

REPORT ON THE BUDGETARY AND FINANCIAL MANAGEMENT 2021

The Consumers, Health and Food Executive Agency (CHAFEA)¹ was entrusted, by the Commission Decisions of 17 December 2013, with the implementation of the following programmes and actions:

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).

The Agency was also entrusted with the implementation of the legacy of the programmes, which were managed by the former Executive Agency for Health and Consumers – EAHC.

The implementation of the Agency's administrative budget - an annual subsidy transferred by the Commission to the Agency's intercompany account - is regulated by Commission Regulation (EC) N 1653/2004 on a standard financial regulation for Executive Agencies amended by Commission regulation EC n°651/2008 of 9/07/2008.

Closure of CHAFEA

According to Commission Decision C(2021) 2050 of 24 March 2021, Chafea ceases 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) shall take over from CHAFEA any support activities not attached to a specific programme.”

1. Overview of the budget

1.1 Initial budget, amending budgets and final budget:

Due to the closure of Chafea, there were no Budget Modification in the period 1/1/2021 to 31/3/2021.

¹ the result of the evolution of the Executive Agency for Health and Consumers (EAHC).

STAFF EXPENDITURE	Final Budget 2021 (commitment and payment appropriations) amounts in kEUR
Remunerations, allowances and charges	7250
Subtotal Chapter 11	7250
Professional development and social expenditure	301
Subtotal Chapter 12	301
TOTAL TITLE I	7551
INFRASTRUCTURE AND OPERATING EXPENDITURE	
Building expenditure	1065
Subtotal Chapter 21	1065
ICT	270
Subtotal Chapter 22	270
Other services	262
Subtotal Chapter 23	262
TOTAL TITLE II	1597
PROGRAMME SUPPORT EXPENDITURE	
Programme management expenditure	1929
Subtotal Chapter 31	1929
TOTAL TITLE III	1929
GRAND TOTAL	11077

1.2 Budget implementation (operating)

As an autonomous EU body, CHAFEA received 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 from 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.

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 that took over the legacy of CHAFEA.

Commitment Appropriation (EUR)	Consumed Commitment appropriation (EUR)	%
11 077 471 ²	1 786 551	16.13

2. Accounting systems

² Original approved budget

Having concluded a Service Level Agreement with the Budget Directorate-General of the European Commission (DG BUDG), the Agency implemented and uses the Commission hosted ABAC and SAP accounting tools. Since December 2007, the Agency also disposes of ABAC Assets, a specific ABAC module to manage fixed assets.

To cash the operating subsidy paid by the European Commission and to execute payments, the Agency has opened an intercompany account. All transactions via this account are systematically made through the Commission managed ABAC, SAP and SWIFT systems³.

³ provided for in the Annex to the Action 79 of the White Paper on reforming the Commission, 200/2000/COM, "Reforming the Commission – a White Paper – Part II – Action Plan" dated 01.03.2000.

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 since 2019. All payments and receipts are processed via the Commission's treasury and registered on inter-company accounts. Consequently, all the bank accounts of the Agency have been closed.