



Council of the  
European Union

081790/EU XXVII. GP  
Eingelangt am 26/11/21

Brussels, 26 November 2021  
(OR. en)

---

---

Interinstitutional File:  
2018/0217(COD)

---

---

14189/21  
ADD 1

CODEC 1512  
AGRI 570  
AGRIFIN 142  
AGRISTR 79  
AGRILEG 249  
AGRIORG 134  
EMPL 522  
SOC 697  
CADREFIN 454

#### **'I/A' ITEM NOTE**

---

From:	General Secretariat of the Council
To:	Special Committee on Agriculture/Council
Subject:	Draft REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the financing, management and monitoring of the common agricultural policy and repealing Regulation (EU) No 1306/2013 <b>(first reading)</b> - Adoption of the legislative act = Statement

---

#### **Statement by the Council on the simplification of the CAP**

The New Delivery Model (NDM) should allow the replacement of compliance-based clearance of expenditure by a performance-based clearance of expenditure, leaving the conception of control and sanction systems at national level, which is a matter of subsidiarity left to the Member States.

The Council requests that the provisions to be issued by the Commission in the future guidelines take full account of the rationale of the New Delivery Model. They should not lead to the reintroduction of compliance requirements that go beyond the scope defined by Article 37 of the horizontal regulation.

In particular, they should provide a better framework for the procedure to determine the amounts to be excluded from EU financing, in line with the current programming, taking into account the nature of the infringement in order to ensure that they are proportionate to the level of financial damage caused to the EU, particularly for the impacts of conditionality-related anomalies. In this regard, we would urge that the definition of serious deficiencies in the governance systems be further clarified. A deficiency can be detected when assessing the functioning of the governance bodies and the basic Union requirements including the reporting systems. This can be done by a review of the internal control system, including compliance testing. Financial corrections should be limited to scenarios where serious systematic deficiencies in the governance systems are detected. The amount to be excluded should be related to the amount unduly spent or to the administrative sanctions that would have been applied. The use of flat rate corrections should be limited to cases where it is impossible to calculate the exact amount unduly spent.

Furthermore, the guidelines will have to provide that the verifications expected from the certification bodies are limited, as regards the evaluation of the governance systems, to the management of the Union rules by these systems without extending it to the conditions of eligibility of individual beneficiaries laid down in the CAP Strategic Plans.

The Council asks the Commission to ensure, in accordance with the announced objectives, that the new delivery model does not lead to a significant increase of the burden for the Member States, but rather to an overall simplification, while guaranteeing the protection of the financial interests of the Union, in particular through the approval procedure of the CAP Strategic Plans and the implementation of Article 59 of the horizontal regulation. The Council also asks the Commission not to cancel the administrative gains from the introduction of the new Delivery Model by demanding additional reporting for monitoring and evaluation.