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MEMBER STATES' QUESTIONS AND REPLIES AS REGARDS THE ANNUAL ACCOUNTS AND MANAGEMENT DECLARATION REPORTING FOR FY 2023

Questions	Replies
I. ANNUAL DECLARATION AND XML FILES	
Question 1: Where can the XML and XSD files for the annual accounts be found?	Reply: The XML files for the annual accounts– annual declaration, differences explanation, debtor ledger, advances, and financial instruments, are available as follows: <ul style="list-style-type: none">- CIRCABC - https://circabc.europa.eu/ui/group/d9d57ada-2d34-4c85-9e3c-7ce690099d5d/library/c302afeb-7c1c-4eb8-a684-57e96c366f52- SFC2021 - Annual Accounts and Management Declaration(s) (EAGF/EAFRD) 2021 Support Materials MS SFC Support Portal (europa.eu) The XSD file, that defines the structure of these XML, is also available on the same links.
Question 2: It is not clear, whether we should send only one annual declaration and table of differences or not. Up to now, these have been sent separately of each fund, but the templates of the xml files include information of both funds.	Reply: For the annual accounts for EAGF and EAFRD 2023-2027, the Member States will have the option to send the annual declaration and the table of differences either for each of the two funds separately or in a single XML file that combines the information of both funds. The aim is to provide flexibility to the Member States when submitting the annual accounts. It is up to the Member States to decide which approach is to be used. For this purpose, the XSD/XML files were updated, and you can find them on the links above.

<p>Question 3: There are only 6 columns in the debtor’s ledger file, whereas the table in Annex V in Regulation (EU) 2022/128 provides 7 columns. Is the last column missing?</p>	<p>Reply: Column 7 “amount under recovery” will be automatically calculated by SFC taking into account the data entered in the previous columns (from 1 to 6) based on the XML file uploaded by the MS.</p>
<p>Question 4: Will there be more detailed information provided regarding the use of XML files? Are the files in other formats accepted?</p>	<p>Reply: You can open and modify the XML files using any text editor such as notepad or wordpad (available in Windows) or a more advanced text editor like notepad++ or textpad. Files in formats other than XML will not be supported and accepted in SFC 2021.</p> <p>The structured forms, translating the data from the XML files to the screens in SFC2021 can be seen in the acceptance environment, opened for the MS. https://webgate.acceptance.ec.europa.eu/sfc2021/sfc-fo/home - under menu ‘EXECUTION > Annual Accounts and Management declaration(s) (EAGF, EAFRD)’</p>
<p>Question 5: Will the annual declaration and difference explanations for EAGF expenditures and assigned revenues outside the CAP strategic plan be provided in the X-tables (and in debtor’s ledger / Annex II and III)) which will be sent via SFC2014? Will they not be provided in FY2023?</p>	<p>Reply: In order to clear the accounts for EAGF, you should present the annual declaration of expenditure and assigned revenues and the differences explanation for all expenditure incurred in the particular financial year, including outside the CAP Strategic Plan. This should be done in SFC 2021, based on the XML templates that were uploaded in CIRCABC and SFC.</p> <p>Please note that SFC 2014 will not allow the submission of the annual declaration in CSV file for EAGF.</p> <p>In addition, you will need to provide the X-tables and the Annexes II and III in SFC 2014 (in CSV files).</p>
<p>Question 6: Is it still the XML model that will be provided for the EAFRD? Should there be a separate annual declaration for measures outside and within PSPs, including also assigned revenue?</p>	<p>Reply: The XML model of the annual declaration will include EAGF and EAFRD. For EAGF, the declaration will include all measures/schemes/interventions outside and within the CAP strategic plan, both for the expenditure and assigned revenues.</p>

<p>Question 7: In general, we would like to point out that the new XML-format for the documents in SFC2021 leads to a lot of programming work that has to be done by the Paying Agencies. Therefore, it is important that all the relevant XML-templates are provided in a final version, so that the Paying Agencies can start their programming work.</p>	<p>Reply: The final version of the XML and the XSD files are uploaded on CIRCABC and in SFC2021.</p> <p>Changes of the templates can be done only based on the acceptance testing by the MS.</p>
<p>II. X-TABLES</p>	
<p>Question 1: Do only the X-tables for EAFRD 2014-2022 have to be submitted for clearance of accounts for the financial year 2023, not EAGF?</p>	<p>Reply: The X-table data that need to be submitted for FY2023 are described in the Annex I to Guidelines AGRI/4955252/2022. They refer to all payments for EAGF (implemented prior to the new delivery model) and for EAFRD (and EURI) programming period 2014-2020(2).</p>
<p>Question 2: Is AGRI/7385062 of 1 July 2023, point 3.3 the correct guidance note for the X-tables?</p>	<p>Reply: The guidance note on the X-tables for FY2023 is AGRI/4955252/2022. As there were incorrect references to this guidance note, the revised version of the Note on the assurance package (the Note)¹ was adapted accordingly and is available on CIRCABC.</p> <p>As regards whether the file should follow the description of the structure presented in point 3.3 of the guidance note on the X-tables – yes, there is no change to the template and the way of presentation of the information in SFC 2014.</p>
<p>III. MANAGEMENT DECLARATION OF THE COORDINATING BODY</p>	
<p>Question 1: We have noticed that in the test version of SFC2021, under the menu item „Management Declaration(s)“ there is no Management Declaration for the Coordinating Body</p>	<p>Reply: As to avoid the reporting of the same data in the different accounts, the Management Declaration of the Coordinating Body was developed only for one of the PAs in the respective MS. It can be provided (and signed by the Coordinating Body) with the Annual Accounts of the following Paying Agencies: BE02, DE01, ES18, FR19, IT01, RO01.</p>

¹ Ref. Ares(2023)6895897 of 11.10.2023

	<p>In the Annual Accounts for these PAs, the MS will see two management declaration sections: one for the Paying Agency, and another one for the Coordinating Body.</p> <p>In the Annual Accounts for the rest of the PAs only the Management Declaration of the PA is available.</p>
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IV. WINCHECKCVS /VALIDATION RULES

<p>Question 1: In SFC2021, will there be a system for validating the files as there is in SFC2014 (WinCheckCVS)?</p>	<p>Reply: The checks embedded in WinCheckCSV in SFC2014 will be replaced by XSD and XML validation rules in SFC2021. These validation rules will be executed directly in SFC2021 when the Member State uploads the XML files.</p>
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V. DIFFERENCES EXPLANATIONS

<p>Question 1: Is the file explaining the differences between all old and new EAGF expenditure, as well as for the new EAFRD expenditure, following the same logic as the codes previously used?</p>	<p>Reply: In general, yes. For EAGF several codes were deleted, as they have not been used by the Member States in the last 5 years. For EAFRD the description of the codes and the codification itself were adapted since there are no focus areas in the period of 2023-2027.</p>
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<p>Question 2: Is the interpretation below correct?</p> <p>CSV file explanation of differences EAFRD 2014-2022 will follow the usual rules of LG 4955252/2022 (i.e., differences between Annual declaration/Quarterly declaration and Annual declaration/X-table).</p> <p>XML file explanation of differences EAFRD 2023-2027 will only be differences between Annual declaration/Quarterly declaration.</p> <p>XML file explanation of differences EAGF 2023-2027 (expenditures outside and inside PSP) will only be differences between Annual Declaration/T104 although, the X-Table of</p>	<p>Reply: In general, as mentioned in the table on pages 5 of the note, in SFC 2014 the documents referred to in point 2 a) of the note including the X-tables should be submitted and the relevant differences explanations.</p> <p>The X-tables part of the annual accounts for 2014-2022 (point 1 in the table on pages 5-6 of the note), will include information on EAGF and EAFRD 2014-2022 (as relevant for the specific PA) and the respective differences with the annual declaration are explained with the C-codes (relevant for both Funds). In the note, under point 2 a) we specified that the differences explanations will cover B and C codes – see the third bullet point under this point for the annual declaration.</p> <p>In conclusion, the differences explanations have to be reported as follows:</p>
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<p>EAGF expenditures (outside PSP - LG 4955252/2022) will be presented in SFC2014, as indicated in the slide on CIRCABC but not indicated in the Note on annual account?</p>	<p>In SFC 2014 (CSV file)</p> <ul style="list-style-type: none"> - differences between the part of the Annual declaration for EAGF covering the expenditure outside the CAP Strategic Plan (declared in SFC2021) and the X-tables (declared in SFC 2014) - explanations with code C. - differences between the Annual declaration for EAFRD 2014-2022 (declared in SFC2014) and the X-tables (declared in SFC 2014) - explanations with code C. - differences between the Annual declaration for EAFRD 2014-2022 (declared in SFC2014) and the Quarterly Declarations of expenditure (declared in SFC 2014) - explanations with code B. <p>The differences explanations to be uploaded in SFC 2014 should follow the rules of document AGRI/7385062/2023 – version 2023.2, as explained also in point 2 a) of the Note.</p> <p>In SFC 2021 (XML file)</p> <ul style="list-style-type: none"> - differences between the part of the Annual declaration for EAGF covering the expenditure within the CAP Strategic Plan (declared in SFC2021) and the Monthly declarations (declared in SFC 2021) - explanations with code A. - differences between the Annual declaration for EAFRD 2023-2027 (declared in SFC2021) and the Quarterly Declarations of expenditure (declared in SFC 2021) - explanations with code B. <p>The differences explanations to be uploaded in SFC 2021 should follow the rules of point 5.1 of the Note and the template for the XML file.</p>
<p>Question 3: In the X-tables, from our understanding, we do not need to report any new expenditure under the CAP-SP. However, for apiculture programmes under the CAP-SP for example there will be expenditure in Germany so they will be part of the annual accounts. This leads to a difference between the annual account and the x-table.</p>	<p>Reply: The differences explanations between the annual declaration and the X-tables should cover only the part of the Annual declaration for EAGF related to the expenditure outside the CAP Strategic Plan. Those differences should be uploaded in SFC 2014 - explanations with code C. The differences explanations to be uploaded in SFC 2014 should follow the rules of document AGRI/7385062/2023 – version 2023.2 and should be provided based on the budget codes for EAGF old expenditure (outside the CAP-SP).</p>

<p>Will these differences need to be reported within the differences tables and if yes under which one (in SFC2014 or SFC2021) and under which code?</p>	<p>As there will be no X-tables related to the new expenditure under the CAP-SP, there are no differences to be explained for the budget codes under the CAP-SP.</p>
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VI. REPORTING ON TECHNICAL ASSISTANCE

<p>Question 1: Does the Budget code 08030101000900000000000000000000 Technical Assistance have to be included in annual declaration of EAFRD 2023-2027?</p> <p>When a paying agency declares a recovered amount for EARFD 2007-2013 in quarterly declaration in SFC2021, the amount will automatically appear in Technical Assistance Budget Code (in negative). But what if the recovered amount is declared in the annual accounts? How would the technical assistance corresponding to the paying agency be associated with this recovered amount declared in the annual account? What is the procedure in these cases for the paying agency?</p>	<p>Reply: The amount of the technical assistance under the new CAP for the financial year should be included in the XML file of the annual declaration (under budget code 08 03 02 08030101000900000000000000000000). There will be no automatic calculation of the TA for financial year 2023 in the Annual accounts' module.</p> <p>The amount can be positive, when in the quarterly declarations of expenditure, it was calculated as positive net expenditure. It can also be negative, when in the quarterly declarations of expenditure, it was calculated as negative net expenditure.</p> <p>If there are differences in the expenditure declared in the annual accounts and the quarterly declarations under any of the budget lines, which were the bases for the calculation of the TA on quarterly basis, these will lead to different amount of the TA (compared to the quarterly DoE). Therefore, in the differences explanation table you should provide also explanations on the differences for the TA using for example the codes for cut-off errors B04 and B05 or code B16 (Difference due to co-financing rate in Quarterly Declaration). These differences explanation will need to be confirmed after by the Certification Body, as it is the case for any other difference.</p>
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VII. ADVANCES

<p>Question 1: Will the old Annex 4 from SFC2014 be now transmitted via SFC2021? Will an attachment be provided here again in XML?</p>	<p>Reply: In SFC 2014, there will be reporting only as regards advances for EAFRD (2007-2013 and 2014-2022 programming periods). The templates used so far are not changed in substance, they have been renumbered in the Note – see Annexes 2 a), a(i), b), b(i).</p>
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	<p>In SFC 2021, all advances for EAGF as well as the advances for EAFRD 2023-2027 will be reported. The logic of the information to be presented by the Member State is kept compared to the previous period, however it will be presented in a structured format as of FY 2023. The reference to Annex 4 was deleted in the Note, and the templates of the XML files were provided on the 30th of September. In addition, the structured templates generated based on the uploaded XML files can be seen in the acceptance environment, opened for the MS.</p>
<p>Question 2: What information is expected in the “balance used” column for the EAGF advances?</p> <p>Is this compulsory information in the regulations outside the national support programmes for the wine sector and for an amount of more than EUR 5 million (R(EU) 2016/1150 – Article 21)?</p>	<p>Reply: For the previous programming periods (2007-2013 and 2014-2022), the exemption provided for in Article 21.1 of Regulation (EU) 2016/1150 should apply where the eligible Union contribution is less than EUR 5 million. Regulation (EU) 2016/1150 was repealed by Regulation (EU) 2022/2532 and this exemption will no longer be explicitly provided for.</p> <p>From the 2023-2027 programming period, in order to draw up its annual accounts in accordance with Regulation (EU) 2018/1046 of the European Parliament and of the Council, the threshold of 5 million is no longer valid and DG AGRI requests the following information on all advances at the end of each financial year:</p> <ul style="list-style-type: none"> ○ Advances not yet cleared in the accounting books of the paying agencies. ○ Advances not yet used by final beneficiaries.
<p>VIII. ZERO REPORTS IN SFC2021</p>	
<p>Question 1: Does the Paying Agency has to submit annual declaration if there was no expenditure under the CAP plan?</p>	<p>Reply: All PAs should submit annual declaration of CAP plan expenditure even if there is no expenditure or even if there are only recoveries to be declared.</p>
<p>Question 2: If a PA does not declare any amount in EAFRD 2020-2027 quarterly declaration in SFC2021, do they have to submit an empty annual declaration in SFC2021, without any Budget Code or amount? Can the PA not submit any file of annual declaration EAFRD 2023-2027?</p>	<p>Reply: In order to confirm that there was no expenditure in the particular year, the Paying Agency should submit a declaration with zero amount. This means that the PA should add one XML file, containing one or several (one is enough, but several can be added if needed) Budget code line(s) for EAFRD with amount =0 (only the Budget code and the amount should be filled in).</p>

	<p>In this case, SFC2021 will create a section for annual declaration, and the PA will have to provide a signature before submitting the annual accounts to EC.</p> <p>Not adding any XML file or adding an empty XML file will not be allowed.</p>
<p>Question 3: Concerning the necessity of zero reports we would like to know, for which documents do we need to provide a zero report? Only for the annual accounts (without the difference tables) or also for other documents like Annex V? In SFC 2014 we did not have to provide the Commission with zero reports concerning the difference tables.</p>	<p>Reply: The approach to upload an XML file with at least for one budget code the amount =0 should apply to all XML files, except for the difference explanations. If there is amount=0 reported in the annual declaration, it will not be needed to report on differences.</p>
<p>IX. SUBMISSION AND UPLOAD OF ANNUAL ACCOUNTS</p>	
<p>Question 1: Can the accounts of paying agencies be created at regional node in SFC2021 as was the case in SFC2014?</p>	<p>Reply: Yes, the Annual Accounts in SFC2021 will be per Paying Agency, and Member States will be able to create them at regional node like it was the case in SFC2014.</p>
<p>Question 2: In SFC2021, will the information in the annual accounts be able to be edited only at national level or can some information be uploaded at regional level and be sent to the national nodes?</p>	<p>Reply: We aimed at keeping the process as much as possible the same as in SFC 2014. As mentioned above, the module can be opened, and accounts and related parts can be created at regional level. In that case, there will be a possibility to do correction or to edit the data at that level before the submission to a higher national node. Changes can also be done at regional level upon request of the higher node and after returning the accounts to the level of the region. If, however, at national level you decide to create the accounts at national node, then the information will be uploaded and edited at that level (national node). Therefore, both options are currently available in SFC2021, and it is subject to national decision.</p>

X. ACCEPTANCE BY THE MS

Question 1: When will the Acceptance environment be available for the annual accounts in SFC2021?

Reply: A first version of the Annual Accounts module is available in SFC2021 Acceptance environment.

Question 2: When will the Acceptance environment be available for the annual accounts in SFC2014?

Reply: The Annual accounts module in SFC2014 will be available in Acceptance environment at the beginning of December.

We do not expect many changes in SFC 2014 for the documents still to be submitted using this system. Therefore, the testing will be done later. Our main priority now is to provide the MS with sufficient time for testing the newly developed modules in SFC 2021.

XI. TRANSLATIONS OF THE NOTE

Question 1: When will the translations of the Note be available?

Reply: The translations of the Annual Note are available in [CIRCABC](#).