

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

PART ONE

FINANCIAL REGULATION

TITLE IV

BUDGET IMPLEMENTATION

CHAPTER 4

Financial actors

Section 3

Accounting officer

Article 77

Powers and duties of the accounting officer

1 Each Union institution shall appoint an accounting officer who shall be responsible in that institution for the following:

- a properly implementing payments, collecting revenue and recovering amounts established as being receivable;
- b preparing and presenting the accounts in accordance with Title XIII;
- c keeping the accounts in accordance with Articles 82 and 84;
- d laying down the accounting rules, procedures and the chart of accounts, in accordance with Articles 80 to 84;
- e laying down and validating the accounting systems and, where appropriate, validating systems laid down by the authorising officer to supply or justify accounting information;
- f treasury management.

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

2 The responsibilities of the accounting officer of the EEAS shall concern only the section of the budget relating to the EEAS as implemented by the EEAS. The accounting officer of the Commission shall remain responsible for the entire section of the budget relating to the

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Commission, including accounting operations relating to appropriations subdelegated to Heads of Union delegations.

The accounting officer of the Commission shall also act as the accounting officer of the EEAS in respect of the implementation of the section of the budget relating to the EEAS.

Article 78

Appointment and termination of duties of the accounting officer

1 Each Union institution shall appoint an accounting officer from officials subject to the Staff Regulations.

The accounting officer shall be chosen by the Union institution on the grounds of his or her particular competence as evidenced by diplomas or by equivalent professional experience.

2 Two or more Union institutions or bodies may appoint the same accounting officer.

In such case, they shall make the necessary arrangements in order to avoid any conflict of interests.

3 A trial balance shall be drawn up without delay in the event of termination of the duties of the accounting officer.

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

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

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

Article 79

Powers which may be delegated by the accounting officer

The accounting officer may, in the performance of his or her duties, delegate certain tasks to subordinate staff and to imprest administrators appointed in accordance with Article 89(1).

The instrument of delegation shall set out those tasks.

Article 80

Accounting rules

1 The accounting rules to be applied by Union institutions, European offices and the agencies and Union bodies referred to in Section 2 of Chapter 3 of this Title shall be based on internationally accepted accounting standards for the public sector. Those rules shall be adopted by the accounting officer of the Commission following consultation with the accounting officers of other Union institutions, European offices and Union bodies.

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2 The accounting officer may deviate from the standards referred to in paragraph 1 if he or she considers this necessary in order to give a fair presentation of the assets and liabilities, charges, income and cash flow. Where an accounting rule diverges materially from those standards, the notes to the financial statements shall disclose that fact and the reasons for it.

3 The accounting rules referred to in paragraph 1 shall lay down the structure and content of the financial statements, as well as the accounting principles underlying the accounts.

4 The budget implementation reports referred to in Article 241 shall respect the budgetary principles laid down in this Regulation. They shall provide a detailed record of budget implementation. They shall record all revenue and expenditure operations provided for in this Title and give a fair presentation thereon.

Article 81

Organisation of the accounts

1 The accounting officer of each Union institution or body shall draw up and keep updated documents describing the organisation of the accounts and the accounting procedures of his or her Union institution or body.

2 Revenue and expenditure shall be recorded in a computerised system according to the economic nature of the operation, as current revenue or expenditure or as capital.

Article 82

Keeping the accounts

1 The accounting officer of the Commission shall be responsible for laying down the harmonised charts of accounts to be applied by Union institutions, by European offices and by the agencies and Union bodies referred to in Section 2 of Chapter 3 of this Title.

2 The accounting officers shall obtain from authorising officers all the information necessary for the production of accounts which give a fair presentation of the financial situation of Union institutions and of budget implementation. The authorising officers shall guarantee the reliability of that information.

3 Before the adoption of the accounts by the Union institution or the Union body referred to in Article 70, the accounting officer shall sign them off, thereby certifying that he or she has reasonable assurance that the accounts give a fair presentation of the financial situation of the Union institution or the Union body referred to in Article 70.

For that purpose, the accounting officer shall verify that the accounts have been prepared in accordance with the accounting rules referred to in Article 80, and the accounting procedures referred to in point (d) of the first subparagraph of Article 77(1), and that all revenue and expenditure is entered in the accounts.

4 The authorising officer by delegation shall, in accordance with the rules adopted by the accounting officer, send the accounting officer any financial and management information required for the performance of the accounting officer's duties.

The accounting officer shall be informed, regularly and at least for the closure of the accounts, by the authorising officer of the relevant financial data of the fiduciary bank

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accounts in order to allow the use of Union funds to be reflected in the accounts of the Union.

The authorising officers shall remain fully responsible for the proper use of the funds they manage, the legality and regularity of the expenditure under their control and the completeness and accuracy of the information sent to the accounting officer.

5 The authorising officer responsible shall notify the accounting officer of all developments or significant modifications of a financial management system, an inventory system or a system for the valuation of assets and liabilities, if it provides data for the accounts of the Union institution or is used to substantiate data thereof, so that the accounting officer can verify compliance with the validation criteria.

At any time, the accounting officer may re-examine a financial management system already validated and may request that the authorising officer responsible establishes an action plan in order to correct, in due time, possible weaknesses.

The authorising officer shall be responsible for the completeness of information sent to the accounting officer.

6 The accounting officer shall be empowered to check the information received as well as to carry out any further checks he or she deems necessary in order to sign off the accounts.

The accounting officer shall, if necessary, make reservations, explaining exactly the nature and scope of such reservations.

7 A Union institution's accounting system shall serve to organise the budgetary and financial information in such a way that figures can be entered, filed and registered.

8 The accounting system shall consist of general accounts and budget accounts. The accounts shall be kept in euro and on the basis of the calendar year.

9 The authorising officer by delegation may also keep detailed management accounts.

10 Supporting documents for the accounting system and for the preparation of the accounts referred to in Article 241 shall be kept for at least five years from the date on which the European Parliament gives discharge for the financial year to which the documents relate.

However, documents relating to operations not definitively closed shall be kept until the end of the year following that in which the operations are closed. Article 37(2) of Regulation (EC) No 45/2001 shall apply to the conservation of traffic data.

Each Union institution shall decide in which department the supporting documents are to be kept.

Article 83

Content and keeping of budget accounts

1 The budget accounts shall for each subdivision of the budget show:

a in the case of expenditure:

- (i) the appropriations authorised in the budget, including the appropriations entered in amending budgets, the appropriations carried over, the appropriations available following collection of assigned revenue, transfers of appropriations and the total appropriations available;

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- (ii) the commitment appropriations and payment appropriations in respect of the financial year;
- b in the case of revenue:
 - (i) the estimates entered in the budget, including the estimates entered in amending budgets, assigned revenue and the total amount of estimated revenue;
 - (ii) the entitlements established and the amounts recovered in respect of the financial year;
- c the commitments still to be paid and the revenue still to be recovered, carried forward from preceding financial years.

The commitment appropriations and payment appropriations referred to in point (a) of the first subparagraph shall be entered and shown separately.

- 2 The budget accounts shall show separately:
 - a the use of appropriations carried over and the appropriations for the financial year;
 - b the clearance of outstanding commitments.

On the revenue side, amounts still to be recovered from preceding financial years shall be shown separately.

Article 84

General accounts

1 The general accounts shall, in chronological order using the double-entry method, record all events and operations which affect the economic and financial situation and the assets and liabilities of Union institutions and of the agencies and Union bodies referred to in Section 2 of Chapter 3 of this Title.

2 Balances and movements in the general accounts shall be entered in the accounting ledgers.

3 All accounting entries, including adjustments to the accounts, shall be based on supporting documents, to which the entries shall refer.

4 The accounting system shall be such as to leave a clear audit trail for all accounting entries.

Article 85

Bank accounts

1 For the requirements of treasury management, the accounting officer may, in the name of his or her Union institution, open accounts with financial institutions or national central banks or request for such accounts to be opened. The accounting officer shall also be responsible for closing those accounts or for ensuring that they are closed.

2 The terms governing the opening, operation and use of bank accounts shall, depending on internal control requirements, provide that cheques, bank credit transfer orders or any other banking operations must be signed by one or more duly authorised members of staff. Manual

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instructions shall be signed by at least two duly authorised members of staff, or by the accounting officer.

3 Within the implementation of a programme or an action, fiduciary accounts may be opened on behalf of the Commission in order to allow for their management by an entity pursuant to point (c)(ii), (iii), (v) or (vi) of the first subparagraph of Article 62(1).

Such accounts shall be opened under the responsibility of the authorising officer in charge of the implementation of the programme or action in agreement with the accounting officer of the Commission.

Such accounts shall be managed under the responsibility of the authorising officer.

4 The accounting officer of the Commission shall lay down rules for the opening, management and closure of fiduciary accounts and their use.

Article 86

Treasury management

1 Unless otherwise provided in this Regulation, only the accounting officer shall be empowered to manage cash and cash equivalents. The accounting officer shall be responsible for their safekeeping.

2 The accounting officer shall ensure that his or her Union institution has at its disposal sufficient funds to cover the cash requirements arising from budget implementation within the applicable regulatory framework and shall set up procedures to ensure that none of the accounts opened in accordance with Articles 85(1) and 89(3) is in debit.

3 Payments shall be made by bank credit transfer, by cheque or, from imprest accounts, or if specifically authorised by the accounting officer, by debit card, direct debit or other means of payment, in accordance with the rules laid down by the accounting officer.

Before entering into a commitment towards a third party, the authorising officer shall confirm the payee's identity, establish the legal entity and payment details of the payee and enter them in the common file by the Union institution for which the accounting officer is responsible in order to ensure transparency, accountability and proper payment implementation.

The accounting officer may only make payments if the payee's legal entity and payment details have first been entered in a common file by the Union institution for which the accounting officer is responsible.

Authorising officers shall inform the accounting officer of any change in the legal entity and payment details communicated to them by the payee and shall check that those details are valid before they authorise any payment.

Article 87

The inventory of assets

1 Union institutions and agencies or Union bodies referred to in Section 2 of Chapter 3 of this Title shall keep inventories showing the quantity and value of all their tangible, intangible and financial assets in accordance with a model drawn up by the accounting officer of the Commission.

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They shall also check that entries in their respective inventories correspond to the actual situation.

All items acquired with a period of use greater than one year, which are not consumables, and whose purchase price or production cost is higher than that indicated by the accounting procedures referred to in Article 77 shall be entered in the inventory and recorded in the fixed assets accounts.

2 The sale of the Union's tangible assets shall be suitably advertised.

3 Union institutions and agencies or Union bodies referred to in Section 2 of Chapter 3 of this Title shall adopt provisions on safeguarding the assets included in their respective inventories and decide which administrative departments are responsible for the inventory system.

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