



Closing accounts  
of the  
Consumers, Health, Agriculture and  
Food Executive Agency

Reporting period 1 January 2021 to  
31 March 2021

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## **CERTIFICATION OF THE ACCOUNTS**

I acknowledge my responsibility for the preparation and presentation of the closing accounts of CHAFEA in accordance with the Article 77 of the Financial Regulation ('FR')<sup>1</sup> and I hereby certify that the closing accounts of the CHAFEA for the period 1 January 2021 to 31 March 2021 have been prepared in accordance with the Financial Regulation applicable to the general budget of the European Union and the accounting rules adopted by the Commission's Accounting Officer, as are to be applied by all the institutions and union bodies.

I have obtained from the Authorising Officer, who certified its reliability, all the information necessary for the production of the accounts that show the CHAFEA's assets and liabilities and the budgetary implementation. Based on this information, and on such checks as I deemed necessary to sign off the accounts, I have a reasonable assurance that the accounts present fairly, in all material aspects, the financial position, the results of the operations and the cash-flow of the CHAFEA.

Rosa ALDEA BUSQUETS

**Accounting Officer of CHAFEA**

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<sup>1</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.

## **BACKGROUND INFORMATION NOTE**

### **1.1. General background on the entity**

#### **Establishment and cessation**

The Consumers, Health, Agriculture and Food Executive Agency, known also as CHAFEA, was an executive agency of the European Union based in Luxembourg, that was dedicated to managing EU programmes in the field of health, consumer protection and food safety.

CHAFEA was founded by Commission Decision 2004/858/EC of 15 December 2004. Its legal mandate stemmed from the Commission Implementing Decision of 17 December 2014 (Ref. 2014/927/EU). Following the Commission Implementing Decision (EU) 2021/173 of 13 February 2021, on establishing the new Executive Agencies that were delegated to implement tasks for the 2021-2027 EU programmes, the activities of the CHAFEA were transferred to Brussels-based agencies with similar thematic or programme activities in 2021. CHAFEA was wound up and the programmes currently managed by it were taken over by Brussels-based executive agencies. Moreover, notwithstanding Article 19(1), the European Health and Digital Executive Agency (HADEA) took over from CHAFEA any support activities not attached to a specific programme. According to Commission Decision C(2021) 2050 of 24 March 2021, Chafea ceased to exist as of 1 April 2021 and thereafter it has to be wound up in accordance with Article 3(2) of Regulation (EC) No 58/2003 and Article 21(2) to (5) of Implementing Decision (EU) 2021/173. For the purposes of winding up CHAFEA, liquidators have been appointed under the same Commission Decision.

#### **Mission**

The mission of CHAFEA was to efficiently manage the four programmes (described below) and successfully meet their objectives, in line with the Commission's priorities and the relevant Directorate-General's guidance, ultimately contributing to the positive perception of the European project. CHAFEA aimed to provide high quality support to their beneficiaries and stakeholders, and to ensure that the actions funded by the four programmes delivered results and provided the Commission with valuable input for its policy tasks.

#### **Main operational activities**

CHAFEA managed four EU programmes and the related budget of around one billion euros over the period 2014-2021 on behalf of the Commission and in close collaboration with several parent DGs:

- (1) The **Health Programme**, funding actions aiming to promote and support European cooperation on a number of the most challenging health-related issues such as e.g. chronic and rare diseases, anti-microbial resistance and health technology assessment (parent DGs: DG SANTE and DG GROW);
- (2) The **Consumer Programme**, with actions targeting safer products and market surveillance, assistance to consumers on cross-border issues, education and information initiatives as well as providing data in support of policy (parent DG: DG JUST);
- (3) The **Better Training for Safer Food** initiative, well-known for promoting European food safety standards in the EU and worldwide, with hundreds of trainings organised each year for professionals (parent DG: DG SANTE); and
- (4) The **Promotion of Agricultural Products**, which implements actions to increase awareness of the merits of EU products and quality schemes, as well as their competitiveness and market share worldwide (parent DG: DG AGRI).

## **Governance**

CHAFEA operated under the Commission's supervision in accordance with Article 20 of Council Regulation (EC) No 58/2003. CHAFEA's two core management and supervision bodies were:

- The Steering Committee, which was composed of members appointed by the Commission, is responsible for managing and supervising the Agency. It was made up of representatives of the Commission. The chairperson was nominated from its members and remained in charge for two years. In the reporting period January 2021 to March 2021 the CHAFEA Steering Committee met only once by the end of February 2021<sup>2</sup>.
- The Director represented the executive agency and acted as authorising officer by delegation. The Director was appointed by the Commission for a term of four years during which he/she manages the Agency under the supervision of the Steering Committee.

## **Sources of financing**

CHAFEA did not receive any external financing. All the financial resources stemmed from the general budget of the European Union and can be split as follows:

- Annual balancing subsidy from the partner DGs
- Operational subsidies relating to Grant/Delegation/Contribution agreements with different services of the Commission

## **1.2. Annual accounts**

### **Basis for preparation**

The legal framework and the deadlines for the preparation of the annual accounts are set down in the Standard Financial Regulation (SFR)<sup>3</sup>. As per this regulation, the annual accounts are prepared in accordance with the rules adopted by the Accounting Officer of the Commission (EU Accounting Rules, EAR), which are based on internationally accepted accounting standards for the public sector (IPSAS).

### **Accounting Officer**

In accordance with the SFR, the Steering Committee of the entity appoints the Accounting Officer who is, amongst other tasks, responsible for preparation of the annual accounts, which are consolidated in those of the EU.

Following the decision of the CHAFEA Steering Committee of 25 September 2019, the Accounting Officer of the Commission, as of 1 October 2019, acted as the Accounting Officer of CHAFEA.

### **Composition of the annual accounts**

These accounts cover the period from 1 January to 31 March and comprise the financial statements and the reports on the implementation of the budget. While the financial statements and the complementary notes are prepared on an accrual accounting basis, the budget implementation reports are primarily based on movements of cash.

It should be noted that these accounts only cover the administrative part of the CHAFEA's budget. The operational part is included in the accounts of the Commission.

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<sup>2</sup> According with the Commission Decision C(2021) 2050 of 24 March 2021, Chafea ceases to exist as of 1 April 2021

<sup>3</sup> COMMISSION REGULATION (EC) No 2004/1653 of 21 September 2004 on a standard financial regulation for the executive agencies pursuant to Council Regulation (EC) No 2003/58 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes

## 1.3. Operational highlights (Administrative Budget)

### Closure of CHAFEA

According to Commission Decision C(2021) 2050 of 24 March 2021, CHAFEA ceased to exist as of 1 April 2021 and thereafter it has to be wound up in accordance with Article 3(2) of Regulation (EC) No 58/2003 and Article 21(2) to (5) of Implementing Decision (EU) 2021/173. For the purposes of winding up CHAFEA, liquidators have been appointed under the same Commission Decision. Moreover, following Commission Implementing Decision 2021/173, art.21.3, notwithstanding Article 19(1), the European Health and Digital Executive Agency (HADEA) took over from CHAFEA any support activities not attached to a specific programme.

### CHAFEA highlights of the 2021 budgetary implementation

As an autonomous EU body, CHAFEA receives its own operating budget in the form of an annual subsidy from the EU budget (Health Programme and BTSF initiative (DG SANTE), the promotion of agriculture products (DG AGRI) and the Consumer Programme (DG JUST). For the implementation of the Health and Consumer Programme, part of the CHAFEA operating budget is from the contribution of EFTA countries.

The budget covers the running costs of the Agency including staff expenditure, infrastructure and operating expenditure as well as programme support expenditure. Included are office related costs, IT services, as well as a number of programme support activities such as missions, communication/dissemination, ex-post auditing and translation. The Director of the Agency is the Authorising Officer responsible for the implementation of the Agency's operating budget.

In 2021, the originally approved budget was EUR 11.07 Million for the whole year 2021. However, due to the COVID-19 pandemic and the anticipated changes due to the closure of the Agency as of 1 April 2021, CHAFEA did not use an amount of EUR 9.3 million. The committed amounts were fully consumed (EUR 1.79 million) in the concerned period (1/1/2021-31/3/2021). The open commitments (RAL) of an amount of EUR 0.85 million, as of 1/4/2021 were transferred to HADEA, who took over the legacy of CHAFEA.

|                                  | Budget (EUR) | Used (EUR) | % of used          |
|----------------------------------|--------------|------------|--------------------|
| <i>Commitment appropriations</i> | 11 077 471   | 1 786 551  | 16.13              |
| <i>Payment appropriations</i>    | 11 077 471   | 1 786 551  | 16.13 <sup>4</sup> |

<sup>4</sup> C1 appropriations

## **Impact of the activities in the financial statements**

In the financial statements, the impact of the above mentioned activity can be noted as follows:

- There is a noticeable decrease in exchange receivables and non-exchange recoverables from kEUR 1 534 in 2020 to kEUR 965 in 2021. The decrease reflects the combined effect of payments made on 31/03/2021 for kEUR 1 504 as a result of closure of CHAFEA and a kEUR 963 increase in accrued income due to the recognition of revenue from non-exchange transactions to cover the open RAL transferred to HADEA at 01/04/2021 (see note **2.2.**).
- The increase of kEUR 488 in accrued charges from kEUR 480 in 2020 to kEUR 968 in 2021 is related to the decision to transfer CHAFEA's tasks to other executive agencies. The amount refers to CHAFEA's expenses for services incurred in 2020 and 2021 that were transferred to HADEA by 01/04/2021 (see note **2.5.**).

CONSUMERS, HEALTH AGRICULTURE AND FOOD EXECUTIVE AGENCY  
Reporting period 1 January 2021 to 31 March 2021

# **FINANCIAL STATEMENTS AND EXPLANATORY NOTES**

*It should be noted that due to the rounding of figures into thousands of euros (kEUR), some financial data in the tables below may appear not to add-up.*



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**BALANCE SHEET**

|   | Note | 31.03.2021     | EUR '000<br>31.12.2020 |
|---|------|----------------|------------------------|
| <b>NON-CURRENT ASSETS</b>                                 |      |                |                        |
| <i>Property, plant and equipment</i>                      | 2.1  | -              | 56                     |
|   |      | -              | <b>56</b>              |
| <b>CURRENT ASSETS</b>                                     |      |                |                        |
| <i>Exchange receivables and non-exchange recoverables</i> | 2.2  | 965            | 1 534                  |
|   |      | <b>965</b>     | <b>1 534</b>           |
| <b>TOTAL ASSETS</b>                                       |      | <b>965</b>     | <b>1 590</b>           |
| <i>Provisions</i>   | 2.3  | (83)           | -                      |
| <i>Payables and other liabilities</i>                     | 2.4  | (3)            | (414)                  |
| <i>Accrued charges and deferred income</i>                | 2.5  | (968)          | (480)                  |
|   |      | <b>(1 054)</b> | <b>(894)</b>           |
| <b>TOTAL LIABILITIES</b>                                  |      | <b>(1 054)</b> | <b>(894)</b>           |
| <b>NET ASSETS</b>   |      | <b>(89)</b>    | <b>696</b>             |
| <i>Accumulated economic result</i>                        |      | 696            | 1 521                  |
| <i>Economic result of the year</i>                        |      | (785)          | (825)                  |
| <b>NET ASSETS</b>   |      | <b>(89)</b>    | <b>696</b>             |

## STATEMENT OF FINANCIAL PERFORMANCE

|   | Note | 2021           | EUR '000<br>2020 |
|---|------|----------------|------------------|
| <b>REVENUE</b>                                |      |                |                  |
| <b>Revenue from non-exchange transactions</b> |      |                |                  |
| <i>Funds from the Commission</i>              | 3.1  | 2 228          | 10 369           |
|   |      | <b>2 228</b>   | <b>10 369</b>    |
| <b>Revenue from exchange transactions</b>     |      |                |                  |
| <i>Other</i>                                  |      | -              | 14               |
|   |      | -              | <b>14</b>        |
| <b>Total revenue</b>                          |      | <b>2 228</b>   | <b>10 383</b>    |
| <b>EXPENSES</b>                               |      |                |                  |
| <i>Staff costs</i>                            | 3.2  | (1 656)        | (6 694)          |
| <i>Other expenses</i>                         | 3.3  | (1 356)        | (4 514)          |
| <b>Total expenses</b>                         |      | <b>(3 012)</b> | <b>(11 209)</b>  |
| <b>ECONOMIC RESULT OF THE YEAR</b>            |      | <b>(785)</b>   | <b>(825)</b>     |

**CASHFLOW STATEMENT<sup>5</sup>**

|   | EUR '000 |       |
|---|----------|-------|
|   | 2021     | 2020  |
| <i>Economic result of the year</i>  | (785)    | (825) |
| <b>Operating activities</b>   |          |       |
| <i>Depreciation and amortization</i>  | 5        | 27    |
| <i>Impairment of Property, plant and equipment</i>                                | 51       |       |
| <i>(Increase)/decrease in exchange receivables and non-exchange recoverables</i>  | 569      | 1 129 |
| <i>Increase/(decrease) in provisions</i>  | 83       |       |
| <i>Increase/(decrease) in payables</i>  | (411)    | 4     |
| <i>Increase/(decrease) in accrued charges</i>                                     | 488      | (330) |
| <i>(Increase)/decrease in intangible assets and property, plant and equipment</i> | -        | (5)   |
| <b>NET CASHFLOW</b>   | -        | -     |
| <i>Net increase/(decrease) in cash and cash equivalents</i>                       | -        | -     |
| <i>Cash and cash equivalents at the beginning of the year</i>                     | -        | -     |
| <i>Cash and cash equivalents at year-end</i>                                      | -        | -     |

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<sup>5</sup> Following the appointment of the Accounting Officer of the Commission as the Accounting Officer of CHAFEA, the treasury of CHAFEA was integrated into the Commission's treasury system. Because of this, CHAFEA does not have any bank accounts of its own. All payments and receipts are processed via the Commission's treasury system and registered on intercompany accounts, which are presented under the heading exchange receivables.

## STATEMENT OF CHANGES IN NET ASSETS

|  | EUR '000                          |                                |              |
|--|-----------------------------------|--------------------------------|--------------|
|  | Accumulated Surplus/<br>(Deficit) | Economic result of the<br>year | Net Assets   |
| <b>BALANCE AS AT 31.12.2019</b>        | <b>1 274</b>                      | <b>247</b>                     | <b>1 521</b> |
| <i>Allocation 2019 economic result</i> | 247                               | (247)                          | -            |
| <i>Economic result of the year</i>     | -                                 | (825)                          | (825)        |
| <b>BALANCE AS AT 31.12.2020</b>        | <b>1 521</b>                      | <b>(825)</b>                   | <b>696</b>   |
| <i>Allocation 2020 economic result</i> | (825)                             | 825                            | -            |
| <i>Economic result of the period</i>   | -                                 | (785)                          | (785)        |
| <b>BALANCE AS AT 31.03.2021</b>        | <b>696</b>                        | <b>(785)</b>                   | <b>(89)</b>  |

# **NOTES TO THE FINANCIAL STATEMENTS**

# 1. SIGNIFICANT ACCOUNTING POLICIES

## 1.1. ACCOUNTING PRINCIPLES

The objective of financial statements is to provide information about the financial position, performance and cashflows of an entity that is useful to a wide range of stakeholders.

The overall considerations (or accounting principles) to be followed when preparing the financial statements are laid down in EU Accounting Rule 1 'Financial Statements' and are the same as those described in IPSAS 1: fair presentation, accrual basis, going concern, consistency of presentation, materiality, aggregation, offsetting and comparative information. The qualitative characteristics of financial reporting are relevance, faithful representation (reliability), understandability, timeliness, comparability and verifiability.

According to Article 21 (1) of Commission Implementing Decision (EU) 2021/173<sup>6</sup> ('CID'), CHAFEA shall cease to exist as of 1 April 2021 and, thereafter, be wound up. The conditions for the winding-up of CHAFEA are further specified in the CID, which provides for the legacy of CHAFEA (including any support activities not attached to a specific programme) being entrusted to, and the assets and liabilities linked to CHAFEA's activities being taken over by, other specified Executive Agencies<sup>7</sup>. As the Commission's decision to wind up CHAFEA will result in the liquidation of the agency as a legal entity, the agency cannot be considered a going concern for the preparation of the financial statements at 31 March 2021 (see EU Accounting Rule 1 'Financial Statements', section 5.3). The following captions of the annual accounts were adjusted as a result of the ceasing and transferral of CHAFEA's operational activities:

- Recognition of accrued expenses for expenses incurred but not yet paid at 31 March 2021 (see note **2.5.**);
- Recognition of accrued revenue relating to the expenditure of the period 1 January to 31 March 2021 (see note **2.2.**);
- Recognition of a provision relating to benefits and allowances of staff refusing to move to Brussels (see note **2.3.**);
- Depreciation of fixed assets for the period 1 January to 31 March 2021, with the residual values expensed at the date of the transfer to the receiving Executive Agencies (see note **2.1.**).

## 1.2. BASIS OF PREPARATION

### 1.2.1. Reporting period

Financial statements were previously presented annually, however as these are the accounts prepared for the closure of the entity, the reporting period begins on 1 January 2021 and ends on 31 March 2021.

### 1.2.2. Currency and basis for conversion

The accounts are presented in thousands of euros, the euro being the EU's functional currency. Foreign currency transactions are translated into euros using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the re-translation at year-end exchange rates of monetary assets and liabilities

<sup>6</sup> Commission Implementing Decision (EU) 2021/173 of 12 February 2021 establishing the European Climate, Infrastructure and Environment Executive Agency, the European Health and Digital Executive Agency, the European Research Executive Agency, the European Innovation Council and SMEs Executive Agency, the European Research Council Executive Agency, and the European Education and Culture Executive Agency and repealing Implementing Decisions 2013/801/EU, 2013/771/EU, 2013/778/EU, 2013/779/EU, 2013/776/EU and 2013/770/EU; OJ L 50, 15.2.2021, p. 9-28.

<sup>7</sup> European Health and Digital Executive Agency, European Research Executive Agency and European Innovation Council and SMEs Executive Agency (see Article 7 and Article 21 CID).

denominated in foreign currencies are recognised in the statement of financial performance. Different conversion methods apply to property, plant and equipment and intangible assets, which retain their value in euros at the date when they were purchased.

Year-end balances of monetary assets and liabilities denominated in foreign currencies are translated into euros on the basis of the European Central Bank (ECB) exchange rates applying on 31 March.

### **Euro exchange rates**

| Currency   | 31.03.2021     | 31.12.2020 | Currency   | 31.03.2021     | 31.12.2020 |
|------------|----------------|------------|------------|----------------|------------|
| <b>BGN</b> | <b>1.9558</b>  | 1.9558     | <b>PLN</b> | <b>4.6508</b>  | 4.5597     |
| <b>CZK</b> | <b>26.143</b>  | 26.242     | <b>RON</b> | <b>4.9223</b>  | 4.8683     |
| <b>DKK</b> | <b>7.4373</b>  | 7.4409     | <b>SEK</b> | <b>10.2383</b> | 10.0343    |
| <b>GBP</b> | <b>0.85209</b> | 0.899      | <b>CHF</b> | <b>1.1070</b>  | 1.0802     |
| <b>HRK</b> | <b>7.5705</b>  | 7.5519     | <b>JPY</b> | <b>129.91</b>  | 126.4900   |
| <b>HUF</b> | <b>363.27</b>  | 363.89     | <b>USD</b> | <b>1.1725</b>  | 1.2271     |

#### 1.2.3. Use of estimates

In accordance with IPSAS and generally accepted accounting principles, the financial statements necessarily include amounts based on estimates and assumptions by management based on the most reliable information available. Significant estimates include, but are not limited to: amounts for employee benefit liabilities, accrued and deferred revenue and charges, provisions, financial risk on accounts receivable, contingent assets and liabilities, and degree of impairment of assets. Actual results could differ from those estimates.

Reasonable estimates are an essential part of the preparation of financial statements and do not undermine their reliability. An estimate may need revision if changes occur in the circumstances on which the estimate was based or as a result of new information or more experience. By its nature, the revision of an estimate does not relate to prior periods and is not the correction of an error. The effect of a change in accounting estimate shall be recognised in the surplus or deficit in the periods in which it becomes known.

#### 1.2.4. Application of new and revised European Union Accounting Rules (EAR)

##### **Revised EAR which is effective for annual periods beginning on or after 1 January 2021**

In 2020, the Accounting Officer adopted the revised EAR 11 'Financial Instruments', which is mandatorily effective as of 1 January 2021. The revised EAR 11 is based on the new IPSAS 41 'Financial Instruments', the amended IPSAS 28 'Financial Instruments: Presentation' and the amended IPSAS 30 'Financial Instruments: Disclosures' which were issued in August 2018. It establishes the financial reporting principles for financial assets and financial liabilities. In accordance with the transition provisions of the revised EAR 11, the entity accounts for any changes from the initial application, on 1 January 2021. The revised EAR 11 does not require the restatement of prior periods.

##### **Changes from the application of the revised EAR 11**

The only financial instruments of the entity, are the receivables from exchange transactions. In accordance with the revised EAR 11 requirements, the entity has classified these receivables as 'financial assets at amortised cost' ('loans and receivables' in prior periods). The entity has applied the impairment requirements of the revised EAR 11 to the receivables, but no recognition of loss allowance in the accumulated surplus or deficit on 1 January 2021 was needed.

## **1.3. BALANCE SHEET**

### 1.3.1. Property, plant and equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition, construction or transfer of the asset. Subsequent costs are included in the asset's carrying amount or recognised as a



separate asset, as appropriate, only when it is probable that future economic benefits or service potential associated with the item will flow to the entity and its cost can be measured reliably. Repairs and maintenance costs are charged to the statement of financial performance during the financial period in which they are incurred. Land is not depreciated, as it is deemed to have an indefinite useful life. Assets under construction are not depreciated as these assets are not yet available for use. Depreciation on other assets is calculated using the straight-line method to allocate their cost less their residual values over their estimated useful lives, as follows:

| Type of asset                 | Straight line depreciation rate |
|-------------------------------|---------------------------------|
| <i>Buildings</i>              | <i>4 % to 10 %</i>              |
| <i>Plant and equipment</i>    | <i>10 % to 25 %</i>             |
| <i>Furniture and vehicles</i> | <i>10 % to 25 %</i>             |
| <i>Computer hardware</i>      | <i>25 % to 33 %</i>             |
| <i>Other</i>                  | <i>10 % to 33 %</i>             |

Gains or losses on disposals are determined by comparing proceeds less selling expenses with the carrying amount of the disposed asset and are included in the statement of financial performance.

## **Leases**

A lease is an agreement whereby the lessor conveys to the lessee, in return for a payment or series of payments, the right to use an asset for an agreed period of time. Leases are classified as either finance leases or operating leases.

Finance leases are leases where substantially all the risks and rewards incidental to ownership are transferred to the lessee.

An operating lease is a lease other than a finance lease, i.e. a lease where the lessor retains substantially all the risks and rewards incidental to ownership of an asset. When entering an operating lease as a lessee, the operating lease payments are recognised as an expense in the statement of financial performance on a straight-line basis over the lease term with neither an asset nor a liability recognised in the balance sheet.

### **1.3.2. Impairment of non-financial assets**

Assets that have an indefinite useful life are not subject to amortisation/depreciation and are tested annually for impairment. Assets that are subject to amortisation/depreciation are tested for impairment whenever there is an indication at the reporting date that an asset may be impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable (service) amount. The recoverable (service) amount is the higher of an asset's fair value less costs to sell and its value in use.

Intangible assets and property, plant and equipment residual values and useful lives are reviewed, and adjusted if appropriate, at least once per year. If the reasons for impairments recognised in previous years no longer apply, the impairment losses are reversed accordingly.

### **1.3.3. Exchange receivables and non- exchange recoverables**

The EU accounting rules require separate presentation of exchange and non-exchange transactions. To distinguish between the two categories, the term 'receivable' is reserved for exchange transactions, whereas for non-exchange transactions, i.e. when the EU receives value from another entity without directly giving approximately equal value in exchange, the term 'recoverables' is used (e.g. recoverables from Member States related to own resources).

Receivables from exchange transactions meet the definition of financial instruments. The entity classified them as financial assets at amortised cost and measured them accordingly.

Recoverables from non-exchange transactions are carried at fair value as at the date of acquisition less write-down for impairment. A write-down for impairment is established when there is objective evidence that the entity will not be able to collect all amounts due according to the original terms of the recoverables. The amount of the write-down is the difference between the asset's carrying amount and

the recoverable amount. The amount of the write-down is recognised in the statement of financial performance.

#### 1.3.4. Cash and cash equivalents

Cash and cash equivalents are financial instruments and include cash at hand, deposits held at call or at short notice with banks, and other short-term highly liquid investments with original maturities of three months or less.

#### 1.3.5. Payables

Included under accounts payable are both amounts related to exchange transactions such as the purchase of goods and services, and to non-exchange transactions e.g. to cost claims from beneficiaries, grants or other EU funding, or pre-financing received (see note **1.4.1**).

Where grants or other funding are provided to the beneficiaries, the cost claims are recorded as payables for the requested amount, at the moment when the cost claim is received. Upon verification and acceptance of the eligible costs, the payables are valued at the accepted and eligible amount.

Payables arising from the purchase of goods and services are recognised at invoice reception for the fair value as at the date of the acquisition. The corresponding expenses are entered in the accounts when the supplies or services are delivered and accepted by the entity.

#### 1.3.6. Accrued and deferred revenue and charges

Transactions and events are recognised in the financial statements in the period to which they relate. At period-end, if an invoice is not yet issued but the service has been rendered, or the supplies have been delivered by the entity or a contractual agreement exists (e.g. by reference to a contract), an accrued revenue will be recognised in the financial statements. In addition, at period-end, if an invoice is issued but the services have not yet been rendered or the goods supplied have not yet been delivered, the revenue will be deferred and recognised in the subsequent accounting period.

Expenses are also accounted for in the period to which they relate. At the end of the accounting period, accrued expenses are recognised based on an estimated amount of the transfer obligation of the period. The calculation of accrued expenses is done in accordance with detailed operational and practical guidelines issued by the Accounting Officer. These aim at ensuring that the financial statements provide a faithful representation of the economic and other phenomena they purport to represent. By analogy, if a payment has been made in advance for services or goods that have not yet been received, the expense will be deferred and recognised in the subsequent accounting period.

## 1.4. STATEMENT OF FINANCIAL PERFORMANCE

### 1.4.1. Revenue

Revenue comprises gross inflows of economic benefits or service potential received and receivable by the entity, which represents an increase in net assets, other than increases relating to contributions from owners.

Depending on the nature of the underlying transactions in the statement of financial performance, revenue is distinguished between:

*(i) Revenue from non-exchange transactions*

Revenue from non-exchange transactions are taxes and transfers, because the transferor provides resources to the recipient entity, without the recipient entity providing approximately equal value directly in exchange. Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes. For the EU entities, transfers mostly comprise funds received from the Commission (e.g. balancing subsidy to the traditional agencies, operating subsidy for the delegation agreements).

The entity shall recognise an asset in respect of transfers when the entity controls the resources as a result of a past event (the transfer) and expects to receive future economic benefits or service potential from those resources, and when the fair value can be reliably measured. An inflow of resources from a non-exchange transaction recognised as an asset (i.e. cash) is also recognised as revenue, except to the extent that the entity has a present obligation in respect of that transfer (condition), which needs to be satisfied before the revenue can be recognised. Until the condition is met the revenue is deferred and recognised as a liability.

*(ii) Revenue from exchange transactions*

Revenue from the sale of goods and services is recognised when the significant risk and rewards of ownership of the goods are transferred to the purchaser. Revenue associated with a transaction involving the provision of services is recognised by reference to the stage of completion of the transaction at the reporting date.

#### 1.4.2. Expenses

Expenses are decreases in economic benefits or service potential during the reporting period in the form of outflows or consumption of assets or the incurring of liabilities that result in decreases in net assets. They include both the expenses from exchange transactions and expenses from non-exchange transactions.

Expenses from exchange transactions arising from the purchase of goods and services are recognised when the supplies are delivered and accepted by the entity. They are valued at the fair value as at the date of the acquisition. Furthermore, at the balance sheet date expenses related to the service delivered during the period for which an invoice has not yet been received or accepted are recognised in the statement of financial performance.

Expenses from non-exchange transactions relate to transfers to beneficiaries and can be of three types: entitlements, transfers under agreement and discretionary grants, contributions and donations. Transfers are recognised as expenses in the period during which the events giving rise to the transfer occurred, as long as the nature of the transfer is allowed by regulation or an agreement has been signed authorising the transfer; any eligibility criteria have been met by the beneficiary; and a reasonable estimate of the amount can be made.

When a request for payment or cost claim is received and meets the recognition criteria, it is recognised as an expense for the eligible amount. At period-end, incurred eligible expenses due to the beneficiaries but not yet reported are estimated and recorded as accrued expense.

## 1.5. CONTINGENT ASSETS AND LIABILITIES

### 1.5.1. Contingent assets

A contingent asset is a possible asset that arises from past events and of which the existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is disclosed when an inflow of economic benefits or service potential is probable.

### 1.5.2. Contingent liabilities

A contingent liability is either a possible obligation of which the existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or a present obligation where it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation.

A contingent liability also arises in the rare circumstances where a present obligation exists but cannot be measured with sufficient reliability.

Contingent liabilities are not recognised in the accounts. They are disclosed unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

## **1.6. CONSOLIDATION**

The accounts of this entity are fully consolidated in the consolidated annual accounts of the EU.

## 2. NOTES TO THE BALANCE SHEET

### ASSETS

#### 2.1. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and are expected to be used during more than one reporting period.

|   | EUR '000            |                        |                   |       |       |
|---|---------------------|------------------------|-------------------|-------|-------|
|   | Plant and equipment | Furniture and vehicles | Computer hardware | Other | TOTAL |
| <i>Gross carrying amount at 31.12.2020</i>    | 3                   | 41                     | 145               | 51    | 239   |
| <i>Disposals</i>                              | (3)                 | (41)                   | (145)             | (51)  | (239) |
| <b>Gross carrying amount at 31.03.2021</b>    | -                   | -                      | -                 | -     | -     |
| <i>Accumulated depreciation at 31.12.2020</i> | (1)                 | (23)                   | (110)             | (49)  | (183) |
| <i>Depreciation charge for the period</i>     | (0)                 | (0)                    | (5)               | (0)   | (5)   |
| <i>Disposals</i>                              | 1                   | 23                     | 115               | 49    | 188   |
| <b>Accumulated depreciation at 31.03.2021</b> | -                   | -                      | -                 | -     | -     |
| <b>NET CARRYING AMOUNT AT 31.03.2021</b>      | -                   | -                      | -                 | -     | -     |
| <i>NET CARRYING AMOUNT AT 31.12.2020</i>      | 2                   | 18                     | 35                | 2     | 56    |

Due to the closure of the Agency as of 1 April 2021, CHAFEA transferred all its tangible assets to DIGIT, OIL and to the European Health and Digital Executive Agency (HaDEA) who took over all support activities not attached to a specific programme from CHAFEA. After the assets were normally depreciated for the period 1 January to 31 March 2021 a full write-off the remaining residual value has been calculated and registered at the date of the transferral to the receiving Executive Agencies, amounting to kEUR 51.

#### 2.2. EXCHANGE RECEIVABLES & NON-EXCHANGE RECOVERABLES

Exchange transactions are transactions in which the entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange. Non-exchange transactions are transactions in which an entity either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange.

The amounts included under this heading are of a current nature and can be broken down as follows:

|  | EUR '000   |              |
|--|------------|--------------|
|  | 31.03.2021 | 31.12.2020   |
| <b>Recoverable from non-exchange transaction</b> |            |              |
| <i>Accrued income non-exchange</i>               | 963        | -            |
| <i>Other non-exchange recoverables</i>           | 1          | -            |
| <b>Receivables from exchange transactions</b>    |            |              |
| <i>EU consolidated entities and staff</i>        | 1          | 27           |
| <i>Deferred charges</i>                          | -          | 3            |
| <i>Central treasury liaison accounts</i>         | -          | 1 504        |
| <b>Total</b>                                     | <b>965</b> | <b>1 534</b> |

Following the appointment of the Accounting Officer of the Commission as the Accounting Officer of CHAFEA, the treasury of CHAFEA was integrated into the Commission's treasury system. Because of this, CHAFEA does not have any bank accounts at 31 March 2021. All payments and receipts are processed via the Commission's treasury and registered on inter-company accounts, which are presented under this heading. Due to CHAFEA's closure on 31 March 2021 all cash available in the liaison accounts has been transferred to DG SANTE, which further transferred it to HaDEA, as inheritor of the legacy.

Under this title there is accrued income of kEUR 963, which has been recognised to match the expenditure incurred in CHAFEA in the first three months. Due to the technical steps needed to be performed in the systems, at 30 March 2021 CHAFEA returned to DG SANTE the subsidy meant to cover all open RAL existed at the date. This led to the recognition of an accrued income receivable to correspond to the full recognition of the revenue (see note **3.1**). According to Art.21 (4) of Implementing Decision (EU) 2021/173, all the assets and liabilities have been taken over by HaDEA at 1 April 2021, including the outstanding balance of accrued income.

## LIABILITIES

### 2.3. PROVISIONS

A provision is a liability of uncertain timing or amount. Provisions can be distinguished from other liabilities such as payables and accruals because there is uncertainty about the timing or amount of the future expenditure required in settlement.

|                   | <i>EUR '000</i> |            |
|-------------------|-----------------|------------|
|                   | 31.03.2021      | 31.12.2020 |
| <i>Provisions</i> | 83              | –          |

Under this title is a provision recognised for the staff who refused to move with the programmes that were transferred to other executive agencies (see note 4.4.) and for which there is a liability for the payment of resettlement allowances, as well as unemployment benefits, in line with their contractual provisions. The outstanding balance of the provision was fully transferred at 1 April 2021 to Commission.

### 2.4. PAYABLES AND OTHER LIABILITIES

Payables are liabilities to pay for goods or services that have been received or supplied and - unlike accrued charges - have already been invoiced or formally agreed with the supplier. Payables can relate to both exchange transactions (such as the purchase of goods and services) and non-exchange transactions (e.g. cost claims from beneficiaries of grants, pre-financing or other EU funding).

|   | <i>EUR '000</i> |            |
|---|-----------------|------------|
|   | 31.03.2021      | 31.12.2020 |
| <i>Suppliers</i>  | –               | 33         |
| <i>Pre-financing received from EC - balancing subsidy</i> | –               | 381        |
| <i>Other amounts payable</i>                              | 3               | –          |
| <b>Total</b>  | <b>3</b>        | <b>414</b> |

Payables decreased by kEUR 411 due to closure activities and the movement of legacy items to HaDEA, who took over all support activities.

### 2.5. ACCRUED CHARGES

Accruals are liabilities to pay for goods or services that have been received or supplied but - unlike payables - have not yet been invoiced or formally agreed with the supplier. They include amounts due to employees (e.g. accruals for untaken holidays). The calculation of accruals is based on the open amount of budgetary commitments at year-end. The portion of the estimated accrued charges relating to pre-financing paid has been recorded as a reduction of the pre-financing amounts.

|                        | <i>EUR '000</i> |            |
|------------------------|-----------------|------------|
|                        | 31.03.2021      | 31.12.2020 |
| <i>Accrued charges</i> | 968             | 480        |

Amounts under this heading comprise accrued administrative expenses related to IT operational costs (kEUR 115), communications & publications expenditure (kEUR 71), office supplies & maintenance (kEUR 52), expenses with other consolidated entities (kEUR 476) and other external service (kEUR 63). The heading also includes accrued charges for staff expense and training cost of kEUR 189.

The increase in this heading is related to the decision to transfer the tasks of CHAFEA to other executive agencies. CHAFEA organised all the payments until a specific date and notified its suppliers to send the invoices left unissued to HaDEA, as the legal successor (according art.21 (4) of Implementing Decision (EU) 2021/173). The outstanding balance of the accrued charges was fully transferred at 1 April 2021.

### 3. NOTES TO THE STATEMENT OF FINANCIAL PERFORMANCE

#### REVENUE

#### NON-EXCHANGE REVENUE

#### 3.1. FUNDS FROM THE COMMISSION

EUR '000

|                                  | 2021  | 2020   |
|----------------------------------|-------|--------|
| <i>Funds from the Commission</i> | 2 228 | 10 369 |

The heading funds from the Commission corresponds to the amounts of the balancing subsidy used for the administrative activities of CHAFEA until 31 March 2021.

#### EXPENSES

#### 3.2. STAFF COSTS

This heading includes the expenses for salaries, allowances and other employment-related benefits. Based on the service level agreement between the entity and the Commission, the calculations of staff-related costs is carried out by the Commission's Office for Administration and Payment of Individual Entitlements (also known as the Paymaster's Office - PMO). The pensions of the entity staff members are covered by the Pension Scheme of European Officials. This pension scheme is a defined benefit plan, i.e. the amount of benefit an employee will receive on retirement depends on several factors, the most important of which is years of service. Both the entity staff and the EU budget contribute to the pension scheme, with the contribution percentage being revised annually in line with the changes in the Staff Regulation governing the scheme. The cost to the EU Budget is not reflected in the entity accounts. Similarly, no provision related to the future pension payments is recognised in the annual accounts of the entity, as the obligation falls to the Commission. Consequently, both the annual cost to the EU budget, and the future benefits payable to the entity staff, are accounted for in the Commission's annual accounts as part of its provision for pensions and other post-employment benefits. The pension costs included in the Commission's Statement of Financial Performance represent current service cost (rights accrued during the year due to service) and interest cost (unwinding of the liability discounting) which have arisen following the year-end actuarial valuation of the employee benefits liabilities.

EUR '000

|                    | 2021  | 2020  |
|--------------------|-------|-------|
| <i>Staff costs</i> | 1 656 | 6 694 |

In 2021 following to the decision to transfer the tasks of CHAFEA to Brussels based EU agencies, the staff of CHAFEA was recruited by executive agencies such as HaDEA, REA and EASME.



### 3.3. OTHER EXPENSES

Included under this heading are expenses of administrative nature such as external non IT services, operating leasing expenses, communications and publications, training costs etc.

|   | EUR '000     |              |
|---|--------------|--------------|
|   | 2021         | 2020         |
| <i>Expenses with other Consolidated entities</i>      | 847          | 3 326        |
| <i>External non IT services</i>                       | 190          | 458          |
| <i>Provision for other liabilities and charges</i>    | 83           | –            |
| <i>External IT services</i>                           | 81           | 612          |
| <i>Property, plant and equipment related expenses</i> | 56           | 27           |
| <i>Office supplies and maintenance</i>                | 53           | 24           |
| <i>Communications and publications</i>                | 31           | 35           |
| <i>Training costs</i>                                 | 10           | (14)         |
| <i>Missions</i>                                       | 2            | 46           |
| <i>Experts expenses</i>                               | 1            | (0)          |
| <i>Other</i>  | 0            | 0            |
| <b>Total</b>  | <b>1 356</b> | <b>4 514</b> |

Expenses with other consolidated entities include annual fees related to the Service Level Agreements (SLA) with the Commission. A large drop in expenditure can be observed as it only reflected the first three months of the year in 2021. The decrease is also explained by a much lower amount of expenditure caused by the closure of the agency on 31 March 2021.

The decrease in non-IT external services, office supplies and maintenance, training costs and expert expenditure is due to the ongoing COVID-19 crisis and also the further transfer of CHAFEA tasks to other executive agencies.

The increase in the provision for other liabilities and charges refers to the provision recognised for costs of the staff who did not move with the programmes to the other executive Agencies, (see note **2.3.**).

Included under this heading are also rental, charges and removal costs related to the Drosbach building rented from the Office for Infrastructure and Logistics in Luxembourg (OIL).

There are no amounts committed to be paid during the remaining term of operating lease contracts, as these have been closed at 31 March 2021.

## 4. OTHER SIGNIFICANT DISCLOSURES

### 4.1. OUTSTANDING COMMITMENTS NOT YET EXPENSED

The outstanding commitments not yet expensed comprise the budgetary RAL ('Reste à Liquider') less related amounts that have been included as expenses in the current period's statement of financial performance. The RAL represents the open budgetary commitments for which payments and/or decommitments have not yet been made. This is the normal consequence of the existence of multi-annual programmes.

The open commitments (RAL), as of 1 April 2021 were transferred to HaDEA, who took over the legacy of CHAFEA.

EUR '000

|   | 31.03.2021 | 31.12.2020 |
|---|------------|------------|
| <i>Outstanding commitments not yet expensed</i> | -          | 690        |

### 4.2. RELATED PARTIES

The related parties of the entity are the other EU consolidated entities and the key management personnel of these entities. As transactions between the relevant entity and the parties involved take place as part of the normal operations of the entity and on terms and conditions that are normal for such transactions, no specific disclosures are required.

### 4.3. KEY MANAGEMENT ENTITLEMENTS

The highest ranked civil servant of the CHAFEA is the Director, who executes the role of the Authorising Officer by delegation.

|                 | 31.12.2021   | 31.12.2020   |
|-----------------|--------------|--------------|
| <i>Director</i> | <i>AD 14</i> | <i>AD 14</i> |

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

### 4.4. TRANSFER OF TASKS

Following Communication to the Commission C(2020) 7876 of 11 November 2020 on Delegation of implementation tasks to Executive Agencies for the 2021-2027 EU programmes, the tasks of CHAFEA were transferred to other executive agencies. CHAFEA ceased to exist as of 1 April 2021 it has to be wound up in accordance with Article 3(2) of Regulation (EC) No 58/2003 and Article 21(2) to (5) of Implementing Decision (EU) 2021/173.

As a consequence of the fact that the tasks of CHAFEA were transferred to other executive agencies, the staff of CHAFEA was recruited by other executive agencies. Staff to be transferred to Brussels will benefit from installation and daily subsistence allowances, as well as removal expenses. This may lead to additional staff costs connected with ongoing activities which are estimated at the date of preparation of closing accounts at kEUR 750. The obligation will be settled by the Executive Agency taking over CHAFEA's legacy.

The staff who refused to move with the programmes will benefit from potential resettlement allowances, as well as unemployment benefits and a notice period in line with their contractual provisions (up to a maximum of 10 months). For these costs, a provision has been recognised (see note **2.3.**).

## **4.5. MAIN IMPACT OF THE CLOSING OF CHAFEA**

Due to the fact that CHAFEA ceased to exist at 1 of April, all its activities have been transferred to other Executive Agencies as specified in Article 7 and Article 21 of Commission Implementing Decision (EU) 2021/173 of 12 February 2021:

- The European Health and Digital Executive Agency is entrusted with the implementation of the Common financial framework in the area of food and feed safety including Better training for safer food as well as the the third Programme for the Union's action in the field of health (2014-2020) (see Article 7 (2) CID);
- The European Research Executive Agency is entrusted with the implementation of the information provision and promotion measures concerning agricultural products (see Article 7 (3 h) CID);
- The European Innovation Council and SMEs Executive Agency is entrusted with the implementation of the Consumer programme (see Article 7 (4) CID);
- According to Article 21(4) CID the implementation of all assets and liabilities linked to the activities taken over from CHAFEA are taken over by the European Health and Digital Executive Agency, the European Research Executive Agency and the European Innovation Council and SMEs Executive Agency. Furthermore, the European Health and Digital Executive Agency takes over any support activities not attached to a specific programme (see Article 21 (3) CID).

The main impact of the transfer of CHAFEA's activities is as follows:

- Recognition of a provision relating to the benefits and allowances of staff refusing to move to Brussels (kEUR 83, see note **2.3.**).
- Recognition of accrued income of kEUR 963, which has been recognised to match the expenditure incurred in CHAFEA in the period 1 January to 31 March 2021 (see note **2.2.**).
- Recognition of Accrued charges for administrative expenses of kEUR 968. CHAFEA organised all the payments until a specific date and notified its suppliers to send any invoices left unissued to HADEA, its legal successor (according to Art.21 (4) of Implementing Decision (EU) 2021/173), (see note **2.5.**).
- Full write-off of the residual value of the assets (after they were depreciated for the period 1 January to 31 March 2021) at the date of transferral to the receiving Executive Agencies, amounting to kEUR 51 (see note **2.1.**).

All the outstanding balances have been transferred to HADEA at 1 April 2021.

## **5. FINANCIAL RISK MANAGEMENT**

### **5.1. TYPES OF RISK**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate, because of variations in market prices. Market risk embodies not only the potential for loss, but also the potential for gain. It comprises currency risk, interest rate risk and other price risk (the entity has no significant interest rate risk and other price risk).

(1) Currency risk is the risk that the entity operations will be affected by changes in exchange rates. This risk arises from the change in the price of one currency against another.

(2) Interest rate risk is the possibility of a reduction in the value of a security, especially a bond, resulting from an increase in interest rates. In general, higher interest rates will lead to lower prices of fixed rate bonds, and vice versa. The entity does not have any securities thus it is not exposed to the interest rate risk.

Credit risk is the risk of loss due to a debtor's non-payment or other failure to meet a contractual obligation. The default events include a delay in repayments, and bankruptcy.

Liquidity risk is the risk that arises from the difficulty in selling an asset; for example, the risk that a given security or asset cannot be traded quickly enough in the market to prevent a loss or meet an obligation.

### **5.2. CURRENCY RISKS**

At 31 March 2021, the financial assets are composed of exchange receivables and non-exchange recoverables, represented by accrued income. The financial liabilities are composed of accounts payable represented by accrued charges. Their ending balances are mainly quoted in EUR, the entity is thus not exposed to currency risk.

### **5.3. CREDIT RISK**

At 31 March 2021, the financial assets comprise exchange receivables and non-exchange recoverables that are neither past due nor impaired, the entity is thus not exposed to credit risk.

### **5.4. LIQUIDITY RISK**

#### **Maturity analysis of financial liabilities by remaining contractual maturity**

The financial liabilities are mainly composed of accounts payable. All the accounts payable have remaining contractual maturity of less than 1 year.

CONSUMERS, HEALTH, AGRICULTURE AND FOOD EXECUTIVE AGENCY  
Reporting period 1 January 2021 to 31 March 2021

# **THE BUDGET IMPLEMENTATION REPORTS AND EXPLANATORY NOTES**

*It should be noted that due to the rounding of figures into thousands of euros (kEUR), some financial data in the tables below may appear not to add-up.*

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# **1. BUDGETARY PRINCIPLES AND STRUCTURE**

## **1.1. BUDGETARY PRINCIPLES**

CHAFEA as an executive agency has an operating budget governed by the Commission Regulation 1653/2004. According to Article 15 of Regulation EC 58/2003, the operating budget covers exclusively the administrative expenditure for the financial year.

The establishment and implementation of the CHAFEA budget is governed by the following principles:

### **Principles of unity and budget accuracy**

This principle means that no revenue shall be collected and no expenditure effected unless booked to a line in the CHAFEA budget. No expenditure may be committed or authorised in excess of the appropriations authorised by the budget. An appropriation may be entered in the budget only if it is for an item of expenditure considered necessary.

### **Principle of annuality**

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

### **Principle of equilibrium**

Revenue and payment appropriations shall be in balance.

### **Principle of unit of account**

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

### **Principle of universality**

Total revenue shall cover total payment appropriations and all revenue and expenditure shall be entered in full without any adjustment against each other.

### **Principle of specification**

Appropriations shall be earmarked for specific purposes by title and chapter. The chapters shall be further subdivided into articles and items.

### **Principle of sound financial management**

Appropriations shall be used in accordance with the principle of sound financial management, namely in accordance with the principles of economy, efficiency and effectiveness.

### **Principle of transparency**

The budget shall be established and implemented and the accounts presented in accordance with the principle of transparency. The budget and any amending budgets shall be published in the Official Journal of the European Union within three months of their adoption.

## **1.2. STRUCTURE AND PRESENTATION OF THE BUDGET**

The Agency is funded by a subsidy from the European Union (EU) shown in the Commission's budgetary accounts. The subsidy is transferred to the Agency in several instalments, according to Article 27 of the Commission decision C (2013) 9505 of 20/12/2013.

The budget consists only of non-differentiated appropriations.

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 CHAFEA and shall make a clear distinction between administrative appropriations and operating appropriations:

### **Title 1: Expenses for personnel linked to the agency**

This title includes expenses for: salaries, allowances and social costs, recruitment expenses, training, services provided by DG HR and PMO, social benefits and interim services.

### **Title 2: Central support costs**

This title includes expenses related to: rent and charges, purchase of equipment, furniture, office supplies, service legal agreements with DG Budget, DIGIT and other services related to the operating activities.

### **Title 3: Expenditure linked to the agency's operations**

This title includes expenses for: meetings organised for DG SANTE, payments of experts participating in the evaluation of calls for proposals, missions, IT expenditure, communication, ex-post audits directly related to operational activities.



## 2. RESULT OF THE IMPLEMENTATION OF THE BUDGET

|   |       | EUR '000       |                |
|---|-------|----------------|----------------|
|   | Title | 2021           | 2020           |
| <b>Revenue</b>  |       | <b>2 819</b>   | <b>10 751</b>  |
| of which:   |       |                |                |
| European Community contribution                                       | 1     | 2 805          | 10 750         |
| Miscellaneous revenue   | 9     | 14             | 0              |
| <b>Expenditure</b>  |       | <b>(1 787)</b> | <b>(9 702)</b> |
| of which:   |       |                |                |
| Staff expenditure   | 1     | (1 764)        | (7 100)        |
| Administrative expenditure  | 2     | (4)            | (1 421)        |
| Operating expenditure   | 3     | (18)           | (1 182)        |
| <b>Payment appropriat. carried over to the following year</b>         |       | <b>-</b>       | <b>(1 027)</b> |
| of which:   |       |                |                |
| Staff expenditure   | 1     | -              | (104)          |
| Administrative expenditure  | 2     | -              | (130)          |
| Operating expenditure   | 3     | -              | (793)          |
| <b>CHAFEA Closure: regularisation of previous year appropriations</b> |       | <b>110</b>     | <b>-</b>       |
| <b>Cancellation of unused appropr. carried over from year n-1</b>     |       | <b>398</b>     | <b>360</b>     |
| <b>Exchange rate differences</b>                                      |       | <b>(0)</b>     | <b>(0)</b>     |
| <b>Budget result</b>  |       | <b>1 541*</b>  | <b>381</b>     |

\* After closure of CHAFEA as of 1 April 2021 the amount of kEUR 1 057 has been transferred to HaDEA to cover the open RAL left in CHAFEA at 31.03.2021 and an amount of kEUR 484 has been returned to DG SANTE (parent DG).

### 3. RECONCILIATION OF ECONOMIC RESULT WITH BUDGET RESULT

EUR '000

|   | 2021         | 2020         |
|---|--------------|--------------|
| <b>ECONOMIC RESULT OF THE YEAR</b>  | <b>(785)</b> | <b>(825)</b> |
| <b>Adjustment for accrual items (items not in the budgetary result)</b>     | <b>1 928</b> | <b>1 498</b> |
| <i>Adjustments for accrual cut-off (net)</i>                                | (475)        | (330)        |
| <i>Unpaid invoices at year end but booked in expenses</i>                   | -            | 33           |
| <i>Depreciation, amortization and impairment of intangible and tangible</i> | 56           | 27           |
| <i>Provision for other liabilities and charges</i>                          | 83           | -            |
| <i>Recovery orders issued in the year and not yet cashed</i>                | -            | (18)         |
| <i>Pre-financing given in previous year and cleared in the year</i>         | 102          | -            |
| <i>Payments made from carry-over of payment appropriations</i>              | 628          | 1 790        |
| <i>Payments made to DG Sante for the transfer of open RAL*</i>              | 1 541        | -            |
| <i>Other individually immaterial</i>  | (7)          | (3)          |
| <b>Adjustment for budgetary items (item included in the budgetary)</b>      | <b>398</b>   | <b>(291)</b> |
| <i>Asset acquisitions (less unpaid amounts)</i>                             | -            | (5)          |
| <i>New pre-financing received in the year and remaining open as at 31</i>   | -            | 381          |
| <i>Payment appropriations carried over to next year</i>                     | -            | (1 027)      |
| <i>Cancellation of unused carried over payment appropriations from</i>      | 398          | 360          |
| <b>BUDGET RESULT OF THE YEAR</b>  | <b>1 541</b> | <b>381</b>   |

\* After closure of CHAFEA as of 1 April 2021 the amount of kEUR 1 057 has been transferred to HaDEA to cover the open RAL left in CHAFEA at 31.03.2021 and an amount of kEUR 484 has been returned to DG SANTE (parent DG).

## 4. IMPLEMENTATION OF BUDGET REVENUE

### 4.1. Implementation of budget revenue – Title 1

EUR '000

| Item                                  | Income appropriations |               | Entitlements established |              |              | Revenue                         |                              |              |             | Out-standing |
|---------------------------------------|-----------------------|---------------|--------------------------|--------------|--------------|---------------------------------|------------------------------|--------------|-------------|--------------|
|                                       | Initial budget        | Final budget  | Current year             | Carried over | Total        | On entitlements of current year | On entitlements carried over | Total        | %           |              |
|                                       | 1                     | 2             | 3                        | 4            | 5=3+4        | 6                               | 7                            | 8=6+7        | 9=8/2       |              |
| 1 0 0 European Community Contribution | 10 908                | 10 908        | 2 805                    | –            | 2 805        | 2 805                           | –                            | 2 805        | 26 %        | –            |
| Total Chapter 1 0                     | 10 908                | 10 908        | 2 805                    | –            | 2 805        | 2 805                           | –                            | 2 805        | 26 %        | –            |
| <b>Total Title 1</b>                  | <b>10 908</b>         | <b>10 908</b> | <b>2 805</b>             | <b>–</b>     | <b>2 805</b> | <b>2 805</b>                    | <b>–</b>                     | <b>2 805</b> | <b>26 %</b> | <b>–</b>     |

EUR '000

| Item                                  | Income appropriations |            | Entitlements established |          |          | Revenue         |          |          |            | Out-standing |
|---------------------------------------|-----------------------|------------|--------------------------|----------|----------|-----------------|----------|----------|------------|--------------|
|                                       | Initial               | Final      | Current                  | Carried  | Total    | On entitlements | On       | Total    | %          |              |
|                                       | 1                     | 2          | 3                        | 4        | 5=3+4    | 6               | 7        | 8=6+7    | 9=8/2      |              |
| 2 0 0 Participation of EFTA Countries | 169                   | 169        | –                        | –        | –        | –               | –        | –        | 0 %        | 0            |
| Total Chapter 2 0                     | 169                   | 169        | –                        | –        | –        | –               | –        | –        | 0 %        | –            |
| <b>Total Title 2</b>                  | <b>169</b>            | <b>169</b> | <b>–</b>                 | <b>–</b> | <b>–</b> | <b>–</b>        | <b>–</b> | <b>–</b> | <b>0 %</b> | <b>–</b>     |

EUR '000

| Item                        | Income appropriations |          | Entitlements established |           |           | Revenue         |           |           |          | Out-standing |
|-----------------------------|-----------------------|----------|--------------------------|-----------|-----------|-----------------|-----------|-----------|----------|--------------|
|                             | Initial               | Final    | Current                  | Carried   | Total     | On entitlements | On        | Total     | %        |              |
|                             | 1                     | 2        | 3                        | 4         | 5=3+4     | 6               | 7         | 8=6+7     | 9=8/2    |              |
| 9 0 0 Miscellaneous revenue | –                     | –        | –                        | 14        | 14        | –               | 14        | 14        | –        | –            |
| Total Chapter 9 0           | –                     | –        | –                        | 14        | 14        | –               | 14        | 14        | –        | –            |
| <b>Total Title 9</b>        | <b>–</b>              | <b>–</b> | <b>–</b>                 | <b>14</b> | <b>14</b> | <b>–</b>        | <b>14</b> | <b>14</b> | <b>–</b> | <b>–</b>     |

|                    |               |               |              |           |              |              |           |              |             |          |
|--------------------|---------------|---------------|--------------|-----------|--------------|--------------|-----------|--------------|-------------|----------|
| <b>GRAND TOTAL</b> | <b>11 077</b> | <b>11 077</b> | <b>2 805</b> | <b>14</b> | <b>2 819</b> | <b>2 805</b> | <b>14</b> | <b>2 819</b> | <b>25 %</b> | <b>–</b> |
|--------------------|---------------|---------------|--------------|-----------|--------------|--------------|-----------|--------------|-------------|----------|

## 5. IMPLEMENTATION OF BUDGET EXPENDITURE

### 5.1. Breakdown & changes in commitment appropriations

#### 5.1.1. Breakdown & changes in commitment appropriations – Title 1

EUR '000

| Item  | Initial adopted budget | Budget appropriations |           |                      | Additional appropriations |                  |          | Total approp. available |
|---|------------------------|-----------------------|-----------|----------------------|---------------------------|------------------|----------|-------------------------|
|   |                        | Amending budgets      | Transfers | Final budget adopted | Carry-overs               | Assigned revenue | Total    |                         |
|   | 1                      | 2                     | 3         | 4=1+2+3              | 5                         | 6                | 7=5+6    | 8=4+7                   |
| 1 1 1 1 Temporary agents  | 2 800                  | -                     | -         | 2 800                | -                         | -                | -        | 2 800                   |
| 1 1 2 1 Contractual agents  | 4 100                  | -                     | -         | 4 100                | -                         | -                | -        | 4 100                   |
| 1 1 3 1 Interim agents and blue book trainees                         | 350                    | -                     | -         | 350                  | -                         | -                | -        | 350                     |
| <b>Total Chapter 1 1</b>  | <b>7 250</b>           | <b>-</b>              | <b>-</b>  | <b>7 250</b>         | <b>-</b>                  | <b>-</b>         | <b>-</b> | <b>7 250</b>            |
| 1 2 1 1 Recruitment, entering and leaving the service, transfer costs | 15                     | -                     | -         | 15                   | -                         | -                | -        | 15                      |
| 1 2 2 1 General, specific & language training courses                 | 50                     | -                     | -         | 50                   | -                         | -                | -        | 50                      |
| 1 2 3 1 Administrative and Medical Service - PMO and DG HR            | 120                    | -                     | -         | 120                  | -                         | -                | -        | 120                     |
| 1 2 4 1 Social service and other intervention                         | 115                    | -                     | -         | 115                  | -                         | -                | -        | 115                     |
| 1 2 5 1 Internal meetings, events and reception                       | 1                      | -                     | -         | 1                    | -                         | -                | -        | 1                       |
| <b>Total Chapter 1 2</b>  | <b>301</b>             | <b>-</b>              | <b>-</b>  | <b>301</b>           | <b>-</b>                  | <b>-</b>         | <b>-</b> | <b>301</b>              |
| <b>Total Title 1</b>  | <b>7 551</b>           | <b>-</b>              | <b>-</b>  | <b>7 551</b>         | <b>-</b>                  | <b>-</b>         | <b>-</b> | <b>7 551</b>            |

## 5.1.2. Breakdown &amp; changes in commitment appropriations – Title 2

EUR '000

| Item  | Initial adopted budget | Budget appropriations |           |                      | Additional appropriations |                  |          | Total approp. available |
|---|------------------------|-----------------------|-----------|----------------------|---------------------------|------------------|----------|-------------------------|
|   |                        | Amending budgets      | Transfers | Final budget adopted | Carry-overs               | Assigned revenue | Total    |                         |
|   | 1                      | 2                     | 3         | 4=1+2+3              | 5                         | 6                | 7=5+6    | 8=4+7                   |
| 2 1 1 1 Rent of building and associated costs   | 1 055                  | -                     | -         | 1 055                | -                         | -                | -        | 1 055                   |
| 2 1 2 1 Fitting Out   | 10                     | -                     | -         | 10                   | -                         | -                | -        | 10                      |
| <b>Total Chapter 2 1</b>  | <b>1 065</b>           | <b>-</b>              | <b>-</b>  | <b>1 065</b>         | <b>-</b>                  | <b>-</b>         | <b>-</b> | <b>1 065</b>            |
| 2 2 1 1 Hardware, software and linked expenditure   | 80                     | -                     | -         | 80                   | -                         | -                | -        | 80                      |
| 2 2 2 1 ICT - DG DIGIT  | 190                    | -                     | -         | 190                  | -                         | -                | -        | 190                     |
| <b>Total Chapter 2 2</b>  | <b>270</b>             | <b>-</b>              | <b>-</b>  | <b>270</b>           | <b>-</b>                  | <b>-</b>         | <b>-</b> | <b>270</b>              |
| 2 3 1 2 Handling and removal services   | 60                     | -                     | -         | 60                   | -                         | -                | -        | 60                      |
| 2 3 2 1 Office supplies, library stocks (books, newspapers, technical magazines) and associated expenditure | 3                      | -                     | -         | 3                    | -                         | -                | -        | 3                       |
| 2 3 3 1 Current administrative services (financial, legal and insurance services)                           | 1                      | -                     | -         | 1                    | -                         | -                | -        | 1                       |
| 2 3 4 1 Postal charges  | 9                      | -                     | -         | 9                    | -                         | -                | -        | 9                       |
| 2 3 5 1 Other operating services  | 189                    | -                     | -         | 189                  | -                         | -                | -        | 189                     |
| <b>Total Chapter 2 3</b>  | <b>262</b>             | <b>-</b>              | <b>-</b>  | <b>262</b>           | <b>-</b>                  | <b>-</b>         | <b>-</b> | <b>262</b>              |
| <b>Total Title 2</b>  | <b>1 597</b>           | <b>-</b>              | <b>-</b>  | <b>1 597</b>         | <b>-</b>                  | <b>-</b>         | <b>-</b> | <b>1 597</b>            |

## 5.1.3. Breakdown &amp; changes in commitment appropriations – Title 3

EUR '000

| Item  | Initial adopted budget | Budget appropriations |           |                      | Additional appropriations |                  |          | Total approp. available |
|---|------------------------|-----------------------|-----------|----------------------|---------------------------|------------------|----------|-------------------------|
|   |                        | Amending budgets      | Transfers | Final budget adopted | Carry-overs               | Assigned revenue | Total    |                         |
|   | 1                      | 2                     | 3         | 4=1+2+3              | 5                         | 6                | 7=5+6    | 8=4+7                   |
| 3 1 1 1 Meetings and information days   | 100                    | -                     | -         | 100                  | -                         | -                | -        | 100                     |
| 3 1 3 1 Missions and related expense  | 150                    | -                     | -         | 150                  | -                         | -                | -        | 150                     |
| 3 1 4 1 Data collection IT services to support programme management               | 280                    | -                     | -         | 280                  | -                         | -                | -        | 280                     |
| 3 1 4 2 Programme management specific IT systems - DG DIGIT & DG RTD              | 820                    | -                     | -         | 820                  | -                         | -                | -        | 820                     |
| 3 1 5 1 Communication, editing, publications, website and conferences             | 230                    | -                     | -         | 230                  | -                         | -                | -        | 230                     |
| 3 1 6 1 Ex-post auditing  | 190                    | -                     | -         | 190                  | -                         | -                | -        | 190                     |
| 3 1 7 1 Studies, consultancy, translation and other programme support expenditure | 159                    | -                     | -         | 159                  | -                         | -                | -        | 159                     |
| <b>Total Chapter 3 1</b>  | <b>1 929</b>           | <b>-</b>              | <b>-</b>  | <b>1 929</b>         | <b>-</b>                  | <b>-</b>         | <b>-</b> | <b>1 929</b>            |
| <b>Total Title 3</b>  | <b>1 929</b>           | <b>-</b>              | <b>-</b>  | <b>1 929</b>         | <b>-</b>                  | <b>-</b>         | <b>-</b> | <b>1 929</b>            |
| <b>GRAND TOTAL</b>  | <b>11 077</b>          | <b>-</b>              | <b>-</b>  | <b>11 077</b>        | <b>-</b>                  | <b>-</b>         | <b>-</b> | <b>11 077</b>           |

## 5.2. Breakdown & changes in payment appropriations

### 5.2.1. Breakdown & changes in payment appropriations – Title 1

EUR '000

| Item  | Budget appropriations  |                  |           | Final adopted budget | Additional appropriations |                  |            | Total approp. available |
|---|------------------------|------------------|-----------|----------------------|---------------------------|------------------|------------|-------------------------|
|   | Initial budget adopted | Amending budgets | Transfers |                      | Carry-overs               | Assigned revenue | Total      |                         |
|   | 1                      | 2                | 3         | 4=1+2+3              | 5                         | 6                | 7=5+6      | 8=4+7                   |
| 1 1 1 1 Temporary agents  | 2 800                  | -                | -         | 2 800                | -                         | -                | -          | 2 800                   |
| 1 1 2 1 Contractual agents  | 4 100                  | -                | -         | 4 100                | -                         | -                | -          | 4 100                   |
| 1 1 3 1 Interim agents and blue book trainees                         | 350                    | -                | -         | 350                  | 59                        | -                | 59         | 409                     |
| <b>Total Chapter 1 1</b>  | <b>7 250</b>           | <b>-</b>         | <b>-</b>  | <b>7 250</b>         | <b>59</b>                 | <b>-</b>         | <b>59</b>  | <b>7 309</b>            |
| 1 2 1 1 Recruitment, entering and leaving the service, transfer costs | 15                     | -                | -         | 15                   | 3                         | -                | 3          | 18                      |
| 1 2 2 1 General, specific & language training courses                 | 50                     | -                | -         | 50                   | 18                        | -                | 18         | 68                      |
| 1 2 3 1 Administrative and Medical Service - PMO and DG HR            | 120                    | -                | -         | 120                  | 24                        | -                | 24         | 144                     |
| 1 2 4 1 Social service and other intervention                         | 115                    | -                | -         | 115                  | 0                         | -                | 0          | 115                     |
| 1 2 5 1 Internal meetings, events and reception                       | 1                      | -                | -         | 1                    | 0                         | -                | 0          | 1                       |
| <b>Total Chapter 1 2</b>  | <b>301</b>             | <b>-</b>         | <b>-</b>  | <b>301</b>           | <b>45</b>                 | <b>-</b>         | <b>45</b>  | <b>346</b>              |
| <b>Total Title 1</b>  | <b>7 551</b>           | <b>-</b>         | <b>-</b>  | <b>7 551</b>         | <b>104</b>                | <b>-</b>         | <b>104</b> | <b>7 655</b>            |

## 5.2.2. Breakdown &amp; changes in payment appropriations – Title 2

EUR '000

| Item   | Budget appropriations     |                     |           |                            | Additional appropriations |                     |            | Total<br>appropri-<br>available |
|--|---------------------------|---------------------|-----------|----------------------------|---------------------------|---------------------|------------|---------------------------------|
|  | Initial budget<br>adopted | Amending<br>budgets | Transfers | Final<br>adopted<br>budget | Carry-overs               | Assigned<br>revenue | Total      |                                 |
|  | 1                         | 2                   | 3         | 4=1+2+3                    | 5                         | 6                   | 7=5+6      | 8=4+7                           |
| 2 1 1 1 Rent of building and associated costs  | 1 055                     | -                   | -         | 1 055                      | -                         | -                   | -          | 1 055                           |
| 2 1 2 1 Fitting Out  | 10                        | -                   | -         | 10                         | -                         | -                   | -          | 10                              |
| <b>Total Chapter 2 1</b>   | <b>1 065</b>              | <b>-</b>            | <b>-</b>  | <b>1 065</b>               | <b>-</b>                  | <b>-</b>            | <b>-</b>   | <b>1 065</b>                    |
| 2 2 1 1 Hardware, software and linked expenditure  | 80                        | -                   | -         | 80                         | 21                        | -                   | 21         | 101                             |
| 2 2 2 1 ICT - DG DIGIT   | 190                       | -                   | -         | 190                        | 37                        | -                   | 37         | 227                             |
| <b>Total Chapter 2 2</b>   | <b>270</b>                | <b>-</b>            | <b>-</b>  | <b>270</b>                 | <b>59</b>                 | <b>-</b>            | <b>59</b>  | <b>329</b>                      |
| 2 3 1 1 Furniture and associated expenditure   | -                         | -                   | -         | -                          | 15                        | -                   | 15         | 15                              |
| 2 3 1 2 Handling and removal services  | 60                        | -                   | -         | 60                         | -                         | -                   | -          | 60                              |
| 2 3 2 1 Office supplies, library stocks (books, newspapers,<br>technical magazines) and associated expenditure | 3                         | -                   | -         | 3                          | 3                         | -                   | 3          | 6                               |
| 2 3 3 1 Current administrative services (financial, legal<br>and insurance services)                           | 1                         | -                   | -         | 1                          | 0                         | -                   | 0          | 1                               |
| 2 3 4 1 Postal charges   | 9                         | -                   | -         | 9                          | 1                         | -                   | 1          | 10                              |
| 2 3 5 1 Other operating services   | 189                       | -                   | -         | 189                        | 52                        | -                   | 52         | 241                             |
| <b>Total Chapter 2 3</b>   | <b>262</b>                | <b>-</b>            | <b>-</b>  | <b>262</b>                 | <b>71</b>                 | <b>-</b>            | <b>71</b>  | <b>333</b>                      |
| <b>Total Title 2</b>   | <b>1 597</b>              | <b>-</b>            | <b>-</b>  | <b>1 597</b>               | <b>130</b>                | <b>-</b>            | <b>130</b> | <b>1 727</b>                    |



## 5.2.3. Breakdown &amp; changes in payment appropriations – Title 3

EUR '000

| Item  | Initial budget adopted | Budget appropriations |           |               | Final adopted budget | Additional appropriations |                  |               | Total approp. available |
|---|------------------------|-----------------------|-----------|---------------|----------------------|---------------------------|------------------|---------------|-------------------------|
|   |                        | Amending budgets      | Transfers |               |                      | Carry-overs               | Assigned revenue | Total         |                         |
|   | 1                      | 2                     | 3         | 4=1+2+3       | 5                    | 6                         | 7=5+6            | 8=4+7         |                         |
| 3 1 1 1 Meetings and information days   | 100                    | -                     | -         | 100           | 78                   | -                         | 78               | 178           |                         |
| 3 1 3 1 Missions and related expense  | 150                    | -                     | -         | 150           | 19                   | -                         | 19               | 169           |                         |
| 3 1 4 1 Data collection IT services to support programme management               | 280                    | -                     | -         | 280           | 137                  | -                         | 137              | 417           |                         |
| 3 1 4 2 Programme management specific IT systems - DG DIGIT & DG RTD              | 820                    | -                     | -         | 820           | 32                   | -                         | 32               | 852           |                         |
| 3 1 5 1 Communication, editing, publications, website and conferences             | 230                    | -                     | -         | 230           | 134                  | -                         | 134              | 364           |                         |
| 3 1 6 1 Ex-post auditing  | 190                    | -                     | -         | 190           | -                    | -                         | -                | 190           |                         |
| 3 1 7 1 Studies, consultancy, translation and other programme support expenditure | 159                    | -                     | -         | 159           | 392                  | -                         | 392              | 551           |                         |
| Total Chapter 3 1   | 1 929                  | -                     | -         | 1 929         | 793                  | -                         | 793              | 2 722         |                         |
| <b>Total Title 3</b>  | <b>1 929</b>           | <b>-</b>              | <b>-</b>  | <b>1 929</b>  | <b>793</b>           | <b>-</b>                  | <b>793</b>       | <b>2 722</b>  |                         |
| <b>GRAND TOTAL</b>  | <b>11 077</b>          | <b>-</b>              | <b>-</b>  | <b>11 077</b> | <b>1 027</b>         | <b>-</b>                  | <b>1 027</b>     | <b>12 104</b> |                         |

## 5.3. Implementation of commitment appropriations

### 5.3.1. Implementation of commitment appropriations - Title 1

EUR '000

| Item  | Total approp. available | Commitments made         |                  |                      |              |             | Appropriations carried over to 2022 |             |          | Appropriations lapsing   |                  |                      |              |
|---|-------------------------|--------------------------|------------------|----------------------|--------------|-------------|-------------------------------------|-------------|----------|--------------------------|------------------|----------------------|--------------|
|   |                         | from final adopt. budget | from carry-overs | from assign. revenue | Total        | %           | Assign. revenue                     | By decision | Total    | from final adopt. budget | from carry-overs | from assign. revenue | Total        |
|   | 1                       | 2                        | 3                | 4                    | 5=2+3+4      | 6=5/1       | 7                                   | 8           | 9=7+8    | 10                       | 11               | 12                   | 13=10+11+12  |
| 1 1 1 1 Temporary agents  | 2 800                   | 649                      | -                | -                    | 649          | 23 %        | -                                   | -           | -        | 2 151                    | -                | -                    | 2 151        |
| 1 1 2 1 Contractual agents  | 4 100                   | 993                      | -                | -                    | 993          | 24 %        | -                                   | -           | -        | 3 107                    | -                | -                    | 3 107        |
| 1 1 3 1 Interim agents and blue book trainees                         | 350                     | 81                       | -                | -                    | 81           | 23 %        | -                                   | -           | -        | 269                      | -                | -                    | 269          |
| <b>Total Chapter 1 1</b>  | <b>7 250</b>            | <b>1 723</b>             | <b>-</b>         | <b>-</b>             | <b>1 723</b> | <b>24 %</b> | <b>-</b>                            | <b>-</b>    | <b>-</b> | <b>5 527</b>             | <b>-</b>         | <b>-</b>             | <b>5 527</b> |
| 1 2 1 1 Recruitment, entering and leaving the service, transfer costs | 15                      | -                        | -                | -                    | -            | 0 %         | -                                   | -           | -        | 15                       | -                | -                    | 15           |
| 1 2 2 1 General, specific & language training courses                 | 50                      | 1                        | -                | -                    | 1            | 3 %         | -                                   | -           | -        | 49                       | -                | -                    | 49           |
| 1 2 3 1 Administrative and Medical Service - PMO and DG HR            | 120                     | 7                        | -                | -                    | 7            | 6 %         | -                                   | -           | -        | 113                      | -                | -                    | 113          |
| 1 2 4 1 Social service and other intervention                         | 115                     | 32                       | -                | -                    | 32           | 28 %        | -                                   | -           | -        | 83                       | -                | -                    | 83           |
| 1 2 5 1 Internal meetings, events and reception                       | 1                       | -                        | -                | -                    | -            | 0 %         | -                                   | -           | -        | 1                        | -                | -                    | 1            |
| <b>Total Chapter 1 2</b>  | <b>301</b>              | <b>41</b>                | <b>-</b>         | <b>-</b>             | <b>41</b>    | <b>13 %</b> | <b>-</b>                            | <b>-</b>    | <b>-</b> | <b>261</b>               | <b>-</b>         | <b>-</b>             | <b>261</b>   |
| <b>Total Title 1</b>  | <b>7 551</b>            | <b>1 764</b>             | <b>-</b>         | <b>-</b>             | <b>1 764</b> | <b>23 %</b> | <b>-</b>                            | <b>-</b>    | <b>-</b> | <b>5 787</b>             | <b>-</b>         | <b>-</b>             | <b>5 787</b> |

## 5.3.2. Implementation of commitment appropriations - Title 2

EUR '000

| Item  | Total approp. available | Commitments made         |                  |                      |          |            | Appropriations carried over to 2022 |             |          | Appropriations lapsing   |                  |                      |              |
|---|-------------------------|--------------------------|------------------|----------------------|----------|------------|-------------------------------------|-------------|----------|--------------------------|------------------|----------------------|--------------|
|   |                         | from final adopt. budget | from carry-overs | from assign. revenue | Total    | %          | Assign. revenue                     | By decision | Total    | from final adopt. budget | from carry-overs | from assign. revenue | Total        |
|   | 1                       | 2                        | 3                | 4                    | 5=2+3+4  | 6=5/1      | 7                                   | 8           | 9=7+8    | 10                       | 11               | 12                   | 13=10+11+12  |
| 2 1 1 1 Rent of building and associated costs   | 1 055                   | -                        | -                | -                    | -        | 0 %        | -                                   | -           | -        | 1 055                    | -                | -                    | 1 055        |
| 2 1 2 1 Fitting Out   | 10                      | -                        | -                | -                    | -        | 0 %        | -                                   | -           | -        | 10                       | -                | -                    | 10           |
| <b>Total Chapter 2 1</b>  | <b>1 065</b>            | <b>-</b>                 | <b>-</b>         | <b>-</b>             | <b>-</b> | <b>0 %</b> | <b>-</b>                            | <b>-</b>    | <b>-</b> | <b>1 065</b>             | <b>-</b>         | <b>-</b>             | <b>1 065</b> |
| 2 2 1 1 Hardware, software and linked expenditure   | 80                      | 1                        | -                | -                    | 1        | 1 %        | -                                   | -           | -        | 79                       | -                | -                    | 79           |
| 2 2 2 1 ICT - DG DIGIT  | 190                     | 1                        | -                | -                    | 1        | 1 %        | -                                   | -           | -        | 189                      | -                | -                    | 189          |
| <b>Total Chapter 2 2</b>  | <b>270</b>              | <b>2</b>                 | <b>-</b>         | <b>-</b>             | <b>2</b> | <b>1 %</b> | <b>-</b>                            | <b>-</b>    | <b>-</b> | <b>268</b>               | <b>-</b>         | <b>-</b>             | <b>268</b>   |
| 2 3 1 2 Handling and removal services   | 60                      | -                        | -                | -                    | -        | 0 %        | -                                   | -           | -        | 60                       | -                | -                    | 60           |
| 2 3 2 1 Office supplies, library stocks (books, newspapers, technical magazines) and associated expenditure | 3                       | 1                        | -                | -                    | 1        | 49 %       | -                                   | -           | -        | 2                        | -                | -                    | 2            |
| 2 3 3 1 Current administrative services (financial, legal and insurance services)                           | 1                       | -                        | -                | -                    | -        | 0 %        | -                                   | -           | -        | 1                        | -                | -                    | 1            |
| 2 3 4 1 Postal charges  | 9                       | -                        | -                | -                    | -        | 0 %        | -                                   | -           | -        | 9                        | -                | -                    | 9            |
| 2 3 5 1 Other operating services  | 189                     | 1                        | -                | -                    | 1        | 1 %        | -                                   | -           | -        | 188                      | -                | -                    | 188          |
| <b>Total Chapter 2 3</b>  | <b>262</b>              | <b>2</b>                 | <b>-</b>         | <b>-</b>             | <b>2</b> | <b>1 %</b> | <b>-</b>                            | <b>-</b>    | <b>-</b> | <b>259</b>               | <b>-</b>         | <b>-</b>             | <b>259</b>   |
| <b>Total Title 2</b>  | <b>1 597</b>            | <b>4</b>                 | <b>-</b>         | <b>-</b>             | <b>4</b> | <b>0 %</b> | <b>-</b>                            | <b>-</b>    | <b>-</b> | <b>1 593</b>             | <b>-</b>         | <b>-</b>             | <b>1 593</b> |

## 5.3.3. Implementation of commitment appropriations - Title 3

EUR '000

| Item   | Total approp. available | Commitments made         |                  |                      |              |             | Appropriations carried over to 2022 |             |          | Appropriations lapsing   |                  |                      |              |
|--|-------------------------|--------------------------|------------------|----------------------|--------------|-------------|-------------------------------------|-------------|----------|--------------------------|------------------|----------------------|--------------|
|  |                         | from final adopt. budget | from carry-overs | from assign. revenue | Total        | %           | Assign. revenue                     | By decision | Total    | from final adopt. budget | from carry-overs | from assign. revenue | Total        |
|  | 1                       | 2                        | 3                | 4                    | 5=2+3+4      | 6=5/1       | 7                                   | 8           | 9=7+8    | 10                       | 11               | 12                   | 13=10+11+12  |
| 3 1 1 1 Meetings and information days  | 100                     | 1                        | -                | -                    | 1            | 1 %         | -                                   | -           | -        | 99                       | -                | -                    | 99           |
| 3 1 3 1 Missions and related expense   | 150                     | 1                        | -                | -                    | 1            | 1 %         | -                                   | -           | -        | 149                      | -                | -                    | 149          |
| 3 1 4 1 Data collection IT services to support programme management                                | 280                     | 1                        | -                | -                    | 1            | 0 %         | -                                   | -           | -        | 279                      | -                | -                    | 279          |
| 3 1 4 2 Programme management specific IT systems - DG DIGIT & DG RTD                               | 820                     | 1                        | -                | -                    | 1            | 0 %         | -                                   | -           | -        | 819                      | -                | -                    | 819          |
| 3 1 5 1 Communication, editing, publications, website and conferences                              | 230                     | 14                       | -                | -                    | 14           | 6 %         | -                                   | -           | -        | 216                      | -                | -                    | 216          |
| 3 1 6 1 Ex-post auditing Studies, consultancy, translation and other programme support expenditure | 190                     | -                        | -                | -                    | -            | 0 %         | -                                   | -           | -        | 190                      | -                | -                    | 190          |
| 3 1 7 1 translation and other programme support expenditure  | 159                     | -                        | -                | -                    | -            | 0 %         | -                                   | -           | -        | 159                      | -                | -                    | 159          |
| <b>Total Chapter 3 1</b>   | <b>1 929</b>            | <b>18</b>                | <b>-</b>         | <b>-</b>             | <b>18</b>    | <b>1 %</b>  | <b>-</b>                            | <b>-</b>    | <b>-</b> | <b>1 911</b>             | <b>-</b>         | <b>-</b>             | <b>1 911</b> |
| <b>Total Title 3</b>   | <b>1 929</b>            | <b>18</b>                | <b>-</b>         | <b>-</b>             | <b>18</b>    | <b>1 %</b>  | <b>-</b>                            | <b>-</b>    | <b>-</b> | <b>1 911</b>             | <b>-</b>         | <b>-</b>             | <b>1 911</b> |
| <b>GRAND TOTAL</b>   | <b>11 077</b>           | <b>1 787</b>             | <b>-</b>         | <b>-</b>             | <b>1 787</b> | <b>16 %</b> | <b>-</b>                            | <b>-</b>    | <b>-</b> | <b>9 291</b>             | <b>-</b>         | <b>-</b>             | <b>9 291</b> |

## 5.4. Implementation of payment appropriations

### 5.4.1. Implementation of payment appropriations - Title 1

EUR '000

| Item  | Total approp. availab. | Payments made            |                  |                      |              |             | Appropriations carried over to 2022 |             |               |          |                          | Appropriations lapsing |                   |              |  |
|---|------------------------|--------------------------|------------------|----------------------|--------------|-------------|-------------------------------------|-------------|---------------|----------|--------------------------|------------------------|-------------------|--------------|--|
|   |                        | from final adopt. budget | from carry-overs | from assign. revenue | Total        | %           | Autom. carry-overs                  | By decision | Assigned rev. | Total    | from final adopt. budget | from carry-overs       | from assign. rev. | Total        |  |
|   | 1                      | 2                        | 3                | 4                    | 5=2+3+4      | 6=5/1       | 7                                   | 8           | 9             | 10=7+8+9 | 11                       | 12                     | 13                | 14=11+12+13  |  |
| 1 1 1 1 Temporary agents  | 2 800                  | 649                      | -                | -                    | 649          | 23 %        | -                                   | -           | -             | -        | 2 151                    | -                      | -                 | 2 151        |  |
| 1 1 2 1 Contractual agents  | 4 100                  | 993                      | -                | -                    | 993          | 24 %        | -                                   | -           | -             | -        | 3 107                    | -                      | -                 | 3 107        |  |
| 1 1 3 1 Interim agents and blue book trainees                         | 409                    | 81                       | 39               | -                    | 120          | 29 %        | -                                   | -           | -             | -        | 269                      | 20                     | -                 | 289          |  |
| <b>Total Chapter 1 1</b>  | <b>7 309</b>           | <b>1 723</b>             | <b>39</b>        | <b>-</b>             | <b>1 762</b> | <b>24 %</b> | <b>-</b>                            | <b>-</b>    | <b>-</b>      | <b>-</b> | <b>5 527</b>             | <b>20</b>              | <b>-</b>          | <b>5 547</b> |  |
| 1 2 1 1 Recruitment, entering and leaving the service, transfer costs | 18                     | -                        | 0                | -                    | 0            | 0 %         | -                                   | -           | -             | -        | 15                       | 2                      | -                 | 17           |  |
| 1 2 2 1 General, specific & language training courses                 | 68                     | 1                        | -                | -                    | 1            | 2 %         | -                                   | -           | -             | -        | 49                       | 18                     | -                 | 67           |  |
| 1 2 3 1 Administrative and Medical Service - PMO and DG HR            | 144                    | 7                        | 3                | -                    | 11           | 7 %         | -                                   | -           | -             | -        | 113                      | 21                     | -                 | 133          |  |
| 1 2 4 1 Social service and other intervention Internal                | 115                    | 32                       | 0                | -                    | 32           | 28 %        | -                                   | -           | -             | -        | 83                       | -                      | -                 | 83           |  |
| 1 2 5 1 meetings, events and reception                                | 1                      | -                        | -                | -                    | -            | 0 %         | -                                   | -           | -             | -        | 1                        | 0                      | -                 | 1            |  |
| <b>Total Chapter 1 2</b>  | <b>346</b>             | <b>41</b>                | <b>4</b>         | <b>-</b>             | <b>44</b>    | <b>13 %</b> | <b>-</b>                            | <b>-</b>    | <b>-</b>      | <b>-</b> | <b>261</b>               | <b>41</b>              | <b>-</b>          | <b>302</b>   |  |
| <b>Total Title 1</b>  | <b>7 655</b>           | <b>1 764</b>             | <b>43</b>        | <b>-</b>             | <b>1 806</b> | <b>24 %</b> | <b>-</b>                            | <b>-</b>    | <b>-</b>      | <b>-</b> | <b>5 787</b>             | <b>62</b>              | <b>-</b>          | <b>5 849</b> |  |

## 5.4.2. Implementation of payment appropriations - Title 2

EUR '000

| Item  | Total approp. availab. | Payments made            |                  |                      |           |             | Appropriations carried over to 2022 |             |               |          |                          | Appropriations lapsing |                   |              |  |
|---|------------------------|--------------------------|------------------|----------------------|-----------|-------------|-------------------------------------|-------------|---------------|----------|--------------------------|------------------------|-------------------|--------------|--|
|   |                        | from final adopt. budget | from carry-overs | from assign. revenue | Total     | %           | Autom. carry-overs                  | By decision | Assigned rev. | Total    | from final adopt. budget | from carry-overs       | from assign. rev. | Total        |  |
|   | 1                      | 2                        | 3                | 4                    | 5=2+3+4   | 6=5/1       | 7                                   | 8           | 9             | 10=7+8+9 | 11                       | 12                     | 13                | 14=11+12+13  |  |
| 2 1 1 1 Rent of building and associated costs   | 1 055                  | -                        | -                | -                    | -         | 0 %         | -                                   | -           | -             | -        | 1 055                    | -                      | -                 | 1 055        |  |
| 2 1 2 1 Fitting Out   | 10                     | -                        | -                | -                    | -         | 0 %         | -                                   | -           | -             | -        | 10                       | -                      | -                 | 10           |  |
| <b>Total Chapter 2 1</b>  | <b>1 065</b>           | <b>-</b>                 | <b>-</b>         | <b>-</b>             | <b>-</b>  | <b>0 %</b>  | <b>-</b>                            | <b>-</b>    | <b>-</b>      | <b>-</b> | <b>1 065</b>             | <b>-</b>               | <b>-</b>          | <b>1 065</b> |  |
| 2 2 1 1 Hardware, software and linked expenditure   | 101                    | 1                        | 8                | -                    | 9         | 9 %         | -                                   | -           | -             | -        | 79                       | 13                     | -                 | 93           |  |
| 2 2 2 1 ICT - DG DIGIT  | 227                    | 1                        | -                | -                    | 1         | 1 %         | -                                   | -           | -             | -        | 189                      | 37                     | -                 | 226          |  |
| <b>Total Chapter 2 2</b>  | <b>329</b>             | <b>2</b>                 | <b>8</b>         | <b>-</b>             | <b>10</b> | <b>3 %</b>  | <b>-</b>                            | <b>-</b>    | <b>-</b>      | <b>-</b> | <b>268</b>               | <b>50</b>              | <b>-</b>          | <b>319</b>   |  |
| 2 3 1 1 Furniture and associated expenditure  | 15                     | -                        | 8                | -                    | 8         | 52 %        | -                                   | -           | -             | -        | -                        | 7                      | -                 | 7            |  |
| 2 3 1 2 Handling and removal services   | 60                     | -                        | -                | -                    | -         | 0 %         | -                                   | -           | -             | -        | 60                       | -                      | -                 | 60           |  |
| 2 3 2 1 Office supplies, library stocks (books, newspapers, technical magazines) and associated expenditure | 6                      | 1                        | -                | -                    | 1         | 24 %        | -                                   | -           | -             | -        | 2                        | 3                      | -                 | 5            |  |
| 2 3 3 1 Current administrative services (financial, legal and insurance services)                           | 1                      | -                        | -                | -                    | -         | 0 %         | -                                   | -           | -             | -        | 1                        | 0                      | -                 | 1            |  |
| 2 3 4 1 Postal charges  | 10                     | -                        | -                | -                    | -         | 0 %         | -                                   | -           | -             | -        | 9                        | 1                      | -                 | 10           |  |
| 2 3 5 1 Other operating services  | 241                    | 1                        | 35               | -                    | 36        | 15 %        | -                                   | -           | -             | -        | 188                      | 17                     | -                 | 205          |  |
| <b>Total Chapter 2 3</b>  | <b>333</b>             | <b>2</b>                 | <b>43</b>        | <b>-</b>             | <b>45</b> | <b>14 %</b> | <b>-</b>                            | <b>-</b>    | <b>-</b>      | <b>-</b> | <b>259</b>               | <b>29</b>              | <b>-</b>          | <b>288</b>   |  |
| <b>Total Title 2</b>  | <b>1 727</b>           | <b>4</b>                 | <b>51</b>        | <b>-</b>             | <b>55</b> | <b>3 %</b>  | <b>-</b>                            | <b>-</b>    | <b>-</b>      | <b>-</b> | <b>1 593</b>             | <b>79</b>              | <b>-</b>          | <b>1 672</b> |  |

## 5.4.3. Implementation of payment appropriations - Title 3

EUR '000

| Item  | Total approp. availab. | Payments made            |                  |                      |              |             | Appropriations carried over to 2022 |             |               |          |                          | Appropriations lapsing |                   |              |  |
|---|------------------------|--------------------------|------------------|----------------------|--------------|-------------|-------------------------------------|-------------|---------------|----------|--------------------------|------------------------|-------------------|--------------|--|
|   |                        | from final adopt. budget | from carry-overs | from assign. revenue | Total        | %           | Autom. carry-overs                  | By decision | Assigned rev. | Total    | from final adopt. budget | from carry-overs       | from assign. rev. | Total        |  |
|   | 1                      | 2                        | 3                | 4                    | 5=2+3+4      | 6=5/1       | 7                                   | 8           | 9             | 10=7+8+9 | 11                       | 12                     | 13                | 14=11+12+13  |  |
| 3 1 1 1 Meetings and information days                                 | 178                    | 1                        | 46               | -                    | 47           | 26 %        | -                                   | -           | -             | -        | 99                       | 33                     | -                 | 131          |  |
| 3 1 3 1 Missions and related expense                                  | 169                    | 1                        | -                | -                    | 1            | 1 %         | -                                   | -           | -             | -        | 149                      | 19                     | -                 | 168          |  |
| 3 1 4 1 Data collection IT services to support programme management   | 417                    | 1                        | 64               | -                    | 65           | 16 %        | -                                   | -           | -             | -        | 279                      | 72                     | -                 | 351          |  |
| 3 1 4 2 Programme management specific IT systems - DG DIGIT & DG RTD  | 852                    | 1                        | -                | -                    | 1            | 0 %         | -                                   | -           | -             | -        | 819                      | 32                     | -                 | 851          |  |
| 3 1 5 1 Communication, editing, publications, website and conferences | 364                    | 14                       | 63               | -                    | 76           | 21 %        | -                                   | -           | -             | -        | 216                      | 72                     | -                 | 288          |  |
| 3 1 6 1 Ex-post auditing Studies, consultancy, translation and other  | 190                    | -                        | -                | -                    | -            | 0 %         | -                                   | -           | -             | -        | 190                      | -                      | -                 | 190          |  |
| 3 1 7 1 programme support expenditure                                 | 551                    | -                        | 363              | -                    | 363          | 66 %        | -                                   | -           | -             | -        | 159                      | 29                     | -                 | 188          |  |
| <b>Total Chapter 3 1</b>  | <b>2 722</b>           | <b>18</b>                | <b>535</b>       | <b>-</b>             | <b>554</b>   | <b>20 %</b> | <b>-</b>                            | <b>-</b>    | <b>-</b>      | <b>-</b> | <b>1 911</b>             | <b>258</b>             | <b>-</b>          | <b>2 168</b> |  |
| <b>Total Title 3</b>  | <b>2 722</b>           | <b>18</b>                | <b>535</b>       | <b>-</b>             | <b>554</b>   | <b>20 %</b> | <b>-</b>                            | <b>-</b>    | <b>-</b>      | <b>-</b> | <b>1 911</b>             | <b>258</b>             | <b>-</b>          | <b>2 168</b> |  |
| <b>GRAND TOTAL</b>  | <b>12 104</b>          | <b>1 787</b>             | <b>628</b>       | <b>-</b>             | <b>2 415</b> | <b>20 %</b> | <b>-</b>                            | <b>-</b>    | <b>-</b>      | <b>-</b> | <b>9 291</b>             | <b>398</b>             | <b>-</b>          | <b>9 689</b> |  |

## 6. OUTSTANDING COMMITMENTS

### 6.1. Outstanding commitments – Title 1

EUR '000

| Item  | Commitments outstanding at the end of previous year      |  |               |            | Commitments of the current year             |               |   |  | Total<br>commitm.<br>outstanding<br>at year-end |
|---|--|--|---------------|------------|---|---------------|---|--|---|
|   | Commitm.<br>carried for-<br>ward from pre-<br>vious year | Decommit.<br>Revaluation<br>Cancel-<br>lations | Pay-<br>ments | Total      | Commit-<br>ments made<br>during the<br>year | Pay-<br>ments | Cancel-<br>lation<br>of commit.<br>which cannot be<br>carried forward | Commit.<br>outstand-<br>ing at<br>year-end |   |
|   | 1  | 2  | 3             | 4=1+2-3    | 5   | 6             | 7   | 8=5-6-7                                    |   |
| 1 1 1 1 Temporary agents  | -  | -  | -             | -          | 649   | 649           | -   | -  | -   |
| 1 1 2 1 Contractual agents  | -  | -  | -             | -          | 993   | 993           | -   | -  | -   |
| 1 1 3 1 Interim agents and blue book trainees                         | 59   | (20)   | 39            | -          | 81  | 81            | -   | -  | -   |
| <b>Total Chapter 1 1</b>  | <b>59</b>  | <b>(20)</b>                                    | <b>39</b>     | <b>-</b>   | <b>1 723</b>                                | <b>1 723</b>  | <b>-</b>  | <b>-</b>                                   | <b>-</b>  |
| 1 2 1 1 Recruitment, entering and leaving the service, transfer costs | 3  | (2)  | 0             | (0)        | -   | -             | -   | -  | (0)   |
| 1 2 2 1 General, specific & language training courses                 | 18   | (18)   | -             | -          | 1   | 1             | -   | -  | -   |
| 1 2 3 1 Administrative and Medical Service - PMO and DG HR            | 24   | (21)   | 3             | -          | 7   | 7             | -   | -  | -   |
| 1 2 4 1 Social service and other intervention                         | 0  | -  | 0             | -          | 32  | 32            | -   | -  | -   |
| 1 2 5 1 Internal meetings, events and reception                       | 0  | (0)  | -             | -          | -   | -             | -   | -  | -   |
| <b>Total Chapter 1 2</b>  | <b>45</b>  | <b>(41)</b>                                    | <b>4</b>      | <b>(0)</b> | <b>41</b>                                   | <b>41</b>     | <b>-</b>  | <b>-</b>                                   | <b>(0)</b>                                      |
| <b>Total Title 1</b>  | <b>104</b>   | <b>(62)</b>                                    | <b>43</b>     | <b>(0)</b> | <b>1 764</b>                                | <b>1 764</b>  | <b>-</b>  | <b>-</b>                                   | <b>(0)</b>                                      |



## 6.2. Outstanding commitments – Title 2

EUR '000

| Item  | Commitments outstanding at the end of previous year |                                     |           |          | Commitments of the current year   |           |  |                                  | Total commitm. outstanding at year-end |
|---|---|-------------------------------------|-----------|----------|-----------------------------------|-----------|--|----------------------------------|--|
|   | Commitm. carried forward from previous year         | Decommit. Revaluation Cancellations | Pay-ments | Total    | Commit-ments made during the year | Pay-ments | Cancel-lation of commit. which cannot be carried forward | Commit. outstand-ing at year-end |  |
|   | 1   | 2                                   | 3         | 4=1+2-3  | 5                                 | 6         | 7  | 8=5-6-7                          | 9=4+8                                  |
| 2 2 1 1 Hardware, software and linked expenditure   | 21  | (13)                                | 8         | -        | 1                                 | 1         | -  | -                                | -                                      |
| 2 2 2 1 ICT - DG DIGIT  | 37  | (37)                                | -         | -        | 1                                 | 1         | -  | -                                | -                                      |
| <b>Total Chapter 2 2</b>  | <b>59</b>   | <b>(50)</b>                         | <b>8</b>  | <b>-</b> | <b>2</b>                          | <b>2</b>  | <b>-</b>   | <b>-</b>                         | <b>-</b>                               |
| 2 3 1 1 Furniture and associated expenditure  | 15  | (7)                                 | 8         | -        | -                                 | -         | -  | -                                | -                                      |
| 2 3 2 1 Office supplies, library stocks (books, newspapers, technical magazines) and associated expenditure | 3   | (3)                                 | -         | -        | 1                                 | 1         | -  | -                                | -                                      |
| 2 3 3 1 Current administrative services (financial, legal and insurance services)                           | 0   | (0)                                 | -         | -        | -                                 | -         | -  | -                                | -                                      |
| 2 3 4 1 Postal charges  | 1   | (1)                                 | -         | -        | -                                 | -         | -  | -                                | -                                      |
| 2 3 5 1 Other operating services  | 52  | (17)                                | 35        | -        | 1                                 | 1         | -  | -                                | -                                      |
| <b>Total Chapter 2 3</b>  | <b>71</b>   | <b>(29)</b>                         | <b>43</b> | <b>-</b> | <b>2</b>                          | <b>2</b>  | <b>-</b>   | <b>-</b>                         | <b>-</b>                               |
| <b>Total Title 2</b>  | <b>130</b>  | <b>(79)</b>                         | <b>51</b> | <b>-</b> | <b>4</b>                          | <b>4</b>  | <b>-</b>   | <b>-</b>                         | <b>-</b>                               |

### 6.3. Outstanding commitments – Title 3

EUR '000

| Item  | Commitments outstanding at the end of previous year |                                     |            |            | Commitments of the current year   |              |  |                                  | Total commitm. outstanding at year-end |
|---|---|-------------------------------------|------------|------------|-----------------------------------|--------------|--|----------------------------------|--|
|   | Commitm. carried forward from previous year         | Decommit. Revaluation Cancellations | Pay-ments  | Total      | Commit-ments made during the year | Pay-ments    | Cancel-lation of commit. which cannot be carried forward | Commit. outstand-ing at year-end |  |
|   | 1   | 2                                   | 3          | 4=1+2-3    | 5                                 | 6            | 7  | 8=5-6-7                          | 9=4+8                                  |
| 3 1 1 1 Meetings and information days   | 78  | (33)                                | 46         | -          | 1                                 | 1            | -  | -                                | -                                      |
| 3 1 3 1 Missions and related expense  | 19  | (19)                                | -          | -          | 1                                 | 1            | -  | -                                | -                                      |
| 3 1 4 1 Data collection IT services to support programme management               | 137   | (72)                                | 64         | -          | 1                                 | 1            | -  | -                                | -                                      |
| 3 1 4 2 Programme management specific IT systems - DG DIGIT & DG RTD              | 32  | (32)                                | -          | -          | 1                                 | 1            | -  | -                                | -                                      |
| 3 1 5 1 Communication, editing, publications, website and conferences             | 134   | (72)                                | 63         | -          | 14                                | 14           | -  | -                                | -                                      |
| 3 1 7 1 Studies, consultancy, translation and other programme support expenditure | 392   | (29)                                | 363        | -          | -                                 | -            | -  | -                                | -                                      |
| <b>Total Chapter 3 1</b>  | <b>793</b>  | <b>(258)</b>                        | <b>535</b> | <b>-</b>   | <b>18</b>                         | <b>18</b>    | <b>-</b>   | <b>-</b>                         | <b>-</b>                               |
| <b>Total Title 3</b>  | <b>793</b>  | <b>(258)</b>                        | <b>535</b> | <b>-</b>   | <b>18</b>                         | <b>18</b>    | <b>-</b>   | <b>-</b>                         | <b>-</b>                               |
| <b>GRAND TOTAL</b>  | <b>1 027</b>  | <b>(398)</b>                        | <b>628</b> | <b>(0)</b> | <b>1 787</b>                      | <b>1 787</b> | <b>-</b>   | <b>-</b>                         | <b>(0)</b>                             |

## **7. GLOSSARY**

### **Administrative appropriations**

Appropriations to cover the running costs of the entities (staff, buildings, office equipment).

### **Adopted budget**

Draft budget becomes the adopted budget as soon as approved by the budgetary authority.

### **Amending budget**

Decision adopted during the budget year to amend (increase, decrease, transfer) aspects of the adopted budget of that year.

### **Appropriations**

Budget funding.

The budget forecasts both commitments (legal pledges to provide finance) and payments (cash or bank transfers to the beneficiaries). Appropriations for commitments and payments often differ — differentiated appropriations — because multiannual programmes and projects are usually fully committed in the year they are decided and are paid over the years as the implementation of the programme and project progresses.

### **Assigned revenue**

Revenue dedicated to finance specific items of expenditure.

### **Budget result**

The difference between income received and amounts paid, including adjustments for carry-overs, cancellations and exchange rate differences.

For agencies, the resulting amount will have to be reimbursed to the funding authority.

### **Budget implementation**

Consumption of the budget through expenditure and revenue operations.

### **Budget item / Budget line / Budget position**

Revenue and expenditure are shown in the budget structure in accordance with a binding nomenclature, which reflects the nature and purpose of each item, as imposed by the budgetary authority. The individual headings (title, chapter, article or item) provide a formal description of the nomenclature.

### **Budgetary commitment**

Operation by which the authorising officer responsible reserves the budget appropriations necessary to cover for subsequent payments to honour legal commitments.

### **Cancellation of appropriations**

Appropriations which have not been used by the end of the financial year and which cannot be carried over, shall be cancelled.

### **Carryover of appropriations**

Exception to the principle of annuality in so far as appropriations that could not be used in a given budget year may, under strict conditions, be exceptionally carried over for use during the following year.

## **Commitment appropriations**

Commitment appropriations cover the total value of legal obligations (contracts, grant agreements or decisions) that could be signed in the current financial year.

## **De-commitment**

Operation whereby the authorising officer responsible cancels wholly or partly the reservation of appropriations previously made by means of a budgetary commitment.

## **Differentiated appropriations**

Differentiated appropriations are used to finance multiannual operations; they cover, for the current financial year, the total cost of the legal obligations entered into for operations whose implementation extends over more than one financial year.

## **Economic result**

Impact on the balance sheet of expenditure and revenue based on accrual accounting rules.

## **Entitlements established**

Right to collect income from a debtor as recognised through the issuing of a recovery order.

## **Exchange rate difference**

The difference resulting from currency exchange rates applied to the transactions concerning countries outside the euro area, or from the revaluation of assets and liabilities in foreign currencies at the date of the accounts.

## **Expenditure**

Term used to describe spending the budget from all types of funds sources.

## **Grants**

Direct financial contributions from the budget to third-party beneficiaries, engaged in activities that serve Union policies.

## **Lapsing appropriations**

Unused appropriations to be cancelled at the end of the financial year. Lapsing means the cancellation of all or part of the authorisation to make expenditures and/or incur liabilities, as represented by an appropriation.

For joint undertakings (and EIT), as specified in their Financial Rules, any unused appropriations may be entered in the estimate of revenue and expenditure of up to the following three financial years (the so-called "N+3" rule). Hence, lapsing appropriations for JUs can be re-activated until financial year "N+3".

## **Legal basis / basic act**

The legal act adopted by the legislative authority (usually the Council and European Parliament) specifying the objective of a Union spending programme, the purpose of the appropriations, the rules for intervention, expiry date and the relevant financial rules to serve as a legal basis for the implementation of the spending programme.

## **Legal commitment**

The act whereby the Authorising Officer enters into an obligation towards third parties which results in a charge for the Union budget.

Common forms of legal commitments are contracts in the case of procurement, grant agreements and grant decisions.

### **Non-differentiated appropriations**

Appropriations which meet annual needs and must therefore be committed during the budget year. Only amounts qualifying for automatic carryover can be disbursed in the following year. Non-differentiated appropriations which have not been used, i.e. committed, by the end of the year, are cancelled (unless, exceptionally, permission is given by a Commission decision for a non-automatic carryover). Non-differentiated appropriations apply to administrative expenditure and commitment appropriations equal payment appropriations.

### **Operational appropriations**

Operational appropriations finance the different policies, mainly in the form of grants or procurement.

### **Outstanding commitments**

Outstanding commitments (or RAL, from the French 'reste à liquider') are defined as the amount of appropriations committed that have not yet been paid. They stem directly from the existence of multiannual programmes and the dissociation between commitment and payment appropriations.

### **Payment appropriations**

Payment appropriations cover expenditure due in the current year, arising from legal commitments entered in the current year and/or earlier years.

### **RAL (Reste à liquider)**

Amount remaining to be paid on a budgetary commitment at a given moment. Cf. Outstanding commitments

### **Surplus**

Positive difference between revenue and expenditure, which has to be returned to the funding authority. Cf. Budget result

### **Transfer between budget lines**

Transfers between budget lines imply the relocation of appropriations from one budget line to another, in the course of the financial year, and thereby they constitute an exception to the budgetary principle of specification.