

Management Board  
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# Revised Framework Financial Regulation

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# MAPPING OF THE FINANCIAL REGULATIONS

**Financial Regulation  
applicable to the general  
budget of the Union**



**Framework Financial  
Regulation applicable  
Agencies**



**EFSA Financial  
Regulation**

- Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018
- Commission Delegated Regulation (EU) 2019/715 on the Framework Financial Regulation (FFR) for the bodies referred to in Article 70 of the Financial Regulation, adopted on 18 December 2018. Published in OJ on 10 May 2019.
- EFSA Management Board Decision for adoption, 19 June 2019

## FFR REVISION : Principles



- The FFR aligns on the “General” Financial Regulation allows for additional simplification and clarification of rules to take into account the experience gained in their application and to further improve the Union bodies' governance setting up and their accountability.
- It establishes the broad principles and basic rules applicable to the bodies that receive contributions charged to the Union budget and without prejudice to the constituent act. On the basis of this Regulation Union bodies should adopt their own financial rules that may not depart from the FFR except where their specific needs so require, and with the Commission's prior consent.
- It establishes the principles for budget implementation, sound financial management and performance, and transparency. The positive budget result that exceeds the amount of the Union contribution paid during the year is returned to the Union budget.

## FFR REVISION : OPPORTUNITIES

- It allows the exceptional delegation of tasks and award of grants to the Union bodies provided it is foreseen in the constituent act or in a basic act and duly justified by the characteristics of the tasks and the specific expertise of the Union body. Those additional tasks should fall within the scope of the Union body's objectives and should be compatible with the Union body's mandate, as defined in the constituent act.
- It provides for the possibility for Union bodies to conclude service-level agreements, in particular with each other and with Union institutions, in order to facilitate the implementation of their appropriations, when this is in line with sound financial management.
- It provides for the possibility of sharing services or transferring them to another Union body or to the Commission, in order to improve the cost-efficiency of Union bodies.
- Performance is linked to the principle of sound financial management. A link is to be established between objectives set and performance indicators, results and economy, efficiency and effectiveness in the use of appropriations.

## FFR: GOVERNANCE

- The FFR reinforces the governance aspects.
- For the purpose of ensuring consistent programming, the Union body shall draw up a single programming document (SPD) containing:
  - ✓ Annual and multiannual programming,
  - ✓ An estimate of its revenue and expenditure,
  - ✓ Resources programming,
  - ✓ Information on its building policy,
  - ✓ A strategy for cooperation with third countries and/or international organisations,
  - ✓ A strategy for achieving efficiency gains and synergies,
  - ✓ A strategy for operational management and internal control systems,
  - ✓ A strategy for preventing recurrence of cases of conflict of interest, irregularities and fraud, in particular where weaknesses have led to critical recommendations,
  - ✓ An anti-fraud strategy.

## TO SUM UP

- The FFR increasingly focusses on governance dimensions, planning, performance, reporting, and control.
- Enhanced cooperation with other Union bodies is possible with contribution, grant, service level agreements and shared services.
- The financial provisions were mostly kept unchanged.
- No progresses were unfortunately made towards the flexibility in the use of resources.

## EFSA ADOPTION



- The FFR lays down the essential financial rules on the basis of which the Agencies shall adopt their own financial rules without departing from the FFR except where specific needs so require and with the Commission's prior consent (individual derogation). EFSA current derogation about the possibility to receive grant has become the rule.
- New EFSA financial rules become applicable as of the following day from their adoption by the Management Board. It shall apply from 1 July 2019.
- Art 113 "Repeal" and 114 "entry into force" were subject to technical adjustments as proposed by the Commission without impacting on the substance.

## EFSA ADOPTION



### Article 113

#### Repeal

~~Delegated~~ The Financial Regulation ~~(EU) 1271/~~of 19 December 2013 applicable to the Authority is repealed with effect from 1 ~~January~~ July 2019. However, Articles 32 and 47 of that Regulation shall continue to apply until 31 December 2019.

### Article 114

#### Entry into force

This Regulation shall enter into force on the day following the date of its adoption. *It shall apply from 1 July 2019.* However, Articles 32 and 48 shall apply from 1 January 2020.

~~This Regulation shall be binding in its entirety and directly applicable in all Member States.~~