



## Standard operating procedure

Title: Recovery of amounts wrongly paid, off-setting of amounts wrongly paid – expenditure operations		
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### 1. Purpose

The purpose of this SOP is to establish a single cross-agency procedure for the correct application of Article 25 and title IV, chapter 4 of the Financial Regulation applicable to the budget of the European Medicines Agency (FR), and in particular:

- Article 25 adjustments for amounts unduly paid,
- Article 66 entitlements of the agency in respect of third parties and entitlements of third parties in respect of the agency are subject to a limitation period of five years.

### 2. Scope

This SOP is applicable to all divisions and departments of EMA and to all financial transactions which involve correction of amounts unduly paid.

This SOP does not cover corrections of remuneration to national competent authorities.

### 3. Responsibilities

It is the responsibility of each financial initiating agent, verifying officer and (delegated/sub-delegated) authorising officer to comply with this procedure.

The act of recovery is the responsibility of the accounting officer.

### 4. Changes since last revision

Full review and alignment with SOP 139



## 5. Documents needed for this SOP

n/a

## 6. Related documents

- [Financial Regulation applicable to the budget of EMA, Implementing Rules to the FR and Internal Rules](#);
- SOP/EMA/0139 Amendment, cancellation or waiver of amounts receivable – revenue operations

The list may not be exhaustive.

## 7. Definitions

**ACC:** accounting officer

**AO:** authorising officer (delegated/sub-delegated)

**Cancellation:** FR, Article 62(5) – The authorising officer shall cancel an established amount receivable in full or in part when the discovery of a mistake reveals that the amount had not been correctly established. Such cancellation shall be by decision of the authorising officer and shall be suitably substantiated

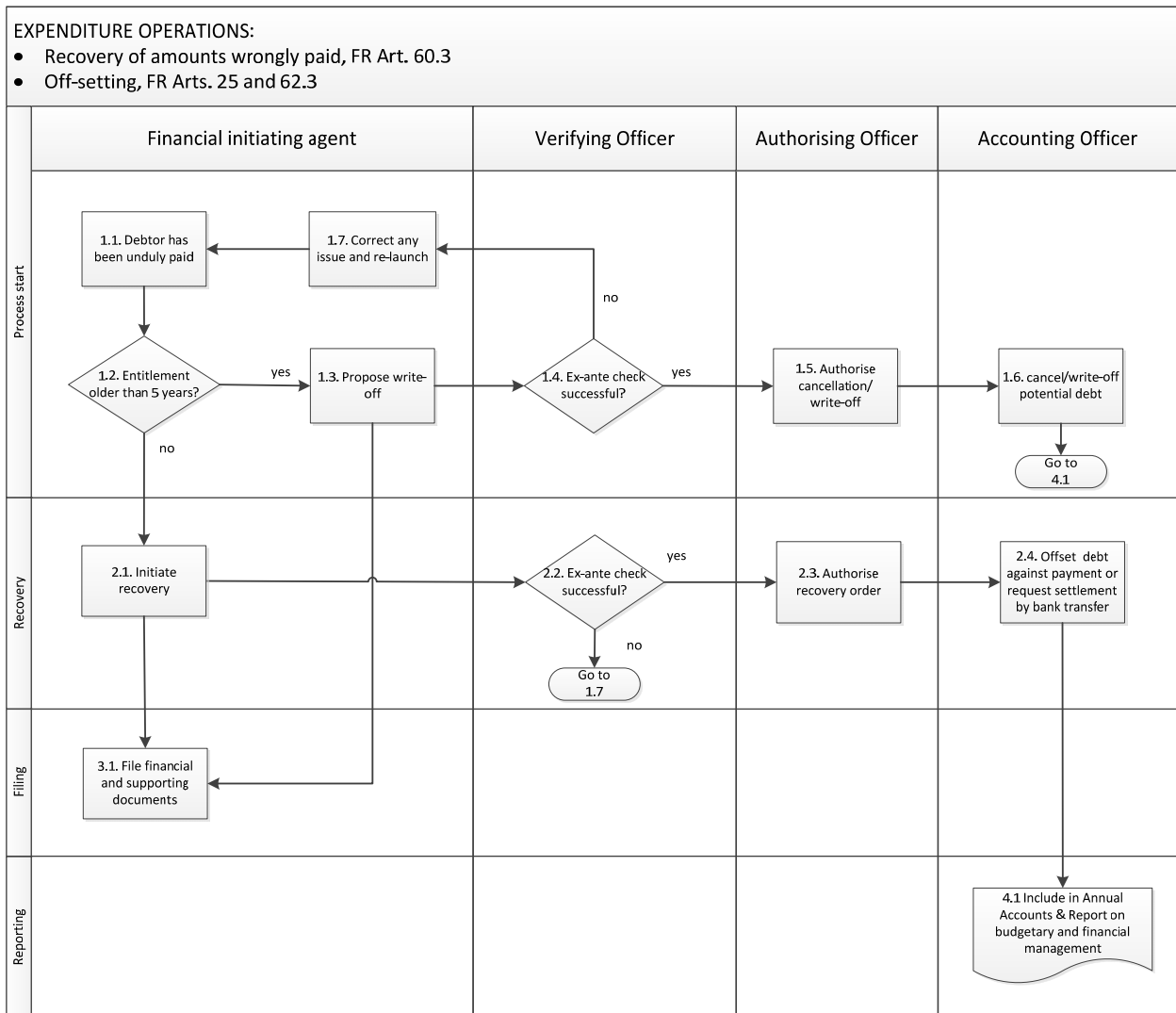
**FIA:** financial initiating agent

**Proportionality:** the effort and cost involved in the recovery of an established amount shall be proportional to the amount involved

**Recovery:** FR, Articles 59-61 and 63 – The process of establishing, authorising and cashing amounts receivable by the agency

**VO:** verifying officer

## 8. Process map(s)/flow chart(s)



## 9. Procedure

Step	Action – initiation and cancellation	Responsibility
1.1.	Information is received that a debtor has been wrongly paid and that action is needed.	FIA
1.2.	Check if the entitlement is older than 5 years and has not been deferred. If not go to step 2.1.	FIA
1.3.	Propose cancellation/write-off of debt with a memo to the responsible authorising officer.	FIA
1.4.	Carry out ex ante check. If not successful, go to step 1.7. for appropriate action.	VO
1.5.	If transaction is in order authorise cancellation/write-off of debt.	AO
1.6.	Cancel/write off debt For reporting, go to step 4.1.	ACC
1.7.	Correct any issues and re-launch	FIA

Step	Action – recovery	Responsibility
2.1.	Initiate recovery. Provide clear instructions and justification for the recovery & advise ACC to offset with next payment to vendor or if possible to ask for settlement by bank transfer. 1. For payments related to year N, recovery should happen on C1 appropriations. 2. For payments related to year N-1, recovery should happen on C8, if commitment still available/open. For 1+2: (a) For recovery against same purchase order, use SAP transaction MIR4 (credit memo, MM). (b) For recovery against same commitment, use SAP transaction F879 (deduction payment request, FM). 3. For payments related to amounts paid before year N or not carried over from N-1, recovery should happen via 'miscellaneous income, item 9000R, SAP transaction F881, acceptance request (type ZG) For filing, go to step 3.1.	FIA
2.2.	Conduct ex ante check, if unsuccessful go to step 1.7.	VO
2.3.	If transaction is in order authorise recovery order.	AO
2.4.	Collect debt either by offsetting against payment(s) or request vendor to settle debt by bank transfer For reporting, go to step 4.1	ACC

Step	Action – filing	Responsibility
3.1.	File original financial and supporting (paper) documents, cf. electronic filing, see heading '10. Records'.	FIA

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<b>Step</b>	<b>Action – reporting</b>	<b>Responsibility</b>
4.1.	Report in annual accounts and annual report on budgetary and financial management	ACC/A-SG-SPB

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## **10. Records**

Electronic filing: DREAM cabinet 08. Financial Management/08.4 Financial Processing/08.40 Individual budget items/relevant budget item/Miscellaneous, link attached to SAP transaction