


Procedure file

Basic information	
COS - Procedure on a strategy paper (historic) 1997/2074(COS)	Procedure completed
Management of the Community cereals trade involving export refunds. Special report 5/97 Court of Auditors	
Subject 3.10.06.03 Cereals, rice 3.10.14 Support for producers and premiums 8.40.05 Court of Auditors	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	CONT Budgetary Control		01/07/1997
		UPE GIANILY Jean-Antoine	
Council of the European Union	Committee for opinion	Rapporteur for opinion	Appointed
	AGRI Agriculture and Rural Development		

Key events			
26/05/1997	Non-legislative basic document published	RCC0005/1997	Summary
18/07/1997	Committee referral announced in Parliament		
21/01/1998	Vote in committee		Summary
21/01/1998	Committee report tabled for plenary	A4-0021/1998	
20/02/1998	Debate in Parliament		
20/02/1998	Decision by Parliament	T4-0111/1998	Summary
20/02/1998	End of procedure in Parliament		
16/03/1998	Final act published in Official Journal		

Technical information	
Procedure reference	1997/2074(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
Committee dossier	CONT/4/08842

Documentation gateway					
Non-legislative basic document		RCC0005/1997	26/05/1997	CofA	Summary
Committee report tabled for plenary, single reading		A4-0021/1998 OJ C 056 23.02.1998, p. 0003	21/01/1998	EP	
Text adopted by Parliament, single reading		T4-0111/1998 OJ C 080 16.03.1998, p. 0285-0299	20/02/1998	EP	Summary

Management of the Community cereals trade involving export refunds. Special report 5/97 Court of Auditors

OBJECTIVE: this Court of Auditors special report concerns the management of the Community cereals trade involving export refunds and other special aid schemes. **CONTENT:** the main part of this report deals with export refunds and follows on from other audits by the court on the operation of the refund system between 1990 and 1995. The analysis shows that the European Commission has not revised the processing coefficients on which export refunds for products of primary cereal processing are based in 25 years (from 1967 to 1991). As a result, refunds have been paid which were higher than those justified by actual production yields. At the same time, the Court noted serious control weaknesses for certain special refund systems, such as the system for malt or compound feedingstuffs. According to the Court, the provisions governing the payment of export refunds have not been given all the required attention. In addition, the organization and physical checks on the system by the Member States was highly deficient (especially with regard to the products and quantities of cereals exported). Other irregularities were also identified, in particular in the implementation of the special import arrangements for maize and sorghum into Spain or the additional cost to the budget from the sale on the Portuguese market of maize imported at the intervention price. Finally, the Court considers that serious shortcomings have affected the cereal supply system provided for under the POSEIMA programme, in particular by reason of the fact that the rate of aid was linked to refund rates. In the Court's view, the introduction of an annual subsidy calculated to compensate for the additional transport costs between the regions in the POSEI scheme and the mainland Union territory could be one way of remedying the supply disadvantages of these regions. ?

Management of the Community cereals trade involving export refunds. Special report 5/97 Court of Auditors

The Committee adopted the Giansily report. In its report the committee deplores the fact that the export refund system (using flat-rate processing coefficients) has entailed substantial additional costs for the EU budget and says it should have been revised long ago. It calls on the Commission to improve the quality of physical checks on exported cereals and also to recover amounts paid unduly in the case of exported malt the eligibility of which for refunds has been disputed. The committee considers that a reform of POSEIMA is needed. It asks for the supply of maize to Portugal from third countries to be organized so as not to result in additional costs to the EU budget. It also calls on the Commission to forward a report to Parliament on all these matters under the ad hoc clearance of accounts procedures, in time to be included in Parliament's discharge decisions. Lastly, the report asks the Commission to comply with the agreement reached between Parliament and the Commission on the question of commitment. ?

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Adopting the report by Mr Jean-Antoine GIANSILY (UPE, F) concerning the Community cereals trade the European Parliament deplores the fact that the flat-rate processing coefficients have remained unchanged for 24 years, which has entailed substantial additional costs for the budget of the European Union. It calls on the Commission to recover amounts paid unduly owing to the absence of checks on the origin of exported malt and to clarify the rules regarding the eligibility for refunds of compound feedingstuffs. The Commission is also called on to consolidate Regulation (EEC) No 3665/87 in order to harmonize and improve the quality of physical checks on exported cereals and introduce a genuine policy for coordinating checks on multinational undertakings by the relevant national authorities and to inform Parliament of the results achieved. Parliament calls for the supply of maize to Portugal from third countries to be organized so as to disrupt Community production. It considers that a reform of the POSEIMA scheme based on the observations of the Court of Auditors is necessary. Finally, Parliament calls on the Commission to draw up a report on the consequences drawn from the Court's findings under the relevant clearance of accounts procedures in time to be included in Parliament's discharge decisions. ?