

Council Decision 2008/975/CFSP of 18 December 2008 establishing a mechanism to administer the financing of the common costs of European Union operations having military or defence implications (Athena) (repealed)

CHAPTER 6

**BUDGET**

*Article 18*

**Budgetary principles**

- 1 The budget, drawn up in euro, is the act which for each financial year lays down and authorises all the revenue and expenditure relating to common costs administered by ATHENA.
- 2 All expenditure shall be linked to a specific operation, except where appropriate for the costs listed in Annex I.
- 3 The appropriations entered in the budget are authorised for the duration of a financial year which begins on 1 January and ends on 31 December of the same year.
- 4 Budget revenue and expenditure must balance.
- 5 No revenue or expenditure relating to common costs may be implemented other than by allocation to a heading in the budget and within the limit of the appropriations entered there.

*Article 19*

**Establishment and adoption of the annual budget**

- 1 Each year the administrator shall draw up a draft budget for the following financial year, with the assistance of each operation commander for the 'operational common costs' section. The administrator shall propose the draft budget to the Special Committee by 31 October at the latest.
- 2 The draft shall include:
  - a the appropriations deemed necessary to cover the common costs incurred in preparation for, or further to, operations;
  - b the appropriations deemed necessary to cover the operational common costs for ongoing or planned operations, including, where appropriate, to reimburse common costs which have been prefinanced by a State or third party;
  - c a forecast of the revenue needed to cover expenditure.
- 3 The commitment and payment appropriations shall be classified in titles and chapters grouping expenditure together by type or purpose, subdivided as necessary into articles. Detailed comments by chapter or article shall be included in the draft budget. One specific title shall be dedicated to each operation. One specific title shall be the general part of the budget and shall include the common costs incurred in preparation for, or further to, operations.

4 Each title may include a chapter entitled ‘provisional appropriations’. These appropriations shall be entered where there is uncertainty, based on serious grounds, about the amount of appropriations needed or the scope for implementing the appropriations entered.

5 Revenue shall consist of:

- a contributions payable by the participating and contributing Member States and, where appropriate, by contributing third States;
- b miscellaneous revenue, subdivided by title, which includes interest received, revenue from sales and the budget outturn from the previous financial year, after it has been determined by the Special Committee.

6 The Special Committee shall approve the draft budget by 31 December. The administrator shall adopt the approved budget and notify the participating and contributing States.

#### *Article 20*

### **Amending budgets**

1 In the case of unavoidable, exceptional or unforeseen circumstances, in particular when an operation arises during the course of the financial year, the administrator shall propose a draft amending budget. If the draft amending budget substantially exceeds the reference amount for the operation concerned, the Special Committee may request the Council to approve it.

2 The draft amending budget shall be drawn up, proposed, approved and adopted and notification given in accordance with the same procedure as the annual budget. However, when the amending budget is linked to the launch of a Union military operation, it shall be accompanied by a detailed financial statement on the common costs anticipated for the whole of the operation. The Special Committee shall discuss it taking account of its urgency.

#### *Article 21*

### **Transfers**

1 The administrator, where appropriate on the basis of a proposal by the operation commander, may make transfers of appropriations. The administrator shall inform the Special Committee of his/her intention, insofar as the urgency of the situation permits, at least one week in advance. However, the prior approval of the Special Committee shall be required when:

- a the planned transfer will amend the total of the appropriations provided for an operation;
- or
- b the planned transfers between chapters during the financial year exceed 10 % of the appropriations entered in the chapter from which the appropriations are being drawn, as appearing in the adopted budget for the financial year on the date when the proposal for the transfer in question is made.

2 When he/she deems this to be necessary for the proper conduct of an operation, in the three months following the date of launching of the operation, the operation commander may make transfers of appropriations allocated for the operation, between articles and between chapters in the ‘operational common costs’ section of the budget. He/she shall inform the administrator and the Special Committee thereof.

## *Article 22*

### **Carryover of appropriations**

1 In principle, the appropriations intended to cover the common costs incurred in preparation for, or further to, operations, which have not been committed are cancelled at the end of the financial year.

2 Appropriations intended to cover the cost of storing material and equipment administered by ATHENA may be carried over once to the following financial year, when a commitment to that effect was made before 31 December of the current financial year. Appropriations intended to cover operational common costs may be carried over if they are necessary for an operation which has not been fully wound up.

3 The administrator shall submit proposals for the carrying over of appropriations from the preceding financial year to the Special Committee by 15 February. These proposals shall be deemed approved unless the Special Committee decides otherwise by 15 March.

## *Article 23*

### **Anticipated implementation**

Once the annual budget has been approved, appropriations may be used to cover commitments and payments insofar as operationally necessary.