# COMMISSION REGULATION (EC) No 1890/98

## of 3 September 1998

## amending Regulation (EC) No 1780/97 laying down detailed rules for the application of Council Regulation (EC) No 723/97 on the implementation of Member States' action programmes on control of EAGGF Guarantee Section expenditure

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 723/97 of 22 April 1997 on the implementation of Member States' action programmes on control of EAGGF Guarantee Section expenditure [1], and in particular Article 6 thereof,

Whereas Articles 2 and 3 of Commission Regulation (EC) No 1780/97 [2] laying down detailed rules for the application of Regulation (EC) No 723/97 lay down, *inter alia*, the method of and deadlines for payment of the Community financial contribution to the Member States; whereas the method used providing for one single annual payment encompassing any unused amount set for the previous year and the advance on the following year has proved difficult to apply in practice, nor does it take account of the appropriations authorised by the budget authority for the following year;

Whereas, in order to improve administration of the measures, the advances to be paid to the Member States under Article 7 of Commission Regulation (EC) No 296/96 [3], as last amended by Regulation (EC) No 1391/97 [4] may not be deducted from the amounts not used in the previous year but in the year before that, and whereas the maximum amount of the Community financial contribution may not be set before the appropriations have been authorised by the budget authority;

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

HAS ADOPTED THIS REGULATION:

*Article 1*

Regulation (EC) No 1780/97 is hereby amended as follows:

1. Article 2(1), (2) and (3) is replaced by the following:

'1. Member States shall submit their action programmes for the first and second year of application of Regulation (EC) No 723/97 before the end of the second month following the date of entry into force of this Regulation. Only expenditure committed after 1 January 1997 shall be eligible for part-financing by the Community. For subsequent years, action programmes shall be submitted in accordance with the procedure laid down in Article 2(1) and (2) of the aforementioned Regulation.

Estimates shall be drawn up in accordance with the table in the Annex.

2. The Commission shall, on the basis of the information provided by the Member States, set, in each Member State's national currency, the maximum amount of the Community financial contribution in the month following that in which the general budget of the European Communities for the financial year in question is adopted.

The Commission shall inform the Member State in question of any expenditure which is not accepted for Community financing, and of the reasons therefor.

3. Not later than 31 May each year, each Member State shall present the Commission with a statement of the amounts paid out during the previous calendar year. The maximum amount of the Community financial contribution set as provided for in Article 4(2) of the abovementioned Regulation shall apply to this expenditure, limited to the amounts presented in the action programmes and not considered ineligible by the Commission. However, for 1997, the final date for implementation of expenditure shall be 31 August 1998, and the statement of amounts paid out shall be sent to the Commission to reach it by 31 October 1998.

This statement shall be drawn up in accordance with the table in the Annex.'

2. Article 3 is replaced by the following:

*'Article 3*

The maximum amount set as provided for in Article 4(2) of Regulation (EC) No 723/97, as reduced by any unused amount paid in respect of the previous year but one, shall be deemed to be expenditure as referred to in Article 7 of Commission Regulation (EC) No 296/96 under the month in which it is set by the Commission.'

[1] OJ L 108, 25. 4. 1997, p. 6.
[2] OJ L 252, 16. 9. 1997, p. 20.
[3] OJ L 39, 17. 2. 1996, p. 5.
[4] OJ L 190, 19. 7. 1997, p. 20.

3. The following Article 3a is added:

*'Article 3a*

For the last two years of application of this regulation, the unused amount shall be credited to the appropriate budget heading of the EAGGF under expenditure for June of the financial year following the year of implementation.'

4. The word 'incurred' in point 5 of the Annex to this Regulation is replaced by the word 'paid'.

*Article 2*

This Regulation shall enter into force on the third day following its publication in the *Official Journal of the European Communities.*

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

Done at Brussels, 3 September 1998.

*For the Commission*
Franz FISCHLER
*Member of the Commission*