


# Procedure file

Basic information		
COS - Procedure on a strategy paper (historic)	1995/2253(COS)	Procedure completed
Sheepmeat and goatmeat, common organisation of the markets COM: intervention measures. Special report 3/95 Court of Auditors		
Subject 3.10.05.01 Meat		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	<b>CONT</b> Budgetary Control		05/02/1996
		PPE <a href="#">MCCARTIN John Joseph</a>	
	Committee for opinion	Rapporteur for opinion	Appointed
Council of the European Union	<b>AGRI</b> Agriculture and Rural Development		

Key events			
03/10/1995	Non-legislative basic document published	RCC0003/1995	Summary
15/01/1996	Committee referral announced in Parliament		
26/06/1996	Vote in committee		Summary
26/06/1996	Committee report tabled for plenary	<a href="#">A4-0221/1996</a>	
17/07/1996	Debate in Parliament		
18/07/1996	Decision by Parliament	T4-0410/1996	Summary
18/07/1996	End of procedure in Parliament		
09/09/1996	Final act published in Official Journal		

Technical information	
Procedure reference	1995/2253(COS)
Procedure type	COS - Procedure on a strategy paper (historic)
Procedure subtype	Commission strategy paper
Legal basis	Rules of Procedure EP 142
Stage reached in procedure	Procedure completed

## Documentation gateway

Non-legislative basic document		RCC0003/1995	03/10/1995	CofA	Summary
Committee report tabled for plenary, single reading		<a href="#">A4-0221/1996</a> <a href="#">OJ C 211 22.07.1996, p. 0003</a>	26/06/1996	EP	
Text adopted by Parliament, single reading		T4-0410/1996 <a href="#">OJ C 261 09.09.1996, p. 0126-0159</a>	18/07/1996	EP	Summary

## Sheepmeat and goatmeat, common organisation of the markets COM: intervention measures. Special report 3/95 Court of Auditors

OBJECTIVE: to present the conclusions of the special report by the Court of Auditors on the implementation of the intervention measures provided for by the organization of the market in the sheepmeat and goatmeat sector. CONTENT: the Court of Auditors carried out audits at the Commission and in the seven Member States which account for over 95% of expenditure under the COM, viz. France, Greece, Portugal, Spain, Italy, the United Kingdom and Ireland. It identified a number of problems and omissions, especially in relation to checks on the ownership and eligibility of the animals. The Court of Auditors starts by formulating certain criticisms in principle of the COM, which it considers is too costly. According to its calculations, every kilo of sheepmeat or goatmeat costs three times more (1.7 ecu) than the same weight of beef. In addition, the COM has set up a vicious circle: paying premiums stimulates production; an increase in production pushes prices to producers down and this needs to be offset by paying new premiums. Automatically adapting premiums has therefore caused an explosion in budgetary expenditure (from under 600 million ecus during the initial years of the COM to 1,932 billion ecus in 1994). The Court therefore recommends that the Commission review this mechanism, which it considers unsuitable, especially when the basic price does not shadow the average market price. As far as the management of the COM is concerned, the Court calls for more selective, more efficient aid and highlights the following aspects: a) inadequate administrative controls: . the distinction between "heavy lambs" and "light lambs": the Court was unable to confirm in any region visited that the non-marketing of milk or milk products was being checked by reconciling figures with the data supplied by processors or distributors, as required in Community regulations; . controls of the situation in less favoured areas: according to the Court's findings, no in-depth checks are carried out on the situation in less favoured areas, involving at least 50% of the area farmed, except in Scotland and Ireland. The Commission therefore needs to propose a new definition of "less favoured area" and to grant and control this status more strictly; b) the need for reliable statistics: the statistics which the Member States forward to the Commission by 31 July of each marketing year are patchy and late. The Commission should improve the monitoring of compliance with regulatory obligations by Member States in this respect. In addition, there have been shortcomings in the implementation of the system for collecting the market prices on which the calculation of the premium is based. In future, the Member States and the Commission should control the collection of prices; c) improving controls on premiums: the premium system is marked by disparate management procedures and weak internal control insofar as there is limited administrative monitoring and little proof of the ownership and eligibility of the animals is obtained during in situ inspections. The introduction of a register per producer which is now under way and the identification of animals should improve this situation; d) the possibility of abolishing the supplementary premium for fattening as heavy carcasses: the Court considers the provisions are too complicated and that producers and the authorities in charge of monitoring find it difficult to comply with them; e) improved monitoring of private storage by Member States: the Member States need to implement efficient monitoring, especially with regard to bookkeeping.?

## Sheepmeat and goatmeat, common organisation of the markets COM: intervention measures. Special report 3/95 Court of Auditors

The Committee on Budgetary Control unanimously adopted the proposal for a resolution in which the rapporteur, Mr McCartin (PPE, IRL), endorsed the criticism expressed by the Court of Auditors on the administration of the COM in the sheepmeat and goatmeat sector. It therefore called on the Commission to ensure that a uniform compulsory Community register was used in all Member States from 1995 onwards, that a uniform procedure was used to establish market prices in the Member States and that a comparable level of checks was achieved in the administration of the market organization in all Member States. Member States were called upon to send accurate statistics to the Commission on a regular basis.?

## Sheepmeat and goatmeat, common organisation of the markets COM: intervention measures. Special report 3/95 Court of Auditors

In adopting the report by Mr John Joseph McCARTIN (PPE, IRL), Parliament fully endorsed the findings and the conclusions of the Court of Auditors Special Report No 3/95 on the implementation of the intervention measures provided for by the organization of the market in the sheepmeat and goatmeat sector, and called on the Commission to propose alternatives to the present system whereby progressively only less favoured regions will be granted aid, while at the same time introducing criteria for safeguarding the environment and for town and country planning. Parliament also called on the Commission to: - ensure that a comparable level of checks is achieved in the administration of the market organization in all Member States and that in particular there is a comparable definition of the existing provisions on risk analysis, - ensure that a uniform Community register is being used in each Member State, - ensure a uniform procedure for establishing the market prices in the Member States. It also called on the Member States to pay greater attention to the statistical information forwarded to the Commission and to keep more strictly to the deadlines for the transfer of this information. It considered that non-compliance with these provisions should

mean that the premiums will not be paid. Finally, it called on the Commission to examine more closely the mechanism of premiums, in particular in relation to the premium systems for other agricultural activities in the same regions, and to make more detailed proposals on the basis of the results of this investigation. ?