

II

(Acts whose publication is not obligatory)

COMMISSION

COMMISSION DECISION

of 28 June 2002

excluding from Community financing certain expenditure incurred by the Member States under the Guarantee Section of the European Agricultural Guidance and Guarantee Fund (EAGGF)

(notified under document number C(2002) 2263)

(Only the Spanish, German, Greek, English, French, Italian, Dutch, Portuguese, Finnish and Swedish texts are authentic)

(2002/523/EC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) No 729/70 of 21 April 1970 on the financing of the common agricultural policy ⁽¹⁾, as last amended by Regulation (EC) No 1287/95 ⁽²⁾, and in particular Article 5(2)(c) thereof,

Having regard to Council Regulation (EC) No 1258/1999 of 17 May 1999 on the financing of the common agricultural policy ⁽³⁾, and in particular Article 7(4) thereof,

After consulting the Committee for the European Agricultural Guidance and Guarantee Fund,

Whereas:

- (1) Article 5(2)(c) of Regulation (EEC) No 729/70 and Article 7(4) of Regulation (EC) No 1258/1999 stipulate that the Commission is to exclude expenditure from Community financing where it finds that it has not been incurred in accordance with Community rules.
- (2) The above Articles of Regulation (EEC) No 729/70 and Regulation (EC) No 1258/1999 as well as Article 8(1) and (2) of Commission Regulation (EC) No 1663/95 of 7 July 1995 laying down detailed rules for the application of Regulation (EEC) No 729/70 regarding the procedure for the clearance of the accounts of the EAGGF Guarantee Section ⁽⁴⁾, as last amended by Regulation (EC) No 2025/2001 ⁽⁵⁾, provide that the Commission is to carry

out the necessary checks, forward its findings to the Member States, consider any comments from the latter, enter into bilateral discussions to reach an agreement with the Member States concerned and formally communicate its conclusions to them, referring to Commission Decision 94/442/EC of 1 July 1994 setting up a conciliation procedure in the context of the clearance of the accounts of the European Agricultural Guidance and Guarantee Fund (EAGGF) Guarantee Section ⁽⁶⁾, as last amended by Decision 2001/535/EC ⁽⁷⁾.

- (3) The Member States have had the opportunity to request that a conciliation procedure be initiated. That procedure has been applied in some cases and the reports issued on the outcome have been considered by the Commission.
- (4) Articles 2 and 3 of Regulation (EEC) No 729/70 and Article 2 of Regulation (EC) No 1258/1999 provide that refunds on exports to third countries and intervention intended to stabilise agricultural markets may be financed only where they are, respectively, granted and undertaken in accordance with the Community rules governing the common organisation of the agricultural markets.
- (5) The findings of checks performed, the results of bilateral discussions and the outcome of the conciliation procedures have shown that some expenditure declared by the Member States does not meet those conditions and cannot therefore be financed under the EAGGF Guarantee Section.

⁽¹⁾ OJ L 94, 28.4.1970, p. 13.

⁽²⁾ OJ L 125, 8.6.1995, p. 1.

⁽³⁾ OJ L 160, 26.6.1999, p. 103.

⁽⁴⁾ OJ L 158, 8.7.1995, p. 6.

⁽⁵⁾ OJ L 274, 17.10.2001, p. 3.

⁽⁶⁾ OJ L 182, 16.7.1994, p. 45.

⁽⁷⁾ OJ L 193, 17.7.2001, p. 25.

- (6) The Annex to this Decision sets out the amounts that are not recognised as being chargeable to the EAGGF Guarantee Section. Those amounts do not relate to expenditure incurred more than 24 months before the Commission's written notification of the results of the checks to the Member States.
- (7) As regards the cases covered by this Decision, the assessment of the amounts to be excluded on grounds of non-compliance with Community rules was notified by the Commission to the Member States and is set out in a summary report on the subject.
- (8) This Decision is without prejudice to any financial conclusions that the Commission may draw from the judgments of the Court of Justice in cases pending on 31 October 2001 and relating to the subject thereof,

HAS ADOPTED THIS DECISION:

Article 1

The expenditure itemised in the Annex that has been incurred by the Member States' accredited paying agencies and declared

under the EAGGF Guarantee Section is hereby excluded from Community financing because it does not comply with Community rules.

Article 2

This Decision is addressed to the Kingdom of Belgium, the Federal Republic of Germany, the Hellenic Republic, the Kingdom of Spain, the French Republic, Ireland, the Italian Republic, the Grand Duchy of Luxembourg, the Kingdom of the Netherlands, the Portuguese Republic, the Republic of Finland and the United Kingdom of Great Britain and Northern Ireland.

Done at Brussels, 28 June 2002.

For the Commission

Franz FISCHLER

Member of the Commission

ANNEX

Total corrections

Sector	Member State	Budget post	Reason	Currency	Expenditure to be excluded from financing	Already deducted	Financial consequences of this decision	Financial year
Animal premiums	BE	Various	Bovine animals - inadequate control systems	EUR	- 2 102 656,97	0,00	- 2 102 656,97	2000
Rural development	BE	5011	Inadequate controls - Wallone	EUR	- 115 003,00	0,00	- 115 003,00	1997-1999
Financial audit	BE	Various	Non respect of payment deadlines	EUR	- 23 700,00	- 23 700,00	0,00	2000
			BE Total		- 2 241 359,97	- 23 700,00	- 2 217 659,97	
Financial audit	DE	3700	Correction made twice	EUR	0,00	- 111 504,13	111 504,13	1999
			DE Total		0,00	- 111 504,13	111 504,13	
Rural development	ES	5011/405	Inadequate control system-whole countries	EUR	- 37 244,00	0,00	- 37 244,00	1999/2000
Rural development	ES	5011	Unreconciled data not explained - Catalonia and Canary Islands	EUR	- 64 988,00	0,00	- 64 988,00	1998
Rural development	ES	5011	Unreconciled data not explained - Basque Country	EUR	- 3 625,00	0,00	- 3 625,00	1999
Rural development	ES	5012/4072	Inadequate control system - whole countries	EUR	- 1 043 723,00	0,00	- 1 043 723,00	1999/2000
Rural development	ES	5011/405	Weaknesses in administrative and on-the-spot controls - Galicia	EUR	- 22 631,00	0,00	- 22 631,00	1998-2000
Rural development	ES	5011/405	Weaknesses in on-the-spot control	EUR	- 433 752,00	0,00	- 433 752,00	1998-2000
Rural development	ES	5011/405	Inadequate controls - Castilla La Mancha	EUR	- 776 378,00	0,00	- 776 378,00	1998-2000
Rural development	ES	5012/4072	Correction forfaitaire - Castilla La Mancha	EUR	- 394 229,00	0,00	- 394 229,00	1998-2000
Rural development	ES	5011/405	Correction forfaitaire - Castilla Leon	EUR	- 258 010,00	0,00	- 258 010,00	1998-2000
Rural development	ES	5012/4072	Correction forfaitaire - Castilla Leon	EUR	- 708 920,00	0,00	- 708 920,00	1998-2000
Financial audit	ES	Various	Non respect of payment deadlines	EUR	- 4 913 630,00	- 4 913 630,00	0,00	2000
			ES Total	EUR	- 8 657 130,00	- 4 913 630,00	- 3 743 500,00	
Animal premiums	FR	Various	Bovine animals - inadequate control systems - Martinique	EUR	- 134 588,00	0,00	- 134 588,00	1999/2000
Animal premiums	FR	Various	Bovine animals - inadequate control systems - Guadeloupe	EUR	- 2 593 230,00	0,00	- 2 593 230,00	1999/2000
Financial audit	FR	Various	Non respect of payment deadlines	EUR	- 842 942,00	- 842 942,00	0,00	2000
			FR Total		- 3 570 760,00	- 842 942,00	- 2 727 818,00	
Animal premiums	GB	2125	Errors identified not properly treated	EUR	- 14 917,66	0,00	- 14 917,66	1999
Financial audit	GB	Various	Non respect of payment deadlines	EUR	- 483 379,59	- 483 379,59	0,00	2000
			GB Total		- 498 297,26	- 483 379,59	- 14 917,66	

Sector	Member State	Budget post	Reason	Currency	Expenditure to be excluded from financing	Already deducted	Financial consequences of this decision	Financial year
Rural development	GR	5010	Inadequate control system	EUR	- 1 703 199,00	0,00	- 1 703 199,00	1998/1999
Financial audit	GR	Various	Non respect of payment deadlines	EUR	- 306 956,00	- 306 956,00	0,00	2000
			GR Total		- 2 010 155,00	- 306 956,00	- 1 703 199,00	
Animal premiums	IE	2125	IACS - amounts not recovered following administrative errors	EUR	- 129 305,05	0,00	- 129 305,05	1998/1999
Forestry measures	IE	5012	Non eligible financing (Coillte Teoranta) - Article 2(2)(b) of Regulation (EEC) No 2080/92	EUR	- 3 571 898,00	0,00	3 571 898,00	1999
Financial audit	IE	Various	Non respect of payment deadlines	EUR	- 213 072,00	- 213 072,00	0,00	2000
			IE Total		- 3 914 275,05	- 213 072,00	- 3 701 203,05	
Fruit and vegetables	IT	1515	Non respect of Article 18(3) or Regulation (EC) No 1169/1997	EUR	- 4 709 428,28	0,00	- 4 709 428,28	1999/2000
Public storage	IT	1622	Missing stocks sold without credit to EAGGF	EUR	- 4 085 724,85	0,00	- 4 085 724,85	1998
Oils and fats	IT	1210	Inadequate compatibility checks and inspections of mills	EUR	- 22 678 386,33	0,00	- 22 678 386,33	1997-1999
Financial audit	IT	Various	Non respect of payment deadlines	EUR	- 8 572 333,00	- 8 572 333,00	0,00	2000
			IT Total		- 40 045 872,46	- 8 572 333,00	- 31 473 539,46	
Animal premiums	LU	Various	Bovine animals - inadequate control systems	EUR	- 398 104,45	0,00	- 398 104,45	1999/2000
			LU Total		- 398 104,45	0,00	- 398 104,45	
Financial audit	NL	1050	Non respect of payment deadlines	EUR	- 25 371,00	- 25 371,00	0,00	2000
			NL Total		- 25 371,00	- 25 371,00	0,00	
Fruit and vegetables	PT	1515	Non respect of Article 18(3) or Regulation (EC) No 1169/1997	EUR	- 75 894,66	0,00	- 75 894,66	1998-2000
Animal premiums	PT	Various	Sucler cow and special beef premiums - inadequate control systems	EUR	- 4 373 390,14	0,00	- 4 373 390,14	1999/2000
Financial audit	PT	Various	Non respect of payment deadlines	EUR	- 847 099,00	- 859 409,00	12 310,00	2000
			PT Total		- 5 296 383,80	- 859 409,00	- 4 436 974,80	
Arable crops	FIN	Various	Inadequate on-the-spot controls	EUR	- 234 169,81	0,00	- 234 169,81	1999/2000
			FIN Total		- 234 169,81	0,00	- 234 169,81	
			Grand Total		- 66 891 878,80	- 16 352 296,72	- 50 539 582,07	