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PROPOSAL

From:	Secretary-General of the European Commission, signed by Mr Jordi AYET PUIGARNAU, Director
date of receipt:	23 August 2016
To:	Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of the European Union
No. Cion doc.:	COM(2016) 531 final
Subject:	Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL establishing the European Foundation for the improvement of living and working conditions (Eurofound), and repealing Council Regulation (EEC) No 1365/75

Delegations will find attached document COM(2016) 531 final.

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EUROPEAN
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2016/0256 (COD)

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

establishing the European Foundation for the improvement of living and working conditions (Eurofound), and repealing Council Regulation (EEC) No 1365/75

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

- **Reasons for and objectives of the proposal**

The proposal aims to revise the founding regulation of the European Foundation for the Improvement of Living and Working Conditions (Eurofound) from 1975. The reasons for the revision are twofold.

The revision of the Eurofound's Founding Regulation will align certain provisions of the existing Regulation governing Eurofound with the Common Approach on Decentralised Agencies.

The revision also offers the opportunity to update the objectives and tasks of Eurofound. Since its establishment in 1975, the Foundation has adapted its activities to the overall societal, institutional and economic developments and emerging trends in European policies in the field of living and working conditions. The new objectives and tasks will be adjusted to better reflect these developments and Eurofound's current contribution to the development of social and work-related policies, by providing relevant and high quality research output in the field of employment, industrial relations, working and living conditions.

The revision is not an initiative within the Regulatory Fitness Programme (REFIT).

The other two so-called tripartite Agencies of the European Union, the European Agency for Safety and Health at Work (EU-OSHA) and the European Centre for the Development of Vocational Training (CEDEFOP) will also undergo a revision of their respective Founding Regulations at the same time as Eurofound.

- **Consistency with the existing policy provisions in the policy area**

The Eurofound's Founding Regulation has been amended three times, in 1993, 2003, and 2005, mainly to take account of EU enlargement or Treaty changes. However, such amendments have not significantly altered the fundamentals of the Agency.

This revision will provide a clearer description of the role of Eurofound in supporting the Commission, other EU institutions and bodies, Member States and social partners in shaping policies on living and working conditions as well as in promoting social dialogue. It will update the mandate of Eurofound as a centre for analysis, research and policy monitoring in these policy areas.

- **Consistency with other Union policies**

The role of Eurofound is to inform and contribute towards better evidence-based policymaking in areas relevant to living and working conditions. The revision takes into consideration the existing EU policies on living and working conditions, and foresees complementarity with ongoing and planned research in this area carried out with EU funding, such as those financed under the Horizon 2020 programme.

2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY

- **Legal basis**

The proposed legal basis is Article 153 of the Treaty on the Functioning of the European Union (TFEU), which covers the activities carried out by Eurofound in the area of working and living conditions where it refers to measures designed to encourage cooperation between Member States in Art 153(2)(a) TFEU.

- **Subsidiarity (for non-exclusive competence)**

This proposal addresses certain aspects relating to how the EU agency operates internally and within the EU institutional framework. Therefore, the objectives of this proposal cannot be achieved by action at national level.

- **Proportionality**

The revision of the Founding Regulation should be considered in terms of its impact on administrative burden and budgetary costs so as to respect the proportionality principle. A general principle which shall guide the revision is the necessity to keep the text of the Founding Regulation simple, clear and flexible, while relying on other forms of regulation (e.g. Rules of Procedure) for detailed provisions. A Founding Regulation should have a mid-term lifespan and ensure the necessary flexibility to allow for possible future developments in the organisation without a need for a further revision.

- **Choice of the instrument**

The instrument will be a Regulation of the European Parliament and the Council repealing and replacing the existing Regulation (EEC) 1365/75 of the Council.

3. RESULTS OF EX-POST EVALUATIONS, STAKEHOLDER CONSULTATIONS AND IMPACT ASSESSMENTS

- **Ex-post evaluations/fitness checks of existing legislation**

The most recent external ex-post evaluation was concluded by the Agency and focused on the Multi-annual Work Programme 2009-2012.

Stakeholder consultations

In line with the requirements of Article 154 TFEU, management and labour at EU level have been consulted on both the possible direction of Union action and the content of the envisaged proposal. Both management and labour insisted in their opinion on maintaining the tripartite nature of the Agency and reflecting this in the objectives of the Agency and in the balanced representation of all groups in its governance structures. They furthermore requested to maintain a Deputy Director function as foreseen under the 1975 Regulation.

The Commission has kept other relevant stakeholders informed on broad decisions concerning this revision exercise and consulted them when necessary.

- **Collection and use of expertise**

Not applicable.

- **Impact assessment**

Given the limited revision of the founding act, an impact assessment was not carried out.

- **Regulatory fitness and simplification**

Not applicable. The proposal is not linked to REFIT.

- **Fundamental rights**

Not applicable.

4. BUDGETARY IMPLICATIONS

The budgetary implications in terms of human and financial resources, as presented in more detail in the Legislative Financial Statement, are in line with Commission Communication (2013)519.

5. OTHER ELEMENTS

- **Implementation plans and monitoring, evaluation and reporting arrangements**

In accordance with the Common Approach, the proposal includes a provision on the evaluation of the Agency by the Commission. In addition to making this proposal, the Commission envisages to carry out a cross-cutting evaluation to assess the Agency's objectives, mandates, governance and tasks, also in relation to other Agencies acting in the field of labour market, working conditions, vocational education and training and skills.

- **Explanatory documents (for directives)**

Not applicable.

- **DETAILED EXPLANATION OF THE SPECIFIC PROVISIONS OF THE PROPOSAL**

The revision offers the opportunity to update Eurofound's objectives and tasks to reflect the developments within the Agency and in the context in which it operates since the adoption of the first Founding Regulation in 1975. It will allow defining more precisely the role of Eurofound in supporting the Commission, Member States and social partners in shaping and implementing policies aimed at the improvement of working and living conditions and in support of social dialogue.

Furthermore, the revision of the Founding Regulation creates the opportunity to provide for anti-fraud measures, conflict of interest policy, evaluation and review and the establishment of a headquarters agreement.

The revision will also harmonise the provisions on programming and reporting with the requirements set by the revised Framework Financial Regulation. It will lead to modifying

and aligning the appointment procedure of the Director (Executive Director) with the procedure provided for in the Common Approach and it will suppress the current position of Deputy Director. The role of appointing authority will be conferred to the Management Board of the Agency. The terminology for the management structure will be aligned with the Common Approach. Certain elements of the Founding Act are not being reviewed in the light of the Common Approach in the framework of this proposal, pending further evaluation.

Regarding the appointment by the Council of the Management Board members representing the employers' and employees' organisations from each Member State, it is proposed that this is done on the basis of a list submitted by the EU social partners' organisations Business Europe and ETUC.

2016/0256 (COD)

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

establishing the European Foundation for the improvement of living and working conditions (Eurofound), and repealing Council Regulation (EEC) No 1365/75

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 153(2)a thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee[1],

Having regard to the opinion of the Committee of the Regions[2],

Acting in accordance with the ordinary legislative procedure,

Whereas:

(1) The European Foundation for the improvement of living and working conditions (Eurofound) was established by Regulation (EEC) No 1365/75[3] to contribute to the planning and establishment of better living and working conditions through action designed to increase and disseminate knowledge likely to assist this development.

(2) Since its establishment in 1975 Eurofound has played an important role in supporting the improvement of living and working conditions throughout the European Union. At the same time the concepts and significance of living and working conditions have evolved under the influence of societal developments and fundamental changes in the labour markets. In this light terminological adjustments are required in describing the objectives and tasks of Eurofound as compared to Regulation (EEC) No 1365/75.

(3) Regulation (EEC) No 1365/75 has been amended several times. Since further amendments are to be made, it should therefore be replaced and repealed in the interest of clarity.

(4) The Agency should be governed and operated in line with the principles of the Joint Statement of the European Parliament, the Council of the European Union and the

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1 OJ C , , p. .

2 OJ C , , p. .

3 Regulation (EEC) No 1365/75 of the Council of 26 May 1975 on the creation of a European Foundation for the improvement of living and working conditions (OJ L 139, 30.5.1975, p.1).

European Commission on decentralised agencies of 19 July 2012 to the extent possible. This proposal therefore does not prejudge any further amendments to the Founding Regulation of Eurofound which the Commission may wish to propose following further evaluation, as provided for in this act or on its own initiative. The Commission will evaluate the objectives, mandate, governance and tasks of all EU Agencies acting in the field of labour market, working conditions, vocational education and training and skills.

(5) As the three so-called tripartite agencies, the European Foundation for the improvement of living and working conditions (Eurofound), the European Agency for Safety and Health at Work (EU-OSHA) and the European Centre for the Development of Vocational Training (CEDEFOP) address issues related to the labour market and working environment and vocational education and training and skills, close coordination among the three Agencies is required and ways to enhance efficiency and synergies should be exploited. In addition, where relevant, the Agency should seek to engage in efficient cooperation with the European Commission's in-house research capacities.

(6) The financial provisions and provisions for programming and reporting set out in Regulation (EEC) No 1365/75 should be aligned with Commission Delegated Regulation (EU) No 1271/2013.[4]

(7) The provisions concerning Eurofound's staff set out in Regulation (EEC) No 1365/75 should be aligned with the Staff Regulations of Officials of the European Union ('Staff Regulations') and the Conditions of Employment of Other Servants of the European Union ('CEOS'), laid down by Council Regulation (EEC, Euratom, ECSC) No 259/68.[5]

(8) The Agency should take the necessary measures to ensure safe handling and processing of confidential information. Where required Eurofound will adopt security rules as set out in Commission Decision (EU, Euratom) 2015/443[6] and Commission Decision (EU, Euratom) 2015/444.[7]

(9) It is necessary to provide for transitional budgetary provisions and transitional provisions on the Management Board, Executive Director and staff to ensure continuation of activities of the Agency pending the entry into force of this Regulation,

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4 Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council (OJ L 328, 7.12.2013, p. 42),

5 Regulation (EEC, Euratom, ECSC) No 259/68 of the Council of 29 February 1968 laying down the Staff Regulations of Officials and the Conditions of Employment of Other Servants of the European Communities and instituting special measures temporarily applicable to officials of the Commission (OJ L 56, 4.3.1968, p. 1).

6 Commission Decision (EU, Euratom) 2015/443 of 13 March 2015 on Security in the Commission (OJ L 72, 17.3.2015, p. 41).

7 Commission Decision (EU, Euratom) 2015/444 of 13 March 2015 on the security rules for protecting EU classified information (OJ L 72, 17.3.2015, p. 53).

HAVE ADOPTED THIS REGULATION:

Chapter I
Objectives and tasks of the Agency

Article 1 - Objectives of the agency

1. The European Foundation for the improvement of living and working conditions, ('the Agency'), also referred to as 'Eurofound', is hereby established as a European Union Agency.

2. The objectives of the Agency shall be to increase and disseminate knowledge to assist the Commission, other EU institutions and bodies, Member States and social partners in shaping and implementing policies aimed at the improvement of living and working conditions, in supporting employment policies and in promoting the dialogue between management and labour.

Article 2 – Tasks

1. The Agency shall perform the following tasks with respect to the policy areas referred to in Article 1(2):

   (a) analyse developments and provide comparative analyses of policies, institutional frameworks and practices across countries;

   (b) analyse trends in living and working conditions and labour market developments;

   (c) analyse the developments in industrial relation systems and in particular social dialogue at EU level and in the Member States;

   (d) undertake or commission studies and carry out research on relevant socio-economic developments and related policy issues;

   (e) provide forums for exchange of experiences and information between stakeholders, including social partners, and support implementation of reforms and policies at national level;

   (f) manage and make available tools and datasets to policymakers, social partners, academia and other stakeholders.

2. In carrying out its tasks, the Agency shall maintain a close dialogue particularly with specialised bodies, whether public or private, public authorities and workers' and employers' organisations. The Agency, without prejudice to its own aims, shall ensure cooperation with other European Union Agencies aimed at avoiding overlaps and promoting synergy and complementarity in their activities, in particular with the

European Agency for Safety and Health at Work, the European Centre for the Development of Vocational Training and, where relevant, with other EU Agencies.

Chapter II
Organisation of the Agency

Article 3 – Administrative and management structure

The Agency's administrative and management structure shall comprise:

(a) a Management Board, which shall exercise the functions set out in Article 5;

(b) an Executive Board which shall exercise the functions set out in Article 10;

(c) an Executive Director who shall exercise the responsibilities set out in Article 11.

SECTION 1: MANAGEMENT BOARD

Article 4 – Composition of the Management Board

1. The Management Board shall be composed of:

(a) one member representing the Government from each Member State;

(b) one member representing the employers' organisations from each Member State;

(c) one member representing the employees' organisations from each Member State;

(d) three members representing the Commission.

All members referred to in points (a)-(d) shall have voting rights.

The members referred to in points (a), (b) and (c) shall be appointed by the Council on the basis of lists of candidates submitted by the Member States, the European employers' and employees' organisations respectively. The Commission shall appoint the members who are to represent it.

2. Each member of the Management Board shall have an alternate. The alternate shall represent the member in his/her absence. The alternate shall be appointed following the procedure as provided for in the first paragraph.

3. Members of the Management Board and their alternates shall be appointed in light of their knowledge in the field of social and work-related policies, taking into account relevant managerial, administrative and budgetary skills. All parties represented in the Management Board shall make efforts to limit turnover of their representatives,

in order to ensure continuity of the board's work. All parties shall aim to achieve a balanced representation between men and women on the Management Board.

4. The term of office for members and their alternates shall be four years. That term shall be extendable. Upon the expiry of their term of office or in the event of their resignation, members shall remain in office until their appointments are renewed or until they are replaced.

5. Within the Management Board, the representatives of governments, employers' organisations and employees' organisations shall each form a group. Each group shall designate a coordinator in order to enhance the efficiency of the deliberations within and between the groups. The coordinators of the employers' and employees' groups shall be representatives of their respective organisations at European level and do not need to be designated from among the appointed Board members. Coordinators who are not appointed Board members within the meaning of paragraph 1 shall take part in the Management Board meetings without the right to vote.

Article 5 – Functions of the Management Board

1. The Management Board shall:

(a) give the general orientations for the agency's activities and adopt each year the Agency's programming document by a majority of two-thirds of the members entitled to vote and in accordance with Article 6;

(b) adopt, by a majority of two-thirds of the members entitled to vote, the annual budget of the Agency and exercise other functions in respect of the Agency's budget pursuant to Chapter III;

(c) adopt the consolidated annual activity report together with its assessment on the Agency's activities and send these by 1 July each year to the European Parliament, the Council, the Commission and the European Court of Auditors. The consolidated annual activity report shall be made public;

(d) adopt the financial rules applicable to the Agency in accordance with Article 17;

(e) adopt an anti-fraud strategy, proportionate to fraud risks taking into account the costs and benefits of the measures to be implemented;

(f) adopt rules for the prevention and management of conflicts of interest in respect of its members and independent experts;

(g) adopt and regularly update the communication and dissemination plans based on an analysis of needs;

(h) adopt its rules of procedure;

(i) in accordance with paragraph 2, exercise, with respect to the staff of the Agency, the powers conferred by the Staff Regulations on the Appointing Authority and by the Conditions of Employment of Other Servants on the

Authority Empowered to Conclude a Contract of Employment ("the appointing authority powers");

(j) adopt appropriate implementing rules for giving effect to the Staff Regulations and the Conditions of Employment of Other Servants in accordance with Article 110 of the Staff Regulations;

(k) appoint the Executive Director and where relevant extend the term of office or remove the Executive Director from office in accordance with Article 19;

(l) appoint an Accounting Officer, subject to the Staff Regulations and the Conditions of Employment of other servants, who shall be totally independent in the performance of his/her duties;

(m) monitor adequate follow-up to findings and recommendations stemming from the internal or external audit reports and evaluations, as well as from investigations of the European Anti-fraud Office (OLAF).

(n) take all decisions on the establishment of the Agency's internal structures and, where necessary, their modification, taking into consideration the Agency's activity needs as well as having regard to sound budgetary management.

(o) authorise the establishment of working arrangements in accordance with Article 30 (1).

2. The Management Board shall adopt, in accordance with Article 110 of the Staff Regulations, a decision based on Article 2(1) of the Staff Regulations and on Article 6 of the Conditions of Employment of Other Servants, delegating relevant appointing authority powers to the Executive Director and defining the conditions under which this delegation of powers can be suspended. The Executive Director shall be authorised to sub-delegate those powers.

Where exceptional circumstances so require, the Management Board may by way of a decision temporarily suspend the delegation of the appointing authority powers to the Executive Director and those sub-delegated by the latter and exercise them itself or delegate them to one of its members or to a staff member other than the Executive Director.

Article 6 – Annual and multi-annual programming

1. Each year, the Executive Director shall, in line with Article 11 (5) c, draw up a programming document containing multiannual and annual programming in line with Article 32 of the Commission delegated Regulation (EU) No 1271/2013[8] and taking into account guidelines set by the Commission.

2. By 30 November each year, the Management Board shall adopt the programming document referred to in paragraph 1 and shall forward it to the European Parliament,

[8] Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council (OJ L 328, 7.12.2013, p. 42).

the Council and the Commission no later than 31 January as well as any later updated version of that document.

The programming document shall become definitive after final adoption of the general budget of the Union and if necessary shall be adjusted accordingly.

3. The annual work programme shall comprise detailed objectives and expected results including performance indicators. It shall also contain a description of the actions to be financed and an indication of the financial and human resources allocated to each action, in accordance with the principles of activity-based budgeting and management. The annual work programme shall be coherent with the multi-annual work programme referred to in paragraph 5. It shall clearly indicate tasks that have been added, changed or deleted in comparison with the previous financial year.

4. The Management Board shall amend the adopted annual work programme when a new task is given to the Agency. The Management Board may delegate the power to make non-substantial amendments to the annual work programme to the Executive Director.

Any substantial amendment to the annual work programme shall be adopted by the same procedure as the initial annual work programme.

5. The multi-annual work programme shall set out overall strategic programming including objectives, expected results and performance indicators. It shall also set out resource programming including multi-annual budget and staff. It shall include a strategy for relations with third countries and international organisations, with a specification of associated resources.

The resource programming shall be updated annually. The strategic programming shall be updated where appropriate, and in particular to address the outcome of the evaluation referred to in Article 28.

Article 7 – Chairperson of the Management Board

1. The Management Board shall elect a Chairperson and three Deputy Chairpersons as follows – one from amongst the members representing Member States, one from amongst the members representing employers' organisations, one from amongst the members representing employees' organisations and one from amongst the members representing the Commission. The Chairperson and the Deputy Chairpersons shall be elected by a majority of two-thirds of members of the Management Board with voting rights.

2. The term of office of the Chairperson and the Deputy Chairpersons shall be two years. Their term of office may be renewed once. If, however, their membership of the Management Board ends at any time during their term of office, their term of office shall automatically expire on that date.

Article 8 – Meetings of the Management Board

1. The Chairperson shall convene meetings of the Management Board.

2. The Executive Director of the Agency shall take part in the deliberations, without the right to vote.

3. The Management Board shall hold one ordinary meeting a year. In addition, it shall meet on the initiative of its Chairperson, at the request of the Commission or at the request of at least one-third of its members.

4. The Management Board may invite any person whose opinion may be of interest to attend its meetings as an observer.

5. The Agency shall provide the secretariat for the Management Board.

Article 9 – Voting rules of the Management Board

1. Without prejudice to Article 5 (1) (a) and (b) and Article 19 (7), the Management Board shall take decisions by majority of members with voting rights.

2. Each member with voting rights shall have one vote. In the absence of a member with the right to vote, his/her alternate shall be entitled to exercise his/her right to vote.

3. The Chairperson shall take part in the voting.

4. The Executive Director shall take part in the deliberations, without the right to vote

5. The Management Board's rules of procedure shall establish more detailed voting arrangements, in particular the circumstances in which a member may act on behalf of another member.

SECTION 2: EXECUTIVE BOARD

Article 10 – Executive Board

1. The Management Board shall be assisted by an Executive Board.

2. The Executive Board shall:

   (a) prepare decisions to be adopted by the Management Board;

   (b) monitor, together with the Management Board, adequate follow-up to the findings and recommendations stemming from the internal or external audit reports and evaluations, as well as from investigations of the European Anti-fraud Office (OLAF);

   (c) without prejudice to the responsibilities of the Executive Director, as set out in Article 11, assist and advise him/her in the implementation of the decisions of the Management Board, with a view to reinforcing supervision of administrative and budgetary management.

3. Where necessary, because of urgency, the Executive Board may take certain provisional decisions on behalf of the Management Board, in particular on administrative management matters, including the suspension of the delegation of the appointing authority powers and budgetary matters.

4. The Executive Board shall be composed of the Chairperson of the Management Board, the three Deputy Chairpersons, the coordinators of the three groups as referred to in Article 4 (5) and one representative of the Commission. Each group referred to in Article 4 (5) may designate up to two alternates to attend the meetings of the Executive Board, in the absence of the full members. The Chairperson of the Management Board shall also be the Chairperson of the Executive Board. The Executive Director shall take part in the meetings of the Executive Board, but shall not have the right to vote.

5. The term of office of members of the Executive Board shall be two years. That term shall be extendable. The term of office of members of the Executive Board shall end when their membership of the Management Board ends.

6. The Executive Board shall meet three times a year. The Chairperson can convene additional meetings at the request of its members

7. The Management Board shall lay down the rules of procedure of the Executive Board.

SECTION 3: EXECUTIVE DIRECTOR

Article 11 – Responsibilities of the Executive Director

1. The Executive Director shall manage the Agency. The Executive Director shall be accountable to the Management Board.

2. Without prejudice to the powers of the Commission, the Management Board, and the Executive Board, the Executive Director shall be independent in the performance of the duties and shall neither seek nor take instructions from any government nor from any other body.

3. The Executive Director shall report to the European Parliament on the performance of his/her duties when invited to do so. The Council may invite the Executive Director to report on the performance of his/her duties.

4. The Executive Director shall be the legal representative of the Agency.

5. The Executive Director shall be responsible for the implementation of the tasks assigned to the Agency by this Regulation. In particular, the Executive Director shall be responsible for:

   (a) the day-to-day administration of the Agency;

   (b) implementing decisions adopted by the Management Board;

(c) preparing the programming document and submitting it to the Management Board after consulting the Commission;

(d) implementing the programming document and reporting to the Management Board on its implementation;

(e) preparing the consolidated annual report on the Agency's activities and presenting it to the Management Board for assessment and adoption;

(f) preparing an action plan following-up conclusions of internal or external audit reports and evaluations, as well as investigations by the European Anti-fraud Office (OLAF) and reporting on progress twice a year to the Commission and regularly to the Management Board and the Executive Board;

(g) protecting the financial interests of the Union by applying preventive measures against fraud, corruption and any other illegal activities, by effective checks and, if irregularities are detected, by recovering amounts wrongly paid and, where appropriate, by imposing effective, proportionate and dissuasive administrative and financial penalties;

(h) preparing an anti-fraud strategy for the Agency and presenting it to the Management Board for approval;

(i) preparing draft financial rules applicable to the Agency;

(j) preparing the Agency's draft statement of estimates of revenue and expenditure and implementing its budget.

6. The Executive Director shall also be responsible for deciding whether it is necessary for the purpose of carrying out the Agency's tasks in an efficient and effective manner to establish one or more local offices in one or more Member States. That decision requires the prior consent of Commission, the Management Board and the Member State where the local office is to be established. That decision shall specify the scope of the activities to be carried out that that local office in a manner that avoids unnecessary costs and duplication of administrative functions of the Agency.

SECTION 4: ADVISORY COMMITTEES

Article 12 – Advisory Committees

1. Advisory Committees are established by the Management Board in line with the policy priority areas outlined in the Agency's programming documents.

2. Advisory Committees are operational bodies aimed at ensuring the quality of the research produced by the Agency, as well as a wide ownership of the projects and of the results, by participating in the implementation of the Agency's programmes and providing advice and new inputs.

3. In liaison with the Management Board and the Executive Board Advisory Committees carry out the following main functions related to research projects:

(a) give advice on their design and implementation;

(b) monitor progress of implementation;

(c) evaluate findings;

(d) advise on the dissemination of results.

4. The Rules of Procedure of the Advisory Committees are adopted by the Management Board. The coordinators of the groups referred to in Article 4 (5) shall oversee the nomination and participation of the members of the Advisory Committees in line with aforementioned Rules of Procedure.

5. The Management Board decides on the dissolution of Advisory Committees, in line with the priorities outlined in the Agency's programming documents.

Chapter III
Financial provisions

Article 13 - Budget

1. Estimates of all revenue and expenditure for the Agency shall be prepared each financial year, corresponding to the calendar year, and shall be shown in the Agency's budget.

2. The Agency's budget shall be balanced in terms of revenue and of expenditure.

3. Without prejudice to other resources, the Agency's revenue shall comprise:

(a) a contribution from the Union entered in the general budget of the European Union;

(b) any voluntary financial contribution from the Member States;

(c) charges for publications and any service provided by the Agency;

(d) any contribution from third countries participating in the work of the Agency, as provided for by Article 30.

4. The expenditure of the Agency shall include staff remuneration, administrative and infrastructure expenses and operational expenditure.

Article 14 – Establishment of the budget

1. Each year, the Executive Director shall draw up a provisional draft estimate of the Agency's revenue and expenditure for the following financial year, including the establishment plan, and send it to the Management Board.

2. The Management Board shall, on the basis of that provisional draft, adopt a draft estimate of the Agency's revenue and expenditure for the following financial year.

3. The draft estimate of the Agency's revenue and expenditure shall be sent to the Commission by 31 January each year.

4. The Commission shall send draft estimates to the budgetary authority together with the draft general budget of the Union.

5. On the basis of the draft estimates, the Commission shall enter in the draft general budget of the Union the estimates it considers necessary for the establishment plan and the amount of the contribution to be charged to the general budget, which it shall place before the budgetary authority in accordance with Articles 313 and 314 of the Treaty.

6. The budgetary authority shall authorise the appropriations for the contribution to the Agency.

7. The budgetary authority shall adopt the Agency's establishment plan.

8. The Agency's budget shall be adopted by the Management Board. It shall become final following final adoption of the general budget of the Union. Where necessary, it shall be adjusted accordingly.

9. For any building project likely to have significant implications for the budget of the Agency the provisions of Delegated Regulation (EU) No 1271/2013 shall apply.

Article 15 – Implementation of the budget

1. The Executive Director shall implement the Agency's budget.

2. Each year the Executive Director shall send to the budgetary authority all information relevant to the findings of evaluation procedures.

Article 16 – Presentation of accounts and discharge

1. By 1 March of the following financial year, the Agency's accounting officer shall send the provisional accounts to the Commission's Accounting Officer and to the European Court of Auditors.

2. By 31 March of the following financial year, the Agency shall send the report on the budgetary and financial management to the European Parliament, the Council and the European Court of Auditors.

   By 31 March of the following financial year, the Commission's accounting officer shall send the Agency's provisional accounts, consolidated with the Commission's accounts, to the European Court of Auditors.

3. On receipt of the European Court of Auditors' observations on the Agency's provisional accounts pursuant to Article 148 of the Financial Regulation, the Executive Director shall draw up the Agency's final accounts under his/her own responsibility and submit them to the Management Board for an opinion.

4. The Management Board shall deliver an opinion on the Agency's final accounts.

5. The accounting officer shall, by 1 July following each financial year, send the final accounts to the European Parliament, the Council, the Commission and the Court of Auditors, together with the Management Board's opinion.

6. The final accounts shall be published in the *Official Journal of the European Union* by 15 November of the following year.

7. The Executive Director shall send the European Court of Auditors a reply to its observations by 30 September. The Executive Director shall also send this reply to the Management Board.

8. The Executive Director shall submit to the European Parliament, at the latter's request, any information required for the smooth application of the discharge procedure for the financial year in question, in accordance with Article 165(3) of the Financial Regulation.

9. On a recommendation from the Council acting by a qualified majority, the European Parliament shall, before 15 May of year N + 2, give a discharge to the Executive Director in respect of the implementation of the budget for year N.

Article 17 – Financial rules

The financial rules applicable to the Agency shall be adopted by the Management Board after consulting the Commission. They shall not depart from Regulation (EU) 1271/2013 unless such a departure is specifically required for the Agency's operation and the Commission has given its prior consent.

Chapter IV
Staff

Article 18 – General provisions

1. The Staff Regulations and the Conditions of Employment of Other Servants and the rules adopted by agreement between the institutions of the Union for giving effect to those Staff Regulations and the Conditions of Employment of Other Servants shall apply to the staff of the Agency.
2. The Management Board shall adopt appropriate implementing rules for giving effect to the Staff Regulations and the Conditions of Employment of Other Servants in accordance with Article 110 of the Staff Regulations.

Article 19 – Executive Director

1. The Executive Director shall be a member of staff and shall be engaged as a temporary agent of the Agency under Article 2(a) of the Conditions of Employment of Other servants.

2. The Executive Director shall be appointed by the Management Board, from a list of candidates proposed by the Commission, following an open and transparent selection procedure.

   For the purpose of concluding the contract with the Executive Director, the Agency shall be represented by the Chairperson of the Management Board.

3. The term of office of the Executive Director shall be five years. By the end of that period, the Commission shall undertake an assessment that takes into account an evaluation of the Executive Director's performance and the Agency's future tasks and challenges.

4. The Management Board, acting on a proposal from the Commission that takes into account the assessment referred to in paragraph 3, may extend the term of office of the Executive Director once, for no more than five years.

5. An Executive Director whose term of office has been extended may not participate in another selection procedure for the same post at the end of the overall period.

6. The Executive Director may be removed from office only upon a decision of the Management Board acting on a proposal from the Commission.

7. The Management Board shall reach decisions on appointment, extension of the term of office or removal from office of the Executive Director on the basis of a two-thirds majority of its members with voting rights.

Article 20 – Seconded national experts and other staff

1. The Agency may make use of Seconded national experts or other staff not employed by the Agency.

2. The Management Board shall adopt a decision laying down rules on the secondment of national experts to the Agency.

Chapter V
General Provisions

Article 21 – Legal status

1. The Agency shall be a body of the Union. It shall have legal personality.

2. In each of the Member States the Agency shall enjoy the most extensive legal capacity accorded to legal persons under their laws. It may, in particular, acquire and dispose of movable and immovable property and be party to legal proceedings.

3. The seat of the Agency shall be Dublin, Ireland.

4. The Agency may establish local offices in one or more Member States, subject to their consent and in accordance with Article 11 (6).

Article 22 – Privileges and immunities

The Protocol on the Privileges and Immunities of the European Union shall apply to the Agency and its staff.

Article 23 – Language arrangements

1. The provisions laid down in Regulation No 1 shall apply to the Agency.

2. The Management Board can decide on the languages to be used by the Agency in its internal functioning.

3. The translation services required for the functioning of the Agency shall be provided by the Translation Centre of the bodies of the European Union.

Article 24 – Transparency

1. Regulation (EC) No 1049/2001 of the European Parliament and of the Council[9] shall apply to documents held by the Agency. The Management Board shall, within six months of the date of its first meeting, adopt the detailed rules for applying Regulation (EC) No 1049/2001.

2. The processing of personal data by the Agency shall be subject to Regulation (EC) No 45/2001. The Management Board shall, within six months of the date of its first meeting, establish measures for the application of Regulation (EC) No 45/2001 by the Agency, including those concerning the appointment of a Data Protection Officer of the Agency. Those measures shall be established after consultation of the European Data Protection Supervisor.

Article 25 – Combating fraud

1. In order to facilitate combating fraud, corruption and other unlawful activities under Regulation (EC) No 1073/1999 of the European Parliament and of the Council[10], within six months from the date of application of this Regulation, the Agency shall

[9] Regulation (EC) No 1049/2001 of the European Parliament and of the Council of 30 May 2001 regarding public access to European Parliament, Council and Commission documents (OJ L 145, 31.5.2001, p. 43).

[10] Regulation (EC) No 1073/1999 of the European Parliament and of the Council of 25 May 1999 concerning investigations conducted by the European Anti-Fraud Office (OLAF) (OJ L 136, 31.5.1999, p.1).

accede to the Interinstitutional Agreement of 25 May 1999 concerning internal investigations by the European Anti-fraud Office (OLAF) and adopt appropriate provisions applicable to all employees of the Agency using the template set out in the Annex to that Agreement.

2. The European Court of Auditors shall have the power of audit, on the basis of documents and on the spot, over all grant beneficiaries, contractors and subcontractors who have received Union funds from the Agency.

3. OLAF may carry out investigations, including on-the-spot checks and inspections with a view to establishing whether there has been fraud, corruption or any other illegal activity affecting the financial interests of the Union in connection with a grant or a contract funded by the Agency, in accordance with the provisions and procedures laid down in Regulation (EC) No 1073/1999 and Regulation (Euratom, EC) No 2185/96.

4. Without prejudice to paragraphs 1, 2 and 3, cooperation agreements with third countries and international organisations, contracts, grant agreements and grant decisions of the Agency shall contain provisions expressly empowering the European Court of Auditors and OLAF to conduct such audits and investigations, according to their respective competences.

Article 26 – Security rules on the protection of classified and sensitive non-classified information

The Agency shall adopt own security rules equivalent to the Commission's security rules for protecting European Union Classified Information (EUCI) and sensitive non-classified information, as set out in the Commission Decisions (EU, Euratom) 2015/443[11] and 2015/444[12], when required. The security rules of the Agency shall cover, inter alia and where appropriate, provisions for the exchange, processing and storage of such information.

Article 27 - Liability

1. The Agency's contractual liability shall be governed by the law applicable to the contract in question.

2. The Court of Justice of the European Union shall have jurisdiction to give judgment pursuant to any arbitration clause contained in a contract concluded by the Agency.

3. In the case of non-contractual liability, the Agency shall, in accordance with the general principles common to the laws of the Member States, make good any damage caused by its departments or by its staff in the performance of their duties.

4. The Court of Justice of the European Union shall have jurisdiction in disputes over compensation for damages referred to in paragraph 3.

[11] Commission Decision (EU, Euratom) 2015/443 of 13 March 2015 on Security in the Commission (OJ L 72, 17.3.2015, p. 41).

[12] Commission Decision (EU, Euratom) 2015/444 of 13 March 2015 on the security rules for protecting EU classified information (OJ L 72, 17.3.2015, p. 53).

5. The personal liability of its staff towards the Agency shall be governed by the provisions laid down in the Staff Regulations or Conditions of Employment applicable to them.

Article 28 – Evaluation

1. No later than 5 years after the date referred to in Article 37, and every 5 years thereafter, the Commission shall perform an evaluation in compliance with the Commission guidelines to assess the Agency's performance in relation to its objectives, mandate and tasks. The evaluation shall, in particular, address the possible need to modify the mandate of the Agency, and the financial implications of any such modification.

2. Where the Commission considers that the continuation of the Agency is no longer justified with regard to its assigned objectives, mandate and tasks, it may propose that this Regulation be amended accordingly or repealed.

3. The Commission shall report to the European Parliament, the Council and the Management Board the evaluation findings. The findings of the evaluation shall be made public.

Article 29 – Administrative inquiries

The activities of the Agency shall be subject to the inquiries of the European Ombudsman in accordance with Article 228 of the Treaty.

Article 30 – Cooperation with third countries and international organisations

1. In so far as is necessary in order to achieve the objectives set out in this Regulation, and without prejudice to the respective competences of the Member States and the institutions of the Union, the Agency may cooperate with the competent authorities of third countries and/or with international organisations.

   To this end, the Agency may, subject to prior approval by the Commission, establish working arrangements with the authorities of third countries and international organisations. These arrangements shall not create legal obligations incumbent on the Union and its Member States

2. The Agency shall be open to the participation of third countries that have entered into agreements with the Union to this effect.

   Under the relevant provisions of the agreements referred to in paragraph 1, arrangements shall be developed specifying, in particular, the nature, extent and manner in which the third countries concerned will participate in the work of the Agency, including provisions relating to the participation in the initiatives undertaken by the Agency, financial contributions and staff. As regards staff matters, those arrangements shall, in any event, comply with the Staff Regulations.

3. The Management Board shall adopt a strategy for relations with third countries or international organisations concerning matters for which the Agency is competent.

Article 31 – Headquarters Agreement and operating conditions

1. The necessary arrangements concerning the accommodation to be provided for the Agency in the host Member State and the facilities to be made available by that Member State together with the specific rules applicable in the host Member State to the Executive Director, members of the Management Board, Agency staff and members of their families shall be laid down in a Headquarters Agreement between the Agency and Member State where the seat is located.

2. The Agency's host Member State shall provide the best possible conditions to ensure the functioning of the Agency, including multilingual, European-oriented schooling and appropriate transport connections.

Chapter VI
Transitional provisions

Article 32 – Transitional provisions concerning the Management Board

1. The term of office of the members of the Governing Board of the Agency as established on the basis of Article 6 of Regulation (EEC) No 1365/75 of the Council shall terminate on … [date of entry into force of this Regulation].

2. The Governing Board established on the basis of Article 6 of Regulation (EEC) No 1365/75 of the Council shall within the period between …[date of entry into force of this Regulation] and … [date of application of this Regulation] exercise the functions of the Management Board as referred to in Article 5 of this Regulation.

Article 33 - Transitional provisions concerning the staff

1. The Director of the Agency appointed on the basis of Article 8 of Regulation (EEC) No 1365/75 of the Council shall, for the remaining periods of his/her term of office be assigned to the responsibilities of the Executive Director as provided for in Article 11 of this Regulation. The other conditions of his/her contract shall remain unchanged.

2. The Deputy Director the Agency appointed on the basis of Article 8 of Regulation (EEC) No 1365/75 of the Council shall, for the remaining period of his/her term of office assist the Director or Executive Director.

3. This Regulation shall not affect the rights and obligations of staff engaged under Regulation (EEC) No 1365/75 of the Council.

Article 34 - Transitional budgetary provisions

The discharge procedure in respect of the budgets approved on the basis of Article 16 of Regulation (EEC) No 1365/75 shall be carried out in accordance with the rules established by that Regulation.

Chapter VII
Final provisions

Article 35 – Repeal

Regulation (EEC) No 1365/75 is repealed as from [date of application of this Regulation] and all references to the repealed Regulation shall be construed as references to this Regulation.

Article 36 - Maintenance into force of the internal rules adopted by the Agency

Internal rules adopted by the Governing Board on the basis of Regulation (EEC) No 1365/75 shall remain in force after [date of application of this Regulation], unless otherwise decided by the Management Board in the application of this Regulation.

Article 37 – Entry into force

1. This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

2. It shall apply from [date of application].

3. However, Articles 32, 33, 34 shall apply from [the date of entry into force of this Regulation].

4. This Regulation shall be binding in its entirety and directly applicable in the Member States in accordance with the Treaties.

Done at Brussels,

For the European Parliament	*For the Council*
The President	*The President*

LEGISLATIVE FINANCIAL STATEMENT

1. FRAMEWORK OF THE PROPOSAL/INITIATIVE

1.1. Title of the proposal/initiative

1.2. Policy area(s) concerned in the ABM/ABB structure

1.3. Nature of the proposal/initiative

1.4. Objective(s)

1.5. Grounds for the proposal/initiative

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2. MANAGEMENT MEASURES

2.1. Monitoring and reporting rules

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3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE

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3.2. Estimated impact on expenditure

3.2.1. Summary of estimated impact on expenditure

3.2.2. Estimated impact on Eurofound's human resources

3.2.3. Compatibility with the current multiannual financial framework

3.2.4. Third-party contributions

3.3. Estimated impact on revenue

LEGISLATIVE FINANCIAL STATEMENT

1. FRAMEWORK OF THE PROPOSAL/INITIATIVE

1.1. Title of the proposal/initiative

Proposal for a Regulation of the European Parliament and of the Council establishing the European Foundation for the improvement of living and working conditions (EUROFOUND)

1.2. Policy area(s) concerned in the ABM/ABB structure[13]

04: Employment, social affairs and inclusion

04 03: Employment, social affairs and inclusion

04 03 11: European Foundation for the Improvement of Living and Working Conditions

1.3. Nature of the proposal/initiative

☐ The proposal/initiative relates to **a new action**

☐ The proposal/initiative relates to **a new action following a pilot project/preparatory action**[14]

☒ The proposal/initiative relates to **the extension of an existing action**

☐ The proposal/initiative relates to **an action redirected towards a new action**

1.4. Objective(s)

1.4.1. The Commission's multiannual strategic objective(s) targeted by the proposal/initiative

Objectives/EU added value in line with Europe 2020 strategy

A new Boost for Jobs Growth and Investment

A deeper and fairer Economic and Monetary Union

1.4.2. Specific objective(s) and ABM/ABB activity(ies) concerned

Specific objective No

Increase and disseminate knowledge to assist the Commission, other EU institutions and bodies, Member States and social partners in shaping and implementing policies aimed at the improvement of living and working conditions, in supporting employment policies and in promoting the dialogue between management and labour.

[13] ABM: activity-based management; ABB: activity-based budgeting.

[14] As referred to in Article 54(2)(a) or (b) of the Financial Regulation.

ABM/ABB activity(ies) concerned

040311 – European Foundation for the Improvement of Living and Working Conditions – Contribution under Titles 1, 2 and 3.

1.4.3. Expected result(s) and impact

Specify the effects which the proposal/initiative should have on the beneficiaries/groups targeted.

Eurofound's mission is to provide knowledge to assist the development of social and work-related policies.

Eurofound advises the European Institutions and serves the information needs of policy makers in governments, in trade unions and in employer organisations. This tripartite approach is reflected in the structure of its Management Board (formerly named Governing Board) and constitutes a distinct added value. It is a key to the relevance of Eurofound's work and to the credibility of the input provided to policymakers.

Eurofound's main target audiences include the public authorities, social partners and those concerned with social policymaking at EU level. By linking research with policy concerns, Eurofound aims to provide information that is relevant to those who design and implement policy. Eurofound also communicates its findings to the EU citizen through its website at www.eurofound.europa.eu.

Eurofound contributes by building upon the core areas of expertise it has developed. The Agency is known for its strong knowledge base in the area of working conditions. It is also the first port of call for comparative information on industrial relations and social dialogue in the EU and is recognised for a deep understanding of issues related to living conditions and quality of life. Another area of expertise, structural change and restructuring, has been developed since 2001, following the conclusions of the Nice European Council.

The Agency strives to provide the highest quality information in its fields of expertise: scientifically sound and unbiased. Eurofound's vision is that this knowledge is taken up for the development of effective policies that lead to the improvement of quality of life and work in a competitive and fair Europe.

1.4.4. Indicators of results and impact

Specify the indicators for monitoring implementation of the proposal/initiative.

A comprehensive monitoring and evaluation system both ex-ante and ex-post of the multi-annual work programmes is already in place. This will be completed by the evaluation and review carried out by the Commission every five years.

1.5. Grounds for the proposal/initiative

1.5.1. Requirement(s) to be met in the short or long term

Art 151 TFEU: 'The Union [..] shall have as their objectives the promotion of employment, improved living and working conditions….

The Founding Regulation of Eurofound defines its role and objectives: 'The role of Eurofound is to contribute to the planning and establishment of better living and working conditions through action designed to increase and disseminate knowledge likely to assist this development. With this aim in view, the tasks of the Foundation shall be to develop and to

pursue ideas on the medium and long-term improvement of living and working conditions in the light of practical experience and to identify factors leading to change.'

Eurofound supports the work of the Commission in the areas of employment, social affairs and inclusion by carrying out research and policy analysis in these areas. It provides long-term analysis of problems and policy initiatives with a view to identifying 'what works and what does not'. It's surveys provide long-term analysis and information on underlying trends and developments in Working Conditions, Quality of Life and Company behaviour; it's observatories provide a repository of descriptive analysis and updated information about Industrial Relations and Working Conditions, Restructuring and Managing Change.

Eurofound also carries out work in support of European Social Dialogue (Art 154-155 TFEU) in the form of the representativeness studies of the European Social Partners, providing an independent verification of their capacity to participate in European Social Dialogue and to conclude agreements.

1.5.2. Added value of EU involvement

Eurofound advises the European Institutions and serves the information needs of policy makers in governments, in trade unions and in employer organisations. This tripartite approach is reflected in the structure of its Management Board (formerly named Governing Board) and constitutes a distinct added value. It is a key to the relevance of Eurofound's work and to the credibility of the input provided to policymakers. Eurofound's observatories and surveys provide a unique source of independent information about Europe-wide developments, which is not available anywhere else. Few national institutes of a similar nature exist in Member States, and certainly none other which provide comparative information on all Member States.

1.5.3. Lessons learned from similar experiences in the past

Eurofound has been carrying out research, observation and surveys since 1975. Eurofound can make its most valuable contribution by building upon the core areas of expertise it has developed. The Agency is known for its strong knowledge base in the area of working conditions. It is also the first port of call for comparative information on industrial relations and social dialogue in the EU and is recognised for a deep understanding of issues related to living conditions and quality of life.

The Agency strives to provide the highest quality information in its fields of expertise: scientifically sound and unbiased. Eurofound's vision is that this knowledge is taken up for the development of effective policies that lead to the improvement of quality of life and work in a competitive and fair Europe.

1.5.4. Compatibility and possible synergy with other appropriate instruments

Eurofound cooperates with other EU Agencies working in related fields. Cooperation agreements exist with the European Agency for Safety and Health at Work (EU OSHA), the European Centre for the Development of Vocational Training (CEDEFOP), the European Training Foundation (ETF), and the European Institute for Gender Equality (EIGE) and the European Union Agency for Fundamental Rights (FRA). These agreements foresee in particular the early consultation on work programme development and are complemented by

yearly action plans that agree further forms of exchange and, where appropriate, joint activities. This ensures complementarity of activities and allows for synergies to be achieved.

1.6. Duration and financial impact

☐ Proposal/initiative of **limited duration**

– ☐ Proposal/initiative in effect from [DD/MM]YYYY to [DD/MM]YYYY

– ☐ Financial impact from YYYY to YYYY

☒ Proposal/initiative of **unlimited duration**

– Implementation with a start-up period from YYYY to YYYY,

– followed by full-scale operation.

1.7. Management mode(s) planned

☐ **Direct management** by the Commission through

– ☐ executive agencies

☐ **Shared management** with the Member States

☒ **Indirect management** by entrusting budget implementation tasks to:

☐ international organisations and their agencies (to be specified);

☐the EIB and the European Investment Fund;

☒bodies referred to in Articles 208 and 209;

☐ public law bodies;

☐ bodies governed by private law with a public service mission to the extent that they provide adequate financial guarantees;

☐ bodies governed by the private law of a Member State that are entrusted with the implementation of a public-private partnership and that provide adequate financial guarantees;

☐ persons entrusted with the implementation of specific actions in the CFSP pursuant to Title V of the TEU, and identified in the relevant basic act.

Comments

N/A

2. MANAGEMENT MEASURES

2.1. Monitoring and reporting rules

Specify frequency and conditions.

All EU agencies work under a strict monitoring system involving an internal control coordinator, the Internal Audit Service of the Commission, the Governing Board, the Commission, the Court of Auditors and the Budgetary Authority. The system as laid down in the Eurofound founding regulation will continue to apply.

2.2. Management and control system

2.2.1. Risk(s) identified

none

2.2.2. Control method(s) envisaged

N/A

2.3. Measures to prevent fraud and irregularities

Specify existing or envisaged prevention and protection measures.

Anti-fraud measures had not been specifically foreseen in the current founding regulation of Eurofound, but the Director and the Governing Board have taken the appropriate measures in accordance with the Internal Control Standards applied across all EU institutions. In line with the Common Approach an anti-fraud strategy was adopted by the Agency in November 2014.

3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE

3.1. Heading(s) of the multiannual financial framework and expenditure budget line(s) affected

- Existing budget lines

In order of multiannual financial framework headings and budget lines.

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Heading 1A – Competitiveness for growth and jobs	Diff./Non-diff.[15]	from EFTA countries [16]	from candidate countries[17]	from third countries	within the meaning of Article 21(2)(b) of the Financial Regulation
	04 03 11 European Foundation for the Improvement of Living and Working Conditions (EUROFOUND)	Diff.	YES	YES	NO	

- New budget lines requested : N/A

In order of multiannual financial framework headings and budget lines.

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Number [Heading……]	Diff./non-diff.	from EFTA countries	from candidate countries	from third countries	within the meaning of Article 21(2)(b) of the Financial Regulation
	[XX.YY.YY.YY]		YES/NO	YES/NO	YES/NO	YES/NO

[15] Diff. = Differentiated appropriations / Non-diff. = Non-differentiated appropriations.

[16] EFTA: European Free Trade Association.

[17] Candidate countries and, where applicable, potential candidates from the Western Balkans.

3.2. Estimated impact on expenditure

The impact on expenditure as presented below is in line with Commission Communication (2013)519.

3.2.1. Summary of estimated impact on expenditure

EUR million (to three decimal places)

Heading of multiannual financial framework	1A	Competitiveness for growth and jobs

European Foundation for the Improvement of Living and Working Conditions (EUROFOUND)			2013	2014	2015	2016	2017	2018	2019	2020	**TOTAL**
• Operational appropriations											
Number of budget line	Commitments	(1)	20,371	20,371	20,371	20,371	20,371	20,371	20,779	21,195	**143,829**
	Payments	(2)	20,371	20,371	20,371	20,371	20,371	20,371	20,779	21,195	**143,829**
Number of budget line	Commitments	(1a)									
	Payments	(2a)									
Appropriations of an administrative nature financed from the envelope of specific programmes[18]			**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	
Number of budget line		(3)									
TOTAL appropriations for European Foundation for the Improvement of Living and Working Conditions (EUROFOUND)	Commitments	=1+1a +3	20,371	20,371	20,371	20,371	20,371	20,371	20,779	21,195	**143,829**
	Payments	=2+2a +3	20,371	20,371	20,371	20,371	20,371	20,371	20,779	21,195	**143,829**

[18] Technical and/or administrative assistance and expenditure in support of the implementation of EU programmes and/or actions (former 'BA' lines), indirect research, direct research.

3.2.2. Estimated impact on Eurofound's human resources

3.2.2.1. Summary

– ☐ The proposal/initiative does not require the use of appropriations of an administrative nature

– ☒ The proposal/initiative requires the use of appropriations of an administrative nature, as explained below:

EUR million (to three decimal places)

	2016	2017	2018	2019	2020			**TOTAL**
Officials (AD Grades)	8	8	8	8	8			
Officials (AST grades)	10	9	9	9	9			
Contract staff	14	14	14	14	14			
Temporary staff	77	76	74	74	74			
Seconded National Experts	1	1	1	1	1			
TOTAL	**114**	**108**	**106**	**106**	**106**			

3.2.2.2. Estimated requirements of human resources for the parent DG

– ☐ The proposal/initiative does not require the use of human resources.

– ☒ The proposal/initiative requires the use of human resources, as explained below:

	2016	2017	2018	2019	2020		
• **Establishment plan posts (officials and temporary staff)**							
XX 01 01 01 (Headquarters and Commission's Representation Offices)	0.8	0.8	0.8	0.8	0.8		
XX 01 01 02 (Delegations)							

XX 01 05 01 (Indirect research)								
10 01 05 01 (Direct research)								
• External staff (in Full Time Equivalent unit: FTE)[19]								
XX 01 02 01 (AC, END, INT from the 'global envelope')								
XX 01 02 02 (AC, AL, END, INT and JED in the Delegations)								
XX 01 04 ***yy***[20]	- at Headquarters[21]							
	- in Delegations							
XX 01 05 02 (AC, END, INT – Indirect research)								
10 01 05 02 (AC, END, INT – Direct research)								
Other budget lines (specify)								
TOTAL								

The human resources required will be met by staff from the DG who are already assigned to management of the action and/or have been redeployed within the DG, together if necessary with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of budgetary constraints.

Description of tasks to be carried out:

Officials and temporary staff	Coordination and representation of the Commission's position towards the Agency.
External staff	

[19] AC = Contract Staff; AL = Local Staff; END = Seconded National Expert; INT = agency staff; JED = Junior Experts in Delegations.

[20] Sub-ceiling for external staff covered by operational appropriations (former 'BA' lines).

[21] Mainly for the Structural Funds, the European Agricultural Fund for Rural Development (EAFRD) and the European Fisheries Fund (EFF).

3.2.3. Compatibility with the current multiannual financial framework

– ☒ The proposal/initiative is compatible the current multiannual financial framework.

– ☐ The proposal/initiative will entail reprogramming of the relevant heading in the multiannual financial framework.

Explain what reprogramming is required, specifying the budget lines concerned and the corresponding amounts.

– ☐ The proposal/initiative requires application of the flexibility instrument or revision of the multiannual financial framework[22].

Explain what is required, specifying the headings and budget lines concerned and the corresponding amounts.

3.2.4. Third-party contributions

– The proposal/initiative does not provide for co-financing by third parties.

– The proposal/initiative provides for the co-financing estimated below:

EUR million (to three decimal places)

	Year **N**	Year **N+1**	Year **N+2**	Year **N+3**	Enter as many years as necessary to show the duration of the impact (see point 1.6)			Total
Specify the co-financing body								
TOTAL appropriations co-financed								

[22] See Articles 11 and 17 of Council Regulation (EU, Euratom) No 1311/2013 laying down the multiannual financial framework for the years 2014-2020.

3.3. Estimated impact on revenue

– ☒ The proposal/initiative has no financial impact on revenue.

– ☐ The proposal/initiative has the following financial impact:

☐ on own resources

☐ on miscellaneous revenue

EUR million (to three decimal places)

Budget revenue line:	Appropriations available for the current financial year	Impact of the proposal/initiative[23]						
		Year **N**	Year **N+1**	Year **N+2**	Year **N+3**	Enter as many years as necessary to show the duration of the impact (see point 1.6)		
Article …….								

For miscellaneous 'assigned' revenue, specify the budget expenditure line(s) affected.

Specify the method for calculating the impact on revenue.

[23] As regards traditional own resources (customs duties, sugar levies), the amounts indicated must be net amounts, i.e. gross amounts after deduction of 25 % for collection costs.