



REPORT ON BUDGETARY AND FINANCIAL MANAGEMENT

BEREC
OFFICE



Agency for Support for BEREC

Financial year
2023

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1 INTRODUCTION

The legal basis for this Report on Budgetary and Financial Management is Article 28(2) of Regulation (EU) 2018/1971 of 11 December 2018¹ and Article 103 of the Financial Regulation of the Agency for Support for BEREC (BEREC Office, Agency)², which stipulates that the Agency shall prepare a report on budgetary and financial management for the closed financial year.

The present report analyses the appropriations managed by the BEREC Office in 2023.

1.1 ABOUT BEREC OFFICE

BEREC and the Office were established in 2009 by European Parliament and of the Council. BEREC was established with the objective to contribute, on one hand, to the development and, on the other, to the better functioning, of the internal market for electronic communications networks and services by ensuring the consistent implementation of the regulatory framework for electronic communications.

The Office was established as a Community body with legal personality to carry out the tasks referred to in Regulation (EC) No 1211/2009, in particular the provision of professional and administrative support services to BEREC. It was expected to operate as a Brussels-based support office as the successor of the former ERG secretariat. With only 16 posts and 12 external staff FTEs (of which two were assigned to administration and support), the Office became the smallest European Union (EU) regulatory agency. With Decision 2010/349/EU, the Representatives of the Governments of the Member States decided that the Office would have its seat in Riga, thus becoming a decentralised regulatory agency. The resources were not adjusted accordingly.

Since their establishment BEREC and the Office have made a positive contribution towards the consistent implementation of the regulatory framework for electronic communications. Regulation (EU) 2018/1971 of 11 December 2018 aims to strengthen the role of BEREC in order to further contribute to the development of the internal market for electronic communications throughout the EU, as well as to the promotion of access to, and take-up of, very high capacity networks, competition in the provision of electronic communications networks, services and associated facilities and the interests of the citizens of the EU.

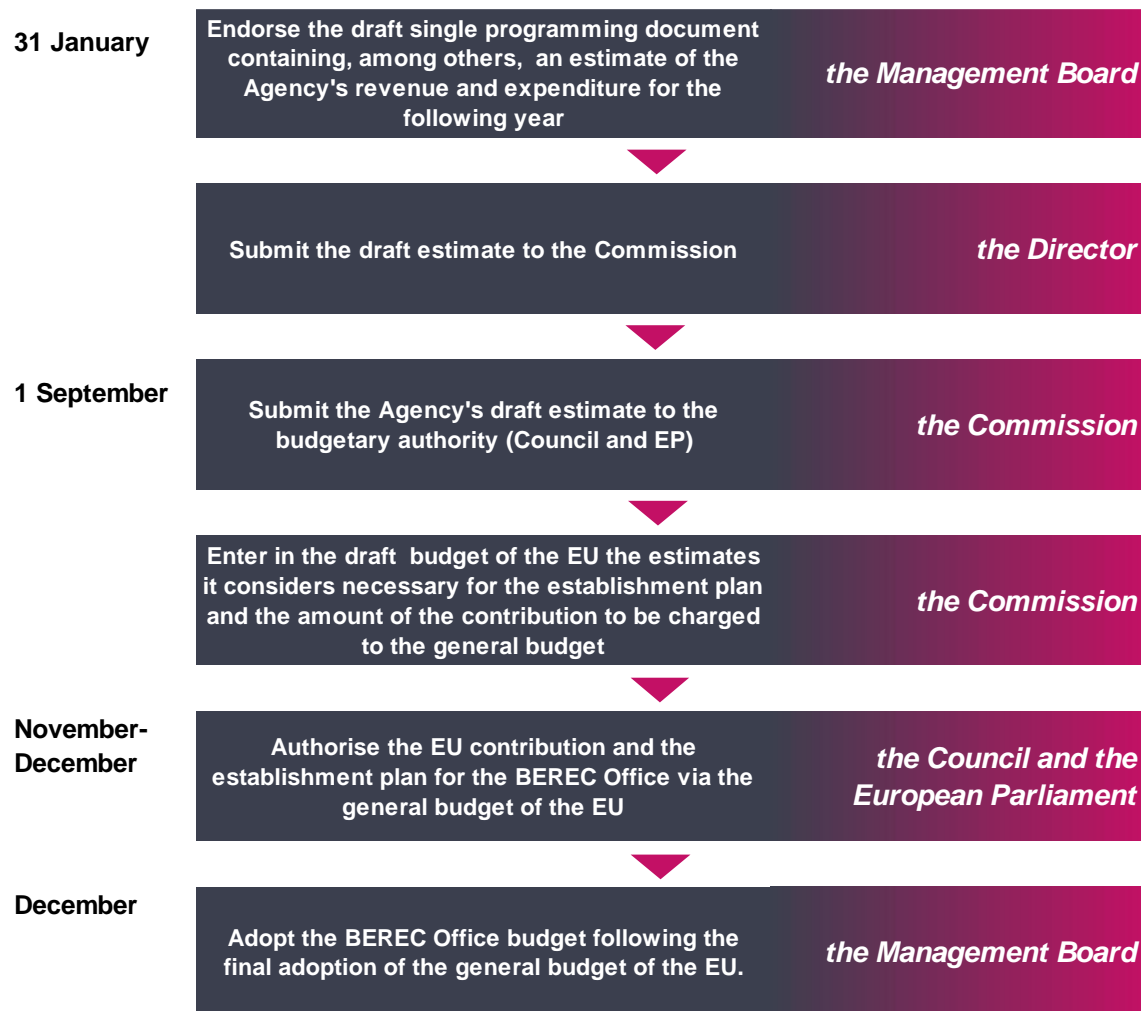
¹ [Regulation \(EU\) 2018/1971 of the European Parliament and of the Council of 11 December 2018 establishing the Body of European Regulators for Electronic Communications \(BEREC\) and the Agency for Support for BEREC \(BEREC Office\)](#)

² [Decision No MB/2019/13 of the Management Board of the BEREC Office on the financial regulation applicable to the BEREC Office](#)

The official name of the Office determined by Regulation (EU) 2018/1971 is ‘Agency for Support for BEREC’. The designation ‘BEREC Office’ is used as the Agency’s short name.

In order to guarantee the BEREC Office’s autonomy and independence, and in order to provide support to the work of BEREC, the BEREC Office has its own budget, most of which derives from a contribution from the EU.

1.2 BUDGETARY PROCEDURE



1.3 BUDGET 2023

On 22/11/2022 Council and on 23/11/2022 European Parliament adopted the General budget of the European Union (EU) for year 2023³, thus authorising the EU contribution and establishment plan of the Agency for Support for BEREC (BEREC Office, Agency).

On 14/12/2022, the BEREC Office Management Board adopted the Agency's budget of for 2023 and it was published on the Agency website on 15/12/2022⁴.

In compliance with the provisions of Article 31(2) of the BEREC Office Financial Regulation,⁵ a summary of the BEREC Office budget for 2023 was published in the Official Journal of the EU⁶.

The BEREC Office Budget for 2023 (revenue and expenditure), as adopted by the Management Board, amounted to EUR 7,697,265.

On 29/06/2023, BEREC Office Management Board adopted the Amendment No 1 to the 2023 Budget and Establishment plan of the BEREC Office⁷, in order to establish an accounting officer function due to termination of the Service level agreement by Directorate-General for Budget (BUDG) of the European Commission (EC) for the provision of accounting services.

On 16/03/2023, the EC adopted draft Amending Budget No 1 of the General Budget of the EU containing technical adjustments stemming from the political agreements reached on several legislative proposals, which contains a proposal authorising the BEREC Office to establish an additional temporary agent post for its accounting officer on a budgetary neutral way, which was voted by the Budgetary authority in June 2023. In line with the provisions of Article 23 (3) and Article 24 (7) of Regulation (EU) 2018/1971 of 11 December 2018 (BEREC Regulation), the Management Board amended the Agency's Single Programming Document for 2023-2025 and the annual budget for 2023 to align them with the amendment to the General Budget of the EU.

³ See, Definitive adoption (EU, Euratom) 2023/278 of the European Union's general budget for the financial year 2023 OJ L 45, 24.2.2022, p. 1–2039 <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32023B0278>

⁴ See, Document MB (22) 83 <https://www.berec.europa.eu/en/document-categories/berec-office/budget-of-the-office/berec-office-budget-and-establishment-plan-for-2023>

⁵ See, Document MB/2019/13, <https://berec.europa.eu/en/document-categories/berec-office/decisions-of-the-management-board/decision-no-mb201913-of-the-management-board-of-the-berec-office-on-the-financial-regulation-applicable-to-the-berec-office>

⁶ See, Statement of revenue and expenditure of the Agency for Support for BEREC (BEREC Office) for the financial year 2023: 2023/C 119/03, OJ C 119, 31.3.2023, p. 11–15, [https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32023B0331\(03\)](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32023B0331(03))

⁷ See, Document MB (23) 53 <https://www.berec.europa.eu/en/document-categories/berec-office/budget-of-the-office/berec-office-budget/amendment-no-1-to-2023-budget-and-establishment-plan-of-the-agency-for-support-for-berec-berec-office>

The amending budget No 1 was published in the Official Journal of the EU on 31/07/2023⁸.

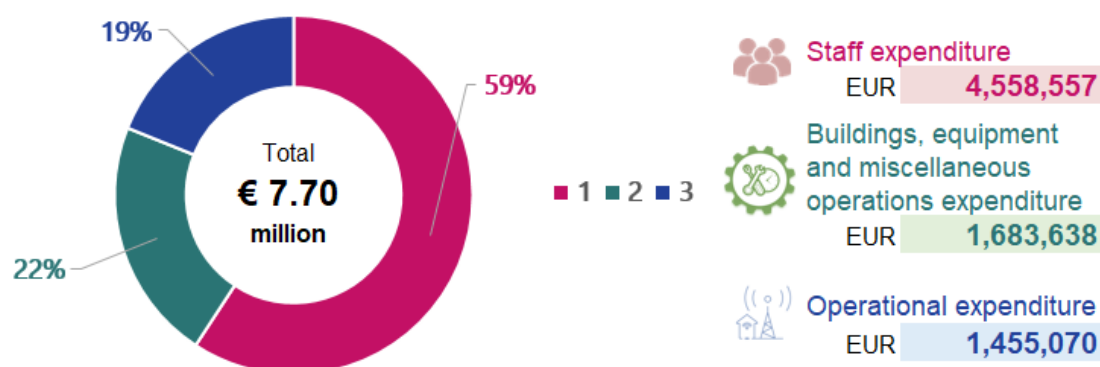
1.3.1 BUDGET TRANSFERS

During 2023 the BEREC Office carried out three transfers of appropriations allowed by the BEREC Office Financial Regulation in order to ensure the best use of the financial resources available to the Agency. All three transfers were carried out within the limits of the approval of the Director. This is the lowest number of transfers in the history of the BEREC Office.

Overview of budgetary transfers in 2023 is presented in Annex I.

1.3.2 BUDGET 2023 IN FIGURES

BEREC OFFICE BUDGET 2023 (C1 credits)



⁸ See, Statement of revenue and expenditure for the 2023 financial year - Agency for Support for BEREC (BEREC Office) – amending budget No 1: 2023/C 270/04, OJ C 270, 31.3.2023, p. 25-29, [https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32023B0731\(04\)](https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32023B0731(04))

KEY FINANCIAL FIGURES FOR 2023

Commitment appropriations accepted (%)

7,694,047
EUR **99.96%**

Payment appropriations accepted (%)


4,407,090
EUR **96.68%** 

1,401,876
EUR **83.26%** 

979,743
EUR **67.33%** 


6,788,710
EUR **88.20%**


Revenue cashed

 7,697,265
OTHER 150,331
7,847,595 **100.00%**

Consumption of carry-over commitments(C8/2023)

202,349
EUR **97.55%** 

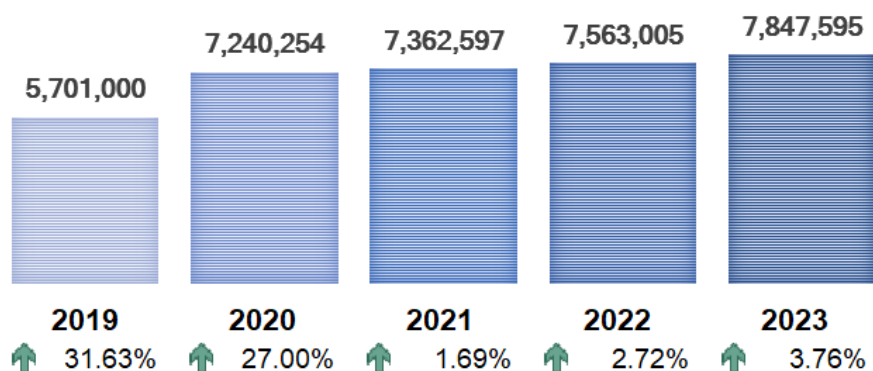
232,527
EUR **99.71%** 

833,555
EUR **99.04%** 

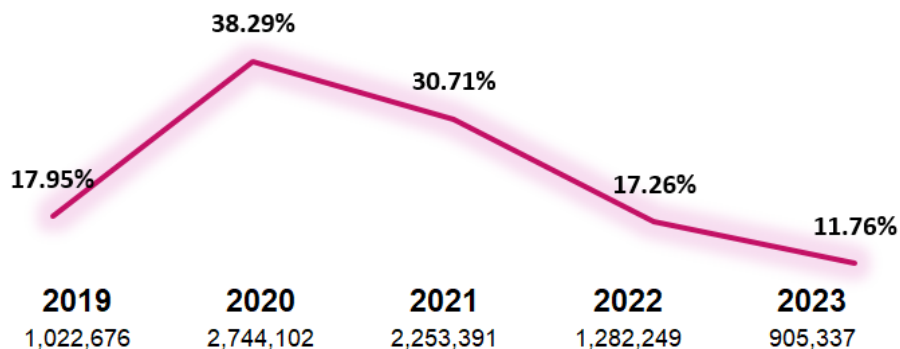
1,268,431
EUR **98.92%**

1.3.3 OVERVIEW OF LAST FIVE YEARS

BEREC Office total budget (EUR) and changes to prior year (%)



Carry-over amount of payment appropriations (C8) in % and EUR over the last 5 years



2 REVENUE

The Budget for 2023 (revenue and expenditure) of the Agency for Support for BEREC (BEREC Office, Agency), as adopted by the Management Board, amounted to EUR 7,697,265 (in 2022 – EUR 7,428,456).

The main revenue in the 2023 BEREC Office budget was the contribution from the European Union (EU), which was fully cashed.

In addition, in line with the Service Level Agreement with the Latvian Government⁹, in 2023 the Agency collected EUR 134,666.00 as a voluntary contribution from the host Member State (Latvia) to the BEREC Office Budget to cover partially the schooling fees of the children of the BEREC Office staff.

The BEREC Office collected also EUR 15,664.59 as Administrative operations¹⁰ and miscellaneous income. The contribution from the Latvian side and the revenue from administrative and miscellaneous operations were assigned to the respective concerned budget lines.

The BEREC Office revenue cashed in financial year 2023 is reflected in the table below:

Revenue type	Voted revenue by the Management Board	Revenue cashed
1. EU Subsidy	7,697,264.87	7,697,264.87
2. Third countries contribution (incl. EFTA and candidate countries)	p.m.	0
3. Other contributions (Member states, NRAs, etc.) ¹¹	p.m.	134,666.00
4. Administrative operations ⁹	p.m.	15,664.59
<i>Of which interest generated by funds paid by the Commission by way of the EU contribution</i>	0	0
TOTAL	7,697,264.87	7,847,595.46

⁹ Ares(2022)4676181, <https://bereg.europa.eu/en/document-categories/bereg-office/others/service-level-agreement-between-the-agency-for-support-for-the-body-of-european-regulators-for-electronic-communications-and-the-government-of-the-republic-of-latvia>

¹⁰ For 2023: balances for services not fully used due to changes occurring after the contract signature (insurance, tuition fees for schooling) and returned debts from departing staff.

¹¹ Including voluntary contributions from member states.

3 EXPENDITURE




The expenditure part of the budget 2023 of Agency for Support for BEREC (BEREC Office, Agency) has been distributed, as follows:

- **TITLE 1 – Staff expenditure.** Covers staff expenditure such as salaries, training and costs associated to recruitment procedures, external services related to staff and staff welfare;
- **TITLE 2 – Buildings, equipment and miscellaneous operations expenditure.** Covers the costs relating to the functioning of the BEREC Office such as administrative costs on infrastructure, equipment and IT needs;
- **TITLE 3 – Operational expenditure in support to BEREC.**

3.1 BUDGET EXECUTION RATE

The budget execution of the BEREC Office is calculated on the basis of the reporting year fund source "C1" – appropriations for the year. The BEREC Office has only non-differentiated appropriations; therefore, commitment and payment appropriations are equal.

The execution of commitment and payment appropriations by budget titles in 2023 is as follows:

Expenditure	Credit Available, EUR	Commitments Accepted, EUR	% Committed	Payments Accepted, EUR	% Paid
TITLE 1 	4,558,556.87	4,558,368.95	100%	4,407,090.24	96.68%
TITLE 2 	1,683,637.68	1,680,815.5	99.83%	1,401,876.16	83.26%
TITLE 3 	1,455,070.32	1,454,862.22	99.99%	979,743.25	67.33%
TOTAL	7,697,264.87	7,694,046.67	99.96%	6,788,709.65	88.20%

In 2023, the budget implementation in commitments was 99.96% and payments 88.20%.




The budget execution in 2023 in detail is presented in Annex II.

3.2 CARRY OVERS

3.2.1 CARRY OVER OF AMOUNTS FROM 2023 TO 2024

At the end of 2023 the BEREC Office carried-over to 2024 EUR 905,337 payment appropriations (C8). Appropriations carried-over to 2023 are significantly reduced compared to 2023 (EUR 1,282,250).

Carry-over of payments appropriations for the last five years:

Expenditure	Type of expenditure	From 2019 to 2020	From 2020 to 2021	From 2021 to 2022	From 2022 to 2023	From 2023 to 2024
		(C8/2020)	(C8/2021)	(C8/2022)	(C8/2023)	(C8/2024)
TITLE 1 	Staff expenditure	189,430	194,002	219,128	207,427	151,279
TITLE 2 	Buildings, equipment and miscellaneous operating expenditure	184,414	465,922	572,019	233,211	278,939
TITLE 3 	Operational expenditure	648,832	2,084,178	1,462,243	841,612	475,119
TOTAL		1,022,676	2,744,102	2,253,390	1,282,249	905,337
% of total commitment in reporting year		17.94%	38.29%	30.71%	17.26%	11.76%

Additional EUR 75,713.06 of assigned revenue were carried over as commitment appropriations. Please see Table 9 of Annex II for more details.

3.2.2 CANCELLATION OF PAYMENT APPROPRIATIONS CARRIED OVER TO 2023 (C8/2023)

Title / fund source	Payment/Commitment appropriations	Payments made	Cancellation Payment appropriations (EUR)	Cancellation %
TITLE 1 /C8	207,426.60	202,348.55	-5,078.05	2.45%
TITLE 2 /C8	233,210.52	232,527.05	-683.47	0.29%
TITLE 3 /C8	841,611.60	833,555.44	-8,056.16	0.96%
TOTAL	1,282,248.72	1,268,431.04	-13,817.68	1.08%

3.3 BUDGET OUTTURN

	2022	2023
Revenue actually received (+)	7,563,005	7,847,844 ¹²
Payments made (-)	-6,228,422	-6,914,900
Carry-over of appropriations (-)	1,282,249	-981,050 ¹³
Cancellation of appropriations carried over (+)	30,848	13,818
Adjustment for carry-over of assigned revenue appropriations from previous year (+)	-51,286	51,324
Exchange rate differences (+/-)	0	-311
Adjustment for negative balance from previous year (-)	0	0
TOTAL	31,896 EUR	16,725 EUR

¹² Including 249.00 EUR of IC4 credits, which shall be regularized/cleared against non-budgetary account in 2024.

¹³ Including 249.00 EUR of C4 credits, which shall be regularised/cleared against non-budgetary account in 2024.

ANNEXES

4 SUMMARY OF BUDGETARY TRANSFERS 2023 (ANNEX I)

BL No	Budget Line (BL) Description	VOTED BUDGET	Transfer No. 1 - July 2023	Transfer No. 2 - November 2023	Transfer No. 3 - December 2023	BUDGET WITH TRANSFERS
1	STAFF EXPENDITURE	4,604,573.00	67,042.00	-35,117.71	-77,940.42	4,558,556.87
1100	Temporary agents' salaries	2,168,678.00	-44,332.00	-68,366.38	-52,532.19	2,003,447.43
1111	Contract staff and SNEs	1,844,304.00	-71,832.00	-10,000.00	-13,051.92	1,749,420.08
1200	Recruitment expenses	10,000.00	0.00	1,790.46	-920.92	10,869.54
1300	Mission expenses, duty travel and other ancillary expenditure	100,500.00	0.00	0.00	-10,050.00	90,450.00
1400	Medical service	17,000.00	-10,000.00	-1,498.00	0.00	5,502.00
1500	Training	45,000.00		-4,634.00	-6,499.03	33,866.97
1600	External services	417,091.00	193,206.00	47,590.21	0.00	657,887.21
1700	Representation, receptions and events, and miscellaneous staff expenses	2,000.00	0.00	0.00	5,113.64	7,113.64
2	BUILDINGS, EQUIPMENT AND MISCELLANEOUS OPERATING EXPENDITURE	1,698,345.95	-11,000.00	35,117.71	-38,825.98	1,683,637.68
2000	Rental of buildings	244,923.00	0.00	0.00	-2,538.20	242,384.80
2100	Data processing and telecommunications	1,129,832.95	-6,500.00	0.00	-32,266.67	1,091,066.28
2200	Movable property and associated costs	38,800.00	0.00	-11,000.00	-2,730.35	25,069.65
2300	Legal and other operational expenditure	236,790.00	0.00	77,972.71	-990.76	313,771.95
2400	Non-operational media and public relations	45,000.00	-4,500.00	-31,855.00	0.00	8,645.00
2500	Non-operational meetings	3,000.00	0.00	0.00	-300.00	2,700.00
3	OPERATIONAL EXPENDITURE IN SUPPORT OF BEREC	1,394,345.92	-56,042.00	0	116,766.40	1,455,070.32
3001	BEREC programme management support	418,600.00	-25,811.32	0.00	-30,189.95	362,598.73
3101	Operation and strategic support to BEREC and NRAs	975,745.92	-30,230.68	0.00	146,956.35	1,092,471.59
	TOTAL BUDGET	7,697,264.87				7,697,264.87

5 FINANCIAL YEAR EXPENDITURE IN FIGURES (ANNEX II)

5.1 COMMITMENT AND PAYMENT APPROPRIATIONS IN EUR FOR FUND SOURCE C1

A. TITLE 1 – STAFF EXPENDITURE

Official Budget Item	Budget Item Description	Sources Available	Commitment Accepted, EUR	% Committed	Payment Accepted, EUR	% Payment
A-1100	Temporary agents' salaries and allowances	2,003,447.43	2,003,447.43	100.00%	2,003,447.43	100.00%
A-1111	Contract staff and seconded national experts	1,749,420.08	1,749,420.08	100.00%	1,749,420.08	100.00%
A-1200	Recruitment expenses	10,869.54	10,869.54	100.00%	4,219.54	38.82%
A-1300	Mission expenses, duty travel and other ancillary expenses	90,450.00	90,450.00	100.00%	68,485.83	75.72%
A-1400	Medical service	5,502.00	5,502.00	100.00%	5,502.00	100.00%
A-1500	Training	33,866.97	33,801.97	99.81%	20,102.62	59.36%
A-1600	External services	657,887.21	657,785.21	99.98%	548,820.02	83.42%
A-1700	Representation and miscellaneous staff costs	7,113.64	7,092.72	99.71%	7,092.72	99.71%
TOTAL TITLE 1		4,558,556.87	4,558,368.95	100.00%	4,407,090.24	96.68%

B. TITLE 2 - BUILDINGS, EQUIPMENT AND MISCELLANEOUS OPERATING EXPENDITURE

Official Budget Item	Budget Item Description	Sources Available	Commitment Accepted, EUR	% Committed	Payment Accepted, EUR	% Payment
A-2000	Rental of buildings	242,384.80	242,384.80	100.00%	218,374.83	90.09%
A-2100	Information and Communication Technology and Security	1,091,066.28	1,090,698.59	99.97%	929,906.48	85.23%
A-2200	Movable property and logistic services	25,069.65	25,069.53	100.00%	24,981.84	99.65%
A-2300	Legal and other operational expenditure	313,771.95	313,771.95	100.00%	219,925.71	70.09%
A-2400	Non-operational media and public relations	8,645.00	8,598.33	99.46%	8,395.00	97.11%
A-2500	Non-operational meetings	2,700.00	292.30	10.83%	292.30	10.83%
TOTAL TITLE 2		1,683,637.68	1,680,815.50	99.83%	1,401,876.16	83.26%

C. TITLE 3 - OPERATIONAL EXPENDITURE IN SUPPORT OF BEREC

Official Budget Item	Budget Item Description	Sources Available	Commitment Accepted, EUR	% Committed	Payment Accepted, EUR	% Payment
B 3001	Support to the BEREC WGs	362,598.73	362,598.73	100.00%	236,611.64	65.25%
B 3101	Other support activities to BEREC and NRAs	1,092,471.59	1,092,263.49	99.98%	743,131.61	68.02%
TOTAL TITLE 3		1,455,070.32	1,454,862.22	99.99%	979,743.25	67.33%

D. TOTAL BUDGET EXECUTION

TOTAL TITLE 1-3	7,697,264.87	7,694,046.67	99.96%	6,788,709.65	88.20%
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5.2 COMMITMENT AND PAYMENT APPROPRIATIONS IN EUR – C8 CREDITS (C8/2023)

TITLE	Budget line	User reference	Carried over, EUR	Consumed, EUR	Cancelled, EUR	% Consumed
TITLE 1	A-1300	Mission expenses, duty travel expenses and other ancillary expenditure	24,085.42	20,983.37	3102.05	87.12%
	A-1500	Training	2,167.58	2,167.58	0.00	100.00%
	A-1600	External services	181,173.60	179,197.60	1976	98.91%
	TOTAL		207,426.60	202,348.55	5,078.05	97.55%
TITLE 2	A-2000	Rent of building and associated costs	70,114.56	70,114.56	0	100.00%
	A-2100	Information and communication technology and security	129,921.07	129,274.41	646.66	99.50%
	A-2200	Movable property and logistic services	4,983.11	4,954.51	28.6	99.43%
	A-2300	Legal and other operating services	16,185.00	16,185.00	0	100.00%
	A-2400	Non-operational media and public relations	12,006.78	11,998.57	8.21	99.93%
	TOTAL		233,210.52	232,527.05	683.47	99.71%
TITLE 3	B-3001	BEREC Programme Management Support	180,977.55	180,159.23	818.32	99.55%
	B-3101	Operation and strategic support to BEREC	660,634.05	653,396.21	7,237.84	98.90%
	TOTAL		841,611.60	833,555.44	8,056.16	99.04%
TOTAL C8:			1,282,248.72	1,268,431.04	13,817.68	98.92%

5.3 ASSIGNED REVENUE COMMITMENT AND PAYMENT APPROPRIATIONS IN EUR FOR FUND SOURCES C4, C5 AND R0 (C4;C5;R0/2023)

Fund source	Budget line	User reference	Appropriations Available	Committed	% Committed	Payment Accepted, EUR	% Payment	Amounts carried over to 2024
C4	A-1300	Mission expenses, duty travel expenses and other ancillary expenditure	249.00	0.00	N/A	0	N/A	249.00 ¹⁴
C4	A-1600	External services	8,243.11	4,386.00	53.21%	4,386.00	53.21%	3,857.11
C4	A-2200	Movable property and logistic services	721.41	0.00	N/A	0	N/A	721.41
C4	A-2300	Legal and other operating services	6,700.07	6,700.07	100.00%	6,700.07	100.00%	0.00
C5	A-1600	External services	51,324.12	51,324.12	100.00%	51,324.12	100.00%	0.00
R0	A-1600	External services	134,666.00	63,780.46	47.36%	63,780.46	47.36%	70,885.54
TOTAL C4,C5, R0			201,903.71	126,190.65	62.50%	126,190.65	62.50%	75,713.06

¹⁴ 249.00 EUR is C4 credits, which shall be regularised/cleared against non-budgetary account in 2024.