

1st/2024 SCM

Subject No [16]



**INTEGRATED AIR & MISSILE DEFENCE
CENTRE OF EXCELLENCE**

Souda Air Base, 73100, Chania
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**1st/2024 Steering Committee Meeting
POINT PAPER**

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Date:	02 Aug 2024	E-mail:	info@iamd-coe.org

TO: See Distribution

SUBJECT: **Shared Budget of FY 2025 - MTFP 2026-2030**

No: **16**

PURPOSE: To inform the SC about the Shared Budget for Fiscal Year (FY) 2025 and the Medium-Term Financial Plan (MTFP) 2026-2030.

BACKGROUND: In accordance with the par. 10.5-10.6 of the IAMD COE Operational MOU and the provisions of par. 10.1, 10.2, 11.4 and 16 of the FAPs, the Director shall submit to the SC the Draft Budget for the forthcoming FY, and the Medium-Term Financial Plan (MTFP) covering the estimated expenditures and revenues of the five (5) years following the next FY.

In this regard and taking into account the abovementioned provisions, the Centre prepared the enclosed Draft Budget Book 2025, including the following items:

- Financial Controller (FINCON)'s introductory summary;
- Budget & Medium-Term Financial Plan (MTFP) SC's Decisions;
- Detailed Draft Budget 2025;
- Draft Budget 2025 Summary;
- Annual Funding Schedule for FY 2025;
- Medium Term Financial Plan (MTFP) 2026-2030;
- Breakdown of Travel Expenses and Fees.

ANALYSIS &
STATUS:

The Budget for the FY 2025 is proposed to be 300.000 € (within the ceiling set under the last MTFP), after taking cognizance of the current juncture mainly affected by the recent inflationary status, striving however to keep the required funds at proper effective levels in order to optimise the Centre's capabilities and efficiency in both operational and financial terms, as thoroughly analysed in the FINCON's summary (par. 4, 5 and 7).

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It should be highlighted that, since the revenues foreseen for the current FY (2024) are estimated to be approx. 24.000 € (conference - tuition fees and bank interest), the augmentation of the budget for the upcoming FY (2025), compared to the previous-current one (2024), will be largely offset by these revenues; as a result, the increase in national contributions is expected to remain within a very narrow margin, consistent with the level of current inflation rate (<3%).

Considering the (provisional) POW 2025 which is concurrently submitted for approval, any financial obligations which will be arisen from its implementation will be covered, in principle, from the proposed budget (300.000 €), by transferring of appropriations within the authorisation granted to the Director in accordance with FAPs (or after approval by the SC, if required), without necessitating additional funding.

The annual financial schedule for Participants' contributions includes two (2) Calls for Funds (CFFs) for FY 2025:

- a. 1st CFF for 50% of the Shared Budget 2025, covering the first half of 2025
- b. 2nd CFF in Q2 2025, post-settlement of FY 2024 payments and approval of any appropriations to be carried forward (as detailed on p. 23 of the Draft Budget Book)

As regards the MTFP for the FYs 2026-2030, the budget of expenditures is projected to gradually increase from 300.000 € to 320.000 €, considering the growth of Centre's activities. However, this is expected to result in limited increases in contributions from current participating nations, due to anticipated revenue growth and increased interest from other NATO nations in bidding for vacant SME positions at the IAMD COE.

**RECOMMENDATIONS
& DECISION:**

In the light of the foregoing, SC members are requested to:

- a. Note the Draft Budget Book 2025 (as Enclosure).
- b. Approve the submitted Shared Budget 2025 (unanimous decision) at the amount of 300.000 € (expenditures) based on the provisions of par. 4.3, 10.5 and 10.8 of Operational MOU.
- c. Note the MTFP for FYs 2026-2030 according to par. 10.6 of Operational MOU.

FOR THE IAMD COE:



B. Gen (OF-6) Nikolaos MAKRYGIANNIS GRC (AF)
IAMD COE Director

ENCLOSURES

1. Draft Budget Book 2025

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