

# **Financial regulation applicable to the general budget: rules for the implementation of Regulation 1605/2002/EC, Euratom**

2002/0901(CNS) - 24/07/2002 - Legislative proposal

**PURPOSE** : to lay down detailed rules for the implementation of certain provisions of the new Financial Regulation. **CONTENT** : the present draft regulation aims to lay down detailed rules for the implementation of certain provisions of the new Financial Regulation applicable to the general budget of the European Communities which shall enter into force on 1 January 2003. The current Regulation laying down detailed rules for the implementation of certain provisions of the Financial Regulation is an essential accompaniment, especially as the text of the Financial Regulation has been simplified so that now it merely sets out the basic principles and definitions and consigns all details and measures for practical implementation to the implementing rules. The Financial Regulation cannot therefore really be applied with full effect on 1 January 2003 without the implementing regulation. Because of this principle of simplification, the new draft implementing rules are far more developed than Regulation 3418/93/EC of 9 December 1993 which is currently in force. This trend has been accentuated by the inclusion in the Financial Regulation of new provisions relating, for example, to grants or the Structural Funds and by editorial choices such as the decision to transpose the directives on the coordination of procedures for the award of public contracts. As regards the substance, the draft Regulation amends the current implementing rules across the board. The draft Regulation is divided into three parts. Part One contains the provisions constituting the ordinary law (budgetary principles, establishment, implementation and control of the budget, procurement, grants, and the keeping and presentation of accounts) while the specific provisions (Structural Funds, research, external action, offices, administrative appropriations) are in Part Two. Part Three contains the transitional and final provisions.