



**Circular
Bio-based
Europe**
Joint Undertaking

Annual accounts of the
Circular Bio-based Europe
Joint Undertaking

Financial year 2022

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CERTIFICATION OF THE ACCOUNTS

I acknowledge my responsibility for the preparation and presentation of the annual accounts of the Circular Bio-based Europe Joint Undertaking in accordance with Article 52 of the Model Financial Regulation ('MFR')¹ and I hereby certify that the annual accounts of the Circular Bio-based Europe Joint Undertaking for the year 2022 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 Circular Bio-based Europe 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 Circular Bio-based Europe Joint Undertaking.

Hancq 08/06/2023
Katty HANCQ

Accounting Officer of the CBE JU

¹ 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. General background on the entity

Establishment

Horizon Europe – the EU Framework Programme for Research and Innovation (2021-2027) – aims to increase the EU's research and innovation impact by combining European partnership co-investment with additional private and public sector funds in areas where the scope and scale of the research and innovation resources can help achieve the EU's Horizon Europe priorities notably, its Pillar II – Global challenges and European industrial competitiveness.

The setting up of the Joint Undertakings under Horizon Europe was regulated through Council Regulation (EU) 2021/2085 of 19 November 2021 (also known as the Single Basic Act) and published in the Official Journal on 30 November 2021.

Under the Single Basic Act (Article 174.3), the Circular Bio-based Europe Joint Undertaking (CBE JU) shall be the legal and universal successor, in respect of all contracts, including employment contracts and grant agreements, liabilities and acquired property, of the Bio-based Industries Joint Undertaking established by Council Regulation (EU) 2014/560 of 6 May 2014, which it shall replace and succeed. The Joint Undertaking is based in Brussels. The Bio-based Industries Joint Undertaking, known also as BBI JU, was a public-private partnership between the European Union (EU) and the Bio-based Industries Consortium (BIC). It aimed to bring together all relevant stakeholders and contributes to establishing Europe as a key player in the research, demonstration and deployment of advanced bio-based products and biofuels.

Mission

CBE JU's mission is to implement, under Horizon Europe rules, the Strategic Research and Innovation Agenda (SRIA) developed jointly by the industry and by the European Commission and adopted by the CBE JU Governing Board, by organising calls for proposals to support research, demonstration and deployment activities enabling the collaboration between stakeholders along the entire value chains, covering primary production of biomass, processing industry and final use.

Main operational activities

CBE JU contributes to a more resource-efficient and sustainable low-carbon economy, and to increasing economic growth and employment, in particular in rural areas, by developing sustainable and competitive bio-based industries in Europe. This is based on advanced biorefineries that source their biomass sustainably and in particular aims to:

- Accelerate the innovation process and development of the bio-based innovative solutions;
- Accelerate the market deployment of the existing mature innovative bio-based systems; and
- Ensure high level of environmental performance of bio-based industrial systems.

Governance

CBE JU is headed by an Executive Director, who is accountable to a Governing Board – the main decision-making body of the CBE JU. The Governing Board has overall responsibility for the strategic orientation and the operations of the CBE JU and supervises the implementation of its activities. It brings together the two groups of the JU's Members:

- The EU, represented by the European Commission (the Commission);
- The Bio-based Industries Consortium Aisbl (the 'BIC'), a non-profit organisation established under Belgium law, with its permanent office in Brussels, Belgium.

The Governing Board is made up of five representatives from the Commission and five representatives of the members other than the Union, at least one of which should represent SMEs.

Other bodies of CBE JU are:

- The Scientific Committee, which is composed of a balanced representation of worldwide recognised experts from academia, industry, SMEs, non-governmental organisations and regulatory bodies;
- The States' Representatives Group, which is composed of one representative of each Member State and of each country associated to Horizon Europe;
- The Stakeholders' or Deployment Groups

Sources of financing

CBE JU is jointly funded by the EU and the "Members other than the Union" (BIC) through financial contributions paid in instalments and in-kind contributions consisting of the costs incurred by them in implementing indirect actions that are not reimbursed by the CBE JU. The resources of the CBE JU entered to its budget are composed of:

- Members' financial contributions to the administrative costs;
- Members' financial contributions to the operational costs;
- Any revenue generated by the JU;
- Any other financial contributions, resources and revenues.

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)². 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 Governing Board of the entity appoints the Accounting Officer who is, amongst other tasks, responsible for preparation of the annual accounts.

The Single Basic Act³ establishing the new generations of JUs required, within one year following the date of entry into force of the Regulation, to establish back office arrangements to provide horizontal support functions to the joint undertakings, by concluding service level agreements. The Back Office Arrangement for Accounting Services (BOA Acc) was established and took over the accounting services from the Accounting Officer of the European Commission from 1 December 2022. Following the decision of the CBE JU's Governing Board of 29 November 2022 (CBE-GB-15/22), on behalf of the BOA Acc, Ms Katty Hancq, as of 1 December 2022, acts as the Accounting Officer of CBE JU.

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 Governing Board for opinion.

The final annual accounts, together with the opinion of the Governing 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.

² Commission Delegated Regulation (EU) 2019/887 of 13 March 2019 on the model financial regulation for public-private partnership bodies referred to in Article 25 (4) of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council.

³ COUNCIL REGULATION (EU) 2021/2085 of 19 November 2021 establishing the Joint Undertakings under Horizon Europe and repealing Regulations (EC) No 219/2007, (EU) No 557/2014, (EU) No 558/2014, (EU) No 559/2014, (EU) No 560/2014, (EU) No 561/2014 and (EU) No 642/2014

3. Operational highlights

Achievements of the year

The most important achievements of 2022 were that CBE JU accomplished its major annual objectives, in particular the full establishment of the Governance bodies, the launch of the first call for proposals under Horizon Europe, the recruitment of new staff, the management of the running projects and the promotion of their achievements. In the first year since the adoption of the Single Basic Act, the new Circular Bio-based Europe Joint Undertaking still faced some challenges related to the pandemic, and was nevertheless able to deliver in the following areas:

- With the COVID-19 pandemic still impacting the day-to-day activities of the JU, CBE JU continued to promote teleworking for most of the year, allowing an increased presence of staff in the office especially in the second part of the year. The effective balance between presence in the office and telework, allowed colleagues to team up again, renewing the team spirit in view of the challenges of the new programme.
- A large portion of the work of the Programme Office in 2022 was to finalise the institutional set up of the newly established Circular Bio-based Europe Joint Undertaking. The Scientific Committee and the States Representatives' Group were established in the first part of the year. Still in 2022, meetings of corporate bodies such as the Governing Board, the Scientific Committee and the States' Representatives Group took place mostly "virtually". The high-level experience of staff and the sound support infrastructure ensured full efficiency, and all events were successfully implemented.
- The European Commission and the Bio-based Industries Consortium – with the support of the CBE JU Programme Office – were able to finalise the CBE JU Strategic Research and Innovation agenda and the 2022 CBE call topics. The first CBE call under Horizon Europe was published in June and the evaluations were successfully carried out in the autumn, setting the basis for the signature of the grant agreements in 2023. Over the same period, the JU's partners prepared also the ambitious Annual Work Plan 2023 with a larger call.
- On the project management side, the Programme Office continued to provide full support to beneficiaries still encountering issues linked to the COVID-19 crisis: several suspensions and extensions of projects were agreed in order to accommodate the most intense period of the pandemic. At the same time, 60 interim and final payments were processed, covering over EUR 103 million of requested EU contribution.

At the financial level, the budget implementation was good overall (see section below), despite certain administrative budget lines having a low execution due to COVID-19 (travel-related, missions, meetings, events, etc.), and the impact of a large budget for CBE JU from the Commission, which was not executed as the BBI legacy budget was executed in priority. On the operational side, the suspensions and extensions of running projects due to the pandemic, and the unexpected termination of a large project, negatively impacted the budget implementation, which on the payments side achieved only 65% of available appropriations, despite major efforts by the Programme Office to perform as many payments as possible before the year end closure.

Budget and budget implementation

2022 was the first year for which there was a combined budget for both CBE JU as well as the BBI JU legacy, which will continue until the end of 2024 for the administrative part, and up to, at least, end 2027 for the operational part (final payments of the last ongoing BBI projects).

The Governing Board adopted the 2022 budget for the CBE JU in two stages. On 16 December 2021 the budget for BBI JU legacy part was voted (adopting C1 budget and C2 reactivations from prior year) for a total of kEUR 6 052 in commitment appropriations (CA) and kEUR 85 563 in payment appropriations (PA). This was followed on 31 May 2023 with a budgetary amendment to add the 2022 C1 (fresh) budget for CBE JU, comprising kEUR 254 861 in CA and kEUR 20 729 in PA. The amendment also included a reduction of kEUR 11 197 to the BBI JU operational PA reactivations, deemed at that stage to be surplus to needs (so total CA budget amendment was -kEUR 9 533 (minus)).

The original BBI JU budget included a relatively large surplus of unused budget from prior years (2019, 2020 and 2021): on the administrative side, kEUR 1 134 in CA and kEUR 1 566 PA and on the operational side kEUR 40 000 in PA. These reactivated appropriations were consumed wherever possible in priority in line with CBE's Financial Rules art. 6(5), and reached 69% consumption on the admin CA side, 88% on the admin PA side and 100% on the operational PA side by year end. The main reason for the lower execution in the administrative budget is that a large amount of both C1 and C2 appropriations were kept available on the Title 2 communications budget lines until the very end of the year, in view of committing the contract for the Stakeholder Forum event taking place in 2023. At the last minute it was unfortunately not possible to manage this, and the contract was eventually signed in mid-January 2023. The unused C2 appropriations

are being reactivated in the budgets of 2023 (voted) and 2024 (draft). At the end of 2022, there was a total surplus of BBI JU unused appropriations of kEUR 1 194 in administrative CA and kEUR 1 475 in administrative PA. In operational PA there was kEUR 25 157.

On the CBE side there were no reactivated appropriations (aside for a tiny amount of kEUR 14 on the expert reviewers' line), as no budget had been requested in the prior year 2021. However, as the budget originally foreseen for CBE JU on the side of the Commission (including a Call 2021 which never took place) had been committed by DG RTD, CBE JU had to assume in its 2022 administrative and operational budget the foreseen CBE CA and PA for both years 2021 and 2022. As, on the administrative side, the execution of the BBU JU legacy budget will be prioritised until end of 2024, virtually none of the CBE JU admin budget was executed in 2022. This obviously reduces the overall budget execution, but for this exercise the implementation rates of the BBI JU-only admin budget will also be given for a realistic comparison. The total C1 administrative budget for CBE JU was kEUR 1 664 in CA and PA.

On the operational side, for CBE JU, the total operational commitment appropriations available for the CBE 2022 call, including kEUR 70 800 from 2021 (unused) and the kEUR 181 397 foreseen by DG RTD for 2022, totalled kEUR 252 197 (this excludes kEUR 1 000 in the operational budget for expert-evaluators of the call). The total call amount foreseen in the AWP 2023 for CBE JU was kEUR 120 471. So there remained kEUR 136 479 of unused CA at the end of the year, which is foreseen to be reactivated in future years for the calls of 2023 and 2024.

A Governing Board decision was taken at the end of 2022 to reactivate in the 2023 budget:

- Administrative: kEUR 2 201 in CA (BBI JU kEUR 1 101 from 2020, 2021 and 2022, CBE JU kEUR 1 000 from 2022) and kEUR 2 589 in PA (BBI JU kEUR 1 589 from 2020, 2021 and 2022, CBE JU kEUR 1 000 from 2022)
- Operational: kEUR 66 582 in CA (BBI JU kEUR 282 from 2021, CBE JU kEUR 66 300 from 2022) and kEUR 30 000 in PA from BBU JU 2021.

Also on the operational side, despite the reduction in the COVID-19 impacts, there were still some issues with BBI JU projects and delays impacting the forecasted timing of payments, resulting in a lower than anticipated operational PA execution.

Administrative expenditure

The total consumption of the administrative budget was 62% in CA and 59% in PA. For BBI JU the rates were 79% in CA and 76%.

Title 1: Overall CA implementation of staff-related costs was 63%. For BBI JU the total was 72%. On the BBI JU only side, salary costs (total budget EUR 2.7 million) showed a strong execution at 88% and other staff costs (kEUR 467) at 85%. The BBI JU mission expenses budget of kEUR 114 again suffered during the first half of the year with the COVID impacts and continued use of virtual technologies for meetings, with only 31% implementation. As of the latter part of the year, an increasing number of physical missions was starting to be undertaken and a "normal" level should be resumed as of 2023. There were no installation/resettlement costs (budgeted at kEUR 60). The overall PA execution in Title 1 is 55% of which 72% for BBI JU. Several of the SLA contracts for staff-related costs for 2022 (such as training) will send their invoices only in 2023.

Title 2: The 2022 infrastructure budget achieved an overall implementation of 60% in 2022. For BBI JU the total was 82%. On the BBI JU side, two of the highest costs - building-related (kEUR 391) and IT (kEUR 412), achieved a good implementation, respectively 77% and 73%. The rental line had included an amount for some planned works to the office space, which were not in the end carried out. IT execution was also somewhat affected by the planning of a costly project on KPI reporting which was finally not contracted during the year. The BBI communications budget implementation (kEUR 739 including reactivations of kEUR 339) was only 38%, affected, as mentioned above, by the delay in contracting a large amount of up to kEUR 400 for the Stakeholder Forum of 2023 (one large contract was signed in early 2023). Budget lines which were strongly executed were external staff (kEUR 200k for BBI) at 99% and expert reviewers (kEUR 328) at 100%.

The overall PA consumption in Title 2 is 68%. For BBI JU this is 81%.

Operational expenditure

As there was no CBE JU call in 2021, there were no grant agreements signed in 2022. The first call for proposals of CBE JU was launched in mid-2022 for EUR 120 million, and following the proposal evaluations towards the end of the year, the GAP will be launched by the end of January 2023.

In respect of the PA relating to BBI JU projects, the Programme Office achieved a 65% implementation of the 2022 budget, with payments of interim and final periodic reports for grants from the previous BBI JU calls, and kEUR 1 000 for expert-evaluators (total Title 3 kEUR 47 431 out of budget kEUR 72 587). This disappointing execution was even lower (by 6%) than for 2021. This was because:

- i) There were ongoing issues with several large projects which resulted in delays and suspensions, meaning the forecasted payments would be postponed to 2023. The total payments represented by such projects is around EUR 20.5 million.
- ii) Termination of a large flagship project (BIOSKOH) with a recovery, where a payment of over EUR 2 million had originally been forecast
- iii) Around EUR 2 million of negative differences where the project payments forecasts were higher than the actual cost claims received.

Regarding the payment of the periodic reports, the CBE JU Programme Office dealt with 60 periodic reports claiming a total contribution of over EUR 103 million which led to 60 net payments in 2022 for a total of EUR 47 million.

Impact of the activities in the financial statements

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

- **Pre-financing:** In 2022 the first call for proposals under the Horizon Europe programme was launched and the pre-financing will only occur in 2023. Nevertheless, for ongoing BBI JU projects and the finalisation of several projects the clearing of the pre-financing with incurred expenses, resulted in an overall decrease of pre-financing from kEUR 206 752 in 2021 to kEUR 127 879 in 2022 (see note **2.2**).
- **Decrease of payables:** The payables decreased by kEUR 11 804 (2022: kEUR 77 683 from 2021: kEUR 89 487) mainly because of the adjustments for transactions occurring between March and May 2023 relating to the in-kind contributions to be validated for the provisional accounts as well as the in-kind contributions of 2022 which were actually validated. . In 2021 CBE JU changed the methodology of estimation and validation of IKOP at the end of the year. For the provisional accounts, the estimations of the contributions in kind to be validated changed from an estimation based on annual declarations of members to an estimation based on i) pro rata of IKOP reported in projects' cost claims (which is not automatically recorded in the accounting system) as well as a pro rata calculation based on total IKOP allocated in projects for either the whole year, or part of the year, following the period covered by pro rata of IKOP reported in cost claims. For the final accounts, the validated IKOP during March and May year n+1 replaces the estimated IKOP for the provisional accounts for the relevant projects. The same methodology was applied in 2022(see note **2.4**).
- **Decrease of operational costs:** The decrease in the operational costs is mainly due to a decrease in the estimated operational project costs relating to Call 2020. On the other hand, the validated and certified cost claims for the year 2022, recognised and transferred to net assets for the final annual accounts, increased (in 2022 kEUR 13 660 compared to kEUR 10 312 in 2021). (see note **3.3**).

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	31.12.2022	31.12.2021
NON-CURRENT ASSETS			
<i>Property, plant and equipment</i>	2.1	76	60
<i>Pre-financing</i>	2.2	47 407	99 772
		47 483	99 832
CURRENT ASSETS			
<i>Pre-financing</i>	2.2	80 472	106 979
<i>Exchange receivables and non-exchange recoverables</i>	2.3	81 458	81 089
		161 930	188 068
TOTAL ASSETS		209 413	287 901
CURRENT LIABILITIES			
<i>Payables and other liabilities</i>	2.4	77 683	89 487
<i>Accrued charges and deferred income</i>	2.5	34 991	56 894
		112 675	146 380
TOTAL LIABILITIES		112 675	146 380
NET ASSETS			
<i>Contribution from Members</i>	2.6	857 243	798 276
<i>Accumulated deficit</i>		(656 755)	(510 041)
<i>Economic result of the year</i>		(103 750)	(146 714)
NET ASSETS		96 738	141 520
TOTAL NET ASSETS AND LIABILITIES		209 413	287 901

STATEMENT OF FINANCIAL PERFORMANCE

	Note	2022	EUR '000 2021
REVENUE			
Revenue from non-exchange transactions			
<i>Recovery of expenses</i>	3.1	260	356
		260	356
Revenue from exchange transactions			
<i>Other</i>		1	124
		1	124
Total revenue		261	480
EXPENSES			
<i>Operational costs</i>	3.3	(99 477)	(142 764)
<i>Staff costs</i>	3.4	(2 568)	(2 258)
<i>Finance costs</i>		-	-
<i>Other expenses</i>	3.5	(1 966)	(2 171)
Total expenses		(104 010)	(147 194)
ECONOMIC RESULT OF THE YEAR		(103 750)	(146 714)

CASHFLOW STATEMENT⁴

	EUR '000	
	2022	2021
<i>Economic result of the year</i>	(103 750)	(146 714)
Operating activities		
<i>Depreciation and amortization</i>	30	21
<i>(Increase)/decrease in pre-financing</i>	78 873	926
<i>(Increase)/decrease in exchange receivables and non-exchange recoverables</i>	(369)	(2 475)
<i>Increase/(decrease) in payables</i>	(11 803)	27 085
<i>Increase/(decrease) in accrued charges</i>	(21 902)	(16 282)
<i>Increase/(decrease) in cash contributions</i>	45 308	127 145
<i>Increase/(decrease) in in-kind contributions</i>	13 660	10 312
Investing activities		
<i>(Increase)/decrease in intangible assets and property, plant and equipment</i>	(45)	(18)
NET CASHFLOW	-	-
<i>Net increase/(decrease) in cash and cash equivalents</i>	-	-
<i>Cash and cash equivalents at the beginning of the year</i>	-	-
<i>Cash and cash equivalents at year-end</i>	-	-

⁴ The treasury of BBI JU was integrated into the Commission's treasury system. Therefore, as for BBI JU CBE JU does not have any bank accounts of its own. 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

	Contribution from Members	Accumulated Surplus/ (Deficit)	Economic result of the year	Net Assets
BALANCE AS AT 31.12.2020	660 819	(371 727)	(138 314)	150 778
<i>Allocation 2020 economic result</i>	-	(138 314)	138 314	-
<i>Cash contribution</i>	127 145	-	-	127 145
<i>Contribution in-kind</i>	10 312	-	-	10 312
<i>Economic result of the year</i>	-	-	(146 714)	(146 714)
BALANCE AS AT 31.12.2021	798 276	(510 041)	(146 714)	141 520
<i>Allocation 2021 economic result</i>	-	(146 714)	146 714	-
<i>Cash contribution</i>	45 308	-	-	45 308
<i>Contribution in-kind</i>	13 660	-	-	13 660
<i>Economic result of the year</i>	-	-	(103 750)	(103 750)
BALANCE AS AT 31.12.2022	857 244	(656 755)	(103 750)	96 738

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	31.12.2022	31.12.2021	Currency	31.12.2022	31.12.2021
BGN	1.9558	1.9558	PLN	4.6808	4.5969
CZK	24.116	26.8580	RON	4.9495	4.9490
DKK	7.4365	7.4364	SEK	11.1218	10.2503
GBP	0.88693	0.84028	CHF	0.9847	1.0331
HRK	7.5365	7.5156	JPY	140.66	130.3800
HUF	400.87	369.1900	USD	1.0666	1.1326

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, financial risk of accounts receivable and the amounts disclosed in the notes concerning financial instruments, impairment allowance for financial assets at amortised cost and for financial guarantee contract liabilities, accrued revenue and charges, provisions, degree of impairment of intangible assets and property, plant and equipment, net realisable value of inventories, contingent assets and liabilities. 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 revised European Union Accounting Rules (EAR)

Revised IPSAS standards which have been issued, and are effective for annual periods beginning on or after 1 January 2025

The following IPSAS standards are effective as of January 1, 2025 (earlier application is permitted):

- **IPSAS 43 Leases:** IPSAS 43 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to lessee accounting by removing the distinction between operating and finance lease and requiring the recognition of a right-of-use asset and a lease liability at commencement for all leases, except for short-term leases and leases of low value assets.
- **IPSAS 44 Non-current Assets Held for Sale and Discontinued Operations:** IPSAS 44 specifies the accounting for assets held for sale and the presentation and disclosure of discontinued operations. IPSAS 44 includes additional public sector requirements, in particular, the disclosure of the fair value of assets held for sale that are measured at their carrying amounts, when the carrying amount is materially lower than their fair value.

The Accounting Officer is assessing the impact of the above standards on the Annual Accounts and considering a possible revision of relevant EAR accordingly.

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

The classification of the financial instruments is determined at initial recognition. Based on the management model and the asset contractual cash-flow characteristics the financial assets can be classified in three categories: Financial assets at amortised cost ('AC'), financial assets at fair value through net assets/equity ('FVNA') or financial assets at fair value through surplus or deficit ('FVSD'). Based on this classification, the entity has only 'financial assets at amortised cost', which are exchange receivables.

Financial assets at amortised cost are non-derivative financial assets that meet two conditions: 1) The entity holds them in order to collect the contractual cash flows. 2) On specified days, there are contractual cash flows that are solely payments of the principal and interest on the outstanding principal.

Financial assets at amortised cost are included in current assets, except for those with maturity of more than 12 months from the balance sheet reporting date.

Initial recognition and measurement

Financial assets at amortised cost are initially recognised at their fair value plus the transaction costs.

Subsequent measurement

Financial assets at amortised cost are carried at amortised cost, which is the amount initially recognised minus the principal repayments, plus or minus the cumulative amortisation of the interests using the effective interest method. In addition, the entity recognises a loss allowance for expected credit losses over the lifetime of the financial assets. At each reporting date, the annual movement in the loss allowance adjusts the carrying amount of the financial asset. In the statement of financial performance, the entity recognises an impairment gain or loss for the adjustment of the loss allowance.

Derecognition

Financial assets at amortised cost are derecognised either when the rights to receive cash flows from the investments have expired or are waived, or when the entity has transferred substantially all risks and rewards of ownership to another party.

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 the amount of pre-financing is agreed between the JU and the Commission and cash is transferred to the recipient. It is measured at the amount of the consideration given. The JU recognises a pre-financing asset against a payable (non-validated expenditure).

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.

Once the expenditure was accepted by the Commission, the amounts are transferred from the provisional payments (payables) to the net assets/equity of the JU. The amounts accounted in the net assets/equity equal the amount accepted for the reporting year.

1.3.6. Receivables and recoverables

The EU accounting rules require 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. The entity classified them as financial assets at amortised cost and measured them accordingly.

Recoverables from non-exchange transactions are carried at fair value as at the date of acquisition 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 financial assets at amortised cost 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 **1.3.5**), or non-validated in-kind contributions to operational activities (see note **1.6.2**).

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.

1.3.10. Provisions

Provisions are recognised when the entity has a present legal or constructive obligation towards third parties as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are not recognised for future operating losses. The amount of the provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date. Where the provision involves a large number of items, the obligation is estimated by weighting all possible outcomes by their associated probabilities ('expected value' method).

When the obligation whose existence will be confirmed by uncertain future events that are not wholly within the control of the entity, is possible, no provision is recognised, but a contingent liability is disclosed. Refer to note **1.5.2** for details.

1.3.11. Net assets

Net assets are the residual of assets and liabilities and comprise of accumulated contributions received from the members of the JU (EU and industry) less the accumulated contributions used. The contributions include financial contributions received by the JU and contributions provided by the members to the funded projects in-kind. The net assets also contain reserves, if applicable. Refer to note **1.6** for details.

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 Undertaking (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.

The Members of the JU are the European Union on one hand, represented by the European Commission, and the Bio-based Industries Consortium (a non-profit organisation registered under Belgian law) on the other hand.

1.6.1. Financial contributions

- Horizon 2020 Programme: 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.
- Horizon Europe Programme:
 - ✓ EU Contributions: In accordance with Article 19 of the Financial Framework Partnership Agreement (FFPA) 2020-2027, the JU received from the European Union a pre-financing payment for the implementation of the Horizon Europe Framework Programme. According to the Specific Guidance for the accounting of the EU cash contributions received by the Joint Undertakings under FFPA related to MFF 2021-2027, the contributions payments done by the EU for the Horizon Europe Programme are accounted as 'Contributions in cash to be validated'. During the provisional accounting closure, the JU should, on the basis of the payments implementation report, determine the amount of operating and administrative expenditure that have been covered from the EU financial contributions to the Horizon Europe Programme. In the accounting of the JU the underlying amount should be, for the purpose of the preparation of the provisional financial statements, transferred from the provisional payments to the net assets of the JU (cut-off procedure). It will be qualified as final payments and formally transferred to the net assets once the Commission has accepted the Consolidated Annual Activity Report – AAR (Art. 19.2 FFPA).
 - ✓ Private (Bio-based Industries Consortium) contributions: financial contributions are contributions 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 is recognised in net assets of the JU in the period when the conditions for Members' contributions stipulated by the Regulation are met.

As IKOP calculated from periodic cost claims of projects is not automatically recorded in the statement of financial performance, at year-end, this incurred IKOP as well as IKOP not yet reported (via received costs claims) is estimated and recorded as other liabilities ('Contributions of Members to be validated').

The IKAA (under Horizon 2020 programme) relate to contributions linked to implementing additional activities, included in the annual additional activities plan annexed to the main part of the work programme, that does not receive financial support from the joint undertaking but contributes to its objectives.

For the IKAA (under Horizon Europe programme), additional activities are those directly linked to projects and activities of the Circular Bio-based Europe Joint Undertaking, including in particular:

- a) investments in new facilities demonstrating a new value chain, including investments in durable equipment, tools and accompanying infrastructure, in particular related to regional deployment and its sustainability verification;
- b) investments in a new innovative and sustainable production plant or flagship;
- c) investments in new research and innovation and justified infrastructure, including facilities, tools, durable equipment or pilot plants (research centres);
- d) standardisation activities;
- e) communication, dissemination and awareness-raising activities.

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. 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.

2021				<i>EUR '000</i>
	Furniture and vehicles	Computer hardware	Other	TOTAL
<i>Gross carrying amount at 31.12.2020</i>	34	76	26	137
<i>Additions</i>	–	3	15	18
Gross carrying amount at 31.12.2021	34	79	41	155
<i>Accumulated depreciation at 31.12.2020</i>	(16)	(47)	(11)	(74)
<i>Depreciation charge for the year</i>	(3)	(11)	(7)	(21)
Accumulated depreciation at 31.12.2021	(19)	(58)	(18)	(95)
NET CARRYING AMOUNT AT 31.12.2021	15	22	23	60
<i>NET CARRYING AMOUNT AT 31.12.2020</i>	18	30	15	63
2022				<i>EUR '000</i>
	Furniture and vehicles	Computer hardware	Other	TOTAL
<i>Gross carrying amount at 31.12.2021</i>	34	79	41	155
<i>Additions</i>		17	28	45
Gross carrying amount at 31.12.2022	34	96	69	199
<i>Accumulated depreciation at 31.12.2021</i>	(19)	(58)	(18)	(95)
<i>Depreciation charge for the year</i>	(3)	(14)	(13)	(30)
Accumulated depreciation at 31.12.2022	(22)	(72)	(31)	(125)
NET CARRYING AMOUNT AT 31.12.2022	12	25	38	75
<i>NET CARRYING AMOUNT AT 31.12.2021</i>	15	22	23	60

2.2. 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 but is usually paid in one go in advance of the project start date.

	<i>EUR '000</i>	
	31.12.2022	31.12.2021
<i>Non-current pre-financing</i>	47 407	99 772
<i>Current pre-financing</i>	80 472	106 979
Total	127 879	206 752

The pre-financing included under this heading comprises only pre-financing for operational activities.

For all pre-financing amounts open at 31 December 2022 a case-by-case assessment has been performed and all pre-financing that was considered unlikely to be cleared in the course of 2023 was classified as non-current pre-financing.

The outstanding pre-financing, presented under this heading is net of estimated (cut-off) expenses for ongoing projects without validated cost claims on 31 December 2022. The clearing of pre-financing with year-end (cut-off) adjustments amounted to kEUR 107 739 (2021: kEUR 88 600) for ongoing projects without validated cost claims as at 31 December 2022. The remaining portion of the cut off expenses is recorded in accrued charges (see note **2.5**).

In 2022 the first call for proposals under the Horizon Europe programme was launched and the pre-financing will only be paid in 2023. Nevertheless, for ongoing BBI JU projects and the finalisation of several projects the clearing of the pre-financing with incurred expenses, resulted in an overall decrease of pre-financing from kEUR 206 752 in 2021 to kEUR 127 879 in 2022.

2.3. EXCHANGE RECEIVABLES & NON-EXCHANGE RECOVERABLES

The revenue from exchange transactions and events relates to following types of transactions: rendering of services; sale of goods; and the use by others of entity assets yielding interest, royalties and dividends.

The amounts included under this heading are fully composed of current receivables from exchange transactions and can be split as follows:

	EUR '000	
	31.12.2022	31.12.2021
Recoverables from non-exchange transactions		
<i>Accrued income Non exchange</i>	294	294
Receivables from exchange transactions		
<i>Central treasury liaison accounts</i>	78 142	80 761
<i>Customers</i>	3 005	-
<i>Other</i>	18	35
	81 165	80 795
Total	81 458	81 089

The largest amount under this heading relates to the Central treasury liaison (intercompany) accounts with the European Commission that represent a virtual bank account of CBE JU. The treasury of CBE JU has been integrated into the European Commission's treasury system. The payments and receipts are processed via the European Commission's treasury system and registered on these intercompany accounts. The ending balance of this heading is thus the result of the incoming and outgoing payments and represents the funds available for the Joint Undertaking.

LIABILITIES

2.4. 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	
	31.12.2022	31.12.2021
<i>Contributions in kind to be validated</i>	67 644	79 877
<i>Contributions in cash to be validated</i>	824	-
<i>Vendors</i>	9 215	9 604
<i>Other</i>	-	6
Total	77 683	89 487

Included under the heading 'Contributions in kind to be validated' are the in-kind contributions from the private Members relating to projects for which the amount of the in-kind contribution generated by individual beneficiaries, was estimated on a case-by-case basis using the best available information on the projects at 31 December 2022. The estimated cash contribution to the operational cost of those projects is included under accrued charges (see note 2.5).

The IKOP declared and certified for 2022 have been validated in 2023 after the closure of the provisional annual accounts for a total amount of kEUR 13 660 (kEUR 10 312 in 2021).

The amount of vendor payables relates to invoices and cost claims received but not yet validated and paid at the year end.

2.5. 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>	
	31.12.2022	31.12.2021
<i>Accrued charges</i>	<i>34 991</i>	<i>56 894</i>

The heading comprises estimated operational costs of kEUR 34 327, accrued administrative expenses of kEUR 611 and accrued staff expense for untaken leave of kEUR 53.

Accrued operating charges relate to on-going projects without a validated cost statement where the 2022 expense was estimated on a case-by-case basis using the best available information about the projects at 31 December 2022. The portion of the estimated accrued charges which relates to pre-financing paid has been recorded as a reduction of the pre-financing amounts in line with the H2020 rules (see note **2.2**). Following the validation of a large number of final and interim cost claims, the estimated expenses were replaced by actual costs hence the decrease in the accrued charges.

NET ASSETS

2.6. 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.

In accordance with Article 19 of the Financial Framework Partnership Agreement (FFPA) 2020-2027, the CBE JU received from the European Union a pre-financing payment for the amount of kEUR 832 for the implementation of the Horizon Europe Framework Programme.(see note **1.6.1**)

According to the Specific Guidance for the accounting of the EU cash contributions⁵ received by the Joint Undertakings under FFPA related to MFF 2021-2027, the contributions payments made by the EU for the Horizon Europe Programme are accounted as 'Contributions in cash to be validated'. They will be qualified as final payments and formally transferred to the net assets once the Commission has accepted the Consolidated Annual Activity Report – AAR (Art. 19.2 FFPA).

Programme	2022				2021			EUR '000
	Cash	Cash to be validated	In kind	in kind to be validated	Total validated contribution	Cash	In kind	Total validated contribution
H2020	790 505		65 898	67 644	856 403	746 037	52 239	798 276
HE	1 664	824			841			

⁵ Specific Guidance: Accounting for EU cash contributions received by Joint Undertakings under the Financial Framework Partnership Agreement related to MFF 2021-2027 Ares(2022)6810953

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

With regard to the Horizon 2020 programme, Council Regulation (EC) No 2014/560 (its current legal mandate stems from the amending Regulation (EU) 2018/121 of 23 January 2018) distinguishes between Members (European Commission, Industry Grouping) and non-members of the JU. In addition, only the in-kind contributions from the Members that are both certified by external auditors and validated by the Executive Director of BBI JU are considered in-kind contributions. Estimated in-kind contributions, i.e. contributions for which no certifications have been received and/or this certification has not been validated by the Executive Director are reported under 'other liabilities' (see note 2.4).

Member	EU		Industry Grouping		Total	
	Cash	Cash	In kind	Total	Cash	In kind
<i>Running costs contributions at 31.12.2021</i>	14 286	14 773	-	14 773	29 059	-
<i>Current year contributions</i>	2 220	2 220	-	2 220	4 440	-
Running costs contributions at 31.12.2022	16 506	16 993	-	16 993	33 499	-
<i>Operating costs contributions at 31.12.2021</i>	713 728	3 250	52 239	55 489	716 978	52 239
<i>Current year contributions</i>	40 028	-	13 660	-	40 028	13 660
Operating costs contributions at 31.12.2022	753 756	3 250	65 898	55 489	757 006	65 898
<i>TOTAL contributions at 31.12.2021</i>	728 014	18 023	52 239	55 489	746 037	52 239
TOTAL contributions at 31.12.2022	770 262	20 243	65 898	72 481	790 505	65 898
<i>% of total contributions (by type)</i>	97,44%	2,56%	100,00%		100,00%	100,00%
<i>Total contribution in %</i>	89,94%		10,06%		100,00%	
<i>Voting rights %</i>	50,00%		50,00%		100,00%	

2.6.2. 2014-2020 (Horizon 2020) MFF: Total Members' Contributions (in € million)

Expected Members' contributions (as per Founding Regulation and legal decisions)					Members' contributions (as at 31.12.2022)					
Members	Operational activities	Administrative costs	Additional activities	TOTAL expected	Cash	In-kind validated	In-kind reported not validated	In-kind to additional activities	TOTAL	Achievement rate with IKAA
EU (DG RTD)	818.8	19.2	N/A	838	770,3	N/A	N/A	N/A	770.3	92%
Private members	266.6	19.2	2,444.2	2,730	22.5	65.9	67.6	1,797.9	1,953.9	72%
TOTAL	1,085.3	38.4	2,444.2	3,568	792.8	65.9	67.6	1,797.9	2,724.2	76%

For what concerns the total level of the contribution by BIC members at the end of 2022, the IKOP target was set at the closure of the BBI JU calls, and it will contribute to achieving the overall legal target alongside the finalisation of BBI JU projects (40% of which are still ongoing).

The specific legal target for IKAA contributions has already been achieved in 2022 as reported above and the planning cycle for these contributions will continue until 2024, therefore IKAA will play a pivotal role for the achievement of the EUR 2.73 billion overall target of BIC contributions to the BBI initiative. In order to achieve this result, the IKAA planning process shall reach EUR 2.44 billion to be achieved by the end of the initiative. In 2022, BIC submitted to the Governing Board an AAP for 2023 for a total EUR 416 million, and an additional EUR 358 million shall be planned for 2024 in order to achieve the overall target.

2.6.3. Research and Innovation funding programme for 2021-2027 (Horizon Europe)

In accordance with Article 19 of the Financial Framework Partnership Agreement (FFPA) 2020-2027, the CBE JU received from the European Union a pre-financing payment for the amount of kEUR 832 for the implementation of the Horizon Europe Framework Programme.(see note 1.6.1)

According to the Specific Guidance for the accounting of the EU cash contributions⁶ received by the Joint Undertakings under FFPA related to MFF 2021-2027, the contributions payments made by the EU for the Horizon Europe Programme are accounted as 'Contributions in cash to be validated'. They will be

⁶ Specific Guidance: Accounting for EU cash contributions received by Joint Undertakings under the Financial Framework Partnership Agreement related to MFF 2021-2027 Ares(2022)6810953

qualified as final payments and formally transferred to the net assets once the Commission has accepted the Consolidated Annual Activity Report – AAR (Art. 19.2 FFPA).

Under the new SBA (Horizon Europe Programme) the in-kind contributions to operational activities should be accounted for solely on the basis of eligible costs and should be reported and audited in accordance with the mechanism applicable to the specific grant agreement. These legal requirements do not change the substance of the operation: also under Horizon Europe only contributions validated and accepted by the Executive Director can be recognised under net assets. Therefore, the same accounting treatment as used under the previous regulations should be applied to IKOP under Horizon Europe.

Member	Commission			Industry Grouping			EUR '000 Total validated	
	Cash	To be validated	Total	Cash	In kind	Total	Cash	In kind
<i>Running costs contributions at 31.12.2021</i>							-	-
<i>Current year contributions</i>	832	824	8	832		832	841	-
Running costs contributions at 31.12.2022	832	824	8	832	-	832	841	-
<i>Operating costs contributions at 31.12.2021</i>							-	-
<i>Adjustments of prior years contributions</i>							-	-
<i>Current year contributions</i>							-	-
Operating costs contributions at 31.12.2022	-	-		-	-	-	-	-
<i>TOTAL contributions at 31.12.2021</i>	-	-		-	-	-	-	-
TOTAL contributions at 31.12.2022	832	824	8	832	-	832	841	-

2.6.4. 2021-2027 (Horizon Europe) MFF: Total Members 'Contributions (in € million)

Members' contributions (as per Founding Regulation and legal decisions)					Members' contributions (as at 31.12.2022)						
Members	Operational activities	Administrative costs	Additional activities	TOTAL	Cash	In-kind validated	In-kind reported not validated	In-kind to additional activities	TOTAL	Achievement rate with ICAA	
EU (DG RTD)	976.5	23.5	N/A	1,000.0	0.8	N/A	N/A	N/A	0.8	N/A	
Private members	976.5	23.5	N/A	1,000.0	0.8	N/A	N/A	N/A	0.8	N/A	
TOTAL	1,291.1	47	N/A	2,000.0	1.7	N/A	N/A	N/A	1.7	N/A	

In 2022 CBE JU started the implementation of the programme and only very few contributions are being reported as at year end.

3. NOTES TO THE STATEMENT OF FINANCIAL PERFORMANCE

REVENUE FROM NON-EXCHANGE TRANSACTIONS

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 amounts received from the Commission during the year and 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.

	<i>EUR '000</i>	
	2022	2021
<i>Recovery of expenses</i>	260	356

REVENUE FROM EXCHANGE TRANSACTIONS

The revenue from exchange transactions and events relates to following types of transactions: rendering of services; sale of goods; and the use by others of entity assets yielding interest, royalties and dividends.

3.2. OTHER EXCHANGE REVENUE

	<i>EUR '000</i>	
	2022	2021
<i>Recovery of administrative expenses</i>	1	121
<i>Miscellaneous income exchange</i>	-	3
Total	1	124

EXPENSES

3.3. OPERATIONAL COSTS

	Note	2022	2021
<i>Operational costs: validated in-kind contributions</i>		13 660	10 312
<i>Operational costs: estimated in-kind contributions</i>	2.6	(12 233)	26 200
Total operational costs from in-kind contributions		1 427	36 512
<i>Operational costs: incurred and validated</i>		101 192	96 636
<i>Operational costs: estimated</i>	2.7	(3 143)	9 616
Total operational costs from EU contributions		98 049	106 252
Total		99 477	142 764

Depending on the availability of information at the time of the preparation of the annual accounts, the estimates are based on reports of services or work performed (e.g. Report of the Member of the Joint Undertaking other than the EU on the in-kind contributions as per the meaning of Article 4(3) and 4(4) of Regulation (EU) No 2014/557) or actual costs incurred to date followed by pro rata temporis estimates based on total project grant amounts (remaining balance).

In 2022, kEUR 13 660 (kEUR 10 312 in 2021) of IKOP contributions were validated and transferred to net assets.

3.4. 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, the JU 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.

At 31 December 2022, the contribution of Circular Bio-Based Joint Undertaking was fixed in the amount of kEUR 9, that constitutes 2.3% of the total pension scheme contributions, calculated in accordance with the requirements of in accordance with Article 83a(2)⁷ of the Staff Regulations. This contribution is accounted within staff costs.

As per Article 83a(2) of the Staff Regulations, the exact part paid by the JU shall correspond to the percentage share between a) the JU's revenues without the subsidy from the general budget, and b) its total revenues.

In view of implementation problems and the principle of good administration, it was agreed between the Commission and the JUs that the provisions of Article 83a(2) are applied only to the JUs set up by the SBA and Euro HPC and not to those established under the previous Regulations. Given the late entry into force of the SBA at the end of November 2021, this applicability starts as from 2022.

	<i>EUR '000</i>	
	2022	2021
<i>Staff costs</i>	2 568	2 258

The increase in 2022 is related to the indexation of salaries and the reclassification exercise.

3.5. 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>	
	2022	2021
<i>External IT services</i>	404	743
<i>External non IT services</i>	314	603
<i>Operating lease expenses</i>	313	298
<i>Experts' fees</i>	268	269
<i>Communications and publications</i>	535	185
<i>Training costs</i>	36	53
<i>Property, plant and equipment related expenses</i>	30	21
<i>Office supplies and maintenance</i>	18	5
<i>Missions</i>	18	1
<i>Other</i>	29	(7)
Total	1 966	2 171

⁷ From 1 January 2016 agencies which are partly financed from that budget shall pay the part of the employers' contributions which corresponds to the proportion between the agency's revenues without the subsidy from the general budget of the European Union and its total revenues."

The rise in the costs for: missions kEUR 17 and communication and publication expenses kEUR 350 can be explained by more activities organized in 2022, compared to 2021, due to the less strict COVID-19 related measures.

The decrease of other administrative expenses, such as External IT and non IT services can be directly linked to the new ways of working imposed by COVID 19 restrictions.

Operating lease expenses concern the CBE JU office in the 'White Atrium' building. Amounts committed to be paid during the remaining term of this lease contract (the existing rent contract is only till November 2025) include rent and related charges and are as follows:

<i>EUR '000</i>				
Future amounts to be paid at 31 December 2021				
	< 1 year	1- 5 years	> 5 years	Total
<i>Buildings</i>	295	319	658	1 272

<i>EUR '000</i>				
Future amounts to be paid at 31 December 2022				
	< 1 year	1- 5 years	> 5 years	Total
<i>Buildings</i>	309	936		1 244

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>	
	31.12.2022	31.12.2021
<i>Outstanding commitments not yet expensed</i>	179 789	94 031

The outstanding commitments not yet expensed represent the correction of the budgetary RAL with the estimated costs which are determined by using the accrual-based principle not reflected in the budgetary result, where the cash-based principle is used. The increase between the years is driven by the high increase in the budgetary RAL by kEUR 54 119 and the decrease of the accruals by kEUR 21 898, which is seen in the budget implementation reports (see chapter 6).

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 highest ranking civil servant of CBE JU is the Executive Director, who executes the role of Authorising Officer.

	31.12.2022	31.12.2021
<i>Executive Director</i>	<i>AD 14</i>	<i>AD 14</i>

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

At its meeting of 17 June 2022, the CBE JU GB took note of the Executive Director resignation with effect from 1 September 2022. The Governing Board appointed on 25 July 2022 as CBE JU Executive Director ad interim as from 1 September 2022. He will lead the organisation until the new Executive Director takes up their duties. The recruitment of a new Executive Director for CBE JU (grade AD 14) is currently ongoing and is being handled by the European Commission.

4.4. OTHER EVENTS

Russia-Ukraine war

The war does not affect materially the recognition and measurement of any assets and liabilities on the balance sheet and also of any revenue and expenses recognised in the statement of financial performance.

Based on the facts and circumstances at the time of preparation of these financial statements, in particular, the evolving situation, the financial effect of the war on subsequent reporting periods of the IHI JU cannot be reliably estimated.

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 fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. This risk arises from the change in the price of a foreign currency against the functional currency of an entity. (2) Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

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 an EU entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

5.2. CURRENCY RISKS

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

5.3. CREDIT RISK

At the end of the year, the financial assets comprise exchange receivables that are not past due for more than 30 days. As no credit loss is expected during the life time of those receivables the entity is not exposed to any significant credit risk.

5.4. LIQUIDITY RISK

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 (kEUR), some financial data in the tables below may appear not to add-up.

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4. BUDGETARY PRINCIPLES AND STRUCTURE

1.1. BUDGETARY PRINCIPLES

The establishment and implementation of the budget of CBE JU is governed by the following basic principles set out in the Chapter 2 of the Financial Rules of CBE JU:

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 CBE JU. 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. As specified in its Financial Rules, CBE JU is subject to an exception to the annuality principle, specific only to the joint undertakings (the "N+3" rule), whereby any unused appropriations may be entered in the estimate of revenue and expenditure of up to the following three financial years. These appropriations must be used first.

Principle of equilibrium

Revenue and payment appropriations shall be in balance.

Principle of unit of account

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

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 economy

The principle of economy requires that the resources used by the JU in the pursuit of its activities shall be made available in due time, in appropriate quantity and quality and at the best price.

Principle of efficiency

The principle of efficiency concerns the best relationship between resources employed and results achieved.

Principle of effectiveness

The principle of effectiveness concerns the attainment of the specific objectives set and the achievement of the intended results.

Principle of internal control

The principle of internal control of budget implementation means that the JU budget shall be implemented in compliance with effective and efficient internal control in order to provide reasonable assurance of achieving effectiveness, efficiency and economy of operations; reliability of reporting; safeguarding of assets and information; prevention, detection, correction and follow-up of fraud and irregularities; and adequate management of the risks relating to the legality and regularity of the underlying transactions, taking into account the multi-annual character of the programmes as well as the nature of the payments concerned.

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 CBE JU 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

Since 1 January 2015, no distinction is made between non-dissociated and dissociated appropriations. All appropriations follow the dissociated logic.

Following the provisions of the Financial rules of CBE JU, the budget accounts shall consist of a statement of revenue and a statement of expenditure. The budget is distributed in the following titles:

Title 1

Budget lines relating to staff expenditure such as salaries and allowances for personnel working with CBE JU. It also includes recruitment expenses, staff missions, expenses for the socio-medical infrastructure and representation costs.

Title 2

Budget lines relating to all infrastructure, equipment, meetings, experts, studies, ex-post audits and miscellaneous administrative expenditure

Title 3

Budget lines provide for the implementation of the activities and tasks assigned to CBE JU in accordance with its establishing Council Regulation (including experts for call evaluations).

5. RESULT OF THE IMPLEMENTATION OF THE BUDGET

		EUR '000	
	Title	2022	2021
Revenue		49 439	127 365
of which:			
European Commission (incl. EFTA) contribution to administrative expenditure	1	2 220	2 402
European Commission (incl. EFTA) contribution to operational expenditure	1	39 557	122 530
Bio-based Industries Consortium contribution to administrative expenditure	1	3 052	2 308
Joint Undertaking revenues	1	80	126
Other income	1	3 227	-
European Commission (incl. EFTA) contribution to administrative expenditure CBE	1	832	-
European Commission (incl. EFTA) contribution to operational expenditure CBE	1	471	-
Expenditure		(52 052)	(125 076)
of which:			
Staff expenditure	1	(2 761)	(2 883)
Administrative expenditure	2	(1 860)	(1 370)
Operational expenditure	3	(47 431)	(120 822)
Exchange rate differences		0	0
Budget result		(2 613)	2 289

6. RECONCILIATION OF ECONOMIC RESULT WITH BUDGET RESULT

	EUR '000	
	2022	2021
ECONOMIC RESULT OF THE YEAR	(103 750)	(146 714)
Adjustment for accrual items (items not in the budgetary result but included in the economic result)	(1 486)	46 370
<i>Adjustments for accrual cut-off (net)</i>	<i>(1 516)</i>	<i>46 014</i>
<i>Depreciation, amortization and impairment of intangible and tangible assets</i>	<i>30</i>	<i>22</i>
<i>Uncleared balance on projects' payments</i>		<i>334</i>
<i>Other individually immaterial</i>	<i>(0)</i>	
Adjustment for budgetary items (item included in the budgetary result but not in the economic result)	102 623	102 633
<i>Members' cash contributions collected in the year</i>	<i>46 661</i>	<i>127 239</i>
<i>Other income</i>	<i>2 778</i>	
<i>Asset acquisitions (less unpaid amounts)</i>	<i>(32)</i>	<i>(21)</i>
<i>New pre-financing paid in the year and remaining open as at 31 December</i>	<i>53 224</i>	<i>(24 583)</i>
<i>Other individually immaterial</i>	<i>(8)</i>	<i>(2)</i>
BUDGET RESULT OF THE YEAR	(2 613)	2 289

7. IMPLEMENTATION OF BUDGET REVENUE

7.1. 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	
1001	European Commission (incl. EFTA) contribution to administrative expenditure	2 220	2 220	2 220	0	2 220	2 220	0	2 220	100 %	0
1002	European Commission (incl. EFTA) contribution to operational expenditure	39 557	39 557	39 557	0	39 557	39 557	0	39 557	100 %	0
1003	Bio-based Industries Consortium contribution to administrative expenditure	2 220	2 220	3 052	0	3 052	3 052	0	3 052	137 %	0
1005	Joint Undertaking revenues	0	0	80	0	80	80	0	80	-	0
1006	Other income	0	0	6 255	0	6 255	3 227	0	3 227	-	3 027
1007	European Commission (incl. EFTA) contribution to administrative expenditure CBE	0	832	832	0	832	832	0	832	100 %	0
1008	European Commission (incl. EFTA) contribution to operational expenditure CBE	0	1 000	471	0	471	471	0	471	47 %	0
1009	Bio-based Industries Consortium contribution to administrative expenditure CBE	0	832							-	
Total Chapter 10		43 997	46 661	52 466	0	52 466	49 439	0	49 439	106 %	3 027
Total Title 1		43 997	46 661	52 466	0	52 466	49 439	0	49 439	106 %	3 027

7.2. Implementation of budget revenue – Title 2

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
2017	C2 reactivation of appropriations for administrative	1 566	1 566							-	
2018	C2 reactivation of appropriations for operational	40 000	28 803							-	
Total Chapter 20		41 566	30 369							-	
Total Title 2		41 566	30 369							-	
GRAND TOTAL		85 563	77 030	52 466	0	52 466	49 439	0	49 439	64 %	3 027

8. IMPLEMENTATION OF BUDGET EXPENDITURE

8.1. Breakdown & changes in commitment appropriations

8.1.1. Breakdown & changes in commitment appropriations – Title 1

EUR '000

	Item	Budget appropriations				Additional appropriations			Total appropr. available
		Initial adopted budget	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
1100	Staff costs BBI	2 649	0	0	2 649	233	0	233	2 882
1101	Staff costs CBE	0	1 090	0	1 090	0	0	0	1 090
1110	Trainees BBI	0	0	0	0	26	0	26	26
Total Chapter 11		2 649	1 090	0	3 739	259	0	259	3 998
1200	Sundry recruitment expenses BBI	19	0	0	19	0	0	0	19
1201	Installation, resettlement and daily subsistence allowances and removal and travel expenses BBI	60	0	0	60	0	0	0	60
1202	Sundry recruitment expenses CBE	0	6	0	6	0	0	0	6
1203	Installation, resettlement and daily subsistence allowances and removal and travel expenses CBE	0	18	0	18	0	0	0	18
Total Chapter 12		79	24	0	103	0	0	0	103
1300	Mission expenses, duty travel expenses and other ancillary expenditure BBI	60	0	0	60	54	0	54	114
1301	Mission expenses, duty travel expenses and other ancillary expenditure CBE	0	20	0	20	0	0	0	20
Total Chapter 13		60	20	0	80	54	0	54	133
1400	Medical service BBI	16	0	0	16	0	0	0	16
1401	Mobility costs and other social expenses for staff BBI	105	0	0	105	23	4	28	133

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1402	Training BBI	75	0	0	75	15	0	15	90
1403	Supplementary aid for the disabled BBI	17	0	0	17	2	0	2	19
1404	Medical service CBE	0	3	0	3	0	0	0	3
1405	Mobility costs and other social expenses for staff CBE	0	21	0	21	0	0	0	21
1406	Training CBE	0	15	0	15	0	0	0	15
1407	Supplementary aid for the disabled CBE	0	3	0	3	0	0	0	3
Total Chapter 14		212	42	0	254	41	4	45	299
1500	Staff teambuilding and related events BBI	10	0	0	10	8	0	8	18
Total Chapter 15		10	0	0	10	8	0	8	18
Total Title 1		3 010	1 176	0	4 186	361	4	365	4 551

8.1.2. Breakdown & changes in commitment appropriations – Title 2

EUR '000

	Item	Budget appropriations				Additional appropriations			Total appropri. available
		Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Reactivated appropriations	Assigned revenue	Total	
		1	2	3	4=1+2+3	5	6	7=5+6	
2000	Rentals BBI	232	0	48	280	22	0	22	302
2001	Rentals CBE	0	88	0	88	0	0	0	88
2010	Charges and works BBI	102	0	(102)	0	0	0	0	0
2011	Charges and works CBE	0	44	0	44	0	0	0	44
Total Chapter 20		334	132	(53)	413	22	0	22	434
2100	IT equipment & software purchase/development costs BBI	102	0	(14)	88	0	0	0	88
2101	Other IT costs BBI	193	0	14	207	46	71	117	324
2102	IT equipment & software purchase/development costs CBE	0	22	0	22	0	0	0	22
2103	Other IT costs CBE	0	44	0	44	0	0	0	44
Total Chapter 21		295	66	0	361	46	71	117	478
2200	Movable property and associated office equipment purchase costs BBI	0	0	0	0	0	0	0	0
2201	Movable property and associated office equipment purchase costs CBE	0	1	0	1	0	0	0	1
Total Chapter 22		0	1	0	1	0	0	0	2
2300	Stationery and office supplies BBI	15	0	0	15	28	0	28	43
2301	Financial charges BBI	0	0	0	0	0	0	0	0
2302	Legal expenditure BBI	20	0	0	20	0	0	0	20
2303	Other current administrative expenditure BBI	0	0	0	0	1	1	1	2
2304	Stationery and office supplies CBE	0	3	0	3	0	0	0	3
2306	Legal expenditure CBE	0	4	0	4	0	0	0	4

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2307	Other current administrative expenditure CBE	0	0	0	0	0	0	0	0
Total Chapter 23		35	7	0	42	28	1	29	71
2400	Telecommunications and postal charges BBI	19	0	0	19	5	0	5	24
2401	Telecommunications and postal charges CBE	0	5	0	5	0	0	0	5
Total Chapter 24		19	5	0	24	5	0	5	29
2500	Expenditure on formal meetings BBI	77	0	(56)	21	1	0	1	22
2501	Expenditure on formal meetings CBE	0	31	0	31	0	0	0	31
Total Chapter 25		77	31	(56)	52	1	0	1	53
2600	Events and campaigns BBI	265	0	0	265	163	0	163	428
2601	Materials BBI	65	0	0	65	77	0	77	142
2602	Communications tools BBI	25	0	0	25	58	0	58	83
2603	Public relations BBI	45	0	0	45	40	0	40	85
2604	Events and campaigns CBE	0	70	0	70	0	0	0	70
2605	Material CBE	0	17	0	17	0	0	0	17
2606	Communications tools CBE	0	7	0	7	0	0	0	7
2607	Public relations CBE	0	12	0	12	0	0	0	12
Total Chapter 26		400	106	0	506	339	0	339	844
2700	Studies, consultancy and other services BBI	19	0	0	19	63	0	63	82
2701	Service contracts BBI	0	0	0	0	3	0	3	3
2702	Audit costs BBI	31	0	56	87	0	0	0	87
2703	Studies, consultancy and other services CBE	0	35	0	35	0	0	0	35
2705	Audit costs CBE	0	58	0	58	0	0	0	58
2706	External staff BBI	77	0	53	131	69	0	69	200
2707	External staff CBE	0	17	0	17	0	0	0	17
Total Chapter 27		127	109	109	346	135	0	135	481
2900	Expert reviewers BBI	143	0	0	143	185	0	185	328

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2901	Expert reviewers CBE	0	31	0	31	14	0	14	46
Total Chapter 29		143	31	0	174	199	0	199	373
Total Title 2		1 430	489	(0)	1 918	775	72	847	2 765

8.1.1. Breakdown & changes in commitment appropriations – Title 3

		Budget appropriations				Additional appropriations			EUR '000
	Item	Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Reactivated appropriations	Assigned revenue	Total	Total approp. available
		1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
3000	Previous years' calls BBI	0	0	0	0	477	3 227	3 704	3 704
Total Chapter 30		0	0	0	0	477	3 227	3 704	3 704
3101	Current year call CBE	0	253 197	(1 000)	252 197	0	0	0	252 197
Total Chapter 31		0	253 197	(1 000)	252 197	0	0	0	252 197
3200	Evaluators' contract CBE	0	0	1 000	1 000	0	0	0	1 000
Total Chapter 32		0	0	1 000	1 000	0	0	0	1 000
Total Title 3		0	253 197	0	253 197	477	3 227	3 704	256 901
GRAND TOTAL		4 440	254 861	0	259 301	1 612	3 303	4 916	264 217

8.2. Breakdown & changes in payment appropriations

8.2.1. Breakdown & changes in payment appropriations – Title 1

EUR '000

	Item	Budget appropriations				Additional appropriations			Total appropri. 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
1100	Staff costs BBI	2 649	0	(3)	2 647	715	0	715	3 362
1101	Staff costs CBE	0	1 090	0	1 090	0	0	0	1 090
1110	Trainees BBI	0	0	3	3	19	0	19	22
Total Chapter 11		2 649	1 090	0	3 739	734	0	734	4 473
1200	Sundry recruitment expenses BBI	19	0	0	19	10	0	10	28
1201	Installation, resettlement and daily subsistence allowances and removal and travel expenses BBI	60	0	0	60	0	0	0	60
1202	Sundry recruitment expenses CBE	0	6	0	6	0	0	0	6
1203	Installation, resettlement and daily subsistence allowances and removal and travel expenses CBE	0	18	0	18	0	0	0	18
Total Chapter 12		79	24	0	103	10	0	10	112
1300	Mission expenses, duty travel expenses and other ancillary expenditure BBI	60	0	0	60	7	0	7	67
1301	Mission expenses, duty travel expenses and other ancillary expenditure CBE	0	20	0	20	0	0	0	20
Total Chapter 13		60	20	0	80	7	0	7	86
1400	Medical service BBI	16	0	0	16	9	0	9	25
1401	Mobility costs and other social expenses for staff BBI	105	0	0	105	33	4	37	142
1402	Training BBI	75	0	0	75	25	0	25	99

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1403	Supplementary aid for the disabled BBI	17	0	0	17	4	0	4	21
1404	Medical service CBE	0	3	0	3	0	0	0	3
1405	Mobility costs and other social expenses for staff CBE	0	21	0	21	0	0	0	21
1406	Training CBE	0	15	0	15	0	0	0	15
1407	Supplementary aid for the disabled CBE	0	3	0	3	0	0	0	3
Total Chapter 14		212	42	0	254	70	4	75	329
1500	Staff teambuilding and related events BBI	10	0	0	10	9	0	9	19
Total Chapter 15		10	0	0	10	9	0	9	19
Total Title 1		3 010	1 176	0	4 186	829	4	834	5 019

8.2.2. Breakdown & changes in payment appropriations – Title 2

	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	8=4+7
2000	Rentals BBI	232	0	48	280	54	0	54	335
2001	Rentals CBE	0	88	0	88	0	0	0	88
2010	Charges and works BBI	102	0	(92)	10	0	0	0	10
2011	Charges and works CBE	0	44	0	44	0	0	0	44
Total Chapter 20		334	132	(43)	423	54	0	54	477
2100	IT equipment & software purchase/development costs BBI	102	0	0	102	22	0	22	124
2101	Other IT costs BBI	193	0	0	193	65	71	136	329
2102	IT equipment & software purchase/development costs CBE	0	22	0	22	0	0	0	22
2103	Other IT costs CBE	0	44	0	44	0	0	0	44

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Total Chapter 21		295	66	0	361	87	71	158	519
2200	Movable property and associated office equipment purchase costs BBI	0	0	0	0	5	0	5	5
2201	Movable property and associated office equipment purchase costs CBE	0	1	0	1	0	0	0	1
Total Chapter 22		0	1	0	1	5	0	5	7
2300	Stationery and office supplies BBI	15	0	0	15	24	0	24	39
2302	Legal expenditure BBI	20	0	0	20	0	0	0	20
2303	Other current administrative expenditure BBI	0	0	0	0	1	1	1	2
2304	Stationery and office supplies CBE	0	3	0	3	0	0	0	3
2306	Legal expenditure CBE	0	4	0	4	0	0	0	4
2307	Other current administrative expenditure CBE	0	0	0	0	0	0	0	0
Total Chapter 23		35	7	0	42	24	1	25	67
2400	Telecommunications and postal charges BBI	19	0	0	19	6	0	6	25
2401	Telecommunications and postal charges CBE	0	5	0	5	0	0	0	5
Total Chapter 24		19	5	0	24	6	0	6	30
2500	Expenditure on formal meetings BBI	77	0	(56)	21	5	0	5	26
2501	Expenditure on formal meetings CBE	0	31	0	31	0	0	0	31
Total Chapter 25		77	31	(56)	52	5	0	5	57
2600	Events and campaigns BBI	265	0	(227)	38	13	0	13	51
2601	Materials BBI	65	0	0	65	39	0	39	104
2602	Communications tools BBI	25	0	227	252	84	0	84	336
2603	Public relations BBI	45	0	0	45	0	0	0	45
2604	Events and campaigns CBE	0	70	0	70	0	0	0	70
2605	Material CBE	0	17	0	17	0	0	0	17
2606	Communications tools CBE	0	7	0	7	0	0	0	7
2607	Public relations CBE	0	12	0	12	0	0	0	12

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Total Chapter 26		400	106	0	506	136	0	136	642
2700	Studies, consultancy and other services BBI	19	0	0	19	83	0	83	102
2702	Audit costs BBI	31	0	56	87	0	0	0	87
2703	Studies, consultancy and other services CBE	0	35	0	35	0	0	0	35
2705	Audit costs CBE	0	58	0	58	0	0	0	58
2706	External staff BBI	77	0	43	121	104	0	104	224
2707	External staff CBE	0	17	0	17	0	0	0	17
Total Chapter 27		127	109	99	336	187	0	187	523
2900	Expert reviewers BBI	143	0	0	143	232	0	232	375
2901	Expert reviewers CBE	0	31	0	31	0	0	0	31
Total Chapter 29		143	31	0	174	232	0	232	406
Total Title 2		1 430	489	0	1 918	737	72	809	2 727

8.2.3. Breakdown & changes in payment appropriations – Title 3

EUR '000

	Item	Budget appropriations				Additional appropriations			Total appropri- 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
3000	Previous years' calls BBI	39 557	0	(20 000)	19 557	10 327	3 227	13 554	33 111
Total Chapter 30		39 557	0	(20 000)	19 557	10 327	3 227	13 554	33 111
3100	Current year call BBI	0	0	20 000	20 000	18 476	0	18 476	38 476
Total Chapter 31		0	0	20 000	20 000	18 476	0	18 476	38 476
3200	Evaluators' contract CBE	0	1 000	0	1 000	0	0	0	1 000
Total Chapter 32		0	1 000	0	1 000	0	0	0	1 000
Total Title 3		39 557	1 000	0	40 557	28 803	3 227	32 031	72 587
GRAND TOTAL		43 997	2 664	0	46 661	30 369	3 303	33 673	80 334

8.3. IMPLEMENTATION OF COMMITMENT APPROPRIATIONS

8.3.1. Implementation of commitment appropriations - Title 1

EUR '000

	Item	Total approp. available	Commitments made					Appropriations carried over to 2023			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
1100	Staff costs BBI	2 882	2 378	157	0	2 535	88 %	0	0	0	272	75	0	347
1101	Staff costs CBE	1 090	0	0	0	0	0 %	0	0	0	1 090	0	0	1 090
1110	Trainees BBI	26	0	26	0	26	100 %	0	0	0	0	0	0	0
Total Chapter 11		3 998	2 378	183	0	2 561	64 %	0	0	0	1 361	75	0	1 437
1200	Sundry recruitment expenses BBI	19	19	0	0	19	100 %	0	0	0	0	0	0	0
1201	Installation, resettlement and daily subsistence allowances and removal and travel expenses BBI	60	0	0	0	0	0 %	0	0	0	60	0	0	60
1202	Sundry recruitment expenses CBE	6	0	0	0	0	0 %	0	0	0	6	0	0	6
1203	Installation, resettlement and daily subsistence allowances and removal and travel expenses CBE	18	0	0	0	0	0 %	0	0	0	18	0	0	18
Total Chapter 12		103	19	0	0	19	18 %	0	0	0	84	0	0	84

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1300	Mission expenses, duty travel expenses and other ancillary expenditure BBI	114	35	0	0	35	31 %	0	0	0	25	54	0	79
1301	Mission expenses, duty travel expenses and other ancillary expenditure CBE	20	0	0	0	0	0 %	0	0	0	20	0	0	20
Total Chapter 13		133	35	0	0	35	26 %	0	0	0	45	54	0	98
1400	Medical service BBI	16	16	0	0	16	100 %	0	0	0	0	0	0	0
1401	Mobility costs and other social expenses for staff BBI	133	105	22	4	131	99 %	0	0	0	0	1	0	1
1402	Training BBI	90	75	14	0	89	99 %	0	0	0	0	1	0	1
1403	Supplementary aid for the disabled BBI	19	3	0	0	3	15 %	0	0	0	14	2	0	16
1404	Medical service CBE	3	0	0	0	0	0 %	0	0	0	3	0	0	3
1405	Mobility costs and other social expenses for staff CBE	21	0	0	0	0	0 %	0	0	0	21	0	0	21
1406	Training CBE	15	0	0	0	0	0 %	0	0	0	15	0	0	15
1407	Supplementary aid for the disabled CBE	3	0	0	0	0	0 %	0	0	0	3	0	0	3
Total Chapter 14		299	198	37	4	239	80 %	0	0	0	56	4	0	60
1500	Staff teambuilding and related events BBI	18	10	0	0	10	56 %	0	0	0	0	8	0	8
Total Chapter 15		18	10	0	0	10	56 %	0	0	0	0	8	0	8

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Total Title 1	4 551	2 639	220	4	2 863	63 %	0	0	0	1 547	141	0	1 688
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8.3.2. Implementation of commitment appropriations - Title 2

EUR '000

	Item	Total approp. available	Commitments made					Appropriations carried over to 2023			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
2000	Rentals BBI	302	280	22	0	302	100 %	0	0	0	0	0	0	0
2001	Rentals CBE	88	0	0	0	0	0 %	0	0	0	88	0	0	88
2011	Charges and works CBE	44	0	0	0	0	0 %	0	0	0	44	0	0	44
Total Chapter 20		434	280	22	0	302	70 %	0	0	0	132	0	0	132
2100	IT equipment & software purchase/development costs BBI	88	13	0	0	13	14 %	0	0	0	76	0	0	76
2101	Other IT costs BBI	324	203	46	40	289	89 %	0	0	0	4	0	31	35
2102	IT equipment & software purchase/development costs CBE	22	22	0	0	22	100 %	0	0	0	0	0	0	0
2103	Other IT costs CBE	44	31	0	0	31	70 %	0	0	0	13	0	0	13
Total Chapter 21		478	268	46	40	354	74 %	0	0	0	93	0	31	124

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2200	Movable property and associated office equipment purchase costs BBI	0	0	0	0	0	0 %	0	0	0	0	0	0	0
2201	Movable property and associated office equipment purchase costs CBE	1	0	0	0	0	0 %	0	0	0	1	0	0	1
Total Chapter 22		2	0	0	0	0	0 %	0	0	0	1	0	0	2
2300	Stationery and office supplies BBI	43	15	28	0	42	100 %	0	0	0	0	0	0	0
2301	Financial charges BBI	0	0	0	0	0	0 %	0	0	0	0	0	0	0
2302	Legal expenditure BBI	20	0	0	0	0	0 %	0	0	0	20	0	0	20
2303	Other current administrative expenditure BBI	2	0	1	1	2	100 %	0	0	0	0	0	0	0
2304	Stationery and office supplies CBE	3	0	0	0	0	0 %	0	0	0	3	0	0	3
2306	Legal expenditure CBE	4	0	0	0	0	0 %	0	0	0	4	0	0	4
2307	Other current administrative expenditure CBE	0	0	0	0	0	0 %	0	0	0	0	0	0	0
Total Chapter 23		71	15	28	1	44	62 %	0	0	0	27	0	0	27
2400	Telecommunications and postal charges BBI	24	5	4	0	9	37 %	0	0	0	14	1	0	15
2401	Telecommunications and postal charges CBE	5	0	0	0	0	0 %	0	0	0	5	0	0	5
Total Chapter 24		29	5	4	0	9	30 %	0	0	0	19	1	0	20

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2500	Expenditure on formal meetings BBI	22	10	1	0	11	52 %	0	0	0	11	0	0	11
2501	Expenditure on formal meetings CBE	31	0	0	0	0	0 %	0	0	0	31	0	0	31
Total Chapter 25		53	10	1	0	11	22 %	0	0	0	41	0	0	41
2600	Events and campaigns BBI	428	89	32	0	121	28 %	0	0	0	176	131	0	307
2601	Materials BBI	142	0	34	0	34	24 %	0	0	0	65	43	0	108
2602	Communications tools BBI	83	25	58	0	83	100 %	0	0	0	0	0	0	0
2603	Public relations BBI	85	4	40	0	44	51 %	0	0	0	41	0	0	41
2604	Events and campaigns CBE	70	0	0	0	0	0 %	0	0	0	70	0	0	70
2605	Material CBE	17	0	0	0	0	0 %	0	0	0	17	0	0	17
2606	Communications tools CBE	7	0	0	0	0	0 %	0	0	0	7	0	0	7
2607	Public relations CBE	12	0	0	0	0	0 %	0	0	0	12	0	0	12
Total Chapter 26		844	118	164	0	282	33 %	0	0	0	388	175	0	563
2700	Studies, consultancy and other services BBI	82	5	11	0	16	20 %	0	0	0	14	52	0	66
2701	Service contracts BBI	3	0	3	0	3	100 %	0	0	0	0	0	0	0
2702	Audit costs BBI	87	87	0	0	87	100 %	0	0	0	0	0	0	0
2703	Studies, consultancy and other services CBE	35	0	0	0	0	0 %	0	0	0	35	0	0	35
2705	Audit costs CBE	58	0	0	0	0	0 %	0	0	0	58	0	0	58
2706	External staff BBI	200	128	69	0	198	99 %	0	0	0	2	0	0	2

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2707	External staff CBE	17	17	0	0	17	100 %	0	0	0	0	0	0	0
Total Chapter 27		481	237	83	0	320	67 %	0	0	0	109	52	0	161
2900	Expert reviewers BBI	328	143	185	0	328	100 %	0	0	0	0	0	0	0
2901	Expert reviewers CBE	46	0	0	0	0	0 %	0	0	0	31	14	0	46
Total Chapter 29		373	143	185	0	328	88 %	0	0	0	31	14	0	46
Total Title 2		2 765	1 076	533	40	1 650	60 %	0	0	0	842	242	31	1 115

8.3.3. Implementation of commitment appropriations - Title 3

EUR '000

	Item	Total approp. available	Commitments made					Appropriations carried over to 2023			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
3000	Previous years' calls BBI	3 704	0	0	0	0	0 %	0	0	0	0	477	3 227	3 704
Total Chapter 30		3 704	0	0	0	0	0 %	0	0	0	0	477	3 227	3 704
3101	Current year call CBE	252 197	119 471	0	0	119 471	47 %	0	0	0	132 726	0	0	132 726
Total Chapter 31		252 197	119 471	0	0	119 471	47 %	0	0	0	132 726	0	0	132 726
3200	Evaluators' contract CBE	1 000	1 000	0	0	1 000	100 %	0	0	0	0	0	0	0
Total Chapter 32		1 000	1 000	0	0	1 000	100 %	0	0	0	0	0	0	0
Total Title 3		256 901	120 471	0	0	120 471	47 %	0	0	0	132 726	477	3 227	136 430
GRAND TOTAL		264 217	124 186	753	45	124 984	47 %	0	0	0	135 114	860	3 259	139 233

8.4. IMPLEMENTATION OF PAYMENT APPROPRIATIONS

8.4.1. Implementation of payment appropriations - Title 1

EUR
'000

	Item	Total approp. availab.	Payments made					Appropriations carried over to 2023				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
1100	Staff costs BBI	3 362	1 803	715	0	2 518	75 %	0	0	0	0	843	0	0	843
1101	Staff costs CBE	1 090	0	0	0	0	0 %	0	0	0	0	1 090	0	0	1 090
1110	Trainees BBI	22	1	19	0	21	94 %	0	0	0	0	1	0	0	1
Total Chapter 11		4 473	1 805	734	0	2 539	57 %	0	0	0	0	1 934	0	0	1 934
1200	Sundry recruitment expenses BBI	28	0	10	0	10	34 %	0	0	0	0	19	0	0	19
1201	Installation, resettlement and daily subsistence allowances and removal and travel expenses BBI	60	0	0	0	0	0 %	0	0	0	0	60	0	0	60
1202	Sundry recruitment expenses CBE	6	0	0	0	0	0 %	0	0	0	0	6	0	0	6
1203	Installation, resettlement and daily subsistence allowances and removal and travel expenses CBE	18	0	0	0	0	0 %	0	0	0	0	18	0	0	18
Total Chapter 12		112	0	10	0	10	8 %	0	0	0	0	103	0	0	103
1300	Mission expenses, duty travel expenses and other ancillary expenditure BBI	67	11	7	0	18	26 %	0	0	0	0	49	0	0	49

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1301	Mission expenses, duty travel expenses and other ancillary expenditure CBE	20	0	0	0	0	0 %	0	0	0	0	20	0	0	20
Total Chapter 13		86	11	7	0	18	20 %	0	0	0	0	69	0	0	69
1400	Medical service BBI	25	0	9	0	9	37 %	0	0	0	0	16	0	0	16
1401	Mobility costs and other social expenses for staff BBI	142	81	33	4	118	83 %	0	0	0	0	24	0	0	24
1402	Training BBI	99	30	25	0	55	55 %	0	0	0	0	45	0	0	45
1403	Supplementary aid for the disabled BBI	21	0	4	0	4	19 %	0	0	0	0	17	0	0	17
1404	Medical service CBE	3	0	0	0	0	0 %	0	0	0	0	3	0	0	3
1405	Mobility costs and other social expenses for staff CBE	21	0	0	0	0	0 %	0	0	0	0	21	0	0	21
1406	Training CBE	15	0	0	0	0	0 %	0	0	0	0	15	0	0	15
1407	Supplementary aid for the disabled CBE	3	0	0	0	0	0 %	0	0	0	0	3	0	0	3
Total Chapter 14		329	111	70	4	185	56 %	0	0	0	0	144	0	0	144
1500	Staff teambuilding and related events BBI	19	1	9	0	10	54 %	0	0	0	0	9	0	0	9
Total Chapter 15		19	1	9	0	10	54 %	0	0	0	0	9	0	0	9
Total Title 1		5 019	1 928	829	4	2 761	55 %	0	0	0	0	2 258	0	0	2 258

8.4.2. Implementation of payment appropriations - Title 2

EUR
'000

	Item	Total approp. availab.	Payments made					Appropriations carried over to 2023				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
2000	Rentals BBI	335	247	54	0	301	90 %	0	0	0	0	33	0	0	33
2001	Rentals CBE	88	0	0	0	0	0 %	0	0	0	0	88	0	0	88
2010	Charges and works BBI	10	0	0	0	0	0 %	0	0	0	0	10	0	0	10
2011	Charges and works CBE	44	0	0	0	0	0 %	0	0	0	0	44	0	0	44
Total Chapter 20		477	247	54	0	301	63 %	0	0	0	0	176	0	0	176
2100	IT equipment & software purchase/development costs BBI	124	77	22	0	99	80 %	0	0	0	0	25	0	0	25
2101	Other IT costs BBI	329	193	65	71	329	100 %	0	0	0	0	0	0	0	0
2102	IT equipment & software purchase/development costs CBE	22	0	0	0	0	0 %	0	0	0	0	22	0	0	22
2103	Other IT costs CBE	44	0	0	0	0	0 %	0	0	0	0	44	0	0	44
Total Chapter 21		519	270	87	71	428	82 %	0	0	0	0	91	0	0	91
2200	Movable property and associated office equipment purchase costs BBI	5	0	5	0	5	100 %	0	0	0	0	0	0	0	0
2201	Movable property and associated office equipment purchase costs CBE	1	0	0	0	0	0 %	0	0	0	0	1	0	0	1

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Total Chapter 22		7	0	5	0	5	79 %	0	0	0	0	1	0	0	1
2300	Stationery and office supplies BBI	39	15	24	0	38	100 %	0	0	0	0	0	0	0	0
2302	Legal expenditure BBI	20	0	0	0	0	0 %	0	0	0	0	20	0	0	20
2303	Other current administrative expenditure BBI	2	0	1	1	1	91 %	0	0	0	0	0	0	0	0
2304	Stationery and office supplies CBE	3	0	0	0	0	0 %	0	0	0	0	3	0	0	3
2306	Legal expenditure CBE	4	0	0	0	0	0 %	0	0	0	0	4	0	0	4
2307	Other current administrative expenditure CBE	0	0	0	0	0	0 %	0	0	0	0	0	0	0	0
Total Chapter 23		67	15	24	1	40	60 %	0	0	0	0	27	0	0	27
2400	Telecommunications and postal charges BBI	25	6	6	0	12	50 %	0	0	0	0	13	0	0	13
2401	Telecommunications and postal charges CBE	5	0	0	0	0	0 %	0	0	0	0	5	0	0	5
Total Chapter 24		30	6	6	0	12	42 %	0	0	0	0	18	0	0	18
2500	Expenditure on formal meetings BBI	26	2	5	0	8	29 %	0	0	0	0	19	0	0	19
2501	Expenditure on formal meetings CBE	31	0	0	0	0	0 %	0	0	0	0	31	0	0	31
Total Chapter 25		57	2	5	0	8	13 %	0	0	0	0	50	0	0	50
2600	Events and campaigns BBI	51	0	5	0	5	10 %	0	0	0	0	38	8	0	46
2601	Materials BBI	104	26	39	0	65	63 %	0	0	0	0	39	0	0	39
2602	Communications tools BBI	336	252	62	0	315	94 %	0	0	0	0	0	22	0	22
2603	Public relations BBI	45	36	0	0	36	81 %	0	0	0	0	9	0	0	9
2604	Events and campaigns CBE	70	0	0	0	0	0 %	0	0	0	0	70	0	0	70
2605	Material CBE	17	0	0	0	0	0 %	0	0	0	0	17	0	0	17

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2606	Communications tools CBE	7	0	0	0	0	0 %	0	0	0	0	7	0	0	7
2607	Public relations CBE	12	0	0	0	0	0 %	0	0	0	0	12	0	0	12
Total Chapter 26		642	315	106	0	421	66 %	0	0	0	0	191	30	0	221
2700	Studies, consultancy and other services BBI	102	15	83	0	98	96 %	0	0	0	0	4	0	0	4
2702	Audit costs BBI	87	16	0	0	16	19 %	0	0	0	0	71	0	0	71
2703	Studies, consultancy and other services CBE	35	0	0	0	0	0 %	0	0	0	0	35	0	0	35
2705	Audit costs CBE	58	0	0	0	0	0 %	0	0	0	0	58	0	0	58
2706	External staff BBI	224	109	102	0	211	94 %	0	0	0	0	11	2	0	13
2707	External staff CBE	17	17	0	0	17	100 %	0	0	0	0	0	0	0	0
Total Chapter 27		523	158	185	0	343	66 %	0	0	0	0	178	2	0	180
2900	Expert reviewers BBI	375	127	175	0	302	81 %	0	0	0	0	15	57	0	73
2901	Expert reviewers CBE	31	0	0	0	0	0 %	0	0	0	0	31	0	0	31
Total Chapter 29		406	127	175	0	302	74 %	0	0	0	0	47	57	0	104
Total Title 2		2 727	1 141	648	72	1 860	68 %	0	0	0	0	778	89	0	867

8.4.3. Implementation of payment appropriations - Title 3

EUR
'000

	Item	Total approp. availab.	Payments made					Appropriations carried over to 2023				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
3000	Previous years' calls BBI	33 111	3 592	10 327	3 227	17 146	52 %	0	0	0	0	15 965	0	0	15 965
Total Chapter 30		33 111	3 592	10 327	3 227	17 146	52 %	0	0	0	0	15 965	0	0	15 965
3100	Current year call BBI	38 476	11 337	18 476	0	29 814	77 %	0	0	0	0	8 663	0	0	8 663
Total Chapter 31		38 476	11 337	18 476	0	29 814	77 %	0	0	0	0	8 663	0	0	8 663
3200	Evaluators' contract CBE	1 000	471	0	0	471	47 %	0	0	0	0	529	0	0	529
Total Chapter 32		1 000	471	0	0	471	47 %	0	0	0	0	529	0	0	529
Total Title 3		72 587	15 400	28 803	3 227	47 431	65 %	0	0	0	0	25 157	0	0	25 157
GRAND TOTAL		80 334	18 468	30 281	3 303	52 052	65 %	0	0	0	0	28 193	89	0	28 281

9. OUTSTANDING COMMITMENTS

9.1. 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 forward from previous year	Decommit. Revaluation Cancellations	Pay-ments	Total	Commit-ments made during the year	Pay-ments	Cancel-lation of commit. which cannot be carried forward	Commit. outstanding at year-end	
		1	2	3	4=1+2-3	5	6	7	8=5-6-7	
1100	Staff costs BBI	25	(25)	0	0	2 535	2 518	0	16	16
1110	Trainees BBI	2	(2)	0	0	26	21	0	6	6
Total Chapter 11		27	(27)	0	0	2 561	2 539	0	22	22
1200	Sundry recruitment expenses BBI	9	(9)	0	0	19	10	0	9	9
Total Chapter 12		9	(9)	0	0	19	10	0	9	9
1300	Mission expenses, duty travel expenses and other ancillary expenditure BBI	6	(4)	1	0	35	16	0	19	19
Total Chapter 13		6	(4)	1	0	35	16	0	19	19
1400	Medical service BBI	11	(10)	0	0	16	9	0	7	7
1401	Mobility costs and other social expenses for staff BBI	20	(3)	11	7	131	107	0	25	32
1402	Training BBI	41	(1)	4	36	89	51	0	38	74
1403	Supplementary aid for the disabled BBI	3	(2)	1	0	3	3	0	0	0
Total Chapter 14		74	(15)	16	43	239	169	0	70	113
1500	Staff teambuilding and related events BBI	0	0	0	0	10	10	0	0	0
Total Chapter 15		0	0	0	0	10	10	0	0	0
Total Title 1		116	(56)	18	43	2 863	2 744	0	119	162

9.2. Outstanding commitments – Title 2

EUR '000

		Commitments outstanding at the end of previous year				Commitments of the current year				Total commitm. outstanding at year-end
	Item	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
2000	Rentals BBI	28	(28)	0	0	302	301	0	1	1
Total Chapter 20		28	(28)	0	0	302	301	0	1	1
2100	IT equipment & software purchase/development costs BBI	98	(3)	94	0	13	4	0	8	8
2101	Other IT costs BBI	221	(4)	116	101	289	213	0	76	176
2102	IT equipment & software purchase/development costs CBE	0	0	0	0	22	0	0	22	22
2103	Other IT costs CBE	0	0	0	0	31	0	0	31	31
Total Chapter 21		319	(8)	211	101	354	217	0	137	237
2200	Movable property and associated office equipment purchase costs BBI	5	0	5	0	0	0	0	0	0
Total Chapter 22		5	0	5	0	0	0	0	0	0
2300	Stationery and office supplies BBI	10	(5)	4	0	42	34	0	8	8
2303	Other current administrative expenditure BBI	1	(1)	0	0	2	1	0	0	0
Total Chapter 23		10	(6)	4	0	44	35	0	9	9
2400	Telecommunications and postal charges BBI	13	(3)	8	2	9	4	0	5	7
Total Chapter 24		13	(3)	8	2	9	4	0	5	7
2500	Expenditure on formal meetings BBI	0	0	0	0	11	8	0	4	4

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Total Chapter 25		0	0	0	0	11	8	0	4	4
2600	Events and campaigns BBI	6	(6)	0	0	121	5	0	116	116
2601	Materials BBI	37	(6)	31	0	34	34	0	0	0
2602	Communications tools BBI	298	(9)	289	0	83	26	0	57	57
2603	Public relations BBI	0	0	0	0	44	36	0	8	8
Total Chapter 26		340	(20)	320	0	282	101	0	181	181
2700	Studies, consultancy and other services BBI	85	(2)	83	0	16	15	0	1	1
2701	Service contracts BBI	0	0	0	0	3	0	0	3	3
2702	Audit costs BBI	16	0	16	0	87	0	0	87	87
2706	External staff BBI	29	(7)	23	0	198	188	0	9	9
2707	External staff CBE	0	0	0	0	17	17	0	0	0
Total Chapter 27		131	(8)	123	0	320	221	0	100	100
2900	Expert reviewers BBI	59	(4)	52	2	328	250	0	78	80
Total Chapter 29		59	(4)	52	2	328	250	0	78	80
Total Title 2		906	(77)	723	105	1 650	1 137	0	513	618

9.3. Outstanding commitments – Title 3

EUR '000

		Commitments outstanding at the end of previous year				Commitments of the current year				Total commitm. outstanding at year-end
	Item	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
3000	Previous years' calls BBI	68 892	(18 059)	17 146	33 687	0	0	0	0	33 687
Total Chapter 30		68 892	(18 059)	17 146	33 687	0	0	0	0	33 687
3100	Current year call BBI	90 703	(620)	29 814	60 270	0	0	0	0	60 270
3101	Current year call CBE	0	0	0	0	119 471	0	0	119 471	119 471
Total Chapter 31		90 703	(620)	29 814	60 270	119 471	0	0	119 471	179 740
3200	Evaluators' contract CBE	0	0	0	0	1 000	471	0	529	529
Total Chapter 32		0	0	0	0	1 000	471	0	529	529
Total Title 3		159 595	(18 679)	46 960	93 956	120 471	471	0	120 000	213 956
GRAND TOTAL		160 617	(18 812)	47 701	94 104	124 984	4 351	0	120 632	214 736

10. 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.