

Action brought on 29 August 2015 — Hellenic Republic v Commission**(Case T-506/15)**

(2015/C 371/31)

*Language of the case: Greek***Parties**

Applicant: Hellenic Republic (represented by: G. Kanellopoulos, E. Leftheriotou, O. Tsircinidou and A.-E. Vasilopoulou)

Defendant: European Commission

Form of order sought

The applicant claims that the General Court should:

- annul the contested Commission Implementing Decision of 22 June 2015 ‘excluding from European Union financing certain expenditure incurred by the Member States under the European Agricultural Guarantee Fund (EAGF) and under the European Agricultural Fund for Rural Development (EAFRD) (notified under document C(2015) 4076) ⁽¹⁾, to the extent that there is excluded from European Union financing expenditure which was incurred in the area of decoupled direct aid in the 2009, 2010 and 2011 claim years and in the area of cross-compliance in the 2011 claim year, and by reason of the Commission’s failure to repay to the Hellenic Republic the sum of EUR 10 460 620,42, on the basis of the judgment of the General Court of 6 November 2014 in Case T-632/11 *Greece v Commission*, in accordance with the facts as set out in the application and the pleadings set out in the pleas of law in support of annulment; and
- order the Commission to pay the costs.

Pleas in law and main arguments

In support of the action, the applicant relies on six pleas in law.

In particular, with respect to the financial correction which is imposed within the framework of the decoupled direct aid scheme, the Hellenic Republic relies on four pleas in support of annulment.

1. The first plea in support of annulment is raised with respect to the 25 % flat-rate correction imposed for weaknesses in the definition and checking of permanent pastures for the 2009, 2010 and 2011 claim years, based on the misinterpretation and misapplication of the provisions of Article 2(2) of Regulation No 796/2004 ⁽²⁾ (and the successor Article 2(c) of Regulation No 1120/2009 ⁽³⁾).
2. The second plea in support of annulment is also raised with respect to the 25 % flat-rate correction imposed for weaknesses in the definition and checking of permanent pastures for the 2009, 2010 and 2011 claim years, based on the misinterpretation and misapplication of the guidelines, with respect to whether the preconditions for the imposition of a 25 % financial correction were met — failure to state reasons — the fact that the Commission exceed the limits of its discretion and a breach of the principle of proportionality.
3. The third plea in support of annulment is raised in connection with the imposition of a flat-rate 5 % correction for weaknesses in the Land Parcel Identification System (LPIS) in the first year of its application (2009), based on the misinterpretation and misapplication of the guidelines — the fact that the Commission exceed the limits of its discretion and a breach of the principle of proportionality.

4. The fourth plea in support of annulment is raised with respect to the imposition of flat-rate corrections for weaknesses in on-the-spot inspections and, specifically, with respect to the 2 % correction as regards the ineffectiveness of risk analysis for the 2010 claim year, based on the misinterpretation and misapplication of Article 31(2) of Regulation No 1122/2009 ⁽⁴⁾ and of Article 27 of Regulation No 796/2004 — breach of the principle of protection of legitimate expectations.

Further, with regard to the remaining contested heads of the Commission's Implementing Decision the following two pleas in law in support of annulment are relied on:

5. The fifth plea in support of annulment relates to the financial correction at a flat-rate 2 % which is imposed in the context of the cross-compliance scheme for the 2011 claim year, based on the misinterpretation and misapplication of Article 11 of Regulation No 885/2006 ⁽⁵⁾ and of Article 31 of Regulation No 1290/2005 ⁽⁶⁾ — insufficient statement of reasons — errors as to the facts, with respect to the 2 % flat-rate correction for the 2011 claim year.
6. The sixth plea in support of annulment concerns the amount which is to be reimbursed to the Hellenic Republic in implementation of the judgment of the General Court of 6 November 2014 in Case T-632/11, based on infringement of Articles 266 and 280 TFEU in relation to the Commission's duty to take measures to ensure that the judgment of the General Court is complied with, and no reasons are stated for the failure to reimburse the sum of EUR 10 460 620,42 to the Hellenic Republic, following the judgment of the General Court in Case T-632/11.

⁽¹⁾ OJ 2015 L 182, p. 39.

⁽²⁾ Commission Regulation (EC) No 796/2004 of 21 April 2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers (OJ 2004 L 141, p. 18).

⁽³⁾ Commission Regulation (EC) No 1120/2009 of 29 October 2009 laying down detailed rules for the implementation of the single payment scheme provided for in Title III of Council Regulation (EC) No 73/2009 establishing common rules for direct support schemes for farmers under the common agricultural policy and establishing certain support schemes for farmers (OJ 2009 L 316, p. 1).

⁽⁴⁾ Commission Regulation (EC) No 1122/2009 of 30 November 2009 laying down detailed rules for the implementation of Council Regulation (EC) No 73/2009 as regards cross-compliance, modulation and the integrated administration and control system, under the direct support schemes for farmers provided for that Regulation, as well as for the implementation of Council Regulation (EC) No 1234/2007 as regards cross-compliance under the support scheme provided for the wine sector (OJ 2009 L 316, p. 65).

⁽⁵⁾ Commission Regulation (EC) No 885/2006 of 21 June 2006 laying down detailed rules for the application of Council Regulation (EC) No 1290/2005 as regards the accreditation of paying agencies and other bodies and the clearance of the accounts of the EAGF and of the EAFRD (OJ 2006 L 171, p. 90).

⁽⁶⁾ Council Regulation (EC) No 1290/2005 of 21 June 2005 on the financing of the common agricultural policy (OJ 2005 L 209, p. 1).

Action brought on 2 September 2015 — Republic of Lithuania v European Commission

(Case T-508/15)

(2015/C 371/32)

Language of the case: Lithuanian

Parties

Applicant: Republic of Lithuania (represented by: D. Kriauciūnas, R. Krasuckaitė, M. Palionis and A. Petrauskaitė, Agents)

Defendant: European Commission