS</b>			
<i>Intangible assets</i>	2.1	1	2
<i>Property, plant and equipment</i>	2.2	196	115
<i>Pre-financing</i>	2.3	69 779	50 061
		<b>69 977</b>	<b>50 178</b>
<b>CURRENT ASSETS</b>			
<i>Pre-financing</i>	2.3	63 176	5 845
<i>Exchange receivables and non-exchange recoverables</i>	2.4	18 591	45 800
<i>Cash and cash equivalents</i>	2.5	10	5
		<b>81 777</b>	<b>51 651</b>
<b>TOTAL ASSETS</b>		<b>151 753</b>	<b>101 829</b>
<b>CURRENT LIABILITIES</b>			
<i>Payables and other liabilities</i>	2.6	(100 164)	(182 052)
<i>Accrued charges and deferred income</i>	2.7	(46 588)	(28 237)
		<b>(146 752)</b>	<b>(210 288)</b>
<b>TOTAL LIABILITIES</b>		<b>(146 752)</b>	<b>(210 288)</b>
<b>NET ASSETS</b>		<b>5 001</b>	<b>(108 459)</b>
<i>Contribution from Members</i>	2.8	2 502 255	2 256 158
<i>Accumulated deficit</i>		(2 360 667)	(2 150 879)
<i>Economic result of the year</i>		(136 588)	(213 738)
<b>NET ASSETS</b>		<b>5 001</b>	<b>(108 459)</b>

## STATEMENT OF FINANCIAL PERFORMANCE

	Note	2020	EUR '000 2019
<b>REVENUE</b>			
<b>Revenue from exchange transactions</b>			
<i>Recovery of operating expenses</i>	3.1	4 583	-
<i>Financial revenue</i>		3	1
		<b>4 586</b>	<b>1</b>
<b>Total revenue</b>		<b>4 586</b>	<b>1</b>
<b>EXPENSES</b>			
<i>Operational costs</i>	3.2	(133 708)	(205 644)
<i>Staff costs</i>	3.3	(4 398)	(4 705)
<i>Finance costs</i>		(6)	(5)
<i>Other expenses</i>	3.4	(3 062)	(3 386)
<b>Total expenses</b>		<b>(141 174)</b>	<b>(213 740)</b>
<b>ECONOMIC RESULT OF THE YEAR</b>		<b>(136 588)</b>	<b>(213 738)</b>



**CASHFLOW STATEMENT<sup>3</sup>**

	<i>EUR '000</i>	
	2020	2019
<i>Economic result of the year</i>	(136 588)	(213 738)
<b>Operating activities</b>		
<i>Depreciation and amortization</i>	73	76
<i>(Increase)/decrease in pre-financing</i>	(77 049)	15 923
<i>(Increase)/decrease in exchange receivables and non-exchange recoverables</i>	27 209	32 051
<i>Increase/(decrease) in payables</i>	(81 887)	58 683
<i>Increase/(decrease) in accrued charges &amp; deferred income</i>	18 351	(65 754)
<i>Increase/(decrease) in cash contributions</i>	78 641	118 714
<i>Increase/(decrease) in in-kind contributions</i>	167 457	54 063
<i>Other non-cash movements</i>	3 950	-
<b>Investing activities</b>		
<i>(Increase)/decrease in intangible assets and property, plant and equipment</i>	(153)	(14)
<b>NET CASHFLOW</b>	<b>5</b>	<b>4</b>
<i>Net increase/(decrease) in cash and cash equivalents</i>	5	4
<i>Cash and cash equivalents at the beginning of the year</i>	5	1
<i>Cash and cash equivalents at year-end</i>	10	5

<sup>3</sup> Following the appointment of the Accounting Officer of the Commission as the Accounting Officer of SESAR JU, the treasury of SESAR JU was integrated into the Commission's treasury system. Because of this, SESAR JU has only one bank account of its own covering the bank guarantee issued for the rental of the SJU premises. All payments and receipts are processed via the Commission's treasury system and registered on intercompany accounts, which are presented under the heading exchange receivables.

## STATEMENT OF CHANGES IN NET ASSETS

EUR '000

	Contribution	Accumulated	Economic	Net Assets
<b>BALANCE AS AT 31.12.2018</b>	<b>2 083 381</b>	<b>(1 906 999)</b>	<b>(243 879)</b>	<b>(67 498)</b>
<i>Allocation 2018 economic result</i>	-	(243 879)	243 879	-
<i>Cash contribution</i>	118 714	-	-	118 714
<i>Contribution in-kind</i>	54 063	-	-	54 063
<i>Economic result of the year</i>	-	-	(213 738)	(213 738)
<b>BALANCE AS AT 31.12.2019</b>	<b>2 256 158</b>	<b>(2 150 879)</b>	<b>(213 738)</b>	<b>(108 459)</b>
<i>Allocation 2019 economic result</i>	-	(213 738)	213 738	-
<i>Cash contribution</i>	78 625	3 950	-	82 576
<i>Contribution in-kind</i>	167 457	-	-	167 457
<i>Unpaid cash contributions</i>	16	-	-	16
<i>Economic result of the year</i>	-	-	(136 588)	(136 588)
<b>BALANCE AS AT 31.12.2020</b>	<b>2 502 255</b>	<b>(2 360 667)</b>	<b>(136 588)</b>	<b>5 001</b>

# **NOTES TO THE FINANCIAL STATEMENTS**

# 1. SIGNIFICANT ACCOUNTING POLICIES

## 1.1. ACCOUNTING PRINCIPLES

The objective of financial statements is to provide information about the financial position, performance and cashflows of an entity that is useful to a wide range of stakeholders.

The overall considerations (or accounting principles) to be followed when preparing the financial statements are laid down in EU Accounting Rule 1 'Financial Statements' and are the same as those described in IPSAS 1: fair presentation, accrual basis, going concern, consistency of presentation, materiality, aggregation, offsetting and comparative information. The qualitative characteristics of financial reporting are relevance, faithful representation (reliability), understandability, timeliness, comparability and verifiability.

## 1.2. BASIS OF PREPARATION

### 1.2.1. Reporting period

Financial statements are presented annually. The accounting year begins on 1 January and ends on 31 December.

### 1.2.2. Currency and basis for conversion

The annual accounts are presented in thousands of euros, the euro being the EU's functional currency. Foreign currency transactions are translated into euros using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the re-translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of financial performance. Different conversion methods apply to property, plant and equipment and intangible assets, which retain their value in euros at the date when they were purchased.

Year-end balances of monetary assets and liabilities denominated in foreign currencies are translated into euros on the basis of the European Central Bank (ECB) exchange rates applying on 31 December.

#### Euro exchange rates

Currency	31.12.2020	31.12.2019	Currency	31.12.2020	31.12.2019
<b>BGN</b>	<b>1.9558</b>	1.9558	<b>PLN</b>	<b>4.5597</b>	4.2568
<b>CZK</b>	<b>26.2420</b>	25.4080	<b>RON</b>	<b>4.8683</b>	4.783
<b>DKK</b>	<b>7.4409</b>	7.4715	<b>SEK</b>	<b>10.0343</b>	10.4468
<b>GBP</b>	<b>0.8990</b>	0.8508	<b>CHF</b>	<b>1.0802</b>	1.0854
<b>HRK</b>	<b>7.5519</b>	7.4395	<b>JPY</b>	<b>126.4900</b>	121.9400
<b>HUF</b>	<b>363.8900</b>	330.5300	<b>USD</b>	<b>1.2271</b>	1.1234

### 1.2.3. Use of estimates

In accordance with IPSAS and generally accepted accounting principles, the financial statements necessarily include amounts based on estimates and assumptions by management based on the most reliable information available. Significant estimates include, but are not limited to: amounts for employee benefit liabilities, accrued and deferred revenue and charges, provisions, financial risk on accounts receivable, contingent assets and liabilities, and degree of impairment of assets. Actual results could differ from those estimates.

Reasonable estimates are an essential part of the preparation of financial statements and do not undermine their reliability. An estimate may need revision if changes occur in the circumstances on which the estimate was based or as a result of new information or more experience. By its nature, the revision

of an estimate does not relate to prior periods and is not the correction of an error. The effect of a change in accounting estimate shall be recognised in the surplus or deficit in the periods in which it becomes known.

#### 1.2.4. Application of new and amended European Union Accounting Rules (EAR)

##### **New EAR which are effective for annual periods beginning on or after 1 January 2020**

There are no new EAR which became effective for annual periods beginning on or after 1 January 2020.

##### **New EAR adopted but not yet effective at 31 December 2020**

On 17 December 2020 the Accounting Officer of the European Commission adopted the revised EAR 11 'Financial Instruments', which is effective for accounting periods beginning on or after 1 January 2021. The revised EAR 11 has been updated in line with the new IPSAS 41 'Financial Instruments' and establishes the principles for the financial reporting of the financial assets and financial liabilities held by the EU entities. For more information please refer to the EU annual accounts of 2020. No material impact of this change is expected due to the small amount of financial instruments in the financial statements of the entity.

## 1.3. BALANCE SHEET

### 1.3.1. Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance. An asset is identifiable if it is either separable, or arises from binding arrangements. Acquired intangible assets are stated at historical cost less accumulated amortisation and impairment losses. Internally developed intangible assets are capitalised when the relevant criteria of the EU accounting rules are met and the expenses relate solely to the development phase of the asset. Intangible assets are amortised on a straight-line basis over their estimated useful lives (3 to 11 years).

### 1.3.2. Property, plant and equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition, construction or transfer of the asset. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits or service potential associated with the item will flow to the entity and its cost can be measured reliably. Repairs and maintenance costs are charged to the statement of financial performance during the financial period in which they are incurred. Land is not depreciated, as it is deemed to have an indefinite useful life. Assets under construction are not depreciated as these assets are not yet available for use. Depreciation on other assets is calculated using the straight-line method to allocate their cost less their residual values over their estimated useful lives, as follows:

Type of asset	Straight line depreciation rate
<i>Buildings</i>	4 % to 10 %
<i>Plant and equipment</i>	10 % to 25 %
<i>Furniture and vehicles</i>	10 % to 25 %
<i>Computer hardware</i>	25 % to 33 %
<i>Other</i>	10 % to 33 %

Gains or losses on disposals are determined by comparing proceeds less selling expenses with the carrying amount of the disposed asset and are included in the statement of financial performance.

### Leases

A lease is an agreement whereby the lessor conveys to the lessee, in return for a payment or series of payments, the right to use an asset for an agreed period of time. Leases are classified as either finance leases or operating leases.

Finance leases are leases where substantially all the risks and rewards incidental to ownership are transferred to the lessee.

An operating lease is a lease other than a finance lease, i.e. a lease where the lessor retains substantially all the risks and rewards incidental to ownership of an asset. When entering an operating lease as a lessee, the operating lease payments are recognised as an expense in the statement of financial performance on a straight-line basis over the lease term with neither an asset nor a liability recognised in the balance sheet.

### 1.3.3. Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation/depreciation and are tested annually for impairment. Assets that are subject to amortisation/depreciation are tested for impairment whenever there is an indication at the reporting date that an asset may be impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable (service) amount. The recoverable (service) amount is the higher of an asset's fair value less costs to sell and its value in use.

Intangible assets and property, plant and equipment residual values and useful lives are reviewed, and adjusted if appropriate, at least once per year. If the reasons for impairments recognised in previous years no longer apply, the impairment losses are reversed accordingly.

### 1.3.4. Financial assets

Financial assets are classified in the following categories: 'financial assets at fair value through surplus or deficit', 'loans and receivables', 'held-to-maturity investments' and 'available for sale financial assets'. The classification of the financial instruments is determined at initial recognition and re-evaluated at each balance sheet date. Based on this classification the entity only has 'loans and receivables'.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the entity provides money, goods or services directly to a debtor with no intention of trading the receivable. They are included in non-current assets, except for maturities within 12 months of the balance sheet date. Loans and receivables include term deposits with the original maturity above three months.

#### Initial recognition and measurement

Cash equivalents and loans are recognised when cash is deposited in a financial institution or advanced to borrowers. Financial instruments are initially recognised at fair value. For all financial assets not carried at fair value through surplus or deficit, transaction costs are added to the fair value at initial recognition.

Financial instruments are derecognised when the rights to receive cashflows from the investments have expired or the entity has transferred substantially all risks and rewards of ownership to another party.

#### Subsequent measurement

Loans and receivables are carried at amortised cost using the effective interest method.

The entity assesses at each balance sheet date whether there is objective evidence that a financial asset is impaired and whether an impairment loss should be recorded in the statement of financial performance.

### 1.3.5. Pre-financing amounts

Pre-financing is a payment intended to provide the beneficiary with a cash advance, i.e. a float. It may be split into a number of payments over a period defined in the particular contract, decision, agreement or basic legal act. The float or advance is either used for the purpose for which it was provided during the period defined in the agreement or it is repaid. If the beneficiary does not incur eligible expenditure, he has the obligation to return the pre-financing advance to the entity. Thus, as the entity retains control over the pre-financing and is entitled to a refund for the ineligible part, the amount is recognised as an asset.

Pre-financing is initially recognised on the balance sheet when cash is transferred to the recipient. It is measured at the amount of the consideration given. In subsequent periods pre-financing is measured at the amount initially recognised on the balance sheet less eligible expenses (including estimated amounts where necessary) incurred during the period.

#### 1.3.6. Receivables and recoverables

The EU accounting rules require a separate presentation of exchange and non-exchange transactions. To distinguish between the two categories, the term 'receivable' is reserved for exchange transactions, whereas for non-exchange transactions, i.e. when the EU receives value from another entity without directly giving approximately equal value in exchange, the term 'recoverables' is used (e.g. recoverables from Member States related to own resources).

Receivables from exchange transactions meet the definition of financial instruments and are thus classified as loans and receivables and measured accordingly.

Recoverables from non-exchange transactions are carried at original amount (adjusted for interests and penalties) less write-down for impairment. A write-down for impairment is established when there is objective evidence that the entity will not be able to collect all amounts due according to the original terms of the recoverables. The amount of the write-down is the difference between the asset's carrying amount and the recoverable amount. The amount of the write-down is recognised in the statement of financial performance.

#### 1.3.7. Cash and cash equivalents

Cash and cash equivalents are financial instruments and include cash at hand, deposits held at call or at short notice with banks, and other short-term highly liquid investments with original maturities of three months or less.

#### 1.3.8. Payables

Included under accounts payable are both amounts related to exchange transactions such as the purchase of goods and services, and to non-exchange transactions e.g. to cost claims from beneficiaries, grants or other EU funding, or pre-financing received (see note **1.4.1**).

Where grants or other funding are provided to the beneficiaries, the cost claims are recorded as payables for the requested amount, at the moment when the cost claim is received. Upon verification and acceptance of the eligible costs, the payables are valued at the accepted and eligible amount.

Payables arising from the purchase of goods and services are recognised at invoice reception for the original amount. The corresponding expenses are entered in the accounts when the supplies or services are delivered and accepted by the entity.

#### 1.3.9. Accrued and deferred revenue and charges

Transactions and events are recognised in the financial statements in the period to which they relate. At year-end, if an invoice is not yet issued but the service has been rendered, or the supplies have been delivered by the entity or a contractual agreement exists (e.g. by reference to a contract), an accrued revenue will be recognised in the financial statements. In addition, at year-end, if an invoice is issued but the services have not yet been rendered or the goods supplied have not yet been delivered, the revenue will be deferred and recognised in the subsequent accounting period.

Expenses are also accounted for in the period to which they relate. At the end of the accounting period, accrued expenses are recognised based on an estimated amount of the transfer obligation of the period. The calculation of accrued expenses is done in accordance with detailed operational and practical guidelines issued by the Accounting Officer. These aim at ensuring that the financial statements provide a faithful representation of the economic and other phenomena they purport to represent. By analogy, if a payment has been made in advance for services or goods that have not yet been received, the expense will be deferred and recognised in the subsequent accounting period.

## 1.4. STATEMENT OF FINANCIAL PERFORMANCE

### 1.4.1. Revenue

Revenue comprises gross inflows of economic benefits or service potential received and receivable by the entity, which represents an increase in net assets, other than increases relating to contributions from owners.

Depending on the nature of the underlying transactions in the statement of financial performance, revenue is distinguished between:

#### *(i) Revenue from non-exchange transactions*

Revenue from non-exchange transactions are taxes and transfers, because the transferor provides resources to the recipient entity, without the recipient entity providing approximately equal value directly in exchange. Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes. For the EU entities, transfers mostly comprise funds received from the Commission (e.g. balancing subsidy to the traditional agencies, operating subsidy for the delegation agreements).

The entity shall recognise an asset in respect of transfers when the entity controls the resources as a result of a past event (the transfer) and expects to receive future economic benefits or service potential from those resources, and when the fair value can be reliably measured. An inflow of resources from a non-exchange transaction recognised as an asset (i.e. cash) is also recognised as revenue, except to the extent that the entity has a present obligation in respect of that transfer (condition), which needs to be satisfied before the revenue can be recognised. Until the condition is met the revenue is deferred and recognised as a liability.

#### *(ii) Revenue from exchange transactions*

Revenue from the sale of goods and services is recognised when the significant risk and rewards of ownership of the goods are transferred to the purchaser. Revenue associated with a transaction involving the provision of services is recognised by reference to the stage of completion of the transaction at the reporting date.

### 1.4.2. Expenses

Expenses are decreases in economic benefits or service potential during the reporting period in the form of outflows or consumption of assets or the incurring of liabilities that result in decreases in net assets. They include both the expenses from exchange transactions and expenses from non-exchange transactions.

Expenses from exchange transactions arising from the purchase of goods and services are recognised when the supplies are delivered and accepted by the entity. They are valued at the original invoice amount. Furthermore, at the balance sheet date expenses related to the service delivered during the period for which an invoice has not yet been received or accepted are recognised in the statement of financial performance.

Expenses from non-exchange transactions relate to transfers to beneficiaries and can be of three types: entitlements, transfers under agreement and discretionary grants, contributions and donations. Transfers are recognised as expenses in the period during which the events giving rise to the transfer occurred, as long as the nature of the transfer is allowed by regulation or an agreement has been signed authorising the transfer; any eligibility criteria have been met by the beneficiary; and a reasonable estimate of the amount can be made.

When a request for payment or cost claim is received and meets the recognition criteria, it is recognised as an expense for the eligible amount. At year-end, incurred eligible expenses due to the beneficiaries but not yet reported are estimated and recorded as accrued expense.



## 1.5. CONTINGENT ASSETS AND LIABILITIES

### 1.5.1. Contingent assets

A contingent asset is a possible asset that arises from past events and of which the existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is disclosed when an inflow of economic benefits or service potential is probable.

### 1.5.2. Contingent liabilities

A contingent liability is either a possible obligation of which the existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or a present obligation where it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation.

A contingent liability also arises in the rare circumstances where a present obligation exists but cannot be measured with sufficient reliability.

Contingent liabilities are not recognised in the accounts. They are disclosed unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

## 1.6. CONTRIBUTIONS FROM MEMBERS

The contributions from the Members of the Joint Undertakings (JU) form the funding of the JU and are treated as contributions from owners. An owner in this context does not mean an owner in the sense of owning shares of the JU (no shares are issued) but rather in the sense of political interest and governance of the JU by exercising the voting rights linked to these contributions.

### 1.6.1. Financial contributions

Financial contributions are contributions of Members made in cash in order to provide funding of the operational or administrative needs of the JU. These financial contributions are recognised in net assets in the period in which the enforceable right to receive the payment was established.

### 1.6.2. In-kind contributions

Members other than the EU (i.e. 'Private Members') can also contribute resources other than cash, e.g. laboratory equipment, specialised staff, etc. These in-kind contributions consist of the costs incurred by Private Members in implementing indirect actions.

The Regulation distinguishes between two types of in-kind contributions: (1) In-kind contributions to operational activities (IKOP) and (2) in-kind contributions to additional activities (IKAA).

The IKOP represents in-kind contributions made to the JU linked to its work plan and co-financed by the EU. The IKOP are recognised in net assets of the JU in the period when the conditions for Members' contributions stipulated by the Regulation are met.

The expenses related to the IKOP incurred in the financial year are recognised in the statement of financial performance. At year-end, incurred IKOP not yet reported are estimated and recorded as other liabilities ('Contributions of Members to be validated').

The IKAA relate to contributions linked to implementing additional activities outside the work plan of the JU that contribute to the objectives of the JU. Because the outflow of resources related to those activities is outside of the control of the JU, these contributions are not recognised in the financial statements of the JU. However to provide a complete picture of the operational activities related to the JU they are still disclosed as additional information in the notes.

## 2. NOTES TO THE BALANCE SHEET

### ASSETS

#### 2.1. INTANGIBLE ASSETS

	EUR '000
	<b>TOTAL</b>
Gross carrying amount at 31.12.2019	2 175
<b>Gross carrying amount at 31.12.2020</b>	<b>2 175</b>
Accumulated amortisation at 31.12.2019	(2 172)
Amortisation charge for the year	(1)
<b>Accumulated amortisation at 31.12.2020</b>	<b>(2 173)</b>
<b>NET CARRYING AMOUNT AT 31.12.2020</b>	<b>1</b>
NET CARRYING AMOUNT AT 31.12.2019	2

The above amounts relate primarily to computer software and developments made mainly under the SJU/Eurocontrol Membership Agreement with an amortisation rate of 25%.

#### 2.2. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and are expected to be used during more than one reporting period.

	EUR '000				
	Land and buildings	Furniture and vehicles	Computer hardware	Other	TOTAL
Gross carrying amount at 31.12.2019	600	173	180	121	1 073
Additions	-	16	61	77	155
Disposals	-	-	(3)	-	(3)
<b>Gross carrying amount at 31.12.2020</b>	<b>600</b>	<b>189</b>	<b>238</b>	<b>198</b>	<b>1 225</b>
Accumulated depreciation at 31.12.2019	(600)	(151)	(131)	(76)	(958)
Depreciation charge for the year	-	(8)	(42)	(22)	(72)
Disposals	-	-	1	-	1
<b>Accumulated depreciation at 31.12.2020</b>	<b>(600)</b>	<b>(159)</b>	<b>(172)</b>	<b>(98)</b>	<b>(1 029)</b>
<b>NET CARRYING AMOUNT AT 31.12.2020</b>	<b>-</b>	<b>29</b>	<b>66</b>	<b>100</b>	<b>196</b>
NET CARRYING AMOUNT AT 31.12.2019	-	22	48	44	115

Included under the heading 'Buildings' are materials and works related to the partitioning and set up of the SJU office space. The heading 'Other' is related to technical equipment. The additions of kEUR 155 are related to purchases of computer hardware (laptops) for kEUR 61 and other office and videoconference equipment for kEUR 77 and kEUR 16 respectively. The disposals of kEUR 3 relate to computer hardware (laptops).

## 2.3. PRE-FINANCING

Pre-financing is a payment intended to provide the beneficiary with a cash advance, i.e. a float. It may be split into a number of payments over a period defined in the particular underlying contract, decision, agreement or basic legal act.

	EUR '000	
	31.12.2020	31.12.2019
<i>Non-current pre-financing</i>	69 779	50 061
<i>Current pre-financing</i>	63 176	5 845
<b>Total</b>	<b>132 955</b>	<b>55 906</b>

For all pre-financing amounts open at 31 December 2020, a case-by-case assessment has been performed and all the pre-financing that was considered unlikely to be cleared in the course of 2021 was classified as non-current pre-financing. The overall high amount of the open pre-financing can be explained by the fact that according to the Horizon 2020 rules the incurred costs (both actual and estimated) are cleared against pre-financing when the total amounts paid to the beneficiary reach 90% of the grant agreement amount. In addition, only the amount exceeding this threshold is cleared. Consequently, in the first years of the project's life there is significant open pre-financing that will only be cleared in later years.

The increase of pre-financing by kEUR 77 049 is mainly due to the effect of pre-financing payments made on new projects starting in 2020 and beginning 2021 (kEUR 86 621). In addition, the gross pre-financing was cleared by kEUR 8 314 of estimated (cut-off) expenses for on going or ended projects without validated cost claims on 31 December 2020. The remaining portion of the cut-off expenses is recorded in accrued charges (see note 2.7).

## 2.4. EXCHANGE RECEIVABLES & NON-EXCHANGE RECOVERABLES

Exchange transactions are transactions in which the entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange. Non-exchange transactions are transactions in which an entity either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange.

At 31 December 2020, SJU did not have any balances related to non-current receivables and recoverables. All the amounts under are current and can be split as follows:

	EUR '000	
	31.12.2020	31.12.2019
<b>Recoverables from non-exchange transactions</b>		
<i>Receivable from the Guarantee Fund</i>	795	8
	<b>795</b>	<b>8</b>
<b>Receivables from exchange transactions</b>		
<i>Central treasury liaison accounts</i>	17 601	45 759
<i>Deferred charges</i>	146	16
<i>Receivable from Members</i>	16	-
<i>Other</i>	33	17
	<b>17 796</b>	<b>45 793</b>
<b>Total</b>	<b>18 591</b>	<b>45 800</b>

The main element concerns the treasury liaison/intercompany accounts with the Commission that represent a virtual bank account of SJU. Following the appointment of the Accounting Officer of the Commission as the Accounting Officer of SJU, the treasury of SJU was integrated into the Commission's treasury system. All payments and receipts are processed via the Commission's treasury system and registered on intercompany accounts which are presented under this heading. The result of the incoming and outgoing payments represents the funds available for the Joint Undertaking.

The receivable from the Guarantee Fund<sup>4</sup> relates to released guarantee on three closed project for which SESAR JU pre-paid the additional contribution to the Fund following the amendment of the grant amount on behalf of the beneficiary. The released guarantee is thus due to SESAR JU instead of the beneficiaries.

The liaison accounts decreased by kEUR 28 158 in 2020 due to large payments of pre-financing made in the last months of the year (see note 2.3)

## 2.5. CASH AND CASH EQUIVALENTS

Following the appointment of the Accounting Officer of the Commission as the Accounting Officer of the entity, the treasury of entity has been integrated into the Commission's treasury system. The majority of payments and receipts are processed via the Commission's treasury system and registered on liaison accounts, which are presented under heading 'receivables from exchange transactions'.

	EUR '000	
	31.12.2020	31.12.2019
<i>Imprest accounts</i>	10	5

The amounts remaining under current account relate to bank charges covering the bank guarantee issued for the rental of the SJU premises (current year guarantee-fees deducted from the initial balance).

## LIABILITIES

### 2.6. PAYABLES AND OTHER LIABILITIES

Payables are liabilities to pay for goods or services that have been received or supplied and - unlike accrued charges - have already been invoiced or formally agreed with the supplier. Payables can relate to both exchange transactions (such as the purchase of goods and services) and non-exchange transactions (e.g. cost claims from beneficiaries of grants, pre-financing or other EU funding).

	EUR '000	
	31.12.2020	31.12.2019
<i>Contribution in kind from Members to be validated</i>	93 074	179 250
<i>Vendors</i>	4 367	624
<i>Pre-financing received from EC for Delegation agreements</i>	2 520	-
<i>Public Bodies and other current payables</i>	205	2 163
<i>Sundry payables</i>	(2)	14
<b>Total</b>	<b>100 164</b>	<b>182 052</b>

Included under 'contribution in-kind from Members to be validated' are the in kind contributions related to on-going projects without a validated contribution certificate at 31 December. The amount of in-kind contributions was estimated on a case-by-case basis using the best available information on the projects. It should be noted that accrued charges related to the estimated EU co-financing to SESAR2020 projects are recorded under the heading 'accrued charges' (see note 2.7).

The decrease of the 'contribution in-kind from Members to be validated' by kEUR 86 176 is mainly due to the higher validation rate of in-kind contribution of 2020 compared to 2019 (2020: validation of expenses of kEUR 167 375; 2019 validation of expenses of kEUR 53 341). A corresponding increase can be noted in the Members' in-kind contributions under net assets (see note 2.8).

The increase under Vendors relates to the higher amount cost claims received but not yet validated and paid at the year-end.

<sup>4</sup> For all H2020 grant agreements signed, there is an automatic guarantee retention of 5% from the pre-financing payment due to beneficiaries. The guarantee is transferred to the Participant Guarantee Fund ("the Fund") and paid to the beneficiary by the Fund only when the project is successfully accomplished. This mechanism arises from EU Regulation 1290/2013 laying down the rules for participation and dissemination in "Horizon 2020 - the Framework Programme for Research and Innovation (2014-2020)".

The amount of pre-financing liability relates to the remaining amount due to the Commission in the context of the delegation agreement for U-Space Services.

## 2.7. ACCRUED CHARGES

Accruals are liabilities to pay for goods or services that have been received or supplied but - unlike payables - have not yet been invoiced or formally agreed with the supplier. They include amounts due to employees (e.g. accruals for untaken holidays). The calculation of accruals is based on the open amount of budgetary commitments at year-end. The portion of the estimated accrued charges relating to pre-financing paid has been recorded as a reduction of the pre-financing amounts.

	<i>EUR '000</i>	
	31.12.2020	31.12.2019
<i>Accrued charges</i>	46 588	28 237

They are mainly composed of estimated operational expenses of kEUR 45 632 for on-going or ended projects without a validated cost statement where the 2020 expense was estimated on a case-by-case basis using the best available information about the projects at 31 December 2020. The estimations were carried out either using a pro-rata temporis method or asking directly for the beneficiary their best estimation of expenses incurred at that date. The portion of the estimated accrued charges which relates to pre-financing paid has been recorded as a reduction of the pre-financing amounts (see note **2.3**). The increase of the operating accruals is related to the increase of projects in the first phase of their lifecycle for which the cost claims will be only received and validated at the later stage.

The heading also includes accrued administrative expense (kEUR 187), accrued operational expense for technical solutions provided by ATM stakeholders (kEUR 473), accrued allowances for secondment staff from Members (kEUR 183) and accrued staff expenses (kEUR 104).

## NET ASSETS

### 2.8. CONTRIBUTIONS FROM MEMBERS

The JU is funded by contributions from its members. Given their funding nature these contributions, which comprise both cash contributions and contributions in kind, are recognised in the JU's net assets as 'Contributions from owners'. The term 'owner' does not imply ownership of any shares of the JU (in fact no shares are issued), but reflects the specific governance of the JU where voting rights are allocated in accordance with the contributions made.

Programming period	2020			2019		
	Cash	in-Kind	Total	Cash	in-Kind	Total
FP7	766 928	935 502	1 702 430	797 404	937 245	1 734 649
H2020	463 097	336 727	799 824	353 981	167 527	521 508
<b>Total</b>	<b>1 230 026</b>	<b>1 272 229</b>	<b>2 502 255</b>	<b>1 151 386</b>	<b>1 104 772</b>	<b>2 256 158</b>

EUR '000

## 2.8.1. Research and Innovation funding programme for 2007-2013 (FP7)

Unlike for Horizon 2020 (see below 2.8.2), under FP7 programme the total eligible costs minus the EU co-financing validated by the Executive Director of SJU are considered as an in-kind contribution.

Member	EUR '000						
	Commissio Cash	Industry Members Cash	In kind	Eurocontrol Cash	In kind	Total Cash	In kind
<i>Running costs contributions at 31.12.2019</i>	23 990	25 478	-	21 817	-	<b>71 285</b>	-
<i>Adjustments of prior years contributions</i>						-	-
<i>Current year contributions</i>	(1 969)	(1 798)	-	(1 790)	-	<b>(5 557)</b>	-
<b>Running costs contributions at 31.12.2020</b>	<b>22 021</b>	<b>23 680</b>	-	<b>20 027</b>	-	<b>65 728</b>	-
<i>Operating costs contributions at 31.12.2019</i>	610 146	-	514 302	115 972	422 943	<b>726 118</b>	<b>937 245</b>
<i>Adjustments of prior years contributions</i>	(21 929)	-	(1 743)	(2 988)	-	<b>(24 917)</b>	<b>(1 743)</b>
<i>Current year contributions</i>		-	-	-	-	-	-
<b>Operating costs contributions at 31.12.2020</b>	<b>588 217</b>	-	<b>512 559</b>	<b>112 984</b>	<b>422 943</b>	<b>701 201</b>	<b>935 502</b>
<i>TOTAL contributions at 31.12.2019</i>	634 136	25 478	514 302	137 789	422 943	<b>797 403</b>	<b>937 245</b>
<b>TOTAL contributions at 31.12.2020</b>	<b>610 239</b>	<b>23 680</b>	<b>512 559</b>	<b>133 010</b>	<b>422 943</b>	<b>766 928</b>	<b>935 502</b>
<i>% of total contributions (by type)</i>	79.57%	3.09%	54.79%	17.34%	45.21%	<b>100.00%</b>	<b>100.00%</b>
<i>Total contribution in %</i>	35.85%	31.50%		32.66%		<b>100.00%</b>	
<i>Voting rights %</i>	52.07%	12.93%		25.00%		<b>90.00%</b>	

The negative values of cash and in-kind contributions in 2020 are result of the reimbursement of the excess of financial contributions to the SJU Members for the SESAR 1 Programme. On 8 October 2020 the SJU Administrative Board adopted decision for anticipated reimbursement of the remaining cash for the SESAR 1 Programme. Therefore a negative contribution was recognised for the reimbursement of the excess of financial contributions to the SJU Members.

## 2.8.2. Research and Innovation funding programme for 2014-2020 (Horizon 2020)

In line with the Horizon 2020 rules, only contributions from the members certified by an external auditor and validated by the Executive Director of the JU are considered in-kind contributions to the net assets. Estimated in-kind contributions, i.e. contributions for which no certifications has been received and/or this certification has not been validated by the Executive Director, are reported under other liabilities.

Member	EUR '000						
	Commission Cash	Industry Members Cash	In kind	Eurocontrol Cash	In kind	Total Cash	In kind
<i>Running costs contributions at 31.12.2019</i>	9 820	5 276	-	13 719	-	<b>28 815</b>	-
<i>Current year contributions</i>	3 347	1 319	-	1 137	-	<b>5 803</b>	-
<b>Running costs contributions at 31.12.2020</b>	<b>13 167</b>	<b>6 595</b>	-	<b>14 856</b>	-	<b>34 618</b>	-
<i>Operating costs contributions at 31.12.2019</i>	325 167	-	107 576	-	59 603	<b>325 167</b>	<b>167 179</b>
<i>Adjustments of prior years contributions</i>	(5 053)	-	348	-	-	<b>(5 053)</b>	<b>348</b>
<i>Current year contributions</i>	108 365	-	42 553	-	126 648	<b>108 365</b>	<b>169 200</b>
<b>Operating costs contributions at 31.12.2020</b>	<b>428 479</b>	-	<b>150 477</b>	-	<b>186 251</b>	<b>428 479</b>	<b>336 727</b>
<i>TOTAL contributions at 31.12.2019</i>	334 987	5 276	107 924	13 719	59 603	<b>353 981</b>	<b>167 527</b>
<b>TOTAL contributions at 31.12.2020</b>	<b>441 646</b>	<b>6 595</b>	<b>150 477</b>	<b>14 856</b>	<b>186 251</b>	<b>463 097</b>	<b>336 727</b>
<i>% of total contributions (by type)</i>	95.37%	1.42%	44.69%	3.21%	55.31%	<b>100.00%</b>	<b>100.00%</b>
<i>Total contribution in %</i>	55.22%		19.64%		25.14%	<b>100.00%</b>	
<i>Voting rights %</i>	37.52%		20.90%		31.58%	<b>90.00%</b>	

It should be noted that included under the cash contribution from Industry Members to running costs are also kEUR 16 unpaid cash contributions related to 2020 for which a recovery order was issued but not yet cashed.

\* The rules of distribution of voting rights are defined in Article 4 of the Regulation. Based on this article the representative of civil users of airspace, designated by their representative organisation at European level has at least 10% of the voting rights in the Administrative Board of SJU. This organisation is not a member of SJU and does not provide any financial or in-kind contributions to the joint undertaking.



### 3. NOTES TO THE STATEMENT OF FINANCIAL PERFORMANCE

#### REVENUE

#### NON-EXCHANGE REVENUE

Revenue from non-exchange transactions relates to transactions where the transferor provides resources to the recipient entity without the recipient entity providing approximately equal value directly in exchange. The heading mainly includes recoveries of operational expenses.

#### 3.1. RECOVERY OF EXPENSES

The revenue resulting from recovery of expenses refers to operational expenses recovered from beneficiaries during the year and adjustments coming from audits that will be collected in the following year.

EUR '000

	2020	2019
<i>Recovery of expenses</i>	4 583	-

The amount included under this heading corresponds to the revenues recognised for the delegation agreement MOVE/E3/DA/2017 for the U-Space Services. The remaining liability representing the unspent amount is recognised under payables (see note 2.6).

#### EXPENSES

#### 3.2. OPERATIONAL COSTS

Included under this heading are operational expenses related to projects that were carried out in the current year. The part of the operational costs related to on-going projects without any validated cost claims (or equivalent) available at 31 December was estimated using the best information available at the time of preparation of the annual accounts. The estimation is based on case-by-case assessment of completion which ensures that only costs that reflect the services or work performed by 31 December are included in the operational costs of the year. Depending on the availability of information at the time of preparation of the annual accounts, the estimates are based on costs incurred to date as a proportion of the estimated total costs of the projects ("pro-rata temporis").

The break-down of the operational costs between operational costs incurred on the basis of validated cost claims (or equivalent) and estimated operational costs is given in the table below:

EUR '000

	Note	2020	2019
<i>Operational costs: validated in-kind contributions</i>		167 375	53 341
<i>Operational costs: estimated in-kind contributions</i>	2.6	(86 176)	59 160
<b>Total operational costs from in-kind contributions</b>		<b>81 199</b>	<b>112 501</b>
<i>Operational costs: incurred and validated</i>		90 150	94 635
<i>Operational costs: estimated</i>	2.7	(37 642)	(1 492)
<b>Total operational costs from EU contributions</b>		<b>52 509</b>	<b>93 143</b>
<b>Total</b>		<b>133 708</b>	<b>205 644</b>

In 2020, the operational costs decreased by kEUR 71 936. Out of this kEUR 31 302 relates to decrease in in-kind contributions reported by Members at the end of April 2021.

The increase of the validated in-kind contributions in 2020 by kEUR 114 034 is mainly due to the validation of 2019 contributions from three members which could not be validated in the normal process at the end of 2019. The validation process was finalised in 2020 and the amounts were transferred from 'contributions in-kind to be validated' to net assets.

The estimated operational costs (both in-kind and other operational costs) are negative due to the reversal of last year's accrued operating costs. Following the closure of H2020-2016-2 and H2020-2015-2 projects in 2020, there were fewer projects for which the operating costs needed to be estimated at the year end. The increase of the accrued operating expenses related to new projects started in 2020 (ER4 call) could not compensate the decrease caused by the 2019 reversals which resulted into overall negative amounts of estimated operational costs in 2020.

### 3.3. STAFF COSTS

This heading includes the expenses for salaries, allowances and other employment-related benefits. Based on the service level agreement between the JU and the Commission, the calculations of staff-related costs is carried out by the Commission's Office for Administration and Payment of Individual Entitlements (also known as the Paymaster's Office - PMO). The pensions of the JU staff members are covered by the Pension Scheme of European Officials. This pension scheme is a defined benefit plan, i.e. the amount of benefit an employee will receive on retirement depends on several factors, the most important of which is years of service. Both the JU staff and the EU budget contribute to the pension scheme, with the contribution percentage being revised annually in line with the changes in the Staff Regulation governing the scheme. The cost to the EU Budget is not reflected in the JU accounts. Similarly, no provision related to the future pension payments is recognised in the annual accounts of the JU, as the obligation falls to the Commission. Consequently, both the annual cost to the EU budget, and the future benefits payable to the JU staff, are accounted for in the Commission's annual accounts as part of its provision for pensions and other post-employment benefits. The pension costs included in the Commission's Statement of Financial Performance represent current service cost (rights accrued during the year due to service) and interest cost (unwinding of the liability discounting) which have arisen following the year-end actuarial valuation of the employee benefits liabilities.

	<i>EUR '000</i>	
	2020	2019
<i>Staff costs</i>	4 398	4 705

### 3.4. OTHER EXPENSES

Included under this heading are expenses of administrative nature such as external non IT services, operating leasing expenses, communications and publications, training costs etc.

	<i>EUR '000</i>	
	2020	2019
<i>External IT services</i>	1 410	1 378
<i>External non IT services</i>	590	528
<i>Operating leasing expenses</i>	538	496
<i>Property, plant and equipment related expenses</i>	197	238
<i>Communications &amp; publications</i>	196	385
<i>Missions</i>	36	251
<i>Training costs</i>	17	13
<i>Experts expenses</i>	3	24
<i>Other</i>	75	73
<b>Total</b>	<b>3 062</b>	<b>3 386</b>

The level of other expenses decreased by 10% compared to the previous year mainly caused by a decrease of administrative activities (communications & publications, missions and expert expenses) due to the COVID-19 pandemic.

The operating lease expenses relate to the SESAR building in Brussels. The amounts committed to be paid during the remaining term of this lease contract, i.e. until February 2025, including rent and related charges are as follows:

	Future amounts to be paid			EUR '000
	< 1 year	1- 5 years	> 5 years	Total
<i>Buildings</i>	486	2 024	-	2 510

## 4. OTHER SIGNIFICANT DISCLOSURES

### 4.1. OUTSTANDING COMMITMENTS NOT YET EXPENSED

The outstanding commitments not yet expensed comprise the budgetary RAL ('Reste à Liquider') less related amounts that have been included as expenses in the current year's statement of financial performance. The RAL represents the open budgetary commitments for which payments and/or de-commitments have not yet been made. This is the normal consequence of the existence of multi-annual programmes.

	<i>EUR '000</i>	
	31.12.2020	31.12.2019
<i>Outstanding commitments not yet expensed</i>	96 734	117 601

### 4.2. RELATED PARTIES

The related parties of the JU are the participants of the JU and the key management personnel of these entities. As transactions between the JU and these parties take place as part of the normal operations of the JU and on terms and conditions that are normal for such transactions, no specific disclosures are required.

### 4.3. KEY MANAGEMENT ENTITLEMENTS

The Director, or head of entity, is remunerated in accordance with the Staff Regulations of the European Union, which establish the rights and obligations of all officials of the EU. The Staff Regulations are published on the Europa website.

	31.12.2020	31.12.2019
<i>Executive Director</i>	<i>AD 15</i>	<i>AD 15</i>

The Executive Director is remunerated in accordance with the Staff Regulation of the European Union that is published on the Europa website and which is the official document describing the rights and the obligations of all officials of the EU.

### 4.4. OTHER EVENTS

#### BREXIT

On 1 February 2020 the United Kingdom ceased to be a Member State of the European Union. Following the conclusion of the Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community (the 'Withdrawal Agreement') between the two parties, the United Kingdom committed to pay all its obligations under the current MFF and previous financial perspectives following from its membership of the Union. The United Kingdom has paid into the 2020 EU Budget during the year, and received payments, as if it were a Member State.

At the date of transmission of these accounts, and based on the Withdrawal Agreement concluded and already in operation, there is no financial impact to be reported in these accounts. For further information on the impact of the Withdrawal Agreement on the EU, please see the 2020 consolidated EU annual accounts.

## 5. FINANCIAL RISK MANAGEMENT

### 5.1. TYPES OF RISK

**Market risk** is the risk that the fair value or future cashflows of a financial instrument will fluctuate, because of variations in market prices. Market risk embodies not only the potential for loss, but also the potential for gain. It comprises currency risk, interest rate risk and other price risk (the entity has no significant interest rate risk and other price risk).

(1) *Currency risk* is the risk that the entity's operations will be affected by changes in exchange rates. This risk arises from the change in the price of one currency against another.

(2) *Interest rate risk* is the possibility of a reduction in the value of a security, especially a bond, resulting from an increase in interest rates. In general, higher interest rates will lead to lower prices of fixed rate bonds, and vice versa. The entity does not have any securities thus it is not exposed to the interest rate risk.

**Credit risk** is the risk of loss due to a debtor's non-payment or other failure to meet a contractual obligation. The default events include a delay in repayments, and bankruptcy.

**Liquidity risk** is the risk that arises from the difficulty in selling an asset; for example, the risk that a given security or asset cannot be traded quickly enough in the market to prevent a loss or meet an obligation.

### 5.2. CURRENCY RISKS

#### Exposure to currency risk at year-end

At the end of the year, the financial assets are composed of exchange receivables and non-exchange recoverables. The financial liabilities are composed of accounts payable. Their ending balances are mainly quoted in euro, the entity is thus not exposed to currency risk.

### 5.3. CREDIT RISK

#### Financial assets that are neither past due nor impaired

At the end of the year, the financial assets comprise exchange receivables and non-exchange recoverables that are neither past due nor impaired, the entity is thus not exposed to credit risk.

#### Financial assets by risk category

At 31 December 2020 the financial assets are mainly composed of receivables and recoverables against entities with a prime external credit rating. The amount relates to entities which never defaulted in the past.

### 5.4. LIQUIDITY RISK

#### Maturity analysis of financial liabilities by remaining contractual maturity

The financial liabilities are mainly composed of accounts payable. All the accounts payable have remaining contractual maturity of less than 1 year.

## **THE BUDGET IMPLEMENTATION REPORTS AND EXPLANATORY NOTES**

*It should be noted that due to the rounding of figures into thousands of euros, some financial data in the tables below may appear not to add-up.*

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# 1. BUDGETARY PRINCIPLES AND STRUCTURE

## 1.1 BUDGETARY PRINCIPLES

The budget of the SJU has been established in compliance with the principles of unity, budget accuracy, annuality, equilibrium, unit of account, universality, specification, sound financial management and transparency (as set out in Title II of the SJU Financial Rules):

### Principles of unity and budget accuracy

This principle means that no revenue shall be collected and no expenditure effected unless booked to a line in the budget of SJU. No expenditure may be committed or authorised in excess of the appropriations authorised by the budget. An appropriation may be entered in the budget only if it is for an item of expenditure considered necessary.

### Principle of annuality

The appropriations entered in the budget shall be authorised for a financial year which shall run from 1 January to 31 December.

### Principle of equilibrium

The SJU is responsible for the development phase of the SESAR Programme which, following the extension of the SJU in June 2014 is expected to last until 2024. SESAR is a multi-annual programme and in this respect, the programme will be characterized during its life by an expected imbalance between revenues and expenditure. Considering the nature of the SJU Work Programme, the Administrative Board adopted its first Budget in 2008 introducing the following interpretation with regard to the principle of equilibrium:

*'For the SJU the principle of equilibrium shall apply for the totality of the foreseen period for the development phase. That means that the total budget revenue of the foreseen lifetime of the SJU shall be in balance with the total budget expenditure of the same period. However, at no point of the existence of the SJU must cumulative commitment appropriations exceed the cumulative amount of revenue appropriations.'*

### Principle of unit of account

The budget shall be drawn up and implemented in euros and the accounts shall be presented in euros.

### Principle of universality

Total revenue shall cover total payment appropriations and all revenue and expenditure shall be entered in full without any adjustment against each other.

### Principle of specification

Appropriations shall be earmarked for specific purposes at least by title and chapter.

### Principle of sound financial management

Appropriations shall be used in accordance with the principle of sound financial management, namely in accordance with the principles of economy, efficiency and effectiveness.

### Principle of transparency

The budget shall be established and implemented and the accounts presented in accordance with the principle of transparency. The budget and any amending budgets shall be published on the internet site of the SJU within four weeks of their adoption and shall be transmitted to the Commission and the Court of Auditors.



## 1.2 STRUCTURE AND PRESENTATION OF THE BUDGET

The budget of the SJU consists of a statement of revenue and a statement of expenditure with administrative and operational appropriations both for commitments and payments. Following the extension of the SJU until 2024 and in view of running two Programmes in parallel with two different funds sources, the Administrative Board introduced in 2014 the presentation of the Budget in two separate sections:

### Section 1 ("SESAR1"):

Revenues, Commitments and Payments related to the first Programme 2007-2016 under FP7/TEN-T funding are presented here. It should be noted that the European Union commitment revenues – EUR 700 million – were received by the SJU and that all funds related to this Programme had been committed towards the Members by the end of 2013.

In term of revenues, only exceptional revenues for a total amount of EUR 0.9 million were recovered. These exceptional revenues are only composed of recoveries related to Members (Audit corrections, recovery of still open pre-financing,...).

### Section 2 ("SESAR2020"):

Revenues, Commitments and Payments related to the second SESAR Programme 2014-2024 under HORIZON 2020 funding are presented here. It should be noted that the 2019 Budget includes both Running and Operational Costs and an Annex with the detailed In-kind Contributions in relation to SESAR2020 programme.

In term of revenues, an amount of EUR 113.7 million was received from the European Union in order to cover Sesar JU outstanding obligations of 2019 and of the first months of 2020.

The SESAR JU received the payment of the balance of EUR 0.25 million for Delegation Agreement MOVE/E3/DA/2016-669/SI2.743803 to organise a call for proposals for a geo-fencing demonstration (estimated budget for this entrusted task is EUR 0.5 million).

The SESAR JU received a second pre-financing for EUR 0.15 million for delegation agreement EC/SESAR JU ref. MOVE/E3/DA/2017-477/SI2.766828 to procure a study to develop a proposal for the future architecture of European airspace (the indicative budget for the entrusted task is EUR 0.8 million).

A total amount of EUR 1.85 million was received from Eurocontrol and EUR 2.7 million from the other Members.

SESAR recovered also exceptional revenues for EUR 5.2 million composed of operational costs (for EUR 5.15 million: recoveries of amounts paid by the SESAR JU, on behalf of the SESAR JU Members to the H2020 Guarantee Fund and ex-post audit adjustments) and administrative costs (for EUR 0.05 million: excess of provision for the rental charges, insurance recoveries for missions' cancellations,...)

## 2. RESULT OF THE IMPLEMENTATION OF THE BUDGET

EUR '000

	Title	2020	2019
<b>Revenue</b>		<b>93 052</b>	<b>124 778</b>
of which:			
<i>Contribution from the European Union</i>	1	93 815	114 136
<i>Contribution from Eurocontrol</i>	2	(3 642)	1 848
<i>Contribution from other members</i>	3	(819)	2 730
<i>Other revenue</i>	4	3 698	6 064
<b>Expenditure</b>		<b>(121 207)</b>	<b>(151 505)</b>
of which:			
<i>Staff expenditure</i>	1	(5 192)	(5 325)
<i>Administrative expenditure</i>	2	(2 946)	(2 449)
<i>Operational expenditure</i>	3	(113 069)	(143 731)
<b>Exchange rate differences</b>		<b>(4)</b>	<b>0</b>
<b>Budget result</b>		<b>(28 159)</b>	<b>(26 727)</b>

### 3. RECONCILIATION OF ECONOMIC RESULT WITH BUDGET RESULT

EUR '000

	2020	2019
<b>ECONOMIC RESULT OF THE YEAR</b>	<b>(136 588)</b>	<b>(213 738)</b>
<b>Adjustment for accrual items (items not in budgetary result but included in the economic result)</b>	<b>100 529</b>	<b>52 397</b>
<i>In-kind contributions validated in the year</i>	167 457	54 064
<i>Adjustments for accrual cut-off (net)</i>	(67 946)	(6 644)
<i>Unpaid invoices at year end but booked in expenses</i>	1 758	4 144
<i>Depreciation of intangible and tangible assets</i>	72	72
<i>Recovery orders issued in the year and not yet cashed</i>	(809)	761
<i>Other individually immaterial</i>	(3)	
<b>Adjustment for budgetary items (item included in the budgetary result but not in the economic result)</b>	<b>7 900</b>	<b>134 614</b>
<i>Members' cash contributions collected in the year</i>	78 625	118 714
<i>Asset acquisitions (less unpaid amounts)</i>	(143)	(17)
<i>Payments made from non-budget lines</i>	10	-
<i>New pre-financing paid in the year and remaining open as at 31 December</i>	(74 529)	15 923
<i>Entitlements established in previous year and cashed in the year</i>	-	(92)
<i>Entitlements established on balance sheet accounts and cashed in the year</i>	-	(151)
<i>Payments made from non-budget lines</i>	-	237
<i>Cancellation of unused carried over payment appropriations from previous year</i>	2 520	-
<i>Adjustment for carry-over of assigned revenue appropriations from previous year</i>	1 417	-
<b>BUDGET RESULT OF THE YEAR</b>	<b>(28 159)</b>	<b>(26 727)</b>

## 4. IMPLEMENTATION OF BUDGET REVENUE

### 4.1 Implementation of budget revenue – Title 1

EUR '000

Item	Income appropriations		Entitlements established			Revenue				Out-standing	
	Initial budget	Final budget	Current year	Carried over	Total	On entitlements of current year	On entitlements carried over	Total	%		
	1	2	3	4	5=3+4	6	7	8=6+7	9=8/2		10=5-8
1100	7th Research & dev. framework programme (FP7)	-	-	(11 710)	-	(11 710)	(11 710)	-	(11 710)	-	-
1101	Horizon 2020 contribution to administrative expenditure	3 409	3 346	3 347	-	3 347	3 347	-	3 347	100 %	-
<b>Total Chapter 11</b>		<b>3 409</b>	<b>3 346</b>	<b>(8 363)</b>	<b>-</b>	<b>(8 363)</b>	<b>(8 363)</b>	<b>-</b>	<b>(8 363)</b>	<b>(250) %</b>	<b>-</b>
1200	Trans-european network programme (ten-t)	-	-	(12 188)	-	(12 188)	(12 188)	-	(12 188)	-	-
1201	Horizon 2020 contribution to operational expenditure	109 086	108 365	108 365	-	108 365	108 365	-	108 365	100 %	-
<b>Total Chapter 12</b>		<b>109 086</b>	<b>108 365</b>	<b>96 177</b>	<b>-</b>	<b>96 177</b>	<b>96 177</b>	<b>-</b>	<b>96 177</b>	<b>89 %</b>	<b>-</b>
1400	COM/EP Contribution to very large scale demos (assigned revenue)	2 000	2 000	6 000	-	6 000	6 000	-	6 000	-	-
<b>Total Chapter 14</b>		<b>2 000</b>	<b>2 000</b>	<b>6 000</b>	<b>-</b>	<b>6 000</b>	<b>6 000</b>	<b>-</b>	<b>6 000</b>	<b>-</b>	<b>-</b>
<b>Total Title 1</b>		<b>114 495</b>	<b>113 711</b>	<b>93 815</b>	<b>-</b>	<b>93 815</b>	<b>93 815</b>	<b>-</b>	<b>93 815</b>	<b>84 %</b>	<b>-</b>
2100	Contribution from Eurocontrol in cash S1	-	-	(4 654)	-	(4 654)	(4 654)	-	(4 654)	-	0
2101	Contributions Eurocontrol in cash SESAR2020	1 684	1 684	1 012	-	1 012	1 012	-	1 012	60 %	0
<b>Total Chapter 21</b>		<b>1 684</b>	<b>1 684</b>	<b>(3 642)</b>	<b>-</b>	<b>(3 642)</b>	<b>(3 642)</b>	<b>-</b>	<b>(3 642)</b>	<b>(216) %</b>	<b>-</b>
<b>Total Title 2</b>		<b>1 684</b>	<b>1 684</b>	<b>(3 642)</b>	<b>-</b>	<b>(3 642)</b>	<b>(3 642)</b>	<b>-</b>	<b>(3 642)</b>	<b>(216) %</b>	<b>-</b>
3100	Contributions other members in cash	-	-	(803)	-	(803)	(819)	-	(819)	-	16
3101	Contributions other members in cash SESAR2020	3 087	671	-	-	-	-	-	-	0 %	-
<b>Total Chapter 31</b>		<b>3 087</b>	<b>671</b>	<b>(803)</b>	<b>-</b>	<b>(803)</b>	<b>(819)</b>	<b>-</b>	<b>(819)</b>	<b>(122) %</b>	<b>16</b>
<b>Total Title 3</b>		<b>3 087</b>	<b>671</b>	<b>(803)</b>	<b>-</b>	<b>(803)</b>	<b>(819)</b>	<b>-</b>	<b>(819)</b>	<b>(122) %</b>	<b>16</b>
4400	Exceptional revenues	-	-	4 494	-	4 494	3 698	-	3 698	-	795
<b>Total Chapter 44</b>		<b>-</b>	<b>-</b>	<b>4 494</b>	<b>-</b>	<b>4 494</b>	<b>3 698</b>	<b>-</b>	<b>3 698</b>	<b>-</b>	<b>795</b>
<b>Total Title 4</b>		<b>-</b>	<b>-</b>	<b>4 494</b>	<b>-</b>	<b>4 494</b>	<b>3 698</b>	<b>-</b>	<b>3 698</b>	<b>-</b>	<b>795</b>
5100	Budget outturn previous year	8 002	8 079	-	-	-	-	-	-	0 %	-
<b>Total Chapter 51</b>		<b>8 002</b>	<b>8 079</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0 %</b>	<b>-</b>
<b>Total Title 5</b>		<b>8 002</b>	<b>8 079</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0 %</b>	<b>-</b>
<b>GRAND TOTAL</b>		<b>127 268</b>	<b>124 145</b>	<b>93 864</b>	<b>-</b>	<b>93 864</b>	<b>93 052</b>	<b>-</b>	<b>93 052</b>	<b>76 %</b>	<b>811</b>

## 5. IMPLEMENTATION OF BUDGET EXPENDITURE

### 5.1 Breakdown & changes in commitment appropriations

#### 5.1.1 Breakdown & changes in commitment appropriations – Title 1

EUR '000

Item	Budget appropriations				Additional appropriations			Total approp. available
	Initial adopted budget	Amending budgets	Transfers	Final budget adopted	Reactivated appropriations	Assigned revenue	Total	
	1	2	3	4=1+2+3	5	6	7=5+6	
1110 Temporary agents	4 820	(315)	(33)	4 472	-	12	12	4 485
<b>Total Chapter 11</b>	<b>4 820</b>	<b>(315)</b>	<b>(33)</b>	<b>4 472</b>	<b>-</b>	<b>12</b>	<b>12</b>	<b>4 485</b>
1210 Contract agents	194	(34)	-	160	-	-	-	160
1220 Interim staff	424	(72)	33	385	-	-	-	385
<b>Total Chapter 12</b>	<b>618</b>	<b>(106)</b>	<b>33</b>	<b>545</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>545</b>
1410 Seconded national experts (SNE)	192	(18)	-	174	-	-	-	174
<b>Total Chapter 14</b>	<b>192</b>	<b>(18)</b>	<b>-</b>	<b>174</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>174</b>
1510 Mission costs	300	(190)	-	110	-	4	4	114
<b>Total Chapter 15</b>	<b>300</b>	<b>(190)</b>	<b>-</b>	<b>110</b>	<b>-</b>	<b>4</b>	<b>4</b>	<b>114</b>
1610 Internal and external training and seminars	85	(57)	-	28	-	3	3	31
1620 Social and recreational activities	35	(5)	-	30	-	-	-	30
1630 Recruitment expenditure	15	(10)	-	5	-	-	-	5
1640 HR support fees	92	(2)	-	90	-	0	0	90
<b>Total Chapter 16</b>	<b>227</b>	<b>(74)</b>	<b>-</b>	<b>153</b>	<b>-</b>	<b>3</b>	<b>3</b>	<b>157</b>
<b>Total Title 1</b>	<b>6 157</b>	<b>(703)</b>	<b>-</b>	<b>5 455</b>	<b>-</b>	<b>20</b>	<b>20</b>	<b>5 475</b>

## 5.1.2 Breakdown &amp; changes in commitment appropriations – Title 2

EUR '000

Item	Budget appropriations				Additional appropriations			Total appropriable	
	Initial adopted budget	Amending budgets	Transfers	Final budget adopted	Reactivated appropriations	Assigned revenue	Total		
	1	2	3	4=1+2+3	5	6	7=5+6		
2110	Office and parking rental	416	-	-	416	-	-	-	416
2120	Office and parking charges	125	(10)	-	115	-	-	-	115
2130	Real estate tax	56	(1)	-	55	-	-	-	55
2140	Regional tax	37	-	-	37	-	-	-	37
2160	Cleaning and reception	197	(26)	-	171	-	-	-	171
2170	Security maintenance contract	36	54	(47)	43	-	-	-	43
2180	Works and repairs	35	(32)	-	3	-	-	-	3
Total Chapter 21		901	(15)	(47)	839	-	-	-	839
2210	Furniture	10	(5)	-	6	-	-	-	6
Total Chapter 22		10	(5)	-	6	-	-	-	6
2310	Realisation of public relations activities and material	400	-	(0)	400	-	-	-	400
Total Chapter 23		400	-	(0)	400	-	-	-	400
2510	Costs related to Governance bodies	10	(6)	-	4	-	-	-	4
Total Chapter 25		10	(6)	-	4	-	-	-	4
2610	Administrative supplies and postage	26	-	-	26	-	-	-	26
2620	Photocopier and printer consumables	1	-	-	1	-	-	-	1
2630	Subscription to publications, newspapers, memberships	20	(5)	-	15	-	-	-	15
2640	Insurances	15	(0)	3	18	-	-	-	18
2650	Office hospitality	31	(15)	(1)	15	-	-	-	15
2660	Packaging and transport	10	(7)	-	4	-	-	-	4
2670	Bank charges	5	-	-	5	-	-	-	5
2680	Contingencies 2	227	(227)	(0)	(0)	-	-	-	(0)
Total Chapter 26		335	(254)	2	83	-	-	-	83
2710	IT system maintenance and unified communication	1 062	-	21	1 084	-	-	-	1 084
2720	Software	42	-	3	45	-	-	-	45
2730	Hardware	64	-	(3)	61	-	1	1	62

Item	Budget appropriations				Additional appropriations			Total appropriations available
	Initial adopted budget	Amending budgets	Transfers	Final budget adopted	Reactivated appropriations	Assigned revenue	Total	
	1	2	3	4=1+2+3	5	6	7=5+6	
2740 Website	122	-	-	122	-	-	-	122
2750 ICT support	275	(70)	-	205	-	-	-	205
<b>Total Chapter 27</b>	<b>1 565</b>	<b>(70)</b>	<b>21</b>	<b>1 516</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>1 517</b>
2810 Translation of official documents	44	(29)	-	15	-	-	-	15
2811 Quality management	50	(50)	-	-	-	-	-	-
2820 Legal support	20	-	(9)	11	-	-	-	11
2830 Tax audit and accounting support	82	33	33	148	-	-	-	148
<b>Total Chapter 28</b>	<b>196</b>	<b>(46)</b>	<b>24</b>	<b>174</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>174</b>
<b>Total Title 2</b>	<b>3 417</b>	<b>(395)</b>	<b>-</b>	<b>3 022</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>3 023</b>

## 5.1.3 Breakdown &amp; changes in commitment appropriations – Title 3 and 4

EUR '000

Item	Initial adopted budget	Budget appropriations			Additional appropriations			Total approp. available
		Amending budgets	Transfers	Final budget adopted	Reactivated appropriations	Assigned revenue	Total	
	1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
3300 Other members operating expenditure S1	-	-	-	-	-	405	405	405
<b>Total Chapter 33</b>	-	-	-	-	-	405	405	405
3400 Providing strategic steering to the SESAR programme	5 913	2 416	(3 654)	4 675	-	-	-	4 675
<b>Total Chapter 34</b>	5 913	2 416	(3 654)	4 675	-	-	-	4 675
3500 Deliver exploratory research	-	10 115	694	10 809	2 175	-	2 175	12 984
<b>Total Chapter 35</b>	-	10 115	694	10 809	2 175	-	2 175	12 984
3600 Deliver industrial research and validation	73 478	3 090	15 797	92 365	-	3 272	3 272	95 637
<b>Total Chapter 36</b>	73 478	3 090	15 797	92 365	-	3 272	3 272	95 637
3700 Deliver very large-scale demonstration activities	32 390	-	(12 838)	19 551	-	6 000	6 000	25 551
<b>Total Chapter 37</b>	32 390	-	(12 838)	19 551	-	6 000	6 000	25 551
3800 Deliver SESAR outreach	255	1 800	-	2 055	-	-	-	2 055
<b>Total Chapter 38</b>	255	1 800	-	2 055	-	-	-	2 055
<b>Total Title 3</b>	<b>112 036</b>	<b>17 420</b>	<b>0</b>	<b>129 456</b>	<b>2 175</b>	<b>9 678</b>	<b>11 853</b>	<b>141 309</b>
4100 Unused Appropriations not required in current Year	13 383	-	-	13 383	-	-	-	13 383
<b>Total Chapter 41</b>	13 383	-	-	13 383	-	-	-	13 383
<b>Total Title 4</b>	<b>13 383</b>	<b>-</b>	<b>-</b>	<b>13 383</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13 383</b>
<b>GRAND TOTAL</b>	<b>134 994</b>	<b>16 322</b>	<b>0</b>	<b>151 316</b>	<b>2 175</b>	<b>9 698</b>	<b>11 874</b>	<b>163 189</b>



## 5.2 Breakdown & changes in payment appropriations

### 5.2.1 Breakdown & changes in payment appropriations – Title 1

EUR '000

Item	Budget appropriations				Additional appropriations			Total approp. available
	Initial budget adopted	Amending budgets	Transfers	Final adopted budget	Reactivated appropriations	Assigned revenue	Total	
	1	2	3	4=1+2+3	5	6	7=5+6	
1110 Temporary agents	4 820	(315)	(33)	4 472	-	12	12	4 485
<b>Total Chapter 11</b>	<b>4 820</b>	<b>(315)</b>	<b>(33)</b>	<b>4 472</b>	<b>-</b>	<b>12</b>	<b>12</b>	<b>4 485</b>
1210 Contract agents	194	(34)	-	160	-	-	-	160
1220 Interim staff	424	(218)	234	440	-	-	-	440
<b>Total Chapter 12</b>	<b>618</b>	<b>(252)</b>	<b>234</b>	<b>600</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>600</b>
1410 Seconded national experts (SNE)	192	(18)	-	174	-	-	-	174
<b>Total Chapter 14</b>	<b>192</b>	<b>(18)</b>	<b>-</b>	<b>174</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>174</b>
1510 Mission costs	300	(260)	110	150	-	4	4	154
<b>Total Chapter 15</b>	<b>300</b>	<b>(260)</b>	<b>110</b>	<b>150</b>	<b>-</b>	<b>4</b>	<b>4</b>	<b>154</b>
1610 Internal and external training and seminars	85	(77)	20	28	-	3	3	31
1620 Social and recreational activities	35	(24)	16	27	-	-	-	27
1630 Recruitment expenditure	15	(26)	14	3	-	-	-	3
1640 HR support fees	92	(22)	19	89	-	0	0	90
<b>Total Chapter 16</b>	<b>227</b>	<b>(148)</b>	<b>69</b>	<b>148</b>	<b>-</b>	<b>3</b>	<b>3</b>	<b>151</b>
<b>Total Title 1</b>	<b>6 157</b>	<b>(993)</b>	<b>380</b>	<b>5 545</b>	<b>-</b>	<b>20</b>	<b>20</b>	<b>5 564</b>

## 5.2.2 Breakdown &amp; changes in payment appropriations – Title 2

EUR '000

Item	Budget appropriations				Additional appropriations			Total appropriable	
	Initial budget adopted	Amending budgets	Transfers	Final adopted budget	Reactivated appropriations	Assigned revenue	Total		
	1	2	3	4=1+2+3	5	6	7=5+6		
2110	Office and parking rental	416	(1)	(8)	407	-	-	-	407
2120	Office and parking charges	125	(57)	41	109	-	-	-	109
2130	Real estate tax	56	(55)	54	55	-	-	-	55
2140	Regional tax	37	(5)	5	37	-	-	-	37
2160	Cleaning and reception	197	(72)	27	152	-	-	-	152
2170	Security maintenance contract	36	28	11	75	-	-	-	75
2180	Works and repairs	35	(97)	64	3	-	-	-	3
Total Chapter 21		901	(258)	194	837	-	-	-	837
2210	Furniture	10	(15)	10	6	-	-	-	6
Total Chapter 22		10	(15)	10	6	-	-	-	6
2310	Realisation of public relations activities and material	400	(345)	342	397	-	-	-	397
Total Chapter 23		400	(345)	342	397	-	-	-	397
2510	Costs related to Governance bodies	10	(10)	4	4	-	-	-	4
Total Chapter 25		10	(10)	4	4	-	-	-	4
2610	Administrative supplies and postage	26	(15)	16	27	-	-	-	27
2620	Photocopier and printer consumables	1	(1)	1	1	-	-	-	1
2630	Subscription to publications, newspapers, memberships	20	(16)	12	16	-	-	-	16
2640	Insurances	15	(11)	14	18	-	-	-	18
2650	Office hospitality	31	(24)	9	15	-	-	-	15
2660	Packaging and transport	10	(17)	10	3	-	-	-	3
2670	Bank charges	5	-	0	5	-	-	-	5
2680	Contingencies 2	227	(227)	(0)	(0)	-	-	-	(0)
Total Chapter 26		335	(310)	62	87	-	-	-	87
2710	IT system maintenance and unified communication	1 062	-	153	1 215	-	-	-	1 215
2720	Software	42	-	5	47	-	-	-	47

Item	Budget appropriations				Additional appropriations			Total appropriations available
	Initial budget adopted	Amending budgets	Transfers	Final adopted budget	Reactivated appropriations	Assigned revenue	Total	
	1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
2730 Hardware	64	(84)	121	101	-	1	1	102
2740 Website	122	(30)	31	123	-	-	-	123
2750 ICT support	275	(190)	108	193	-	-	-	193
<b>Total Chapter 27</b>	<b>1 565</b>	<b>(304)</b>	<b>417</b>	<b>1 678</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>1 679</b>
2810 Translation of official documents	44	(72)	41	13	-	-	-	13
2811 Quality management	50	(50)	-	-	-	-	-	-
2820 Legal support	20	10	(9)	21	-	-	-	21
2830 Tax audit and accounting support	82	8	32	122	-	-	-	122
<b>Total Chapter 28</b>	<b>196</b>	<b>(104)</b>	<b>64</b>	<b>156</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>156</b>
<b>Total Title 2</b>	<b>3 417</b>	<b>(1 345)</b>	<b>1 093</b>	<b>3 165</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>3 166</b>

## 5.2.3 Breakdown &amp; changes in payment appropriations – Title 3 and 4

EUR '000

Item	Initial budget adopted	Budget appropriations			Additional appropriations			Total	Total approp. available
		Amending budgets	Transfers	Final adopted budget	Reactivated appropriations	Assigned revenue	Total		
	1	2	3	4=1+2+3	5	6	7=5+6	8=4+7	
3300 Other members operating expenditure S1	-	-	-	-	30 767	405	31 172	31 172	
<b>Total Chapter 33</b>	-	-	-	-	30 767	405	31 172	31 172	
3400 Providing strategic steering to the SESAR programme	5 862	(4 602)	-	1 260	-	-	-	1 260	
<b>Total Chapter 34</b>	5 862	(4 602)	-	1 260	-	-	-	1 260	
3500 Deliver exploratory research	13 165	3 080	2 658	18 903	4 018	-	4 018	22 922	
<b>Total Chapter 35</b>	13 165	3 080	2 658	18 903	4 018	-	4 018	22 922	
3600 Deliver industrial research and validation	51 786	(8 902)	24 589	67 473	5 730	3 272	9 002	76 476	
<b>Total Chapter 36</b>	51 786	(8 902)	24 589	67 473	5 730	3 272	9 002	76 476	
3700 Deliver very large-scale demonstration activities	16 350	5 038	-	21 387	9 447	6 000	15 447	36 834	
<b>Total Chapter 37</b>	16 350	5 038	-	21 387	9 447	6 000	15 447	36 834	
3800 Deliver SESAR outreach	1 810	(45)	-	1 765	-	-	-	1 765	
<b>Total Chapter 38</b>	1 810	(45)	-	1 765	-	-	-	1 765	
<b>Total Title 3</b>	<b>88 972</b>	<b>(5 431)</b>	<b>27 248</b>	<b>110 789</b>	<b>49 963</b>	<b>9 678</b>	<b>59 641</b>	<b>170 429</b>	
4100 Unused Appropriations not required in current Year	28 721	-	(28 721)	0	-	-	-	0	
<b>Total Chapter 41</b>	28 721	-	(28 721)	0	-	-	-	0	
<b>Total Title 4</b>	<b>28 721</b>	<b>-</b>	<b>(28 721)</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	
<b>GRAND TOTAL</b>	<b>127 268</b>	<b>(7 770)</b>	<b>(0)</b>	<b>119 498</b>	<b>49 963</b>	<b>9 698</b>	<b>59 661</b>	<b>179 159</b>	

## 5.3 IMPLEMENTATION OF COMMITMENT APPROPRIATIONS

### 5.3.1 Implementation of commitment appropriations - Title 1

EUR '000

Item	Total approp. available	Commitments made					Appropriations carried over to 2021			Appropriations lapsing			
		from final adopt. budget	from re-activations	from assign. revenue	Total	%	Assign. revenue	By decision	Total	from final adopt. budget	from re-activations	from assign. revenue	Total
	1	2	3	4	5=2+3+4	6=5/1	7	8	9=7+8	10	11	12	13=10+11+12
1110 Temporary agents	4 485	4 366	-	-	4 366	97 %	-	-	-	106	-	12	119
<b>Total Chapter 11</b>	<b>4 485</b>	<b>4 366</b>	<b>-</b>	<b>-</b>	<b>4 366</b>	<b>97 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>106</b>	<b>-</b>	<b>12</b>	<b>119</b>
1210 Contract agents	160	122	-	-	122	76 %	-	-	-	38	-	-	38
1220 Interim staff	385	385	-	-	385	100 %	-	-	-	-	-	-	-
<b>Total Chapter 12</b>	<b>545</b>	<b>507</b>	<b>-</b>	<b>-</b>	<b>507</b>	<b>93 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>38</b>	<b>-</b>	<b>-</b>	<b>38</b>
1410 Seconded national experts (SNE)	174	161	-	-	161	92 %	-	-	-	13	-	-	13
<b>Total Chapter 14</b>	<b>174</b>	<b>161</b>	<b>-</b>	<b>-</b>	<b>161</b>	<b>92 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13</b>	<b>-</b>	<b>-</b>	<b>13</b>
1510 Mission costs	114	59	-	-	59	51 %	-	-	-	51	-	4	55
<b>Total Chapter 15</b>	<b>114</b>	<b>59</b>	<b>-</b>	<b>-</b>	<b>59</b>	<b>51 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>51</b>	<b>-</b>	<b>4</b>	<b>55</b>
1610 Internal and external training and seminars	31	28	-	-	28	90 %	-	-	-	-	-	3	3
1620 Social and recreational activities	30	3	-	-	3	9 %	-	-	-	27	-	-	27
1630 Recruitment expenditure	5	-	-	-	-	0 %	-	-	-	5	-	-	5
1640 HR support fees	90	73	-	-	73	80 %	-	-	-	17	-	0	18
<b>Total Chapter 16</b>	<b>157</b>	<b>103</b>	<b>-</b>	<b>-</b>	<b>103</b>	<b>66 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50</b>	<b>-</b>	<b>3</b>	<b>53</b>
<b>Total Title 1</b>	<b>5 475</b>	<b>5 196</b>	<b>-</b>	<b>-</b>	<b>5 196</b>	<b>95 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>258</b>	<b>-</b>	<b>20</b>	<b>278</b>

## 5.3.2 Implementation of commitment appropriations - Title 2

EUR '000

Item	Total approp. available	Commitments made				Appropriations carried over to 2021			Appropriations lapsing				
		from final adopt. budget	from re-activations	from assign. revenue	Total	%	Assign. revenue	By decision	Total	from final adopt. budget	from re-activations	from assign. revenue	Total
	1	2	3	4	5=2+3+4	6=5/1	7	8	9=7+8	10	11	12	13=10+11+12
2110 Office and parking rental	416	407	-	-	407	98 %	-	-	-	9	-	-	9
2120 Office and parking charges	115	115	-	-	115	100 %	-	-	-	-	-	-	-
2130 Real estate tax	55	55	-	-	55	100 %	-	-	-	-	-	-	-
2140 Regional tax	37	34	-	-	34	94 %	-	-	-	2	-	-	2
2160 Cleaning and reception	171	144	-	-	144	84 %	-	-	-	26	-	-	26
2170 Security maintenance contract	43	43	-	-	43	100 %	-	-	-	-	-	-	-
2180 Works and repairs	3	-	-	-	-	0 %	-	-	-	3	-	-	3
<b>Total Chapter 21</b>	<b>839</b>	<b>798</b>	<b>-</b>	<b>-</b>	<b>798</b>	<b>95 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>41</b>	<b>-</b>	<b>-</b>	<b>41</b>
2210 Furniture	6	1	-	-	1	15 %	-	-	-	5	-	-	5
<b>Total Chapter 22</b>	<b>6</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>15 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>5</b>
2310 Realisation of public relations activities and material	400	231	-	-	231	58 %	-	-	-	169	-	-	169
<b>Total Chapter 23</b>	<b>400</b>	<b>231</b>	<b>-</b>	<b>-</b>	<b>231</b>	<b>58 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>169</b>	<b>-</b>	<b>-</b>	<b>169</b>
2510 Costs related to Governance bodies	4	0	-	-	0	5 %	-	-	-	4	-	-	4
<b>Total Chapter 25</b>	<b>4</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>5 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>4</b>
2610 Administrative supplies and postage	26	23	-	-	23	91 %	-	-	-	2	-	-	2
2620 Photocopier and printer consumables	1	1	-	-	1	69 %	-	-	-	0	-	-	0
2630 Subscription to publications, newspapers, memberships	15	15	-	-	15	100 %	-	-	-	-	-	-	-
2640 Insurances	18	18	-	-	18	100 %	-	-	-	-	-	-	-
2650 Office hospitality	15	3	-	-	3	24 %	-	-	-	11	-	-	11
2660 Packaging and transport	4	0	-	-	0	2 %	-	-	-	3	-	-	3
2670 Bank charges	5	5	-	-	5	100 %	-	-	-	-	-	-	-
<b>Total Chapter 26</b>	<b>83</b>	<b>66</b>	<b>-</b>	<b>-</b>	<b>66</b>	<b>79 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17</b>	<b>-</b>	<b>-</b>	<b>17</b>

Item	Total approp. available	Commitments made					Appropriations carried over to 2021			Appropriations lapsing				
		from final adopt. budget	from re-activations	from assign. revenue	Total	%	Assign. revenue	By decision	Total	from final adopt. budget	from re-activations	from assign. revenue	Total	
	1	2	3	4	5=2+3+4	6=5/1	7	8	9=7+8	10	11	12	13=10+11+12	
2710	IT system maintenance and unified communication	1 084	1 073	-	-	1 073	99 %	-	-	-	11	-	-	11
2720	Software	45	45	-	-	45	100 %	-	-	-	-	-	-	-
2730	Hardware	62	33	-	-	33	53 %	-	-	-	28	-	1	29
2740	Website	122	122	-	-	122	100 %	-	-	-	-	-	-	-
2750	ICT support	205	194	-	-	194	95 %	-	-	-	11	-	-	11
<b>Total Chapter 27</b>		<b>1 517</b>	<b>1 467</b>	<b>-</b>	<b>-</b>	<b>1 467</b>	<b>97 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>49</b>	<b>-</b>	<b>1</b>	<b>50</b>
2810	Translation of official documents	15	7	-	-	7	47 %	-	-	-	8	-	-	8
2820	Legal support	11	11	-	-	11	100 %	-	-	-	-	-	-	-
2830	Tax audit and accounting support	148	148	-	-	148	100 %	-	-	-	-	-	-	-
<b>Total Chapter 28</b>		<b>174</b>	<b>165</b>	<b>-</b>	<b>-</b>	<b>165</b>	<b>95 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8</b>	<b>-</b>	<b>-</b>	<b>8</b>
<b>Total Title 2</b>		<b>3 023</b>	<b>2 728</b>	<b>-</b>	<b>-</b>	<b>2 728</b>	<b>90 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>294</b>	<b>-</b>	<b>1</b>	<b>295</b>

## 5.3.3 Implementation of commitment appropriations - Title 3 and 4

EUR '000

Item	Total approp. available	Commitments made				Appropriations carried over to 2021			Appropriations lapsing					
		from final adopt. budget	from re-activations	from assign. revenue	Total	%	Assign. revenue	By decision	Total	from final adopt. budget	from re-activations	from assign. revenue	Total	
	1	2	3	4	5=2+3+4	6=5/1	7	8	9=7+8	10	11	12	13=10+11+12	
3300 Other members operating expenditure S1	405	-	-	-	-	0 %	-	-	-	-	-	-	405	405
<b>Total Chapter 33</b>	<b>405</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>405</b>	<b>405</b>
3400 Providing strategic steering to the SESAR programme	4 675	574	-	-	574	12 %	-	-	-	4 101	-	-	4 101	4 101
<b>Total Chapter 34</b>	<b>4 675</b>	<b>574</b>	<b>-</b>	<b>-</b>	<b>574</b>	<b>12 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 101</b>	<b>-</b>	<b>-</b>	<b>4 101</b>	<b>4 101</b>
3500 Deliver exploratory research	12 984	10 809	2 175	-	12 984	100 %	-	-	-	-	-	-	-	-
<b>Total Chapter 35</b>	<b>12 984</b>	<b>10 809</b>	<b>2 175</b>	<b>-</b>	<b>12 984</b>	<b>100 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
3600 Deliver industrial research and validation	95 637	91 831	-	1 985	93 816	98 %	-	-	-	534	-	1 287	1 821	1 821
<b>Total Chapter 36</b>	<b>95 637</b>	<b>91 831</b>	<b>-</b>	<b>1 985</b>	<b>93 816</b>	<b>98 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>534</b>	<b>-</b>	<b>1 287</b>	<b>1 821</b>	<b>1 821</b>
3700 Deliver very large-scale demonstration activities	25 551	18 861	-	6 000	24 861	97 %	-	-	-	690	-	-	690	690
<b>Total Chapter 37</b>	<b>25 551</b>	<b>18 861</b>	<b>-</b>	<b>6 000</b>	<b>24 861</b>	<b>97 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>690</b>	<b>-</b>	<b>-</b>	<b>690</b>	<b>690</b>
3800 Deliver SESAR outreach	2 055	1 601	-	-	1 601	78 %	-	-	-	454	-	-	454	454
<b>Total Chapter 38</b>	<b>2 055</b>	<b>1 601</b>	<b>-</b>	<b>-</b>	<b>1 601</b>	<b>78 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>454</b>	<b>-</b>	<b>-</b>	<b>454</b>	<b>454</b>
<b>Total Title 3</b>	<b>141 309</b>	<b>123 677</b>	<b>2 175</b>	<b>7 985</b>	<b>133 837</b>	<b>95 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5 779</b>	<b>-</b>	<b>1 693</b>	<b>7 471</b>	<b>7 471</b>
4100 Unused Appropriations not required in current Year	13 383	-	-	-	-	0 %	-	-	-	13 383	-	-	13 383	13 383
<b>Total Chapter 41</b>	<b>13 383</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13 383</b>	<b>-</b>	<b>-</b>	<b>13 383</b>	<b>13 383</b>
<b>Total Title 4</b>	<b>13 383</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13 383</b>	<b>-</b>	<b>-</b>	<b>13 383</b>	<b>13 383</b>
<b>GRAND TOTAL</b>	<b>163 189</b>	<b>131 602</b>	<b>2 175</b>	<b>7 985</b>	<b>141 762</b>	<b>87 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19 714</b>	<b>-</b>	<b>1 713</b>	<b>21 428</b>	<b>21 428</b>



## 5.4 IMPLEMENTATION OF PAYMENT APPROPRIATIONS

### 5.4.1 Implementation of payment appropriations - Title 1

EUR '000

Item	Total approp. availab.	Payments made					Appropriations carried over to 2021				Appropriations lapsing			
		from final adopt. budget	from re-activations	from assign. revenue	Total	%	Autom. carry-overs	By decision	Assigned rev.	Total	from final adopt. budget	from re-activations	from assign. rev.	Total
	1	2	3	4	5=2+3+4	6=5/1	7	8	9	10=7+8+9	11	12	13	14=11+12+13
1110 Temporary agents	4 485	4 366	-	-	4 366	97 %	-	-	-	-	106	-	12	119
<b>Total Chapter 11</b>	<b>4 485</b>	<b>4 366</b>	<b>-</b>	<b>-</b>	<b>4 366</b>	<b>97 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>106</b>	<b>-</b>	<b>12</b>	<b>119</b>
1210 Contract agents	160	122	-	-	122	76 %	-	-	-	-	38	-	-	38
1220 Interim staff	440	367	-	-	367	83 %	-	-	-	-	73	-	-	73
<b>Total Chapter 12</b>	<b>600</b>	<b>489</b>	<b>-</b>	<b>-</b>	<b>489</b>	<b>82 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>111</b>	<b>-</b>	<b>-</b>	<b>111</b>
1410 Seconded national experts (SNE)	174	161	-	-	161	92 %	-	-	-	-	13	-	-	13
<b>Total Chapter 14</b>	<b>174</b>	<b>161</b>	<b>-</b>	<b>-</b>	<b>161</b>	<b>92 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13</b>	<b>-</b>	<b>-</b>	<b>13</b>
1510 Mission costs	154	72	-	-	72	47 %	-	-	-	-	78	-	4	82
<b>Total Chapter 15</b>	<b>154</b>	<b>72</b>	<b>-</b>	<b>-</b>	<b>72</b>	<b>47 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>78</b>	<b>-</b>	<b>4</b>	<b>82</b>
1610 Internal and external training and seminars	31	15	-	-	15	47 %	-	-	-	-	13	-	3	17
1620 Social and recreational activities	27	16	-	-	16	60 %	-	-	-	-	11	-	-	11
1630 Recruitment expenditure	3	1	-	-	1	20 %	-	-	-	-	3	-	-	3
1640 HR support fees	90	73	-	-	73	81 %	-	-	-	-	17	-	0	17
<b>Total Chapter 16</b>	<b>151</b>	<b>104</b>	<b>-</b>	<b>-</b>	<b>104</b>	<b>69 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>44</b>	<b>-</b>	<b>3</b>	<b>47</b>
<b>Total Title 1</b>	<b>5 564</b>	<b>5 192</b>	<b>-</b>	<b>-</b>	<b>5 192</b>	<b>93 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>352</b>	<b>-</b>	<b>20</b>	<b>372</b>

## 5.4.2 Implementation of payment appropriations - Title 2

EUR '000

Item	Total approp. availab.	Payments made					Appropriations carried over to 2021				Appropriations lapsing				
		from final adopt. budget	from re-activations	from assign. revenue	Total	%	Autom. carry-overs	By decision	Assigned rev.	Total	from final adopt. budget	from re-activations	from assign. rev.	Total	
	1	2	3	4	5=2+3+4	6=5/1	7	8	9	10=7+8+9	11	12	13	14=11+12+13	
2110	Office and parking rental	407	407	-	-	407	100 %	-	-	-	-	-	-	-	-
2120	Office and parking charges	109	109	-	-	109	100 %	-	-	-	-	-	-	-	-
2130	Real estate tax	55	55	-	-	55	100 %	-	-	-	-	-	-	-	-
2140	Regional tax	37	34	-	-	34	93 %	-	-	-	-	2	-	-	2
2160	Cleaning and reception	152	145	-	-	145	95 %	-	-	-	-	7	-	-	7
2170	Security maintenance contract	75	45	-	-	45	61 %	-	-	-	-	29	-	-	29
2180	Works and repairs	3	-	-	-	-	0 %	-	-	-	-	3	-	-	3
<b>Total Chapter 21</b>		<b>837</b>	<b>795</b>	<b>-</b>	<b>-</b>	<b>795</b>	<b>95 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>42</b>	<b>-</b>	<b>-</b>	<b>42</b>
2210	Furniture	6	2	-	-	2	35 %	-	-	-	-	4	-	-	4
<b>Total Chapter 22</b>		<b>6</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>35 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>4</b>
2310	Realisation of public relations activities and material	397	393	-	-	393	99 %	-	-	-	-	4	-	-	4
<b>Total Chapter 23</b>		<b>397</b>	<b>393</b>	<b>-</b>	<b>-</b>	<b>393</b>	<b>99 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>4</b>
2510	Costs related to Governance bodies	4	1	-	-	1	26 %	-	-	-	-	3	-	-	3
<b>Total Chapter 25</b>		<b>4</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>26 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>3</b>
2610	Administrative supplies and postage	27	25	-	-	25	91 %	-	-	-	-	3	-	-	3
2620	Photocopier and printer consumables	1	1	-	-	1	99 %	-	-	-	-	0	-	-	0
2630	Subscription to publications, newspapers, memberships	16	15	-	-	15	94 %	-	-	-	-	1	-	-	1
2640	Insurances	18	14	-	-	14	80 %	-	-	-	-	4	-	-	4

Item	Total approp. availab.	Payments made					Appropriations carried over to 2021				Appropriations lapsing			
		from final adopt. budget	from re-activations	from assign. revenue	Total	%	Autom. carry-overs	By decision	Assigned rev.	Total	from final adopt. budget	from re-activations	from assign. rev.	Total
	1	2	3	4	5=2+3+4	6=5/1	7	8	9	10=7+8+9	11	12	13	14=11+12+13
2650 Office hospitality	15	4	-	-	4	29 %	-	-	-	-	11	-	-	11
2660 Packaging and transport	3	0	-	-	0	2 %	-	-	-	-	3	-	-	3
2670 Bank charges	5	5	-	-	5	94 %	-	-	-	-	0	-	-	0
<b>Total Chapter 26</b>	<b>87</b>	<b>65</b>	<b>-</b>	<b>-</b>	<b>65</b>	<b>75 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22</b>	<b>-</b>	<b>-</b>	<b>22</b>
2710 IT system maintenance and unified communication	1 215	1 102	-	-	1 102	91 %	-	-	-	-	113	-	-	113
2720 Software	47	45	-	-	45	96 %	-	-	-	-	2	-	-	2
2730 Hardware	102	91	-	-	91	90 %	-	-	-	-	10	-	1	11
2740 Website	123	122	-	-	122	100 %	-	-	-	-	1	-	-	1
2750 ICT support	193	193	-	-	193	100 %	-	-	-	-	-	-	-	-
<b>Total Chapter 27</b>	<b>1 679</b>	<b>1 553</b>	<b>-</b>	<b>-</b>	<b>1 553</b>	<b>92 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>125</b>	<b>-</b>	<b>1</b>	<b>126</b>
2810 Translation of official documents	13	7	-	-	7	56 %	-	-	-	-	6	-	-	6
2820 Legal support	21	7	-	-	7	33 %	-	-	-	-	14	-	-	14
2830 Tax audit and accounting support	122	122	-	-	122	100 %	-	-	-	-	-	-	-	-
<b>Total Chapter 28</b>	<b>156</b>	<b>136</b>	<b>-</b>	<b>-</b>	<b>136</b>	<b>88 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19</b>	<b>-</b>	<b>-</b>	<b>19</b>
<b>Total Title 2</b>	<b>3 166</b>	<b>2 946</b>	<b>-</b>	<b>-</b>	<b>2 946</b>	<b>93 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>219</b>	<b>-</b>	<b>1</b>	<b>220</b>

## 5.4.3 Implementation of payment appropriations - Title 3 and 4

EUR '000

Item	Total approp. availab.	Payments made						Appropriations carried over to 2021				Appropriations lapsing			
		from final adopt. budget	from re-activations	from assign. revenue	Total	%	Autom. carry-overs	By decision	Assigned rev.	Total	from final adopt. budget	from re-activations	from assign. rev.	Total	
		1	2	3	4	5=2+3+4	6=5/1	7	8	9	10=7+8+9	11	12	13	14=11+12+13
3300	Other members operating expenditure S1	31 172	-	-	4	4	0 %	-	-	-	-	-	30 767	401	31 168
Total Chapter 33		31 172	-	-	4	4	0 %	-	-	-	-	-	30 767	401	31 168
3400	Providing strategic steering to the SESAR programme	1 260	662	-	-	662	53 %	-	-	-	-	598	-	-	598
Total Chapter 34		1 260	662	-	-	662	53 %	-	-	-	-	598	-	-	598
3500	Deliver exploratory research	22 922	18 114	4 018	-	22 132	97 %	-	-	-	-	790	-	-	790
Total Chapter 35		22 922	18 114	4 018	-	22 132	97 %	-	-	-	-	790	-	-	790
3600	Deliver industrial research and validation	76 476	59 461	5 730	2 684	67 875	89 %	-	-	-	-	8 013	-	588	8 601
Total Chapter 36		76 476	59 461	5 730	2 684	67 875	89 %	-	-	-	-	8 013	-	588	8 601
3700	Deliver very large-scale demonstration activities	36 834	20 068	-	1 168	21 236	58 %	-	-	-	-	1 319	9 447	4 832	15 598
Total Chapter 37		36 834	20 068	-	1 168	21 236	58 %	-	-	-	-	1 319	9 447	4 832	15 598
3800	Deliver SESAR outreach	1 765	1 160	-	-	1 160	66 %	-	-	-	-	605	-	-	605
Total Chapter 38		1 765	1 160	-	-	1 160	66 %	-	-	-	-	605	-	-	605
<b>Total Title 3</b>		<b>170 429</b>	<b>99 465</b>	<b>9 748</b>	<b>3 855</b>	<b>113 069</b>	<b>66 %</b>	-	-	-	-	<b>11 324</b>	<b>40 215</b>	<b>5 822</b>	<b>57 360</b>
4100	Unused Appropriations not required in current Year	0	-	-	-	-	0 %	-	-	-	-	0	-	-	0
Total Chapter 41		0	-	-	-	-	0 %	-	-	-	-	0	-	-	0
<b>Total Title 4</b>		<b>0</b>	-	-	-	-	<b>0 %</b>	-	-	-	-	<b>0</b>	-	-	<b>0</b>
<b>GRAND TOTAL</b>		<b>179 159</b>	<b>107 603</b>	<b>9 748</b>	<b>3 855</b>	<b>121 207</b>	<b>68 %</b>	-	-	-	-	<b>11 895</b>	<b>40 215</b>	<b>5 843</b>	<b>57 952</b>

## 6. OUTSTANDING COMMITMENTS

### 6.1 Outstanding commitments – Title 1

EUR '000

Item	Commitments outstanding at the end of previous year				Commitments of the current year				Total commitm. outstanding at year-end
	Commitm. carried for- ward from pre- vious year	Decommit. Revaluation Cancel- lations	Pay- ments	Total	Commit- ments made during the year	Pay- ments	Cancel- lation of commit. which cannot be carried forward	Commit. outstand- ing at year-end	
	1	2	3	4=1+2-3	5	6	7	8=5-6-7	9=4+8
1110 Temporary agents	-	-	-	-	4 366	4 366	-	-	-
<b>Total Chapter 11</b>	-	-	-	-	<b>4 366</b>	<b>4 366</b>	-	-	-
1210 Contract agents	-	-	-	-	122	122	-	-	-
1220 Interim staff	201	(96)	105	-	385	262	-	123	123
<b>Total Chapter 12</b>	<b>201</b>	<b>(96)</b>	<b>105</b>	<b>-</b>	<b>507</b>	<b>384</b>	<b>-</b>	<b>123</b>	<b>123</b>
1410 Seconded national experts (SNE)	-	-	-	-	161	161	-	-	-
<b>Total Chapter 14</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>161</b>	<b>161</b>	<b>-</b>	<b>-</b>	<b>-</b>
1510 Mission costs	110	(86)	24	-	59	48	-	11	11
<b>Total Chapter 15</b>	<b>110</b>	<b>(86)</b>	<b>24</b>	<b>-</b>	<b>59</b>	<b>48</b>	<b>-</b>	<b>11</b>	<b>11</b>
1610 Internal and external training and seminars	20	(19)	1	-	28	14	-	14	14
1620 Social and recreational activities	16	(2)	14	-	3	2	-	0	0
1630 Recruitment expenditure	14	(14)	1	(0)	-	-	-	-	(0)
1640 HR support fees	19	(19)	0	-	73	73	-	-	-
<b>Total Chapter 16</b>	<b>69</b>	<b>(53)</b>	<b>15</b>	<b>(0)</b>	<b>103</b>	<b>89</b>	<b>-</b>	<b>14</b>	<b>14</b>
<b>Total Title 1</b>	<b>380</b>	<b>(236)</b>	<b>144</b>	<b>(0)</b>	<b>5 196</b>	<b>5 048</b>	<b>-</b>	<b>148</b>	<b>148</b>

## 6.2 Outstanding commitments – Title 2

EUR '000

Item	Commitments outstanding at the end of previous year				Commitments of the current year				Total commitm. outstanding at year-end	
	Commitm. carried for- ward from pre- vious year	Decommit. Revaluation Cancel- lations	Pay- ments	Total	Commit- ments made during the year	Pay- ments	Cancel- lation of commit. which cannot be carried forward	Commit. outstand- ing at year-end		
	1	2	3	4=1+2-3	5	6	7	8=5-6-7		9=4+8
2110	Office and parking rental	6	(6)	–	–	407	407	–	–	–
2120	Office and parking charges	43	(8)	35	–	115	74	–	41	41
2130	Real estate tax	55	–	55	–	55	0	–	55	55
2140	Regional tax	5	(5)	–	–	34	34	–	–	–
2160	Cleaning and reception	46	(33)	14	–	144	131	–	13	13
2170	Security maintenance contract	11	(6)	4	–	43	41	–	2	2
2180	Works and repairs	64	(64)	–	–	–	–	–	–	–
	<b>Total Chapter 21</b>	<b>230</b>	<b>(122)</b>	<b>108</b>	<b>–</b>	<b>798</b>	<b>687</b>	<b>–</b>	<b>111</b>	<b>111</b>
2210	Furniture	10	(9)	1	–	1	1	–	–	–
	<b>Total Chapter 22</b>	<b>10</b>	<b>(9)</b>	<b>1</b>	<b>–</b>	<b>1</b>	<b>1</b>	<b>–</b>	<b>–</b>	<b>–</b>
2310	Realisation of public relations activities and material	342	(73)	269	–	231	124	–	107	107
	<b>Total Chapter 23</b>	<b>342</b>	<b>(73)</b>	<b>269</b>	<b>–</b>	<b>231</b>	<b>124</b>	<b>–</b>	<b>107</b>	<b>107</b>
2510	Costs related to Governance bodies	4	(3)	1	–	0	0	–	–	–
	<b>Total Chapter 25</b>	<b>4</b>	<b>(3)</b>	<b>1</b>	<b>–</b>	<b>0</b>	<b>0</b>	<b>–</b>	<b>–</b>	<b>–</b>
2610	Administrative supplies and postage	16	(15)	1	–	23	23	–	–	–
2620	Photocopier and printer consumables	1	(0)	1	–	1	0	–	1	1
2630	Subscription to publications, newspapers, memberships	10	(10)	–	–	15	15	–	–	–
2640	Insurances	7	(7)	–	–	18	14	–	4	4
2650	Office hospitality	9	(8)	1	(0)	3	3	–	–	(0)
2660	Packaging and transport	10	(10)	0	0	0	0	–	–	0
2670	Bank charges	0	–	0	–	5	5	–	0	0

Item	Commitments outstanding at the end of previous year				Commitments of the current year				Total commitm. outstanding at year-end
	Commitm. carried forward from previous year	Decommit. Revaluation Cancel-lations	Pay-ments	Total	Commit-ments made during the year	Pay-ments	Cancel-lation of commit. which cannot be carried forward	Commit. outstand-ing at year-end	
	1	2	3	4=1+2-3	5	6	7	8=5-6-7	9=4+8
Total Chapter 26	53	(50)	4	(0)	66	61	-	4	4
2710 IT system maintenance and unified communication	153	(88)	65	-	1 073	1 037	-	36	36
2720 Software	16	(16)	-	-	45	45	-	0	0
2730 Hardware	121	(51)	69	-	33	22	-	11	11
2740 Website	31	-	31	-	122	92	-	31	31
2750 ICT support	51	(38)	13	-	194	180	-	15	15
Total Chapter 27	371	(193)	178	-	1 467	1 375	-	92	92
2810 Translation of official documents	41	(41)	-	-	7	7	-	-	-
2820 Legal support	20	(20)	-	-	11	7	-	4	4
2830 Tax audit and accounting support	22	(7)	15	-	148	108	-	40	40
Total Chapter 28	83	(68)	15	-	165	122	-	44	44
<b>Total Title 2</b>	<b>1 093</b>	<b>(518)</b>	<b>576</b>	<b>(0)</b>	<b>2 728</b>	<b>2 370</b>	<b>-</b>	<b>358</b>	<b>358</b>

## 6.3 Outstanding commitments – Title 3

EUR '000

Item	Commitments outstanding at the end of previous year				Commitments of the current year				Total commitm. outstanding at year-end	
	Commitm. carried for- ward from pre- vious year	Decommit. Revaluation Cancel- lations	Pay- ments	Total	Commit- ments made during the year	Pay- ments	Cancel- lation of commit. which cannot be carried forward	Commit. outstand- ing at year-end		
	1	2	3	4=1+2-3	5	6	7	8=5-6-7		9=4+8
3300	Other members operating expenditure S1	4	-	4	-	-	-	-	-	-
Total Chapter 33		4	-	4	-	-	-	-	-	-
3400	Providing strategic steering to the SESAR programme	5 686	(2 395)	526	2 764	574	136	-	438	3 202
Total Chapter 34		5 686	(2 395)	526	2 764	574	136	-	438	3 202
3500	Deliver exploratory research	55 550	(1 639)	19 440	34 471	12 984	2 692	-	10 293	44 764
Total Chapter 35		55 550	(1 639)	19 440	34 471	12 984	2 692	-	10 293	44 764
3600	Deliver industrial research and validation	60 252	(13 893)	32 429	13 931	93 816	35 446	-	58 370	72 301
Total Chapter 36		60 252	(13 893)	32 429	13 931	93 816	35 446	-	58 370	72 301
3700	Deliver very large-scale demonstration activities	23 560	(2 075)	16 108	5 378	24 861	5 128	-	19 733	25 111
Total Chapter 37		23 560	(2 075)	16 108	5 378	24 861	5 128	-	19 733	25 111
3800	Deliver SESAR outreach	2 103	(644)	1 042	417	1 601	119	-	1 483	1 900
Total Chapter 38		2 103	(644)	1 042	417	1 601	119	-	1 483	1 900
<b>Total Title 3</b>		<b>147 156</b>	<b>(20 646)</b>	<b>69 548</b>	<b>56 961</b>	<b>133 837</b>	<b>43 521</b>	<b>-</b>	<b>90 317</b>	<b>147 278</b>
<b>GRAND TOTAL</b>		<b>148 629</b>	<b>(21 399)</b>	<b>70 268</b>	<b>56 961</b>	<b>141 762</b>	<b>50 939</b>	<b>-</b>	<b>90 823</b>	<b>147 784</b>



## 7. GLOSSARY

### **Administrative appropriations**

Appropriations to cover the running costs of the entities (staff, buildings, office equipment).

### **Adopted budget**

Draft budget becomes the adopted budget as soon as approved by the budgetary authority.

### **Amending budget**

Decision adopted during the budget year to amend (increase, decrease, transfer) aspects of the adopted budget of that year.

### **Appropriations**

Budget funding.

The budget forecasts both commitments (legal pledges to provide finance) and payments (cash or bank transfers to the beneficiaries). Appropriations for commitments and payments often differ — differentiated appropriations — because multiannual programmes and projects are usually fully committed in the year they are decided and are paid over the years as the implementation of the programme and project progresses.

### **Assigned revenue**

Revenue dedicated to finance specific items of expenditure.

### **Budget result**

The difference between income received and amounts paid, including adjustments for carry-overs, cancellations and exchange rate differences.

For agencies, the resulting amount will have to be reimbursed to the funding authority.

### **Budget implementation**

Consumption of the budget through expenditure and revenue operations.

### **Budget item / Budget line / Budget position**

Revenue and expenditure are shown in the budget structure in accordance with a binding nomenclature, which reflects the nature and purpose of each item, as imposed by the budgetary authority. The individual headings (title, chapter, article or item) provide a formal description of the nomenclature.

### **Budgetary commitment**

Operation by which the authorising officer responsible reserves the budget appropriations necessary to cover for subsequent payments to honour legal commitments.

### **Cancellation of appropriations**

Appropriations which have not been used by the end of the financial year and which cannot be carried over, shall be cancelled.

### **Carryover of appropriations**

Exception to the principle of annuality in so far as appropriations that could not be used in a given budget year may, under strict conditions, be exceptionally carried over for use during the following year.

## **Commitment appropriations**

Commitment appropriations cover the total value of legal obligations (contracts, grant agreements or decisions) that could be signed in the current financial year.

## **De-commitment**

Operation whereby the authorising officer responsible cancels wholly or partly the reservation of appropriations previously made by means of a budgetary commitment.

## **Differentiated appropriations**

Differentiated appropriations are used to finance multiannual operations; they cover, for the current financial year, the total cost of the legal obligations entered into for operations whose implementation extends over more than one financial year.

## **Economic result**

Impact on the balance sheet of expenditure and revenue based on accrual accounting rules.

## **Entitlements established**

Right to collect income from a debtor as recognised through the issuing of a recovery order.

## **Exchange rate difference**

The difference resulting from currency exchange rates applied to the transactions concerning countries outside the euro area, or from the revaluation of assets and liabilities in foreign currencies at the date of the accounts.

## **Expenditure**

Term used to describe spending the budget from all types of funds sources.

## **Grants**

Direct financial contributions from the budget to third-party beneficiaries, engaged in activities that serve Union policies.

## **Lapsing appropriations**

Unused appropriations to be cancelled at the end of the financial year. Lapsing means the cancellation of all or part of the authorisation to make expenditures and/or incur liabilities, as represented by an appropriation.

For joint undertakings (and EIT), as specified in their Financial Rules, any unused appropriations may be entered in the estimate of revenue and expenditure of up to the following three financial years (the so-called "N+3" rule). Hence, lapsing appropriations for JUs can be re-activated until financial year "N+3".

## **Legal basis / basic act**

The legal act adopted by the legislative authority (usually the Council and European Parliament) specifying the objective of a Union spending programme, the purpose of the appropriations, the rules for intervention, expiry date and the relevant financial rules to serve as a legal basis for the implementation of the spending programme.

## **Legal commitment**

The act whereby the Authorising Officer enters into an obligation towards third parties which results in a charge for the Union budget.

Common forms of legal commitments are contracts in the case of procurement, grant agreements and grant decisions.

### **Non-differentiated appropriations**

Appropriations which meet annual needs and must therefore be committed during the budget year. Only amounts qualifying for automatic carryover can be disbursed in the following year. Non-differentiated appropriations which have not been used, i.e. committed, by the end of the year, are cancelled (unless, exceptionally, permission is given by a Commission decision for a non-automatic carryover). Non-differentiated appropriations apply to administrative expenditure and commitment appropriations equal payment appropriations.

### **Operational appropriations**

Operational appropriations finance the different policies, mainly in the form of grants or procurement.

### **Outstanding commitments**

Outstanding commitments (or RAL, from the French 'reste à liquider') are defined as the amount of appropriations committed that have not yet been paid. They stem directly from the existence of multiannual programmes and the dissociation between commitment and payment appropriations.

### **Payment appropriations**

Payment appropriations cover expenditure due in the current year, arising from legal commitments entered in the current year and/or earlier years.

### **RAL (Reste à liquider)**

Amount remaining to be paid on a budgetary commitment at a given moment. Cf. Outstanding commitments

### **Surplus**

Positive difference between revenue and expenditure, which has to be returned to the funding authority. Cf. Budget result

### **Transfer between budget lines**

Transfers between budget lines imply the relocation of appropriations from one budget line to another, in the course of the financial year, and thereby they constitute an exception to the budgetary principle of specification.