

## **DECISION OF THE SINGLE RESOLUTION BOARD**

**of 17 January 2020**

**adopting the Financial Regulation of the Single Resolution Board**

**(SRB/ PS/2020/05)**

**repealing Decision**

**(SRB/PS/2015/05) as amended by Decision**

**(SRB/PS/2016/13)**

### **THE SINGLE RESOLUTION BOARD,**

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010<sup>1</sup>, and in particular to Articles 50(1)(h) and 64 thereof,

Having regard to the opinion of the European Court of Auditors,

Having regard to the opinion of the European Commission,

Whereas:

- (1) On the basis of Article 70(1) of Regulation (EU, Euratom) 2018/1046<sup>2</sup>, the Commission adopted the Commission Delegated Regulation (EU) 2019/715<sup>3</sup>, which establishes the framework financial regulation for the bodies which are set up by the Union under the Treaty on the Functioning of the European Union and the Treaty establishing the European Atomic Energy Community and which have legal personality and receive contributions charged to the Union budget.
- (2) The Single Resolution Board (the "Board") has an autonomous budget which is not part of the Union budget and, therefore, Commission Delegated Regulation (EU)

---

<sup>1</sup> OJ L 225, 30.7.2014, p. 1-90.

<sup>2</sup> Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012, OJ L 193, 30.7.2018, p. 1-222.

<sup>3</sup> Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046, OJ L 122, 10.5.2019, p. 1-38.

2019/715<sup>3</sup> does not apply. However, Regulation (EU) No 806/2014<sup>1</sup> provides that, to the extent that it is compatible with the nature of the Board, the internal financial provisions to be adopted by the Board should be based on the framework financial regulation as adopted by the Commission.

- (3) Following the repeal of Commission Delegated Regulation (EU) No 1271/2013<sup>4</sup>, this Decision updates the financial rules of the Board in order to align them with the provisions of Commission Delegation Regulation (EU) 2019/715<sup>3</sup>.
- (4) In order to reduce the complexity of the financial rules applicable, this Decision repeals the Decision of the Plenary Session of the Board of 25/03/2015 adopting the Financial Regulation of the Single Resolution Board (SRB/PS/2015/05), as amended by the Decision of the Plenary Session of the Board of 16/03/2016 amending the Financial Regulation of the Single Resolution Board (SRB/PS/2016/13),

## **HAS ADOPTED THIS DECISION:**

### **TITLE I**

## **GENERAL PROVISIONS**

### ***Article 1***

#### ***Subject matter***

This Regulation lays down the essential financial rules for the management of Part I and, without prejudice to the relevant provisions of the constituent act, of Part II of the Board's budget.

### ***Article 2***

#### ***Definitions***

For the purposes of this Regulation, the following definitions shall apply:

- 'constituent act' means Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010<sup>1</sup>;
- 'Board's budget' means Part I and Part II of the budget, as defined in Article 58 of the constituent act, except where otherwise specified;
- 'Board in its plenary session' is the body established pursuant to Article 49 of the constituent act responsible for taking decisions on financial and budgetary matters pursuant to Article 50 of the constituent act;
- 'Board in its executive session' is the body established pursuant to Article 53(1) of the constituent act;

---

<sup>4</sup> 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](#).

- ‘Chair’ means the Chair of the Board who is responsible for implementing the decisions of the Board and the Board’s budget as authorising officer, pursuant to Title IV of Part III of the constituent act;
- ‘Fund’ means the Single Resolution Fund, established pursuant to Chapter 2 of Title V of Part III of the constituent act.

The relevant definitions in Article 2 of Regulation (EU, Euratom) 2018/1046<sup>2</sup> shall apply *mutatis mutandis*.

### **Article 3**

#### ***Periods, dates and time limits***

Unless otherwise provided, Council Regulation (EEC, Euratom) No 1182/71<sup>5</sup> shall apply to deadlines set by this Regulation.

### **Article 4**

#### ***Protection of personal data***

This Regulation is without prejudice to the requirements of Regulations (EU) 2018/1725<sup>6</sup> and (EU) 2016/679<sup>7</sup>.

## **TITLE II**

### **BUDGET AND BUDGETARY PRINCIPLES**

### **Article 5**

#### ***Respect for budgetary principles***

The Board’s budget shall be established and implemented in accordance with the principles of unity, budgetary accuracy, annuality, equilibrium, unit of account, universality, specification, sound financial management and transparency as set out in this Regulation.

## **CHAPTER 1**

### **PRINCIPLES OF UNITY AND OF BUDGET ACCURACY**

### **Article 6**

#### ***Scope of the Board’s budget***

---

<sup>5</sup> Council Regulation (EEC, Euratom) No 1182/71 of 3 June 1971 determining the rules applicable to periods, dates and time limits, OJ L 124, 8.6.1971, p. 1.

<sup>6</sup> Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC Text with EEA relevance, OJ L 295, 21.11.2018, p. 39.

<sup>7</sup> Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (Text with EEA relevance), OJ L 119, 4.5.2016, p. 1.

1. For each financial year, the Board's budget shall forecast and authorise all revenue and expenditure considered necessary for the Board. It shall comprise the revenue and expenditure of the Board, including administrative expenditure.
2. The Board's budget shall contain the following:
  - (a) non-differentiated appropriations;
  - (b) where justified by operational needs, differentiated appropriations, which consist of commitment appropriations and payment appropriations.
3. The appropriations authorised for the financial year shall consist of:
  - (a) appropriations arising from own revenue consisting of the contributions necessary to cover the annual estimated expenditure of Part I, pursuant to Article 59(1) of the constituent act, and any other revenue;
  - (b) appropriations consisting of any financial contributions from the host Member States, if applicable;
  - (c) appropriations provided following the receipt of revenue assigned during the financial year to specific items of expenditure in accordance with Article 19(1), including the revenue provided for in Article 60 of the constituent act for Part II of the budget;
  - (d) appropriations carried over from the preceding financial years.
4. Revenue consisting of contributions shall only be assigned in exceptional and duly justified cases provided for in the constituent act.
5. Commitment appropriations shall cover the total cost of the legal commitments entered into during the financial year, subject to Article 71(2).
6. Payment appropriations shall cover payments made to honour the legal commitments entered into in the financial year or preceding financial years.
7. Paragraphs 3 and 5 of this Article shall not prevent appropriations being committed globally or budgetary commitments being made in annual instalments as provided for in point (b) of Article 70(1) and in Article 70(2) respectively.

### **Article 7**

#### ***Specific rules on the principles of unity and budgetary accuracy***

1. All revenue and expenditure shall be booked to a budget line in the Board's budget.
2. No expenditure may be committed or authorised in excess of the appropriations authorised by the Board's budget.
3. An appropriation may be entered in the Board's budget only if it is for an item of expenditure considered necessary.
4. Interest generated by pre-financing payments made from the Board's budget shall not be due to the Board.

CHAPTER 2  
PRINCIPLE OF ANNUALITY

**Article 8**  
**Definition**

The appropriations entered in the Board's budget shall be authorised for a financial year that shall run from 1 January to 31 December.

**Article 9**  
**Budgetary accounting for revenue and appropriations**

1. The Board's revenue of a financial year, as referred to in Article 6, shall be entered in the accounts for that financial year on the basis of the amounts collected during that financial year.
2. The Board's revenue shall give rise to an equivalent amount of payment appropriations.
3. Commitments shall be entered in the accounts for a financial year on the basis of the legal commitments entered into up to 31 December of that year. However, the global budgetary commitments referred to in point (b) of Article 70(1) shall be entered in the accounts for a financial year on the basis of the budgetary commitments up to 31 December of that year.
4. Payments shall be entered in the accounts for a financial year on the basis of the payments made by the accounting officer by 31 December of that year.
5. Where the constituent act provides that clearly defined tasks are financed separately, the Board shall have specific budget lines on the revenue and expenditure operations. The Board's budget shall clearly identify each group of tasks in its resource programming included in the single programming document drawn up pursuant to Article 30.

**Article 10**  
**Commitment of appropriations**

1. The appropriations entered in the Board's budget may be committed with effect from 1 January, once the budget has been definitively adopted.
2. Where the Board's budget has not yet been definitively adopted, as of 15 October of the financial year, routine administrative expenditure may be committed in advance against the appropriations provided for the following financial year, provided that the expenditure has been approved in the last budget of the Board duly adopted, and only up to a maximum of one quarter of the appropriations decided upon by the Board in its plenary session on the corresponding budget line for the current financial year.

## **Article 11**

### ***Cancellation and carry-over of appropriations***

1. Appropriations which have not been used by the end of the financial year for which they were entered shall be cancelled, unless they are carried over in accordance with paragraphs 2 and 4.

2. The following appropriations may be carried over by a decision taken pursuant to paragraph 3, but only to the following financial year:

(a) commitment appropriations and non-differentiated appropriations, for which most of the preparatory stages of the commitment procedure have been completed by 31 December of the financial year.

Such appropriations may be committed up to 31 March of the following financial year, with the exception of non-differentiated appropriations related to building projects, which may be committed up to 31 December of the following financial year.

(b) payment appropriations which are needed to cover existing commitments or commitments linked to commitment appropriations carried over, where the payment appropriations provided for in the relevant budget lines for the following financial year are insufficient.

With regard to point (b) of the second paragraph, the Board shall first use the appropriations authorised for the current financial year and shall not use the appropriations carried over until the former are exhausted.

3. The Board in its plenary session shall take its decision on carry-overs as referred to in paragraph 2 by 15 February of the following financial year.

4. Appropriations shall be automatically carried over in respect of:

(a) appropriations corresponding to internal assigned revenue. Such appropriations may be carried over only to the following financial year and may be committed up to 31 December of that year, with the exception of the internal assigned revenue from lettings and the sale of buildings and land referred to in point (e) of Article 19(3) which may be carried over until it is fully used;

(b) appropriations corresponding to external assigned revenue. Such appropriations shall be fully used by the time all the operations relating to the programme or action to which they are assigned have been carried out or they may be carried over and used for the succeeding programme or action.

5. Appropriations for staff expenditure shall not be carried over. For the purpose of this Article, staff expenditure comprises remuneration and allowances for the staff of Union bodies who are subject to the Staff Regulations.

6. Non-differentiated appropriations legally committed by the end of the financial year shall be paid until the end of the following financial year.

## **Article 12**

### ***Detailed provisions on cancellation and carryover of appropriations***

1. The commitment appropriations and the non-differentiated appropriations referred to in point (a) of Article 11(2) may be carried over only if the commitments could not be made before 31 December of the financial year for reasons not attributable to the authorising officer and if the preparatory stages are sufficiently advanced to make it reasonable to expect that the commitment will be made by no later than 31 March of the following financial year, or, in relation to building projects, by 31 December of the following financial year.
2. Appropriations carried over in accordance with point (a) of Article 11(2) which have not been committed by 31 March of the following financial year or by 31 December of the following year for amounts relating to building projects shall be automatically cancelled.
3. Appropriations carried over which have been cancelled shall be identified in the accounts.

## **Article 13**

### ***Decommitment of appropriations***

1. Where budgetary commitments are decommitted in any financial year after the year in which they were made as a result of total or partial non-implementation of the actions for which they were earmarked, the appropriations corresponding to such decommitments shall be cancelled.
2. This Article shall not apply to the external assigned revenue referred to in Article 19(2).

## **Article 14**

### ***Rules applicable in the event of late adoption of the Board's budget***

1. If the Board's budget has not been definitively adopted at the beginning of the financial year, the rules set out in paragraphs 2 to 6 shall apply.
2. Commitments may be made per chapter up to a maximum of one quarter of the total appropriations authorised in the relevant chapter of the Board's budget for the preceding financial year plus one twelfth for each month that has elapsed.  
The limit of the appropriations provided for in the statement of estimates of revenue and expenditure shall not be exceeded.  
Payments may be made monthly per chapter up to a maximum of one twelfth of the appropriations authorised in the relevant chapter of the Board's budget for the preceding financial year. However, that sum shall not exceed one twelfth of the appropriations provided for in the same chapter of the statement of estimates of revenue and expenditure.
3. The appropriations authorised in the relevant chapter of the Board's budget for the preceding financial year, as referred to in paragraph 2, shall be understood as



referring to the appropriations voted in the Board's budget, including by amending budgets, and after adjustment for the transfers made during that financial year.

4. If the continuity of the Board's action and management needs so require, the Board in its plenary session may, at the request of the Chair, authorise expenditure in excess of one provisional twelfth but not exceeding a total of four provisional twelfths, except in duly justified cases, both for commitments and for payments over and above those automatically made available in accordance with paragraph 2.

The additional twelfths shall be authorised in full and shall not be divisible.

5. If, for a given chapter, the authorisation of four provisional twelfths granted in accordance with paragraph 4 is not sufficient to cover the expenditure necessary to avoid a break in continuity of action by the Board in the area covered by the chapter in question, authorisation may exceptionally be given by the Board in its plenary session, at the request of the Chair, to exceed the amount of the appropriations entered in the corresponding chapter of the Board's budget for the preceding financial year. However, the overall total of the appropriations available in the Board's budget of the preceding financial year or in the statement of estimates of revenue and expenditure, as proposed, shall in no circumstances be exceeded.

### CHAPTER 3 PRINCIPLE OF EQUILIBRIUM

#### **Article 15** **Definition and scope**

1. Revenue and payment appropriations shall be in balance.
2. Commitment appropriations may not exceed the amount of revenue referred to in Article 6.
3. Contributions to Part I of the Board's budget should be set at a level such as to avoid a significant accumulation of surplus. Where a significant positive or negative budget result, within the meaning of Article 90, occurs when preparing the annual budget, the level of the contributions shall be adjusted.
4. Without prejudice to the provisions of the constituent act, and, in particular, Article 60 thereof, the Board may not raise loans within the framework of its budget.
5. The Board shall implement rigorous cash management, taking due account of assigned revenue, in order to ensure that its cash balances are limited to duly justified requirements.

The Board may entrust Part II of its budget, either partially or in its entirety, and its investment management to other Union bodies or institutions or international organisations. This shall be done in accordance with the provisions of the relevant delegated acts, adopted by the Commission pursuant to Article 75(4) of the constituent act.



## **Article 16**

### ***Balance from previous financial year***

1. If the budget result within the meaning of Article 90 is positive, it shall be entered in the Board's budget for the following financial year as revenue.
2. In exceptional cases, where the constituent act provides that the revenues arising from contributions are assigned to particular items of expenditure, the Board may carry over the balance of contributions as assigned revenue for the activities related to the provision of the services for which the contributions are due.
3. If the budget result within the meaning of Article 90 is negative, it shall be entered in the Board's budget for the following financial year as payment appropriations or, where appropriate, offset against a positive budget result of the Board in the following financial years.

Where the contributions are assigned revenue, the negative result related to this assigned revenue can be offset against the accumulated surplus from previous years, if available.

4. The revenue or payment appropriations referred to in paragraphs 1 and 3 shall be entered in the Board's budget by means of an amending budget.

An estimate of the budget result from year N-1 will be provided by the Board no later than 31 January of the year N, for information.

## CHAPTER 4

### PRINCIPLE OF UNIT OF ACCOUNT

## **Article 17**

### ***Use of euro***

1. The budget shall be drawn up and implemented in euro and the accounts shall be presented in euro. However, for the cash-flow purposes referred to in Article 47, the accounting officer and, in the case of imprest accounts, the imprest administrators, and, for the needs of the administrative management of the Board, the authorising officer responsible, shall be authorised to carry out operations in other currencies.
2. Without prejudice to specific provisions laid down in sector-specific rules, or in specific contracts, conversion by the authorising officer responsible shall be made using the daily euro exchange rate published in the C series of the *Official Journal of the European Union* of the day on which the payment order or recovery order is drawn up by the authorising department.

If no such daily rate is published, the authorising officer responsible shall use the one referred to in paragraph 3.

3. For the purposes of the accounts provided for in Title VII, conversion between the euro and another currency shall be made using the monthly accounting exchange rate of the euro. That accounting exchange rate shall be established by the accounting officer of the Commission by means of any source of information

regarded as reliable, based on the exchange rate on the penultimate working day of the month preceding that for which the rate is established.

4. Currency conversion operations shall be carried out in such a way as to avoid having a significant impact on the level of the Union co-financing or a detrimental impact on the budget. Where appropriate, the rate of conversion between the euro and other currencies may be calculated using the average of the daily exchange rate in a given period.

## CHAPTER 5 PRINCIPLE OF UNIVERSALITY

### **Article 18** **Scope**

Without prejudice to Article 19, total revenue shall cover total payment appropriations. Without prejudice to Article 22, all revenue and expenditure shall be entered in full without any adjustment against each other.

### **Article 19** **Assigned revenue**

1. External assigned revenue and internal assigned revenue shall be used to finance specific items of expenditure.
2. The following shall constitute external assigned revenue:
  - (a) financial contributions from Member States and third countries including, in both cases, their public agencies, entities or natural persons, to certain activities of the Board insofar as this is provided for in the agreement concluded between the Board and the Member States, third countries or the public agencies, entities or natural persons in question;
  - (b) financial contributions from international organisations;
  - (c) revenue earmarked for a specific purpose, such as income from foundations, subsidies, gifts and bequests;
  - (d) financial contributions, not covered by point (a), to the Board's activities from third countries or various non-Union bodies;
  - (e) internal assigned revenue referred to in paragraph 3, to the extent that it is ancillary to the other revenue referred to in points (a) to (c) of this paragraph;
  - (f) revenue from the contributions referred to in point (c) of Article 6(3).
3. The following shall constitute internal assigned revenue:
  - (a) revenue from third parties in respect of goods, services or work supplied at their request, with the exception of the contributions referred to in point (a) of Article 6(3);
  - (b) revenue arising from the repayment, in accordance with Article 58, of amounts wrongly paid;

- (c) proceeds from the supply of goods, services and works for Union institutions or other Union bodies;
  - (d) insurance payments received;
  - (e) revenue from lettings and from the sale of buildings and land;
  - (f) revenue arising from subsequent reimbursement of taxes pursuant to point (b) of Article 27(3) of Regulation (EU, Euratom) 2018/1046<sup>2</sup>.
4. Assigned revenue shall be carried over and transferred in accordance with the provisions of points (a) and (b) of Article 11(4) and Article 25, respectively.
  5. Without prejudice to point (e) of the second paragraph, the relevant constituent act may also assign the revenue for which it provides to specific items of expenditure. Unless specified otherwise in the relevant constituent act, such revenue shall constitute internal assigned revenue.
  6. All items of revenue within the meaning of points (a) to (c) of paragraph 2 and points (a) and (c) of paragraph 3 shall cover all direct or indirect expenditure incurred by the activity or purpose in question.
  7. The Board's budget shall include lines to accommodate external assigned revenue and internal assigned revenue and wherever possible shall indicate the amount.  
Assigned revenue may be included in the estimate of revenue and expenditure only for the amounts, which are certain at the date of the establishment of the estimate.

## **Article 20**

### **Structure to accommodate assigned revenue and provision of corresponding appropriations**

1. The structure to accommodate assigned revenue in the Board's budget shall comprise:
  - (a) in the statement of revenue, a budget line to receive the revenue;
  - (b) in the statement of expenditure, the budget remarks, including general remarks, showing which lines may receive the appropriations corresponding to the assigned revenue, which are made available.In the case referred to in point (a) of the first subparagraph, a token entry '*pro memoria*' shall be made and the estimated revenue shall be shown for information in the remarks.
2. The appropriations corresponding to assigned revenue shall be made available automatically, both as commitment appropriations and as payment appropriations, when the revenue has been received by the Board.

## **Article 21**

### **Donations**

1. The Chair may accept any donation made to the Board, such as foundations, subsidies, gifts and bequests.
2. Acceptance of a donation of a value of EUR 50 000 or more which involves a financial charge or any type of obligation, including follow-up costs, exceeding 10% of the

value of the donation made, shall be subject to the prior authorisation of the Board in its plenary session. The Board in its plenary session shall take a decision within two months of the date on which the request for authorisation is submitted to it. If the Board fails to take a decision within that period, the donation shall be deemed authorised.

3. The Chair shall, at the request of the Board, analyse, estimate and duly explain the financial charges, including follow-up costs, and any other obligations as referred to in paragraph 1, that the acceptance of the donation entails.

### **Article 22**

#### **Rules on deductions and exchange rates adjustments**

Article 27 of Regulation (EU, Euratom) 2018/1046<sup>2</sup> shall apply *mutatis mutandis*.

## CHAPTER 6

### PRINCIPLE OF SPECIFICATION

### **Article 23**

#### **General provisions**

1. Appropriations shall be earmarked for specific purposes by title and chapter. The chapters shall be further subdivided into articles and lines.
2. In the Board's budget, appropriations may only be transferred to lines for which the Board's budget has authorised appropriations or which carry a token entry '*pro memoria*'.
3. The limits referred to in Article 24 shall be calculated at the time the request for transfer is made and with reference to the appropriations provided in the Board's budget, including amending budgets.
4. The amount to be taken into consideration for the purposes of calculating the limits referred to in Article 24 shall be the sum of the transfers to be made on the line from which transfers are being made, after adjustment for earlier transfers made.

### **Article 24**

#### **Transfers**

1. The Chair may transfer appropriations:
  - (a) from one title to another up to a maximum of 10% of the appropriations for the financial year shown on the line from which the transfer is made;
  - (b) from one chapter to another, within the same Title, and within each chapter without limit.
2. Beyond the limit referred to in paragraph 1, the Chair may propose transfers of appropriations from one title to another to the Board in its plenary session. The

Board in its plenary session shall have two weeks to oppose the proposed transfers. After that time limit, the proposed transfers shall be deemed to be adopted.

3. Transfers and proposals for transfers carried out under paragraphs 1 and 2 respectively shall be accompanied by appropriate and detailed supporting documents showing the implementation of appropriations and estimates of requirements up to the end of the financial year, both for the headings to be credited and for those from which the appropriations are drawn.
4. The authorising officer shall inform the Board in its plenary session as soon as possible of all transfers made.

### **Article 25**

#### ***Specific rules on transfers***

Appropriations corresponding to assigned revenue may be transferred only if such revenue is used for the purpose for which it is assigned.

## CHAPTER 7

### PRINCIPLE OF SOUND FINANCIAL MANAGEMENT AND PERFORMANCE

### **Article 26**

#### ***Performance and principles of economy, efficiency and effectiveness***

1. Appropriations shall be used in accordance with the principle of sound financial management, and thus be implemented respecting the following principles:
  - (a) the principle of economy which requires that the resources used by the Board in the pursuit of its activities shall be made available in due time, in appropriate quantity and quality and at the best price;
  - (b) the principle of efficiency which concerns the best relationship between the resources employed, the activities undertaken and the achievement of objectives;
  - (c) the principle of effectiveness which concerns the extent to which the objectives pursued are achieved through the activities undertaken.
2. In line with the principle of sound financial management, the use of appropriations shall focus on performance and for that purpose:
  - (a) objectives for programmes and activities shall be established ex-ante;
  - (b) progress in the achievement of objectives shall be monitored with performance indicators;
  - (c) progress in, and problems with, the achievements of those objectives shall be reported to the Board in its plenary session.
3. Specific, measurable, attainable, relevant and time-bound objectives as referred to in paragraphs 1 and 2 and relevant, accepted, credible, easy and robust indicators shall be defined where relevant. The indicators used to monitor the achievement of the objectives shall cover all sectors. The Chair shall provide the relevant information to

the Board in its plenary session annually. It shall be included in the single programming document referred to in Article 30.

4. The Board shall carry out a benchmarking exercise. The scope, modalities and regularity of the benchmarking exercise shall be decided by the Board and shall be communicated to the Commission with the least possible delay. The objective of the benchmarking exercise shall be to facilitate efficient management of the human resources. It shall include an assessment of the overhead rate, in particular of the horizontal services, with a view to finding ways of reducing it, wherever needed.

When carrying out the benchmarking exercise the Board shall make the necessary arrangements to avoid any conflict of interests.

### **Article 27**

#### **Evaluations**

1. Programmes and activities that entail significant spending shall be subject to ex-ante and retrospective evaluations, which shall be proportionate to the objectives and expenditure.
2. Ex-ante evaluations supporting the preparation of programmes and activities shall be based on evidence, if available, on the performance of related programmes or activities and shall identify and analyse the issues to be addressed, the added value of Union involvement, objectives, expected effects of different options and monitoring and evaluation arrangements.
3. Retrospective evaluations shall assess the performance of the programme or activity, including aspects such as effectiveness, efficiency, coherence, relevance and the added value of Union involvement. Retrospective evaluations shall be based on the information generated by the monitoring arrangements and indicators established for the action concerned. They shall be undertaken periodically and in sufficient time for the findings to be taken into account in ex-ante evaluations or impact assessments that support the preparation of related programmes and activities.
4. The Chair shall prepare an action plan to follow up on the conclusions of the evaluations referred to in paragraph 3 and shall report on its progress regularly to the Board in its plenary session and in the annual activity report.
5. The Board in its plenary session shall scrutinise the implementation of the action plan referred to in paragraph 4.

### **Article 28**

#### **Internal control of budget implementation**

1. Pursuant to the principle of sound financial management, the Board's budget shall be implemented in compliance with effective and efficient internal control, as provided for in Article 62 of the constituent act.
2. For the purposes of the implementation of the Board's budget, internal control shall be applied at all levels of management and shall be designed to provide reasonable assurance of achieving the following objectives:
  - (a) effectiveness, efficiency and economy of operations;

- (b) reliability of reporting;
  - (c) safeguarding of assets and information;
  - (d) prevention, detection, correction and follow-up of fraud and irregularities;
  - (e) adequate management of the risks relating to the legality and regularity of the underlying transactions, taking into account the multiannual character of programmes as well as the nature of the payments concerned.
3. Effective internal control shall be based on best international practices and, by analogy, on the Internal Control Framework laid down by the Commission for its own services and shall include, in particular, the following elements:
- (a) segregation of tasks;
  - (b) an appropriate risk management and control strategy that includes control at recipient level;
  - (c) avoidance of conflicts of interests;
  - (d) adequate audit trails and data integrity in data systems;
  - (e) procedures for monitoring effectiveness and efficiency;
  - (f) procedures for follow-up of identified internal control weaknesses and exceptions;
  - (g) periodic assessment of the sound functioning of the internal control system.
4. Efficient internal control shall be based on the following elements:
- (a) the implementation of an appropriate risk management and control strategy coordinated among appropriate actors involved in the control chain;
  - (b) the accessibility for all appropriate actors in the control chain of the results of controls carried out;
  - (c) reliance, where appropriate, on independent audit opinions, provided that the quality of the underlying work is adequate and acceptable and that it was performed in accordance with agreed standards;
  - (d) the timely application of corrective measures including, where appropriate, dissuasive penalties;
  - (e) the elimination of multiple controls;
  - (f) the improvement of the cost-benefit ratio of controls.
5. Where the Board runs also offices away from the main seat, the internal control system shall be designed in order to mitigate the specific risks of the activities of those offices.

## CHAPTER 8

### PRINCIPLE OF TRANSPARENCY

#### **Article 29**

##### ***Publication of accounts and budgets***

1. The Board's budget shall be established and implemented and the accounts presented in accordance with the principle of transparency.



2. A summary of the budget and any amending budget of the Board, as definitively adopted, shall be published in the *Official Journal of the European Union* within three months of their adoption.

The summary shall show the aggregated figures for each Title of the Board's budget, the establishment plan and an estimate of the number of contract staff expressed in full-time equivalents for which appropriations are budgeted, and of the number of seconded national experts. It shall also indicate the equivalent information for the previous financial year.

3. The budget, including the establishment plan, and any amending budgets of the Board, as definitively adopted, as well as an indication of the number of contract staff expressed in full-time equivalents for which appropriations are budgeted, and of the number of seconded national experts, shall be transmitted for information to the European Parliament and the Council, the European Court of Auditors and the Commission, and shall be published on the Board's website within four weeks of their adoption.
4. The Board shall make available on its website, no later than 30 June of the year following the financial year in which the funds were legally committed, information on the recipients of funds financed from the Board's budget, including experts contracted pursuant to Article 85 of this Regulation, in accordance with Article 38 of Regulation (EU, Euratom) 2018/1046<sup>2</sup> and following a standard presentation. The published information shall be easily accessible, transparent and comprehensive. The information shall be made available with due observance of the requirements of confidentiality and security, in particular the protection of personal data laid down in Regulation (EU) 2018/1725<sup>6</sup>.

### **TITLE III**

## **ESTABLISHMENT AND STRUCTURE OF THE BUDGET**

### *CHAPTER 1*

#### ESTABLISHMENT OF THE BOARD'S BUDGET

### **Article 30**

#### ***Single programming document***

1. The Board shall draw up a single programming document containing:
  - (a) a multiannual work programme;
  - (b) an annual work programme;
  - (c) an estimate of its revenue and expenditure;
  - (d) a resources programming document;
  - (e) information on its building policy;
  - (f) strategy for cooperation with third countries and/or international organisations;
  - (g) strategy for achieving efficiency gains and synergies;

(h) strategy for the organisational management and internal control systems including the anti-fraud strategy, as last updated, and an indication of measures to prevent recurrence of cases of conflict of interests, irregularities and fraud, in particular where weaknesses, reported under Article 46 or Article 74(6), have led to critical recommendations.

The strategies referred to in the first subparagraph shall be assessed annually and updated as necessary.

The single programming document shall be drawn up taking into account guidelines set by the Commission.

2. The multiannual work programme shall set out the overall strategic programming for the years N+1 to N+3, including the objectives, expected results and performance indicators to monitor the achievement of the objectives and the results.

This overall strategic programming shall also show, per activity, the indicative financial and human resources considered necessary to attain the objectives set and shall also demonstrate the Board's contribution to the achievement of the political priorities of the Union.

This strategic programming will be updated where appropriate, and in particular, to address the outcome of the overall evaluations referred to in the constituent act.

3. The annual work programme shall set out for the year N+1:
  - (a) the expected outputs that will contribute to the achievement of the objectives set in the overall strategic programming;
  - (b) a description of the activities to be financed, together with an indication of the amount of financial and human resources, showing the number of officials, temporary and contract staff as defined in the Staff Regulations, as well as seconded national experts.

It shall clearly indicate which tasks of the Board have been added, changed or deleted in comparison with the adopted annual work programme of the previous financial year. Evaluation results shall be taken into account as evidence of the likely merits of an increase or decrease of the proposed budget of the Board in comparison with its budget of the previous financial year.

The annual work programme shall be coherent with the multiannual programme referred to in paragraph 2.

Any substantial amendment to the annual work programme shall be adopted by the same procedure as the initial work programme, in accordance with the provisions of point (a) of Article 50(1) of the constituent act.

The Board in its plenary session may delegate to the Board's authorising officer the power to make non-substantial amendments to the annual work programme.

4. The estimate of revenue and expenditure of the Board, supported by the general guidelines underlying that estimate, shall include:
  - (a) an estimate of revenue broken down by Title indicating contributions separately, where appropriate;
  - (b) an estimate of expenditure (commitment and payment appropriations), broken down by title and chapter;
  - (c) a quarterly estimate of cash payments and receipts;

- (d) an establishment plan setting the number of permanent and temporary posts by grade and by function group authorised within the limits of the budget appropriations requested for year N+1.

Where an increase is requested in the number of establishment plan posts requested for year N+1, a statement justifying the request for the new posts shall be provided;

The same information shall be provided on the number of contract staff and seconded national experts and shall be expressed in full-time equivalents.

5. The resources programming shall include qualitative and quantitative information on the human resources and budgetary matters for reporting purposes, in particular:
- (a) an estimate of the budget result from year N-1 as referred to in Article 16;
  - (b) information on contributions in kind granted by the host Member State to the Board for year N-1;
  - (c) information on the number of officials, temporary and contract staff, as defined in the Staff Regulations, and of seconded experts for year N-1 and for year N.
  - (d) information on the achievement of all objectives previously set for the various activities for year N-1, showing the actual use of the human and financial resources by the end of the year divided between activities.

The resources programming document shall be updated annually.

6. Information on the Board's building policy shall include:
- (a) for each building, including of offices away from the main seat, the expenditure and surface area covered by the appropriations of the corresponding lines in the Board's budget;
  - (b) the expected evolution of the global programming of surface area and premises for the coming years with a description of the building projects in planning phase which are already identified;
  - (c) the final terms and costs, as well as relevant information regarding project implementation of new building projects.
7. The single programming document shall be adopted by the Board in its plenary session.
8. The Board shall send the adopted single programming document and any later, updated version, for information to the Commission, the European Parliament, the Council and the European Central Bank.

### **Article 31**

#### ***Establishment of the budget***

1. The Board's budget shall be established in accordance with the provisions of the constituent act.
2. The Board's budget and the establishment plan shall be adopted by the Board in its plenary session.

### **Article 32**

#### ***Amending budgets***

Any amendment to the Board's budget, including the establishment plan, shall be the subject of an amending budget adopted by the same procedure as the Board's initial budget in accordance with the provisions of the constituent act and Article 31 of this Regulation.

Amending budgets shall be accompanied by statements of reasons and the information on the implementation of the budget for the preceding and current financial years available at the time of their establishment.

## CHAPTER 2 STRUCTURE AND PRESENTATION OF THE BOARD'S BUDGET

### **Article 33**

#### ***Structure of the Board's budget***

The Board's budget shall consist of a statement of revenue and a statement of expenditure.

### **Article 34**

#### ***Budget nomenclature***

As far as it is justified by the nature of the Board's activities, the statement of expenditure must be set out on the basis of a nomenclature with a classification by purpose. That nomenclature shall be determined by the Board and shall make a clear distinction between administrative appropriations and operational appropriations.

The budget nomenclature shall comply with the principles of specification, sound financial management and transparency. It shall provide the clarity and transparency necessary for the budgetary process, facilitating the identification of the main objectives as reflected in the relevant legal bases, and enabling efficient and effective implementation.

### **Article 35**

#### ***Presentation of the Board's budget***

The Board's budget shall show:

- (a) in the statement of revenue:
  - (i) the estimated revenue of the Board for the financial year concerned ('year N');
  - (ii) the estimated revenue for the preceding financial year and the revenue for year N-2;
  - (iii) appropriate remarks on each revenue line;
- (b) in the statement of expenditure:
  - (i) the commitment and payment appropriations for year N;
  - (ii) the commitment and payment appropriations for the preceding financial year, and the expenditure committed and the expenditure paid in year N-2.

The latter shall also be expressed as a percentage of the Board's budget of year N;

- (iii) a summary statement of the schedule of payments due in subsequent financial years to meet budget commitments entered into in earlier financial years;
- (iv) appropriate remarks on each subdivision.

### **Article 36**

#### ***Rules on the establishment plan for staff***

1. The establishment plan referred to in point (c) of Article 30(4) shall show next to the number of posts authorised for the financial year, the number authorised for the preceding year and the number of posts actually filled. It shall constitute an absolute limit for the Board. No appointment may be made in excess of the limit set.  
However, save in the case of grades AD 16, AD 15, AD 14 and AD 13, the Chair may modify the establishment plan by up to 10% of posts authorised, subject to the following conditions:
  - (a) the volume of staff appropriations corresponding to a full financial year is not affected;
  - (b) the limit of the total number of posts authorised by the establishment plan is not exceeded;
  - (c) the Board has taken part in the benchmarking exercise referred to in Article 26(4).
2. By derogation from the second subparagraph of paragraph 1, the effects of part-time work authorised by the appointing authority in accordance with the Staff Regulations may be offset by other appointments. Where a staff member requests the withdrawal of the authorisation before expiry of the granted period, the Board shall take appropriate measures to respect the limit referred to in point (b) of the second subparagraph of paragraph 1 as soon as possible.

## **TITLE IV**

### **IMPLEMENTATION OF THE BOARD'S BUDGET**

#### CHAPTER 1

#### GENERAL PROVISIONS

### **Article 37**

#### ***Budget implementation in accordance with the principle of sound financial management***

1. The Chair shall perform the duties of authorising officer. He or she shall implement the revenue and expenditure of the budget in accordance with the financial rules of the Board and with the principle of sound financial management under his or her own responsibility and within the limits of the appropriations authorised.
2. Without prejudice to the responsibilities of the authorising officer as regards prevention and detection of fraud and irregularities, the Board shall participate in the fraud prevention activities of the European Anti-Fraud Office.

### **Article 38**

#### ***Information on transfers of personal data for audit purposes***

In any call made in the context of grants, procurement or prizes implemented in direct implementation, potential beneficiaries, candidates, tenderers and participants shall, in accordance with Regulation (EU) 2018/1725<sup>6</sup> be informed that, for the purposes of safeguarding the financial interests of the Union, their personal data may be transferred to internal audit services, to the European Court of Auditors, or to the European Anti-Fraud Office and between authorising officers of the Union bodies, the Commission and the executive agencies.

### **Article 39**

#### ***Delegation of budget implementation powers***

1. The Chair may delegate the powers of budget implementation to staff of the Board covered by the Staff Regulations, in accordance with the financial rules adopted by the Board in its plenary session. Those so empowered may act only within the limits of the powers expressly conferred upon them.
2. The delegatee may subdelegate the powers received with the explicit agreement of the Chair.

### **Article 40**

#### ***Conflict of interests***

1. Financial actors within the meaning of Chapter 3 of this Title and other persons, including the members of the Board, involved in budget implementation and management, including acts preparatory thereto, audit or control shall not take any action that may bring their own interests into conflict with those of the Board. They shall also take appropriate measures to prevent a conflict of interests from arising in the functions under their responsibility and to address situations which may objectively be perceived as a conflict of interests.

Where there is a risk of a conflict of interests, the person in question shall refer the matter to the competent authority. The competent authority shall confirm in writing if a conflict of interests is found to exist. In that case, the competent authority shall ensure that the person concerned ceases all activities in the matter. The competent authority shall take any further appropriate action.

2. For the purposes of paragraph 1, a conflict of interests exists where the impartial and objective exercise of the functions of a financial actor or other person, as referred to in paragraph 1, is compromised for reasons involving family, emotional life, political or national affinity, economic interest or any other direct or indirect personal interest.
3. The competent authority referred to in paragraph 1 shall be the Chair. If the member of staff concerned is the Chair or a member of the Board, the competent authority shall be the Board in its Plenary session exclusive of the Chair or the member concerned.
4. The Board shall adopt rules on the prevention and management of conflicts of interests both for its members, in accordance with point (j) of Article 50(1) of the constituent act, and for its staff (including, to the extent appropriate, interim



workers). It shall publish annually on its website the declaration of interests of the members of the Board.

*CHAPTER 2*  
*METHOD OF IMPLEMENTATION*

**Article 41**

***Method of implementation of the Board's budget***

1. The Board's budget shall be implemented by the Chair in the departments placed under his or her authority.
2. In order to facilitate the implementation of its appropriations, the Board may conclude service-level agreements as referred to in paragraphs 2 and 3 of Article 59 of Regulation (EU, Euratom) 2018/1046<sup>2</sup>.
3. Technical expertise tasks and administrative, preparatory or ancillary tasks not involving the exercise of public authority or the use of discretionary powers of judgement may be entrusted by contract to external private-sector entities, in compliance with the principle of sound financial management.
4. The provisions of paragraph 3 shall be without prejudice to the provisions of the constituent act and the delegated regulations and other decisions adopted by the Commission pursuant to Article 75(4) of the constituent act.

*CHAPTER 3*  
*FINANCIAL ACTORS*

*SECTION 1*  
*PRINCIPLE OF SEGREGATION OF DUTIES*

**Article 42**

***Segregation of duties***

The duties of authorising officer and accounting officer shall be segregated and mutually exclusive.

The Board shall provide each financial actor with the resources required to perform his or her duties and a charter describing in detail his or her tasks, rights and obligations.

*SECTION 2*  
*AUTHORISING OFFICER*

**Article 43**

***Powers and duties of authorising officer***

1. The authorising officer shall be responsible for implementing revenue and expenditure in accordance with the principle of sound financial management, including through ensuring reporting on performance and for ensuring compliance

with the requirements of legality and regularity and equal treatment of recipients of Union funds.

2. The authorising officer shall put in place the organisational structure and the internal control systems suited to the performance of the duties of authorising officer, in accordance with the minimum standards or principles adopted by the Board in its plenary session, on the basis of the Internal Control Framework laid down by the Commission for its own services by analogy, and having due regard to the risks associated with the management environment, including where applicable specific risks associated to decentralised offices, and the nature of the actions financed.

The establishment of such structure and systems shall be supported by a comprehensive risk analysis, which takes into account their cost-effectiveness and performance considerations.

The authorising officer may establish within his or her departments an expertise and advice function to help him or her control the risks involved in his or her activities.

3. To implement expenditure, the authorising officer shall make budgetary and legal commitments, shall validate expenditure and authorise payments and shall undertake the preliminary steps for the implementation of appropriations.
4. To implement revenue, the authorising officer shall draw up estimates of amounts receivable, establish entitlements to be recovered and issue recovery orders. Where appropriate, the authorising officer shall waive established entitlements.
5. In order to prevent errors and irregularities before the authorisation of operations and to mitigate risks of non-achievement of objectives, each operation shall be subject at least to an ex-ante control relating to the operational and financial aspects of the operation, on the basis of a control strategy which takes risk and cost-effectiveness into account.

The extent in terms of frequency and intensity of the ex-ante controls shall be determined by the authorising officer taking into account the results of prior controls as well as risk-based and cost-effectiveness considerations, on the basis of his or her own risk analysis. In case of doubt, the authorising officer responsible for validating the relevant operations shall, as part of the ex-ante control, request complementary information or perform an on-the-spot control in order to obtain reasonable assurance.

6. For the purpose of controls, a series of similar individual transactions relating to routine expenditure on salaries, pensions, reimbursement of mission expenses and medical expenses may be considered by the authorising officer to constitute a single operation.
7. For a given operation, the verification shall be carried out by staff other than those who initiated the operation. The staff who carry out the verification shall not be subordinate to the members of staff who initiated the operation.
8. The authorising officer may put in place ex-post controls to detect and correct errors and irregularities of operations after they have been authorised. Such controls may be organised on a sample basis according to risk and shall take account of the results of prior controls as well as cost-effectiveness and performance considerations.

9. The ex-post controls shall be carried out by staff other than those responsible for the ex ante controls. The staff responsible for the ex-post controls shall not be subordinate to the members of staff responsible for the ex-ante controls.  
The ex-post controls may take the form of financial audits at the premises of the recipients.
10. Authorising officers and staff responsible for budget implementation shall have the necessary professional skills. They shall respect a specific code of professional standards adopted by the Board and based on standards laid down by the Commission for its own departments.
11. If a member of staff, involved in the financial management and control of transactions, considers that a decision he or she is required by his or her superior to apply or to agree to is irregular or contrary to the principles of sound financial management or the professional rules which that member of staff is required to observe, he or she shall inform the Chair who shall, if the information is given in writing, reply in writing. If the Chair fails to take action within a reasonable time given the circumstances of the case and, in any event, within a month, or confirms the initial decision or instruction and the member of staff believes that such confirmation does not constitute a reasonable response to his or her concern, the member of staff shall inform the relevant panel referred to in Article 143 of Regulation (EU, Euratom) 2018/1046<sup>2</sup> and the Board in its plenary session in writing.
12. In the event of any illegal activity, fraud or corruption which may harm the interests of the Union, a member of staff or other servant, including national experts seconded to the Board, shall inform their immediate superior, the Chair or the Board in its plenary session or the European Anti-Fraud Office or the European Public Prosecutor's Office directly. Contracts with external auditors carrying out audits of the financial management of the Board shall provide for an obligation of the external auditor to inform the Chair or, if the latter may be involved, the Board in its plenary session, of any suspected illegal activity, fraud or corruption that may harm the interests of the Union.

#### **Article 44**

##### ***Delegation of budget implementation***

Where powers of budget implementation are delegated or subdelegated in accordance with Article 39, the relevant provisions of Article 43 shall apply *mutatis mutandis* to the authorising officers by delegation or subdelegation.

#### **Article 45**

##### ***Keeping of supporting documents by authorising officers***

1. The authorising officer shall set up paper-based or electronic systems for the keeping of original supporting documents relating to budget implementation. Such documents shall be kept for at least five years from the date on which the Board in its plenary session grants discharge for the financial year to which the documents relate.
2. Documents relating to operations not definitively closed shall be kept for longer than provided for in paragraph 1, namely until the end of the year following that in which the operations are closed.

3. Personal data contained in supporting documents shall, where possible, be deleted when those data are not necessary for budgetary discharge, control and audit purposes. Article 88 of Regulation (EU) 2018/1725<sup>6</sup> shall apply to the conservation of data.

### **Article 46**

#### **Annual Activity Report**

1. The authorising officer shall report to the Board in its plenary session on the performance of his or her duties in a form of an annual activity report containing:
  - (a) information on:
    - (i) the achievement of the objectives and results set in the single programming document referred to in Article 30 through the reporting on the set of performance indicators;
    - (ii) the action plan to follow up on the conclusions of the evaluations referred to in Article 27(3) and the report on its progress in accordance with Article 27(4);
    - (iii) the implementation of the Board's annual work programme, budget and human resources referred to in point (c) of Article 30(5);
    - (iv) the Board's contribution to the achievement of the Union political priorities;
    - (v) organisational management and on the efficiency and effectiveness of the internal control systems including the implementation of the Board's anti-fraud strategy, the summary of number and type of internal audits carried out by the internal auditor, the internal audit capabilities, the recommendations made and the action taken on these recommendations and on the recommendations of previous years, as referred to in Article 74;
    - (vi) any observations of the European Court of Auditors and the actions taken on these observations;
    - (viii) the service-level agreements referred to in Article 41(2);
    - (ix) the acts of delegation and subdelegation referred to in Article 39.
  - (b) a declaration of the authorising officer stating whether he or she has a reasonable assurance that, unless otherwise specified in any reservations related to defined areas of revenue and expenditure:
    - (i) the information contained in the report presents a true and fair view;
    - (ii) the resources assigned to the activities described in the report have been used for their intended purpose and in accordance with the principle of sound financial management;
    - (iii) the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions.

The annual activity report shall indicate the results of the operations by reference to the objectives set and performance considerations, the risks associated with the operations, the use made of the resources provided and the efficiency and effectiveness of the internal control systems, including an overall assessment of the costs and benefits of controls.

The annual report shall be submitted to the Board in its plenary session for adoption.

2. No later than 1 July each year the adopted annual activity report shall be sent by the Board to the European Court of Auditors, to the Commission, to the European Parliament and to the Council.
3. Additional reporting requirements may be provided in the constituent act in duly justified cases, in particular when it is required by the nature of the field in which the body operates.

### *SECTION 3*

#### *ACCOUNTING OFFICER*

#### **Article 47**

#### ***Powers and duties of the accounting officer***

The Board in its plenary session shall appoint an accounting officer who shall be responsible in the Board for:

- (a) properly implementing payments, collecting revenue and recovering amounts established as being receivable;
- (b) preparing and presenting the accounts in accordance with Title VII;
- (c) keeping the accounts in accordance with Title VII;
- (d) implementing, in accordance with Title VII, the accounting rules and the chart of accounts;
- (e) laying down and validating the accounting systems and, where appropriate, validating systems laid down by the authorising officer to supply or justify accounting information;
- (f) treasury management, without prejudice to the provisions adopted pursuant to Article 75 of the constituent act with regard to the administration of Part II of the SRB's budget.

With respect to the tasks referred to in point (e) of the first subparagraph, the accounting officer shall be empowered to verify at any time compliance with the validation criteria.

#### **Article 48**

#### ***Appointment and termination of duties of the accounting officer***

1. The Board in its plenary session shall appoint an accounting officer, subject to the Staff Regulations and Conditions of Employment, who shall be functionally independent in the performance of his or her duties. The accounting officer shall be chosen by the Board on the grounds of his or her particular competence as evidenced by diplomas or by equivalent professional experience.
2. A trial balance shall be drawn up without delay in the event of termination of the duties of the accounting officer.

The trial balance accompanied by a hand-over report shall be transmitted by the accounting officer who is terminating his or her duties or, if it is not possible, by a member of staff in his or her department to the new accounting officer.

The new accounting officer shall sign the trial balance in acceptance within one month from the date of transmission and he or she may make reservations.

The hand-over report shall also contain the result of the trial balance and any reservations made.

**Article 49**  
**Accounting rules**

The Board's accounting officer shall apply the rules adopted by the accounting officer of the Commission based on internationally accepted accounting standards for the public sector.

For the purposes of the first paragraph of this Article, paragraphs 2 to 4 of Article 80, Article 81, paragraphs 2 to 9 of Article 82, Articles 83 to 84 and 87 of Regulation (EU, Euratom) 2018/1046<sup>2</sup> shall apply. Paragraphs 1 and 2 of Article 85 and Article 86 of Regulation (EU, Euratom) 2018/1046<sup>2</sup> shall apply *mutatis mutandis*.

SECTION 4  
IMPREST ADMINISTRATOR

**Article 50**  
**Imprest accounts**

Article 88 of Regulation (EU, Euratom) 2018/1046<sup>2</sup> shall apply.

**Article 51**  
**Creation and administration of imprest accounts**

Where imprest accounts are set up by the Board, Article 89 of Regulation (EU, Euratom) 2018/1046<sup>2</sup> shall apply.

CHAPTER 4  
LIABILITY OF FINANCIAL ACTORS

SECTION 1  
GENERAL RULES

**Article 52**  
**Withdrawal of delegation and suspension of duties  
given to financial actors**

Article 90 of Regulation (EU, Euratom) 2018/1046<sup>2</sup> shall apply.

**Article 53**  
**Liability of the financial actors for illegal activity, fraud or corruption**

Article 91 of Regulation (EU, Euratom) 2018/1046<sup>2</sup> shall apply.

*SECTION 2*  
*RULES APPLICABLE TO AUTHORISING OFFICERS*



**Article 54**

***Rules applicable to authorising officers***

Paragraphs 1 to 4 of Article 92 of Regulation (EU, Euratom) 2018/1046<sup>2</sup> shall apply.

**Article 55**

***Treatment of financial irregularities on the part of a member of staff***

Article 93 of Regulation (EU, Euratom) 2018/1046<sup>2</sup> shall apply.

SECTION 3

*RULES APPLICABLE TO ACCOUNTING OFFICERS AND IMPREST ADMINISTRATORS*

**Article 56**

***Rules applicable to accounting officers***

Article 94 of Regulation (EU, Euratom) 2018/1046<sup>2</sup> shall apply.

**Article 57**

***Rules applicable to imprest officers***

Article 95 of Regulation (EU, Euratom) 2018/1046<sup>2</sup> shall apply.

CHAPTER 5

REVENUE OPERATIONS

**Article 58**

***Estimate of amounts receivable***

Paragraphs 1 and 2 of Article 97 of Regulation (EU, Euratom) 2018/1046<sup>2</sup> shall apply.

**Article 59**

***Establishment of amounts receivable***

Article 98 of Regulation (EU, Euratom) 2018/1046<sup>2</sup> shall apply *mutatis mutandis*.

**Article 60**

***Default interest***

Article 99 of Regulation (EU, Euratom) 2018/1046<sup>2</sup> shall apply.

### **Article 61**

#### **Authorisation of recovery**

The authorisation of recovery is the act by which the authorising officer instructs the accounting officer, by issuing a recovery order, to recover an amount receivable that that authorising officer has established.

### **Article 62**

#### **Rules on recovery**

1. Paragraphs 1 to 4 and 6 of Article 101 of Regulation (EU, Euratom) 2018/1046<sup>2</sup> shall apply *mutatis mutandis*.
2. Each year the Board in its plenary session shall receive a report on the waivers granted pursuant to paragraph 1 of this Article. Information on waivers below EUR 60 000 shall be provided as a total amount.

### **Article 63**

#### **Recovery by offsetting**

Article 102 of Regulation (EU, Euratom) 2018/1046<sup>2</sup> shall apply *mutatis mutandis*.

### **Article 64**

#### **Recovery procedure failing voluntary payment**

Article 103 of Regulation (EU, Euratom) 2018/1046<sup>2</sup> shall apply.

### **Article 65**

#### **Additional time for payment**

Article 104 of Regulation (EU, Euratom) 2018/1046<sup>2</sup> shall apply.

### **Article 66**

#### **Limitation period**

Article 105 of Regulation (EU, Euratom) 2018/1046<sup>2</sup> shall apply *mutatis mutandis*.

### **Article 67**

#### **Specific provisions applicable to contributions**

Where the Board collects the contributions referred to in point (a) of Article 6(3), an overall provisional estimate of such contributions shall be included in the single programming document referred to in Article 30.

Where contributions are entirely determined by legislation or decisions of the Board in its plenary session, the authorising officer may abstain from issuing recovery orders and directly draw up debit notes after having established the amount receivable. In this case, all details of the Board's entitlement shall be registered. The accounting officer shall keep

a list of all debit notes and provide the number of the debit notes and the global amount in the Board's report on budgetary and financial management.

Where the Board uses a separate invoicing system, the accounting officer shall regularly, and at least on a monthly basis, enter the accumulated sum of contributions received into the accounts.

A global recovery order shall be issued at least once a year to cover debit notes drawn up without individual recovery orders.

## CHAPTER 6 EXPENDITURE OPERATIONS

### **Article 68** **Financing decisions**

1. A budgetary commitment shall be preceded by a financing decision. Administrative appropriations may be implemented without a prior financing decision.
2. The Board's annual and multi-annual work programmes included in the single programming document referred to in Article 30 shall be equivalent to a financing decision for the activities they cover, provided that the elements set out in Article 30(2) and (3) are clearly identified. A multiannual financing decision shall specify that the implementation of the decision is subject to the availability of budget appropriations for the respective financial years after the adoption of the budget or as provided for in the system of provisional twelfths.
3. For procurement, the financing decision shall also set out the global budgetary envelope reserved for procurements.

### **Article 69** **Expenditure operations**

1. Every item of expenditure shall be committed, validated, authorised and paid.  
At the end of the periods referred to in Article 71, the unused balance of budgetary commitments shall be decommitted.  
When executing operations, the authorising officer shall ensure that the expenditure complies with the Treaties, the budget, this Regulation and other acts adopted pursuant to the Treaties, as well as with the principle of sound financial management.
2. The authorising officer shall make a budgetary commitment before entering into a legal commitment with third parties.  
The first subparagraph shall not apply to legal commitments concluded following a declaration of a crisis situation in the framework of a business continuity plan or in the framework of a resolution scheme, in accordance with the procedures adopted by the Board.
3. The authorising officer shall validate expenditure by accepting that an item of expenditure is charged to the Board's budget, after having checked the supporting documents attesting the creditor's entitlement as per the conditions set in the legal

commitment when there is a legal commitment. For this purpose, the authorising officer responsible shall:

- (a) verify the existence of the creditor's entitlement;
- (b) determine or verify the reality and the amount of the claim through the endorsement "certified correct";
- (c) verify the conditions according to which payment is due.

Notwithstanding the first subparagraph, the validation of expenditure shall also apply to interim or final reports not associated with a request for payment in which case the impact on the accounting system will be limited to the general accounts.

4. The validation decision shall be expressed through an electronically secured signature in accordance with Article 146 of Regulation (EU, Euratom) 2018/1046<sup>2</sup> by the authorising officer or by a technically competent member of staff, duly empowered by a formal decision of the authorising officer or, exceptionally, for paper workflow, take the form of a stamp incorporating that signature.

With the endorsement "certified correct", the authorising officer or a technically competent member of staff, duly empowered by the authorising officer, shall certify that:

- (a) for the pre-financing: the conditions required in the legal commitment for the payment of the pre-financing are met;
  - (b) for interim and balance payments in contracts: the services provided for in the contract have been properly provided, the supplies properly delivered or that the work has been properly carried out.
5. In order to authorise the expenditure, the authorising officer shall, after having verified that the appropriations are available, issue a payment order to instruct the accounting officer to pay an amount of expenditure that has been previously validated.
  6. Where periodic payments are made with regard to services rendered, including rental services, or goods delivered, the authorising officer may, subject to his or her risk analysis, order the application of a direct debit system from an imprest account.

## **Article 70**

### ***Types of budgetary commitments***

1. Budgetary commitments shall fall into one of the following three categories:
  - (a) individual: when the recipient and the amount of the expenditure are known;
  - (b) global: when at least one of the elements necessary to identify the individual commitment is still not known;
  - (c) provisional: to cover routine administrative expenditure where either the amount or the final payees are not definitively known.
2. Budgetary commitments for actions extending over more than one financial year may be broken down over several years into annual instalments only where the constituent act or basic act so provides or where they relate to administrative expenditure.
3. A global budgetary commitment shall be made on the basis of a financing decision.

The global budgetary commitment shall be made at the latest before the decision on the recipients and amounts is taken and, where implementation of the appropriations concerned involves the adoption of a work programme, at the earliest after that programme has been adopted.

4. The global budgetary commitment shall be implemented by the conclusion of one or more legal commitments.
5. Each individual legal commitment adopted following a global budgetary commitment shall, prior to signature, be registered by the authorising officer in the budgetary accounts and booked to the global budgetary commitment.
6. Provisional budgetary commitments shall be implemented by entering into one or more legal commitments giving rise to an entitlement to subsequent payments. However, in cases relating to expenditure on staff management, they may be implemented directly by payments.

#### **Article 71**

##### ***Time limits for commitments***

1. Without prejudice to Articles 69(2) and 100(2), legal commitments relating to individual or provisional budgetary commitments shall be entered into by 31 December of year N, year N being the one in which the budgetary commitment was made.
2. Global budgetary commitments shall cover the total cost of the corresponding legal commitments concluded up to 31 December of year N+1.
3. At the end of the periods referred to in paragraphs 1 and 2, the unused balance of such budgetary commitments shall be decommitted by the authorising officer.
4. The individual and provisional budgetary commitments for actions extending over more than one financial year shall, except in the case of staff expenditure, have a final date for implementation set, in accordance with the conditions in the legal commitments to which they refer, and taking into account the principle of sound financial management.
5. Any parts of budgetary commitments that have not been executed by payments six months after the final date for implementation shall be decommitted in accordance with Article 13.
6. The amount of a budgetary commitment for which no payment within the meaning of Article 72 has been made within two years of the signing of the legal commitment shall be decommitted, except where that amount relates to a case under litigation before judicial courts or arbitral bodies or where there are special provisions laid down in sector-specific rules.

#### **Article 72**

##### ***Types of payments***

1. Payment of expenditure shall be made by the accounting officer within the limits of the funds available.

2. Payment shall be made on production of proof that the relevant action is in accordance with the contract, the agreement or the basic act and shall cover one or more of the following operations:
  - (a) payment of the entire amount due;
  - (b) payment of the amount due in any of the following ways:
    - (i) pre-financing providing a float, which may be divided into a number of payments in accordance with the principle of sound financial management; such pre-financing shall be paid either on the basis of the contract or the basic act, or on the basis of supporting documents which make it possible to check that the terms of the contract or agreement in question are complied with;
    - (ii) one or more interim payments as a counterpart of a partial execution of the action or performance of the contract. It may clear pre-financing in whole or in part, without prejudice to the provisions of the basic act or contract;
    - (iii) payment of the balance of the amounts due where the action or contract is completely executed.

The payment of the balance shall clear all preceding expenditure. A recovery order shall be issued to recover unused amounts.

3. A distinction shall be made in budgetary accounting between the different types of payment referred to in paragraph 2 at the time each payment is made.
4. The accounting rules referred to in Article 49 shall include the rules for clearing the pre-financing in the accounts and for the acknowledgment of the eligibility of costs.
5. Pre-financing payments shall be cleared regularly by the authorising officer responsible, according to the economic nature of the project and, at the latest, at the end of the project. The clearing shall be performed on the basis of information on costs incurred or confirmation of the conditions for payment being fulfilled, as validated by the authorising officer in accordance with Article 69(3) of this Regulation.

For contracts above EUR 5 000 000, the authorising officer shall obtain, at each year-end at least, the information needed to calculate a reasonable estimate of the costs. That information shall not be used for clearing the pre-financing, but may be used by the authorising officer and the accounting officer to comply with Article 82(2) of Regulation (EU, Euratom) 2018/1046<sup>2</sup>.

For the purposes of the second subparagraph, appropriate provisions shall be included in the legal commitments entered into.

### **Article 73**

#### ***Time limits for payments***

The payment of expenditure shall be carried out within the time limits specified in, and in accordance with Article 116 of Regulation (EU, Euratom) 2018/1046<sup>2</sup>.

## CHAPTER 7

### INTERNAL AUDITOR

## **Article 74**

### **Appointment and powers and duties of the internal auditor**

1. The Board shall have an internal auditing function that shall be performed in compliance with the relevant international standards.
2. The internal auditor shall be appointed by the Board in accordance with Article 62 of the constituent act. The internal auditor shall be responsible for verifying the proper operation of budget implementation systems and budgetary procedures of the Board, as provided for in the internal audit charter. The internal auditor may be neither authorising officer nor accounting officer neither of the Board nor of the Commission.
3. The internal auditor shall advise the Board on dealing with risks, by issuing independent opinions on the quality of management and control systems and by issuing recommendations for improving the conditions of implementation of operations and promoting sound financial management.

The internal auditor shall be responsible, in particular, for:

- (a) assessing the suitability and effectiveness of internal management systems and the performance of departments in implementing programmes and actions by reference to the risks associated with them;
  - (b) assessing the efficiency and effectiveness of the internal control and audit systems applicable to each operation for implementation of the Board's budget.
4. The internal auditor shall perform his or her duties in relation to all the Board's activities and departments. The internal auditor shall enjoy full and unlimited access to all information required to perform his or her duties, if necessary on the spot access, including in the Member States and in third countries.
  5. The internal auditor shall take note of the annual activity report of the authorising officer and any other pieces of information identified.  
The internal auditor shall draw up an annual audit plan taking into consideration *inter alia* the Chair's assessment of risk in the Board.
  6. The internal auditor shall report to the Board in its plenary and executive sessions and the Chair on his or her findings and recommendations. The Board shall ensure that action is taken with regard to recommendations resulting from audits.
  7. The internal auditor shall also report in either of the following cases:
    - (a) critical risks and recommendations have not been addressed,
    - (b) there are significant delays in the implementation of the recommendations made in previous years.

The Board, in its plenary and executive sessions, and the Chair shall ensure regular monitoring of the implementation of audit recommendations. The Board, in its plenary session, shall examine the information referred to in point (a) of Article 46(1) and whether the recommendations have been fully and timely implemented.

The Board shall consider whether the recommendations made in the reports of its internal auditor are suitable for an exchange of best practices with the other Union bodies.



8. The Board shall make available the contact details of the internal auditor to any natural or legal person involved in expenditure operations, for the purposes of confidentially contacting the internal auditor.
9. The reports and findings of the internal auditor shall be accessible to the public only after validation by the internal auditor of the action taken for their implementation.

#### **Article 75**

##### ***Independence of the internal auditor***

1. The internal auditor shall enjoy complete independence in the conduct of his or her audits. Special rules applicable to the internal auditor shall be laid down by the Board and shall be such as to guarantee that the internal auditor is completely independent in the performance of his or her duties, and to establish the internal auditor's responsibility.
2. The internal auditor may not be given any instructions nor be restricted in any way as regards the performance of the functions which, by virtue of his or her appointment, are assigned to him or her under the constituent act.

#### **Article 76**

##### ***Sharing of the internal audit capability***

With the express agreement of the Board in its plenary session, the Board's internal auditor may act as, or assume part of the tasks of, the internal audit capability of another Union body where the internal audit capability is not cost-effective or is not able to meet international standards.

#### **Article 77**

##### ***Cross-reliance on audits***

Article 127 of Regulation (EU, Euratom) 2018/1046<sup>2</sup> shall apply, *mutatis mutandis*.

#### **Article 78**

##### ***Use of already available information***

Article 128 of Regulation (EU, Euratom) 2018/1046<sup>2</sup> shall apply.

#### **Article 79**

##### ***Cooperation for protection of the financial interests of the Union***

Article 129 of Regulation (EU, Euratom) 2018/1046<sup>2</sup> shall apply *mutatis mutandis*.

#### **Article 80**

##### ***Information to the Commission on cases of fraud and other financial irregularities***

Without prejudice to its obligations pursuant to Article 8(1) of Regulation (EU, Euratom) No 883/2013<sup>8</sup> and Article 24(1) of Council Regulation (EU) 2017/1939<sup>9</sup>, the Board shall inform the Commission of cases of presumed fraud and other financial irregularities.

Moreover, it shall inform the Commission of any completed or ongoing investigations by the European Public Prosecutor's Office or by the European Anti-Fraud Office without endangering the confidentiality of the investigations.

Where the Commission's responsibility to implement the Union's budget may be affected or in cases involving a potentially serious reputational risk for the Union, the European Public Prosecutor's Office or the European Anti-Fraud Office shall inform the Commission without delay of any ongoing or completed investigation without endangering its confidentiality and effectiveness.

### **Article 81**

#### ***Early-detection and exclusion system***

Section 2 of Chapter 2 of Title V of Regulation (EU, Euratom) 2018/1046<sup>2</sup> shall apply.

### **Article 82**

#### ***Rules on procedures, management and e-government***

Section 1 and section 3 of Chapter 2 and Chapter 3 of Title V of Regulation (EU, Euratom) 2018/1046<sup>2</sup> shall apply *mutatis mutandis*.

## **TITLE V**

### **PUBLIC PROCUREMENT AND CONCESSIONS**

### **Article 83**

#### ***Procurement and concession procedures***

1. As regards procurement and concessions, Title VII of Regulation (EU, Euratom) 2018/1046<sup>2</sup> and Annex 1 thereto shall apply, subject to Article 84.
2. The Board may be associated as contracting authority, at its request, in the award of Commission or interinstitutional contracts and in the award of contracts of other Union bodies.
3. Procurement procedures for the services required under Article 20 of the constituent act shall be carried out in accordance with the provisions of Article 88(2) of the constituent act so as to guarantee the safeguarding of the economic interests of the institution concerned and of the public interest. Where this cannot be guaranteed by other measures, the Board shall have recourse to the procedure provided for in point 11.1 of Annex 1 to Regulation (EU, Euratom) 2018/1046<sup>2</sup>.

### **Article 84**

---

<sup>8</sup> Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF) and repealing Regulation (EC) No 1073/1999 of the European Parliament and of the Council and Council Regulation (Euratom) No 1074/1999, OJ L 248, 18.9.2013, p. 1.

<sup>9</sup> Council Regulation (EU) 2017/1939 of 12 October 2017 implementing enhanced cooperation on the establishment of the European Public Prosecutor's Office ("the EPPO"), OJ L283, 31.10.2017, p. 1.

### ***Derogation from procurement procedures***

1. The Board may conclude a service-level agreement as referred to in Article 41(2), without having recourse to a public procurement procedure.
2. The Board may conclude a contract, without having recourse to a public procurement procedure, for the supply of goods, the provision of services or the performance of work within the framework of the constituent act, with:
  - (a) the European Central Bank, the European Investment Bank, the European Stability Mechanism;
  - (b) the national competent authorities, as referred to in Article 3(1) of the constituent act;
  - (c) the national resolution authorities, as referred to in Article 3(3) of the constituent act;
  - (d) the national central banks.

The contracts concluded under point (d) shall be in line with the provisions of the constituent act and, in particular, the delegated regulations and decisions adopted by the Commission pursuant to Article 75(4) thereof.

For the purpose of the first subparagraph of paragraph 2, Article 165 of Regulation (EU, Euratom) 2018/1046<sup>2</sup> shall apply *mutatis mutandis*, with the exception of the fourth subparagraph of its paragraph 2, which shall not apply.

For the purpose of the first subparagraph of paragraph 2, either the procedural provision applicable to the Board shall apply or, in duly justified cases, equivalent rules shall apply in compliance with the principles of transparency, non-discrimination, proportionality and prevention of conflicts of interests.

3. The Board may use joint procurement procedures with contracting authorities of the host Member State to cover its administrative needs. In such case, Article 165 of Regulation (EU, Euratom) 2018/1046<sup>2</sup> shall apply.

## **TITLE VI**

### **OTHER BUDGET IMPLEMENTATION INSTRUMENTS**

#### ***Article 85***

##### ***Remunerated external experts***

Paragraphs 1 to 4 of Article 237 of Regulation (EU, Euratom) 2018/1046<sup>2</sup> shall apply *mutatis mutandis*.

#### ***Article 86***

##### ***Non-remunerated experts***

Article 238 of Regulation (EU, Euratom) 2018/1046<sup>2</sup> shall apply *mutatis mutandis*.

#### ***Article 87***

##### ***Membership fees and other payments of subscriptions***

Article 239 of Regulation (EU, Euratom) 2018/1046<sup>2</sup> shall apply *mutatis mutandis*.

**Article 88**  
**Other instruments**

Article 240 of Regulation (EU, Euratom) 2018/1046<sup>2</sup> shall apply *mutatis mutandis*.

## **TITLE VII**

### **ANNUAL ACCOUNTS AND OTHER FINANCIAL REPORTING**

#### *CHAPTER 1*

#### **ANNUAL ACCOUNTS**

#### *SECTION 1*

#### *ACCOUNTING FRAMEWORK*

#### **Article 89**

#### **Structure of the accounts**

The Board's annual accounts shall be prepared for each financial year that shall run from 1 January to 31 December. Those accounts shall comprise the following:

- (a) the financial statements of the Board;
- (b) the budget implementation reports of the Board.

#### **Article 90**

#### **Financial statements**

1. The financial statements shall be presented in euro and in accordance with the accounting rules referred to in Article 49 of this Regulation and shall comprise the following:
  - (a) the balance sheet which presents all assets and liabilities and the financial situation prevailing on 31 December of the preceding financial year;
  - (b) the statement of financial performance that presents the economic result for the preceding financial year;
  - (c) the cash-flow statement showing amounts collected and disbursed during the financial year and the final treasury position;
  - (d) the statement of changes in net assets presenting an overview of the movements during the year in reserves and accumulated results.
2. The financial statements shall present information, including information on accounting policies, in a manner that ensures it is relevant, reliable, comparable and understandable.
3. The notes to the financial statements shall supplement and comment on the information presented in the statements referred to in paragraph 1 of this Article and shall supply all the additional information prescribed by the accounting rules referred to in Article 49 of this Regulation and the internationally accepted accounting practice where such information is relevant to the Board's activities.

The notes shall contain at least the following information:

- (a) accounting principles, rules and methods;

- (b) explanatory notes, supplying additional information not contained in the body of the financial statements, which is necessary for a fair presentation of the accounts.
- 4. The accounting officer shall, after the close of the financial year and up to the date of transmission of the general accounts, make any adjustments that, without involving disbursement or collection in respect of that year, are necessary for a true and fair view of those accounts.

### **Article 91**

#### ***Budget implementation reports***

1. The budget implementation reports shall be presented in euro and shall be comparable year by year. They shall consist of:
  - (a) reports which aggregate all budgetary operations for the year in terms of revenue and expenditure;
  - (b) explanatory notes, which shall supplement and comment on the information given in the reports.
2. The structure of the budget implementation reports shall be the same as that of the Board's budget itself.
3. The budget implementation reports shall contain:
  - (a) information on revenue, in particular changes in the revenue estimates, the revenue outturn and entitlements established;
  - (b) information showing changes in the total commitment and payment appropriations available;
  - (c) information showing the use made of the total commitment and payment appropriations;
  - (d) information showing commitments outstanding, those carried over from the preceding financial year and those made during the financial year.
4. The budget result shall consist of the difference between:
  - (a) all the revenue collected in respect of that financial year;
  - (b) the amount of payments made against appropriations for that financial year increased by the amount of the appropriations for the same financial year carried over.

The difference referred to in the first subparagraph shall be increased or decreased on the one hand, by the net amount of appropriations carried over from previous financial years that have been cancelled and, on the other hand, by:

- (a) payments made in excess of non-differentiated appropriations carried over from the previous financial year, as a result of change in euro rates;
- (b) the balance resulting from exchange gains and losses during the financial year, both realised and non-realised.

### **Article 92**

#### ***Supporting documents***

Each entry into the accounts shall be based on appropriate supporting documents in accordance with Article 45 of this Regulation.



SECTION 2  
ANNUAL ACCOUNTS TIMETABLE

**Article 93**  
**Provisional accounts**

The provisional accounts shall be transmitted in accordance with Article 63(2) and (3) of the constituent act.

**Article 94**  
**Approval of the final accounts**

1. In accordance with paragraph 1 of Article 246 of Regulation (EU, Euratom) 2018/1046<sup>2</sup>, the European Court of Auditors shall, by 1 June, make its observations on the provisional accounts of the SRB.
2. On receiving the European Court of Auditors' observations on the Board's provisional accounts, the accounting officer shall draw up the Board's final accounts in accordance with Article 47 of this Regulation. The Chair shall send them to the Board in its plenary session for approval in accordance with paragraph 4 of Article 63 of the constituent act.
3. The Chair shall, following the approval by the Board in its plenary session, send the final accounts to the European Parliament, the Council, the Commission and the European Court of Auditors, by 1 July of the following financial year.
4. The Board's accounting officer shall also send to the European Court of Auditors a representation letter covering those final accounts. The representation letter shall be established at the same date at which the Board's final accounts are drawn up.

The final accounts shall be accompanied by a note drawn up by the accounting officer, in which the latter declares that the final accounts were prepared in accordance with this Title and with the applicable accounting principles, rules and methods.

A link to the pages of the website where the Board's final accounts are disclosed shall be published in the *Official Journal of the European Union* by 15 November of the following year.

5. The Chair shall send the European Court of Auditors a reply to the observations made in its annual report by 30 September of the following year at the latest.

CHAPTER 2  
**BUDGETARY AND OTHER FINANCIAL REPORTING**

**Article 95**  
**Annual report on budgetary and financial management**

1. The Board shall prepare a report on budgetary and financial management for the financial year.
2. The Chair shall submit the report to the members of the Board, and to the European Parliament, the Council, the Commission and the European Court of Auditors, by 31 March of the following financial year.



3. The report referred to in paragraph 2 shall give an account, both in absolute terms and expressed as a percentage, at least, of the rate of implementation of appropriations together with summary information on the transfers of appropriations among the various budget items.

## **TITLE VIII**

### **EXTERNAL AUDIT, DISCHARGE AND COMBATTING FRAUD**

#### ***Article 96***

##### **External audit**

1. An independent external auditor shall verify that the annual accounts of the Board properly present the income, expenditure and financial position of the Board.  
Unless otherwise provided for in the constituent act, the European Court of Auditors shall prepare a specific annual report on the Board in line with the requirements of Article 287(1) of the Treaty on the Functioning of the European Union.  
In preparing that report, the European Court of Auditors shall consider the audit work performed by the independent external auditor referred to in the first subparagraph and the action taken in response to the auditor's findings.
2. The Board shall send to the European Court of Auditors the Board's budget, as finally adopted. It shall inform the European Court of Auditors, as soon as possible, of all decisions and acts adopted pursuant to Articles 24, 39, 48 and 74.
3. The scrutiny carried out by the Court of Auditors shall be governed by Articles 254 to 259 of Regulation (EU, Euratom) 2018/1046<sup>2</sup>.

#### ***Article 97***

##### ***Timetable of the discharge procedure***

1. The Board in its plenary session shall, before 15 May of year N+2, give discharge to the Chair in respect of the implementation of the budget for year N.
2. If the date provided for in paragraph 1 cannot be met, the Board in its plenary session shall inform the Chair of the reasons for the postponement.
3. If the Board in its plenary session postpones the decision giving a discharge, the Chair shall make every effort to take measures as soon as possible to remove or facilitate removal of the obstacles to that decision.

#### ***Article 98***

##### ***Discharge procedure***

1. The discharge decision shall cover the accounts of all the revenue and expenditure of the Board, the budget result and the assets and liabilities of the Board shown in the financial statement.
2. With a view to granting discharge, the Board in its plenary session shall examine the accounts and financial statements of the Board. It shall also examine the annual report made by the European Court of Auditors, together with the replies of the Chair of the Board, any relevant special reports by the European Court of Auditors in respect of the financial year concerned and the European Court of Auditors'

statement of assurance as to the reliability of the accounts and the legality and regularity of the underlying transactions.

3. The Chair shall submit to the Board in its plenary session, at its request, any information required for the smooth application of the discharge procedure for the financial year concerned.

#### **Article 99**

##### ***Follow-up measures***

1. The Chair shall take all appropriate steps to act on the observations accompanying the Board's discharge decision.
2. At the request of the Board in its plenary session, the Chair shall report on the measures taken in the light of those observations.

#### **Article 100**

##### ***On-the-spot checks by the European Court of Auditors and the European Anti-Fraud Office***

1. The Board shall grant the European Court of Auditors access to its sites and premises and to all the data and information, including data and information in electronic format, needed in order to conduct their audits.
2. The European Anti-Fraud Office may carry out investigations including on-the-spot checks and inspections, in accordance with the provisions and procedures laid down in Regulation (EU, Euratom) No 883/2013<sup>8</sup> of the European Parliament and of the Council and Council Regulation (Euratom, EC) No 2185/96<sup>10</sup> with a view to establishing whether there has been fraud, corruption or any other illegal activity affecting the financial interests of the Union.

### **TITLE IX**

## **ADMINISTRATIVE APPROPRIATIONS**

#### **Article 101**

##### ***Administrative appropriations***

1. Administrative appropriations shall be non-differentiated appropriations.
2. Administrative expenditure arising from contracts covering periods that extend beyond the financial year, either in accordance with local practice or relating to the supply of equipment, shall be charged to the Board's budget of the financial year in which it is effected.
3. Expenditure which is to be paid in advance pursuant to legal or contractual provisions may give rise to payments from 1 December onwards to be charged to the appropriations for the following financial year. In this case, the limit referred to in Article 10(2) shall not apply.
4. With regard to building projects, Articles 266 and 267 of Regulation (EU, Euratom) 2018/1046<sup>2</sup> shall apply *mutatis mutandis*.

---

<sup>10</sup> Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities, OJ L 292, 15.11.1996, p.2.

## **TITLE X**

### **TRANSITIONAL AND FINAL PROVISIONS**

#### ***Article 102***

#### ***Information requests by the European Parliament, the Council and the Commission***

The European Parliament, the Council and the Commission shall be entitled to obtain any necessary information or explanations from the Board regarding budgetary matters within their fields of competence.

#### ***Article 103***

#### ***Repeal***

The Decision of the Plenary Session of the Board of 25/03/2015 adopting the Financial Regulation of the Single Resolution Board (SRB/PS/2015/05), as amended by the Decision of the Plenary Session of the Board of 16/03/2016 amending the Financial Regulation of the Single Resolution Board (SRB/PS/2016/13), is repealed with effect from 1 February 2020.

#### ***Article 104***

#### ***Entry into force***

This Regulation shall enter into force on 1 February 2020. It shall apply from the day of its entry into force.

*Done at Brussels, on 17 January 2020*

*For the Single Resolution Board*

*Elke KÖNIG*  
*Chair*