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From: Working Party on Financial Agricultural Questions (AGRIFIN)
To: Permanent Representatives Committee (Part 1)/Council
On: 2 December 2014

No. prev. doc.: 14802/14

Subject: Special Report No 8/2014 from the European Court of Auditors entitled
"Has the Commission effectively managed the integration of coupled
support into the Single Payment Scheme?"
- *Adoption of Council conclusions*

1. At its meeting on 25 September 2014, the Working Party on Financial Agricultural Questions (AGRIFIN) discussed the above Special Report as well as the Commission's replies to that report.
2. In the light of those discussions, the Presidency drew up the draft conclusions set out in doc. 14802/14, on which the Working Party on Financial Agricultural Questions (AGRIFIN) reached agreement at its meeting on 25 September 2014.
3. In accordance with the conclusions adopted by the Council on 8 May 2000 on improving the examination of special reports drawn up by the Court of Auditors¹, the Working Party on Financial Agricultural Questions (AGRIFIN) invites the Permanent Representatives Committee to suggest to the Council that it adopt the draft Council conclusions as set out in the Annex to this note as an "A" item at a forthcoming session.

¹ Doc. 7515/00 + COR 1.

Draft Council conclusions
on Special Report No 8/2014 from the European Court of Auditors entitled "Has the Commission effectively managed the integration of coupled support into the Single Payment Scheme?"

THE COUNCIL OF THE EUROPEAN UNION

- (1) WELCOMES Special Report No 8/2014 from the European Court of Auditors entitled "Has the Commission effectively managed the integration of coupled support into the Single Payment Scheme?";
- (2) ACKNOWLEDGES that the report contributes to identifying errors and avoiding them in the future;
- (3) CONSIDERS that the level of discretion provided to Member States in Council Regulation (EU) No 73/2009² as regards modalities of decoupling was justified by the diversity of national and regional specificities and that the Member States were in a better position, in line with the subsidiarity principle, to judge the relevant implementation modalities, in the framework of the rules provided for by the Council Regulation, and UNDERLINES that the Council and the European Parliament decided in the new direct payments Regulation³ to allow Member States to implement coupled support in certain sectors or regions in clearly defined cases, in line with the subsidiarity principle;

² Council Regulation (EC) No 73/2009 of 19 January 2009 establishing common rules for direct support schemes for farmers under the common agricultural policy and establishing certain support schemes for farmers, amending Regulations (EC) No 1290/2005, (EC) No 247/2006, (EC) No 378/2007 and repealing Regulation (EC) No 1782/2003. OJ L 30, 31.1.2009, p. 16.

³ Regulation (EU) No 1307/2013 of the European Parliament and of the Council of 17 December 2013 establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy and repealing Council Regulation (EC) No 637/2008 and Council Regulation (EC) No 73/2009. OJ L 347, 20.12.2013, p. 608.

- (4) EMPHASISES that any coupled support should only be granted to the extent necessary to create an incentive to maintain current levels of production in the sectors or regions concerned;
- (5) INVITES the Commission to continue its efforts to provide Member States with clear guidelines, in compliance with the delegated and implementing powers that it was granted in the new direct payments Regulation, contributing to clear rules and a reliable administration of all new direct payments schemes, without prejudice to the rules on the clearance of accounts, which take due account of the nature of the infringement and of the financial damage caused to the Union⁴;
- (6) WELCOMES in this context the fact that from 2014, resources within the Commission will be especially dedicated to supporting the Member States, and monitoring implementation by them, in particular as regards the IACS in the context of the CAP reform.

⁴ Article 57(2) of Regulation (EU) No 1306/2013 of the European Parliament and of the Council of 17 December 2013 on the financing, management and monitoring of the common agricultural policy and repealing Council Regulations (EEC) No 352/78, (EC) No 165/94, (EC) No 2799/98, (EC) No 814/2000, (EC) No 1290/2005 and (EC) No 485/2008. OJ L 347, 20.12.2013, p. 549.