# COMMISSION REGULATION (EEC) No 249/77

**of 2 February 1977**

**laying down detailed rules for the implementation of Regulation (EEC) No 2681/74 on Community financing of expenditure incurred in respect of the supply of agricultural products as food aid**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 2681/74 of 21 October 1974 on Community financing of expenditure incurred in respect of the supply of agricultural products as food aid [1], and in particular Article 5 thereof,

Whereas the quantities of agricultural products delivered as food aid which are financed by the Community should be specified;

Whereas the value of the agricultural products drawn from public stocks should be determined;

Whereas to ensure that the system of advances functions properly, it should be based on monthly declarations by the Member States of their financial requirements and expenditure, on the forwarding of information on their cash position and on the introduction of accounting relating solely to the use of these advances;

Whereas, for the purposes of the audit of the annual accounts, the Member States should forward detailed statements of expenditure accompanied by a recapitulative summary and any other documents which may assist in determining the expenditure;

Whereas the supporting documents relating to the expenditure should be retained by the Member States for at least one financial year following that during which the decision approving the audit of the accounts is taken;

Whereas the decision approving the audit of the accounts should relate to the expenditure in a single budget year;

Whereas Commission Regulation (EEC) No 522/73 of 14 February 1973 laying down detailed rules for the application of Regulation (EEC) No 1703/72 on Community financing of expenditure arising from the implementation of the 1971 Food Aid Convention [2], the provisions whereof are valid solely for the supply of cereals as food aid and have been incorporated in this Regulation, should be repealed;

Whereas the measures provided for in this Regulation are in accordance with the opinion of the EAGGF Committee,

HAS ADOPTED THIS REGULATION:

*Article 1*

1. Financing under Article 1 of Regulation (EEC) No 2681/74 shall be provided for the net quantities of the aid taken over by the beneficiary at the delivery stage provided for by Community rules.

2. The value of agricultural products drawn from intervention stocks shall be determined by applying the intervention price to the quantity removed from intervention storage, subject, where applicable, to monthly increases.

*Article 2*

1. For the purposes of the first indent of Article 3 (2) of Regulation (EEC) No 2681/74, Member States shall, not later than the 20th day of each month, forward an application to the Commission in triplicate, concerning the financial requirements of the authorities and agencies making payments.

2. The application referred to in paragraph 1 shall be accompanied by supporting statements drawn up in accordance with the Annexes to this Regulation and containing:

(a) a calculation of financial requirements up to the end of the last month referred to in (c) (Annex I);

(b) a detailed statement of expenditure effected for each aid operation during the month preceding the application referred to in paragraph 1 (Annex II). That statement shall be broken down by consignment dispatched and shall give details of the various items of expenditure;

(c) expenditure estimates for the current month and the following two months (Annex III).

*Article 3*

1. For products purchased on the Community market, applications for advances shall be submitted by the Member State in whose territory the successful tenderer or the operator has his registered office.

[1] OJ No L 288, 25. 10. 1974, p. 1.
[2] OJ No L 50, 23. 2. 1973, p. 33.

2. For products from intervention stocks, applications for advances shall be submitted by the Member State which bought in the goods.

3. Payment for the services of the successful tenderer or operator shall be made by the Member State which has applied for the advance.

4. Applications for advances shall be broken down according to budget heading and may not include amounts corresponding to export refunds for which separate applications for advances shall be submitted to the Guarantee Section of the EAGGF by the Member State referred to in paragraphs 1 and 2.

*Article 4*

1. Advances shall be decided, as necessary, on the basis of the applications referred to in Article 2 and of the information relating to the execution of the food-aid operations.

Decisions on advances shall be taken within one month of the receipt of the said applications.

2. The amounts of such advances shall be so calculated as to enable the authorities and agencies responsible to cover their expenditure up to the end of the quarter referred to in Article 2 (2) (c).

*Article 5*

1. Where the funds made available to a Member State are liable to run out before the date laid down for the next advance, that Member State shall inform the Commission thereof and, where necessary, apply for a special advance, giving the reasons therefor.

2. The Commission may, on the basis of the communication under paragraph 1, make a special advance which shall be taken into account when the next advance is decided upon.

*Article 6*

1. All advances granted under this Regulation shall be paid by the Commission within three working days of its decision into an account opened in pursuance of Article 1 (1) of Regulation (EEC) No 2697/70 [1]. Paragraphs 3 and 4 of the said Article shall apply by analogy.

2. Each authority or agency making payments shall keep accounts relating solely to the funds made available to it under paragraph 1 and to the use of those funds.

*Article 7*

1. The decision approving the audit of the accounts relating to expenditure for a given year referred to in the second indent of Article 3 (2) of Regulation (EEC) No 2681/74 shall be adopted on the basis of:

— the detailed statements of expenditure in respect of each aid operation notified, using the form annexed hereto (Annex IV),

— a recapitulative summary of the expenditure effected during the year in question, presented in accordance with the table annexed hereto (Annex V),

— any additional documents or information which the Member States consider should be communicated for the purpose of the audit, together with any information, documents or reports requested by the Commission departments for the same purpose.

2. Five copies of the documents referred to in paragraph 1 shall be forwarded to the Commission, to arrive at the latest on 31 March of the year following that of the declaration of expenditure.

3. The supporting documents relating to the expenditure effected by the authorities and agencies making payments covered by the advances granted to the Member States shall be kept for Community purposes at least until 31 December of the year following that during which the Commission audits the accounts for the year to which that expenditure relates.

*Article 8*

1. The audit of the accounts relating to the expenditure for a given financial year shall be approved, in principle, before the end of the following year.

2. This audit shall include:

(a) the determination of the amount of the expenditure effected in each Member State during the year in question, recognized as being chargeable to the budget of the European Communities under the chapter 'food aid';

(b) the determination of the amount of the funds remaining available in each Member State at the end of the year in question, resulting from the difference between the sum of the Community funds available at the beginning of the year and those advanced during the year and the amount referred to under (a).

*Article 9*

Regulation (EEC) No 522/73 is hereby repealed.

[1] OJ No L 285, 31. 12. 1970, p. 63.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 2 February 1977.

*For the Commission*

Finn GUNDELACH

*Vice-President*

*ANNEX I*

COMMUNITY FOOD AID

Member State .....

**CALCULATION OF FINANCIAL REQUIREMENTS FOR THE MONTH OF .....**

| | | national currency |
|---|---|---|
| A. **Available funds** | | |
| 1. On 31 December 19.. | | ..... |
| 2. Advances decided since January 19.. | | ..... |
| 3. Other | | ..... |
| | Total A | ..... |
| B. **Expenditure** | | |
| Declared expenditure for the period 1 January 19.. to ..... chargeable under the chapter 'food aid' | Total B | ..... |
| C. **Quarterly estimate** | Total C | ..... |
| D. **Financial requirements** | Total B + C — A | ..... |

Stamp, date and signature of the authority or agency

.....

**Explanatory Notes to Annex I**

A.2. Indicate total advances approved by the Commission for the current year (including any advance approved in December of the previous year but valid for January of the current year).

A.3. Other receipts for the account of the Community.

B. This amount must tally with the total expenditure declared in column (b) of Annex III.

C. Total of columns (c + d + e) of Annex III.

*ANNEX II*

COMMUNITY FOOD AID

Authority or agency : .....

Member State : .....
Recipient : .....
Product : .....

Expenditure for the month of : .....
Programme : .....
Ship : .....

Regulations : .....
Delivery stage (1) : .....

(2) Quantity provided for by Regulation : .....
(3) Quantity of basic product mobilized : .....
(4) Quantity having arrived at destination : .....
(5) Port of loading : .....
(6) Dates of loading or unloading laid down in Regulation : .....

(7) Date of mobilization or removal from storage : .....
(8) Date of loading and/or arrival at destination : .....
(9) Date of customs clearance : .....
(10) Products purchased on the market/from intervention stocks : .....

| Consignment | Amount of tender or private contract | | Intervention value | Additional expenditure | Costs charged to recipient country | Receipts | Refunds | | Expenditure for the month |
|---|---|---|---|---|---|---|---|---|---|
| | National currency/tonne | For consignment | | | | | National currency/tonne | For consignment | |
| | a | b | c | d | e | f | | g | (b + c + d + e) — (f + g) |
| | | | | | | | | | |

*Comments :*

Stamp, date and signature of the authority or agency

.....

*Important :* Indicate the expenditure for the month concerned only.

## Explanatory Notes to Annex II

(1) *Delivery stage*

Indicate the delivery stage provided for in the Regulation relating to the tender and/or the notice of invitation to tender, or by private contract, i.e. the stage to which Community financing extends.

(3) *Quantity of basic products mobilized*

Only where products were withdrawn from intervention stocks : indicate the *net* quantities of the agricultural products in the state in which they were received from the intervention agency.

(4) *Quantity having reached destination*

Indicate the *net* quantities having arrived undamaged at the delivery stage.

(9) *Date of customs clearance*

Date of completion of the customs formalities valid for the application of the provisions relating to the export refund.

(10) *Products purchased on the market/from intervention stocks*

Indicate : 'M' for products purchased on the market, 'I' for products from intervention stocks.

*Columns*

a Amount per tonne fixed by tender or private contract.

b Amount obtained by multiplying column a by the quantity having arrived at the destination, per consignment.

c *Intervention value*

With the exception of butteroil, the value of which is included in amount b, indicate the value of the products received from the intervention agency, based on the quantities of *basic products mobilized.*

This value must correspond to the amount to be declared to the credit of the 'net losses' account of the EAGGF, Guarantee Section.

d *Additional expenditure*

If the financing of additional expenditure is provided for by Community Regulations, indicate in this column the amount of these costs borne by the operator as a result of *force majeure* for which the risk could not be covered by insurance and the reference relating to the prior authorization obtained. Where necessary, give explanations in an annex or attach supporting documents.

e *Costs charged to the recipient country*

Specify the amount and nature of these costs, with any relevant information for initiating the recovery procedure.

f *Receipts*

Indicate any receipts relating to the operation, as well as the value of any shortfall at the delivery stage for products originating from intervention stocks, in so far as the loss is not chargeable to the Community.

g *Refunds*

Refunds are calculated in accordance with the prevailing Community rules. Indicate the details of the calculation in an annex if several unit rates have been used, relating to different customs clearance dates.

*ANNEX III*

COMMUNITY FOOD AID

Member State :..... Product :..... Authority for agency : .....

.....

.....

## STATEMENT OF TOTAL EXPENDITURE AND ESTIMATES OF FINANCIAL REQUIREMENTS

*(in national currency)*

| Item of expenditure (1) | | | | | Expenditure for the month of ..... (2) | Expenditure from 1 January 19..... to ..... (3) | Expenditure estimates | | | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| Programme | Budget heading | Regulation | Recipient country | Quantities | | | ..... (4) | ..... (5) | ..... (6) | |
| | | | | | a | b | c | d | e | c + d + e |
| | | | | | | | | | | |

(1) Expenditure to be broken down by aid operation.
(2) Indicate in this column, in respect of each operation, the totals given in the last column of the statements of expenditure (Annex II).
(3) Total expenditure from 1 January until the end of the month referred to in column (a).
(4) Estimates for the first month following that covered by column (a).
(5) Estimates for the second month following that covered by column (a).
(6) Estimates for the third month following that covered by column (a).

Stamp, date and signature
of the authority or agency

.....

*ANNEX IV*

COMMUNITY FOOD AID

**TOTAL EXPENDITURE FOR OPERATION**
(in national currency)

Authority or agency : .....
.....
.....

Member State : .....
Recipient : .....
Product : .....

Programme : .....
Ship : .....

Regulations : .....
Delivery stage (1) : .....

(2) Quantity provided for by Regulation : .....
(3) Quantity of basic product mobilized : .....
(4) Quantity having arrived at destination : .....
(5) Port of loading : .....
(6) Dates of loading or unloading laid down in Regulation : .....

(7) Date of mobilization or removal from storage : .....
(8) Date of loading and/or arrival at destination : .....
(9) Date of customs clearance : .....
(10) Products purchased on the market/from intervention stocks : .....

| Consignment | Amount of tender or private contract | | Intervention value | Additional expenditure | Costs charged to recipient country | Receipts | Refunds | | Total expenditure for operation |
|---|---|---|---|---|---|---|---|---|---|
| | National currency/tonne | For consignment | | | | | National currency/tonne | For consignment | |
| | a | b | c | d | e | f | | g | (b + c + d + e) — (f + g) |
| | | | | | | | | | |

| | | |
|---|---|---|
| A. | Total | ..... |
| B. Expenditure declared on 31 December of previous years | | ..... |
| C. Expenditure for 19 .. | (A-B) | ..... |
| D. Estimate of expenditure for 19 .. | | ..... |

— Reasons should be given for any differences between 'C' and the total in column b of Annex III declared during the current year for the operation concerned.
— Line 'D' should indicate the expenditure estimate for the year following that in line 'C'.

Stamp, date and signature of the authority or agency

.....

*ANNEX V*

COMMUNITY FOOD AID

Member State : ..... Authority or agency : .....

.....

.....

**RECAPITULATIVE SUMMARY OF EXPENDITURE 19..**

| Regulation | Recipient | Product | Quantitity | Value in national currency | |
|---|---|---|---|---|---|
| | | | | Refund | Food-aid expenditure |
| (1) | (2) | (3) | (4) | (5) | (6) |
| | | | | | |

(4) Indicate the quantity given in point (2) of Annex IV.

(6) The total of this column must tally with the amount shown on line 'C' of Annex IV.

Stamp, date and signature
of the authority or agency

.....