II

(Acts whose publication is not obligatory)

COMMISSION

COMMISSION DECISION

of 28 July 1999

excluding from Community financing certain expenditure incurred by the Member States under the Guarantee Section of the European Agricultural Guidance and Guarantee Fund (EAGGF)

(notified under document number C(1999) 2472)

(1999/603/EC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) No 729/70 of 21 April 1970 on the financing of the common agricultural policy [1], as last amended by Regulation (EC) No 1287/95 [2], and in particular Article 5(2)(c) thereof,

After consulting the Fund Committee,

(1) Whereas, pursuant to Article 5(2)(c) of Regulation (EEC) No 729/70, the Commission, after consulting the Fund Committee, decides on the expenditure to be excluded from Community financing where it establishes that it has not been effected according to Community rules;

(2) Whereas, pursuant to Article 5(2)(c) of Regulation (EEC) No 729/70 and Article 8(1) and (2) of Commission Regulation (EC) No 1663/95 of 7 July 1995 laying down detailed rules for the application of Regulation (EEC) No 729/70 regarding the procedure for the clearance of the accounts of the EAGGF Guarantee Section [3], as last amended by Regulation (EC) No 896/97 [4], the Commission has made the necessary inspections, notified its findings to the Member States, taken note of the latters' comments, initiated bilateral discussions in an effort to come to an agreement with the Member States concerned and formally communicated its findings to them, referring to Commission Decision 94/442/EC of 1 July 1994 setting up a conciliation procedure in the context of the clearance of the accounts of the European Agricultural Guidance and Guarantee Fund (EAGGF) Guarantee Section [5];

(3) Whereas the Member States were able to make a request for conciliation; whereas they did so in a number of cases and the report delivered on completion of the conciliation procedure was examined by the Commission;

(4) Whereas, under Articles 2 and 3 of Regulation (EEC) No 729/70, financing may be provided only for export refunds on products exported to third countries and action designed to stabilise the agricultural markets, granted or undertaken respectively in accordance with the Community rules on the common organisation of the agricultural markets;

(5) Whereas, in the light of the inspections carried out, the outcome of the bilateral discussions and the conciliation procedures, part of the expenditure declared by the Member States does not fulfil these requirements and cannot be financed under the EAGGF Guarantee Section;

(6) Whereas the amounts found not to be chargeable to the EAGGF Guarantee Section are shown in the Annex to this Decision; whereas they do not concern expenditure

[1] OJ L 94, 28.4.1970, p. 13.
[2] OJ L 125, 8.6.1995, p. 1.
[3] OJ L 158, 8.7.1995, p. 6.
[4] OJ L 128, 21.5.1997, p. 8.
[5] OJ L 182, 16.7.1994, p. 45.

incurred prior to the 24-month period preceding the Commission's written notification to the Member States of the findings of the inspections;

(7) Whereas, in the cases covered by this Decision, the evaluation of the amounts to be excluded from Community financing on grounds of non-compliance with the Community rules was communicated by the Commission to the Member States in the context of the summary reports for 1994 and 1995, as well as a report relating to certain expenditures of the subsequent years;

(8) Whereas this Decision is without prejudice to any financial consequences drawn by the Commission from judgments of the Court of Justice in cases pending on the date of this Decision and relating ot matters covered by this Decision,

HAS ADOPTED THIS DECISION:

Article 1

The expenditure of the paying agencies accredited by the Member States declared under the EAGGF Guarantee Section, shown in the Annex hereto, is excluded by this Decision from Community financing, for failure to comply with the Community rules.

Article 2

This Decision is addressed to the Member States.

Done at Brussels, 28 July 1999.

For the Commission

Franz FISCHLER

Member of the Commission

ANNEX

Member State	Sector	Budget post	Reason	Expenditure to be excluded from financing (national currency)	Deductions already made (national currency)	Financial effects of this Decision (national currency)	Financial year
Belgium	Late payments	Various	Late payments	– 7 569 953,00	– 7 569 953,00	0,00	1996/1997
			Total	– 7 569 953,00	– 7 569 953,00	0,00	
Denmark	Late payments	Various	Late payments and other deductions	– 1 068 963,32	– 2 269 690,09	1 200 726,77	1996/1997
	Public storage	1 0 1 1	Inadequate quality of goods	– 458 684,93	0,00	– 458 684,93	
	Public storage	1 0 1 3	Goods sold too cheaply	– 2 415 186,03	0,00	– 2 415 186,03	
	Public storage	3 5 0 0	Desk audit	– 114 621,00	0,00	– 114 621,00	1996
	DAS	1 1 1 0		– 740 249,27	0,00	– 740 249,27	1996
			Total	– 4 797 704,55	– 2 269 690,09	– 2 528 014,46	
Germany	Late payments	Various	Late payments and other deductions	– 222 923,16	– 535 525,51	312 602,35	1996/1997
	Public storage	2 1 1 1	Inquiry: deficient control procedures	– 498 654,31	0,00	– 498 654,31	1996
	Public storage	2 1 1 2	Inquiry: deficient control procedures	– 29 844,45	0,00	– 29 844,45	1996
	Public storage	2 1 1 3	Inquiry: deficient control procedures	– 6 341,66	0,00	– 6 341,66	1996
	Public storage	2 1 1 4	Inquiry: deficient control procedures	– 6 732 445,18	0,00	– 6 732 445,18	1996
	Public storage	2 1 1 1	Inquiry: deficient control procedures	– 1 760 236,58	0,00	– 1 760 236,58	1997
	Public storage	2 1 1 2	Inquiry: deficient control procedures	– 180 561,66	0,00	– 180 561,66	1997
	Public storage	2 1 1 3	Inquiry: deficient control procedures	273 055,37	0,00	273 055,37	1997
	Public storage	2 1 1 4	Inquiry: deficient control procedures	– 6 789 356,31	0,00	– 6 789 356,31	1997
	Tobacco	1 7 1 0	Deficient control procedures — harvest 1996	– 2 512 069,00	0,00	– 2 512 069,00	1997
	DAS	2 1 2 5		282,54	0,00	282,54	1996
			Total	– 18 459 094,40	– 535 525,51	– 17 923 568,89	

Member State	Sector	Budget post	Reason	Expenditure to be excluded from financing (national currency)	Deductions already made (national currency)	Financial effects of this Decision (national currency)	Financial year
Greece	Late payments	Various	Late payments and other deductions	– 1 801 210 170,00	– 1 801 210 170,00	0,00	1996/1997
	DAS	1 5 1 1		– 16 816 169,00	0,00	– 16 816 169,00	1996
	Fruit & veg.	1 5 0 1	Non-compliance of POs	– 393 112 087,00	0,00	– 393 112 087,00	1996
	Fruit & veg.	1 5 0 1	Deficient control procedures and ineligibility of beneficiaries	– 345 404 676,00	– 8 984 524 188,00	8 639 119 512,00	1996
			Total	– 2 556 543 102,00	– 10 785 734 358,00	8 229 191 256,00	
Spain	Late payments	Various	Late payments and other deductions	– 2 342 824 936,00	– 2 356 986 141,00	14 161 205,00	1996/1997
	Public storage	2 1 1 1	Inquiry: deficient control procedures	– 5 510 711,00	0,00	– 5 510 711,00	1996
	Public storage	2 1 1 2	Inquiry: deficient control procedures	– 346 647,00	0,00	– 346 647,00	1996
	Public storage	2 1 1 3	Inquiry: deficient control procedures	– 78 745 577,00	0,00	– 78 745 577,00	1996
	Public storage	2 1 1 1	Inquiry: poor classification	– 136 388,00	0,00	– 136 388,00	1996
	Public storage	2 1 1 1	Inquiry: poor classification	– 15 907,00	0,00	– 15 907,00	1996
	Public storage	2 1 1 3	Inquiry: poor classification	– 2 078 384,00	0,00	– 2 078 384,00	1996
	Public storage	2 1 1 1	Inquiry: deficient control procedures	– 20 651 733,00	0,00	– 20 651 733,00	1997
	Public storage	2 1 1 2	Inquiry: deficient control procedures	– 1 633 946,00	0,00	– 1 633 946,00	1997
	Public storage	2 1 1 3	Inquiry: deficient control procedures	– 123 836 328,00	0,00	– 123 836 328,00	1997
	Public storage	2 1 1 1	Inquiry: poor classification	– 880 453,00	0,00	– 880 453,00	1997
	Public storage	2 1 1 2	Inquiry: poor classification	– 75 959,00	0,00	– 75 959,00	1997
	Public storage	2 1 1 3	Inquiry: poor classification	– 5 189 321,00	0,00	– 5 189 321,00	1997
	DAS	1 3 1 0		– 2 999 291,00	0,00	– 2 999 291,00	1996
	Meat	2 2 2 0	Insufficient levels of on-farm inspection	– 5 974 000,00	0,00	– 5 974 000,00	1996
	Meat	3 8 0 5	Insufficient levels of on-farm inspection	– 602 000,00	0,00	– 602 000,00	1996
			Total	– 2 591 501 581,00	– 2 356 986 141,00	– 234 515 440,00	

Member State	Sector	Budget post	Reason	Expenditure to be excluded from financing (national currency)	Deductions already made (national currency)	Financial effects of this Decision (national currency)	Financial year
France	Late payments	Various	Late payments and other deductions	– 1 723 278,57	– 8 603 030,25	6 879 751,68	1996/1997
	DAS	1 3 0 0		– 657 193,96	0,00	– 657 193,96	1996
			Total	– 2 380 472,53	– 8 603 030,25	6 222 557,72	
Ireland	Late payments	Various	Late payments	– 1 459 720,00	– 1 459 720,00	0,00	1996/1997
	DAS	5 0 1 2		– 4 554,54	0,00	– 4 554,54	1996
			Total	– 1 464 274,54	– 1 459 720,00	– 4 554,54	
Italy	Late payments	Various	Late payments and other deductions	– 66 930 818 253,00	– 67 965 482 494,00	1 034 664 241,00	1996/1997
	Arable crops	1 0 6 2	Inegibility of five-year seat-aside land	– 2 531 719 519,00	0,00	– 2 531 719 519,00	
	DAS	1 0 4 1		– 7 590 870,00	0,00	– 7 590 870,00	1996
	Meat	2 1 2 0	Deficient control procedures	– 40 830 000,00	0,00	– 40 830 000,00	1996
	Meat	2 1 2 1	Deficient control procedures	– 14 729 000,00	0,00	– 14 729 000,00	1996
	Meat	2 1 2 2	Deficient control procedures	– 338 213 000,00	0,00	– 338 213 000,00	1996
	Meat	2 1 2 5	Deficient control procedures	– 237 536 000,00	0,00	– 237 536 000,00	1996
	Meat	3 8 0 4	Deficient control procedures	– 191 173 000,00	0,00	– 191 173 000,00	1996
	Oils and Fats	1 2 3 1	Inquiry: quality of olive oil	3 310 209 580,00	0,00	3 310 209 580,00	
	Oils and Fats	1 2 3 2	Inquiry: quality of olive oil	631 877 020,00	0,00	631 877 020,00	
	Oils and Fats	1 2 3 3	Inquiry: quality of olive oil	13 541 486 760,00	0,00	13 541 486 760,00	
			Total	– 52 809 036 282,00	– 67 965 482 494,00	15 156 446 212,00	
Netherlands	Late payments	Various	Late payments and other deductions	– 258 085,82	– 258 085,82	0,00	1997
	Meat	2 6 1 0	No denaturing on intervention fish	– 118 130,12	0,00	– 118 130,12	1996
	Meat	2 6 1 0	No denaturing on intervention fish	– 125 000,00	0,00	– 125 000,00	1997
	Fruit & veg.	1 5 0 1	Quality control of products withdrawn	– 29 345,65	0,00	– 29 345,65	1996
			Total	– 530 561,59	– 258 085,82	– 272 475,77	

Member State	Sector	Budget post	Reason	Expenditure to be excluded from financing (national currency)	Deductions already made (national currency)	Financial effects of this Decision (national currency)	Financial year
Portugal	Late payments	Various	Late payments and other deductions	– 1 932 378 794,00	– 1 932 378 794,00	0,00	1996/1997
	Meat	2 2 2 0	Serious deficient control procedures — M.Y.94	– 77 405,00	0,00	– 77 405,00	1996
	Meat	3 8 0 5	Serious deficient control procedures — M.Y.94	– 20 829,00	0,00	– 20 829,00	1996
	Meat	2 2 2 0	Serious deficient control procedures — M.Y.94	– 2 251 080,00	0,00	– 2 251 080,00	1997
	Meat	2 2 3 0	Serious deficient control procedures — M.Y.94	– 538 491,00	0,00	– 538 491,00	1997
	Meat	2 2 2 0	Serious deficient control procedures — M.Y.95	– 226 403 047,00	0,00	– 226 403 047,00	1996
	Meat	3 8 0 5	Serious deficient control procedures — M.Y.95	– 32 487 634,00	0,00	– 32 487 634,00	1996
	Meat	2 2 2 0	Serious deficient control procedures — M.Y.95	– 395 572,00	0,00	– 395 572,00	1997
	Meat	2 2 3 0	Serious deficient control procedures — M.Y.95	– 67 242,00	0,00	– 67 242,00	1997
			Total	– 2 194 620 094,00	– 1 932 378 794,00	– 262 241 300,00	
Austria	Late payments	Various	Late payments	– 174 942,77	– 174 942,77	0,00	1997
			Total	– 174 942,77	– 174 942,77	0,00	
Sweden	Arable crops	1 0 5 3	Deficiencies in integrated system	– 1 233 769,00	0,00	– 1 233 769,00	
	Arable crops	1 0 6 0	Deficiencies in integrated system	– 1 060 973,00	0,00	– 1 060 973,00	
			Total	– 2 294 742,00	0,00	– 2 294 742,00	
United Kingdom	Late payments	Various	Late payments and other deductions	– 5 663 864,14	– 6 708 928,23	1 045 064,09	1996/1997
	Public storage	2 1 1 1	Inquiry: deficient control procedures	– 6 857,00	0,00	– 6 857,00	1996
	Public storage	2 1 1 2	Inquiry: deficient control procedures	– 155,70	0,00	– 155,70	1996
	Public storage	2 1 1 3	Inquiry: deficient control procedures	– 54 923,83	0,00	– 54 923,83	1996
	Public storage	2 1 1 1	Inquiry: deficient control procedures	– 11 374,86	0,00	– 11 374,86	1997
	Public storage	2 1 1 2	Inquiry: deficient control procedures	– 1 620,54	0,00	– 1 620,54	1997
	Public storage	2 1 1 3	Inquiry: deficient control procedures	– 51 859,20	0,00	– 51 859,20	1997
			Total	– 5 790 655,27	– 6 708 928,23	918 272,96	