

Proposal for a Council Regulation amending Regulation (EC) No 1258/1999 on the financing of the common agricultural policy as well as various other Regulations relating to the common agricultural policy

(2000/C 337 E/44)

COM(2000) 494 final — 2000/0204(CNS)

(Submitted by the Commission on 28 July 2000)

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 37 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament,

Having regard to the opinion of the Economic and Social Committee,

Having regard to the opinion of the Court of Auditors,

Whereas:

(1) Negative expenditure has been recorded annually in various budget headings of the European Agricultural Guidance and Guarantee Fund, Guarantee Section.

(2) In the context of recasting the Financial Regulation, it is foreseen that 'negative expenditure' will in future be considered as 'earmarked revenue'. This amendment is neutral in budget terms while at the same time providing the desired clarity.

(3) Article 17 of the Financial Regulation of ... provides for two different categories of earmarked revenue: earmarked revenue recognised as such in the Financial Regulation itself and earmarked revenue recognised as such in specific Regulations.

(4) As the replacement of negative expenditure by earmarked revenue solely affects the agricultural sector and requires amendments to various agricultural Regulations, it is appropriate to introduce these earmarked revenues not in the Financial Regulation of ... but in the specific agricultural Regulations, and notably in Regulation (EC) No 1258/1999 of 19 May 1999 on the financing of the common agricultural policy ⁽¹⁾.

(5) In order to avoid compensation at Member State level between expenditure of the EAGGF, Guarantee Section, and revenue earmarked to finance such expenditure, it is necessary for revenues to be paid and used in the framework of the common agricultural policy.

(6) It is essential and appropriate to use at Community level the same control system, including the decisions on the

clearance of accounts, for earmarked revenue as for expenditure financed by the Fund.

(7) In accordance with Article 2 of Council Decision 1999/468/EC of 28 June 1999 laying down the procedures for the exercise of implementing powers conferred on the Commission ⁽²⁾, certain measures for the implementation of Regulation (EC) No 1258/1999, should be adopted by use of the advisory procedure provided for in Article 3 of that Decision.

(8) Since other measures necessary for the implementation of Regulation (EC) No 1258/1999 are management measures within the meaning of Article 2 of Council Decision 1999/468/EC, they should be adopted by use of the management procedure provided for in Article 4 of that Decision,

HAS ADOPTED THIS REGULATION:

Article 1

I. Regulation (EC) No 1258/1999 is hereby amended as follows:

1. In Article 1, the following paragraph 2(a) is added after paragraph 2:

'2 (a) The following shall constitute earmarked revenue:

- all recoveries relating to expenditure financed by the Guarantee Section of the Fund under this Regulation, and in particular those referred to in Articles 7 and 8 of this Regulation as well as all reductions and/or suspensions of the monthly advances,
- all other sums levied, collected or withheld from the Member States and not provided for in Article 2(1)(a) of the Council Decision of 31 October 1994 on the system of the European Communities' own resources, provided they are defined in the Community legislation relating to the common agricultural policy as earmarked revenue.

They shall be used exclusively to finance expenditure of the Guarantee Section of the Fund.

Articles 4 to 10 of this Regulation shall apply to earmarked revenue within the meaning of the first subparagraph.'

⁽¹⁾ OJ L 160, 26.6.1999, p. 103.

⁽²⁾ OJ L 184, 17.7.1999, p. 23.

2. Article 7(1) is replaced by the following:

'1. The Commission shall adopt the decisions referred to in paragraphs 2, 3 and 4 in accordance with the procedure provided for in Article 14(3).'

3. The second subparagraph of Article 8(2) is replaced by the following:

'The sums recovered and interest on the sums recovered or paid late shall be deemed earmarked revenue within the meaning of Article 1(2a) of this Regulation. They shall be paid into the Fund to finance Guarantee Section expenditure.'

4. Articles 11 and 12 are deleted.

5. Article 13 is replaced by the following:

'Article 13

1. The Commission shall be assisted by a committee, the Committee for the European Agricultural Guidance and Guarantee Fund (hereinafter called the "Fund Committee"), composed of representatives of the Member States and chaired by the representative of the Commission.

2. Where reference is made to this paragraph, the management procedure laid down in Article 4 of Decision 1999/468/EC shall apply, in compliance with Article 7(3) thereof.

3. The period provided for in Article 4(3) of Decision 1999/468/EC shall be one month.'

6. The introductory phrase of Article 14(1) is replaced by the following:

'The Fund Committee shall be consulted in accordance with the procedure provided for in paragraph 3.'

7. The following paragraph 3 is added to Article 14:

'3. Where reference is made to this paragraph, the advisory procedure laid down in Article 3 of Decision 1999/468/EC shall apply, in accordance with Article 7(3) thereof.'

8. Article 15 is deleted.

II. Regulation (EEC) No 3950/92 is hereby amended as follows:

Article 10 is replaced by the following:

'Article 10

The levy, and, where applicable, interest relating to it, shall be earmarked revenue within the meaning of Article 1(2a) of Regulation (EC) No 1258/1999. It shall be paid into the Fund to finance Guarantee Section expenditure.'

III. Regulation (EEC) No 3492/90 is hereby amended as follows:

Article 1(3) is replaced by the following:

'3. Where an account shows a credit balance, that balance shall be deemed earmarked revenue within the meaning of Article 1(2a) of Regulation (EC) No 1258/1999. It shall be paid into the EAGGF to finance Guarantee Section expenditure.'

IV. Regulation (EEC) No 352/78 is hereby amended as follows:

1. Article 2 is replaced by the following:

'Article 2

Any security as referred to in Article 1 which is forfeited shall be deemed earmarked revenue within the meaning of Article 1(2a) of Regulation (EC) No 1258/1999. It shall be paid into the EAGGF to finance Guarantee Section expenditure.'

2. Article 3 is deleted.

Article 2

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

It shall apply from the financial year following its date of entry into force.

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