

Procedure file

Basic information		
CNS - Consultation procedure Regulation	1999/0091(CNS)	Procedure lapsed or withdrawn
EAGGF Guarantee section, expenditure control: Member States' action programmes		
Subject 3.10.13 European Agricultural Guidance and Guarantee Fund, EAGGF and EAGF		

Key players	
European Parliament	
Council of the European Union	

Key events			
14/04/1999	Legislative proposal published	COM(1999)0169	Summary
07/05/1999	Committee referral announced in Parliament		
14/09/1999	Additional information		Summary
22/03/2000	Vote in committee		Summary
21/03/2000	Committee report tabled for plenary, 1st reading/single reading	A5-0079/2000	
11/04/2000	Debate in Parliament		
13/04/2000	Decision by Parliament	T5-0162/2000	Summary
06/07/2000	Modified legislative proposal published	COM(2000)0411	Summary
06/08/2004	Additional information		Summary

Technical information	
Procedure reference	1999/0091(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Regulation
Legal basis	EC Treaty (after Amsterdam) EC 037
Stage reached in procedure	Procedure lapsed or withdrawn
Committee dossier	CONT/4/10927

Documentation gateway					
Legislative proposal		COM(1999)0169 OJ C 137 18.05.1999, p. 0008	15/04/1999	EC	Summary
Committee report tabled for plenary, 1st reading/single reading		A5-0079/2000 OJ C 040 07.02.2001, p. 0005	22/03/2000	EP	
Text adopted by Parliament, 1st reading/single reading		T5-0162/2000 OJ C 040 07.02.2001, p. 0149-0408	13/04/2000	EP	Summary
Modified legislative proposal		COM(2000)0411 OJ C 337 28.11.2000, p. 0202	07/07/2000	EC	Summary
Additional information					
European Commission		EUR-Lex			

EAGGF Guarantee section, expenditure control: Member States' action programmes

PURPOSE: the financial assistance of certain Member States to strengthen their controls on EAGGF Guarantee Section expenditure.

CONTENT: In order to improve controls of EAGGF Guarantee Section expenditure, the scope of this Regulation should be extended such that the Community can recognise and support special control measures by contributing towards the cost of controls required over and above those for which the Member States have made financial and staffing provision. Part-financing certain additional controls under the Community budget in accordance with Community legislation would partly offset the additional costs to be met by the Member States and ultimately bring about savings of Community resources. The number of controls requested may be increased considerably where widespread irregularities are suspected, from 5% to 25% or even 100%. For example, the additional checks called for in Italy in 1997 (25% instead of 5% in the arable crop sector) revealed before payment EUR 120 million of irregularities, at a cost of EUR 20 million to the Member State. It is only fair that the Community provide financial support for measures designed to prevent fraud and irregularities. As this concerns operation which cannot be planned in advance, EUR 30 million should be allocated over the period from 1999 to 2001 in the first instance.?

EAGGF Guarantee section, expenditure control: Member States' action programmes

This proposal, in accordance with Article 185 of the European Parliament's Rules of Procedure, was deemed to have lapsed. It will be the subject of consideration by the new Parliament (5th legislature).?

EAGGF Guarantee section, expenditure control: Member States' action programmes

The committee adopted the report (consultation procedure) by Paulo CASACA (PES, P) amending the proposal for a regulation. The committee felt that the legal basis for the proposal should be Article 280(4) of the Treaty (the fight against fraud affecting the financial interests of the Community) rather than Article 37 (agricultural policy) as recommended by the Commission. The committee also adopted an amendment aimed at clarifying the wording of Article 5a. This article stipulates that, within the limits of the financial resources available, the Commission may provide part-financing of 50% of the additional expenditure incurred by Member States where the Commission asks them to carry out a greater number of controls than required by the basic Community scheme.?

EAGGF Guarantee section, expenditure control: Member States' action programmes

The European Parliament adopted its report on the control of EAGGF Guarantee Section expenditure drafted by Mr. Paulo Casaca (PES, P) subject to 2 amendments. The first amendment relates to citation 1, in which reference is made to Art. 280(4) of the Treaty rather than Article 37, as had been proposed by the Commission. The second amendment relates to Art. 1 which amends Article 5a of Regulation (EC) 723/97. The first part of the Article is amended to provide that the Commission may provide part-financing of 50% of the additional expenditure incurred by Member States in particular cases where the Commission asks them to carry out a number of controls in certain sectors. The second part of the Article states that the expenditure in question 'shall cover the administrative and staffing costs incurred by the Commission in administering this scheme but may not cover staff costs normally incurred by Member States and aid recipients under Art; 1(4) of Regulation 729/70/EEC.?

EAGGF Guarantee section, expenditure control: Member States' action programmes

The Commission does not accept the amendment which was adopted at the 13 April Plenary session, which relates to the changing of the legal basis of the proposed Regulation from Article 37 to Article 280 of the Treaty. The Commission considers that the amendment to Regulation 723/97/EC is only concerned with better functioning of the control system for agricultural expenditure and that, therefore, the legal

basis for its proposal should be Article 37 of the Treaty. The second amendment adopted by the Parliament relating to the new proposed Article 5a aimed: - to make this Article more clear in the sense that the co-financing concerns additional cost incurred by the Member State and - to provide that additional cost incurred by the Commission to administer the scheme shall also be covered by this co-financing. The Commission accepts the first part of the second amendment but cannot accept the second part as this confuses budgetary operational costs and administrative costs. ?

EAGGF Guarantee section, expenditure control: Member States' action programmes

As this proposal is no longer of topical interest, it has been withdrawn by the Commission.