Review of the Financial Regulation

A Public Consultation being carried out by the European Commission

What is the Financial Regulation?

The regulation lays down the rules applicable to the establishment and implementation of the general budget of the European Communities, including those on grants awarded.

Why a review?

As the European Commission is working on its budget reform proposals (post-2013), it is also considering new legislation to govern it.

This consultation forms part of that process.

What is the process to adopt a new legislation?

- Both European Parliament and Council are involved in the negotiations.
- Under the Lisbon Treaty, the co-decision procedure will be applied

What about rules on grants?

The CION is asking.

- Q1:Are you sufficiently informed about upcoming calls for proposals in a timely manner? What improvements would you suggest?
- Q2: Should co-financing requirements be more flexible? How could in-kind contributions be dealt with?

What about rules on grants?

- Q3:Should lump sums and flat-rates become the norm rather than the exception? And should costs based on expected outputs be allowed?
- Q4: Should the non-profit principle be flexible or strictly adhered to?
- Q5: What appropriate threshold for small grants?

What about rules on grants?

- Q6: Should rules on operating grants (covering admin expenses) be more flexible? And what about framework partnership agreements?
- Q7: Is strict restriction on cascading grants (ie. to 3rd parties) an obstacle to achieving your action's goal?

The Commission's handling…

- Q8: Should alternative solutions (such as on interests generated by payments) be found for pre-financing payments?
- Q9: What mechanism other than pre-financing guarantee could ensure adequate protection of community funds?

The Commission's handling…

- Q10: With regard to low value contracts, and for whom simplified procedures apply, are thresholds adequate?
- Q11: Could the application procedure for grants and contracts be improved (esp. for previously successful organisations)?

Details to note

- The consultation exercise ends 18th December 2009
- Document is available online: http://ec.europa.eu/budget/consultations/FRconsult2009_en.htm