

COMMISSION IMPLEMENTING REGULATION (EU) 2021/1337
of 18 June 2021
amending Implementing Regulation (EU) No 908/2014 as regards financial management

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 1306/2013 of the European Parliament and of the Council of 17 December 2013 on the financing, management and monitoring of the common agricultural policy and repealing Council Regulations (EEC) No 352/78, (EC) No 165/94, (EC) No 2799/98, (EC) No 814/2000, (EC) No 1290/2005 and (EC) No 485/2008 ⁽¹⁾, and in particular Article 46(6) and Article 104 thereof,

Whereas:

- (1) Article 11 of Commission Implementing Regulation (EU) No 908/2014 ⁽²⁾ sets out the general rules on the declaration of expenditure and the assigned revenue declared by paying agencies in respect of a given month. At the moment of establishing the monthly payments to the Member States, the Commission takes into account the corrections decided by the Commission under the clearance of accounts and conformity clearance. Consequently, since the amounts corresponding to those corrections are known by the Commission, there is no specific need for the Member States to include them in the monthly declaration and declare them to the Commission. In order to simplify the procedure as regards the amounts to be declared by the Member States, that requirement should be deleted.
- (2) Article 14(1) of Implementing Regulation (EU) No 908/2014 provides that by deciding to make the monthly payments, the Commission is to make available to the Member States the resources needed to cover the expenditure to be financed under the European Agricultural Guarantee Fund ('EAGF'). By doing so, the Commission should, however, take into account the revenue received by the paying agencies on behalf of the Union's budget. Currently under the EAGF, the Commission is netting off the expenditure amounts against the assigned revenue amounts directly in the monthly payment decision issued by the Commission. This financial operation derogates from the way assigned revenue is managed under other Union Funds, where it is not netted off but recovered via a recovery order drawn up pursuant to Article 98 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ⁽³⁾. In order to harmonise the Commission's accounting practices and, in particular, the way assigned revenue is managed, it is necessary to align this technical aspect of the financial management of the EAGF with the flow used by other Union Funds. Consequently, there is a need for amending the way in which revenue effected under the EAGF is to be offset.

⁽¹⁾ OJ L 347, 20.12.2013, p. 549.

⁽²⁾ Commission Implementing Regulation (EU) No 908/2014 of 6 August 2014 laying down rules for the application of Regulation (EU) No 1306/2013 of the European Parliament and of the Council with regard to paying agencies and other bodies, financial management, clearance of accounts, rules on checks, securities and transparency (OJ L 255, 28.8.2014, p. 59).

⁽³⁾ Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012 (OJ L 193, 30.7.2018, p. 1).

- (3) Regulation (EU) 2020/2220 of the European Parliament and of the Council (*) amended Regulation (EU) No 1305/2013 of the European Parliament and of the Council (†) and extended the period of duration of rural development programmes supported by the European Agricultural Fund for Rural Development ('EAFRD') until 31 December 2022, while providing Member States with the possibility to finance their extended programmes from the corresponding budget allocation for the years 2021 and 2022. Moreover, Regulation (EU) 2020/2220 made the additional resources from the European Union Recovery Instrument ('EURI') available in the extended programmes in the years 2021 and 2022 to fund measures under Regulation (EU) No 1305/2013 to address the impact of the COVID-19 crisis and its consequences for the Union agricultural sector and rural areas.
- (4) As set out in recital 24 of Regulation (EU) 2020/2220, the additional resources from the EURI are subject to specific conditions. Those additional resources should thus be programmed and monitored separately from the Union support for rural development, while applying, in general, the rules set out in Regulation (EU) No 1305/2013. Hence, those additional resources should be implemented through Regulation (EU) No 1305/2013 and considered in the framework of that Regulation as amounts that finance measures under the EAFRD. As a consequence, the respective implementing financial management rules in relation to the additional resources referred to in Article 58a of Regulation (EU) No 1305/2013 should be adapted. In particular, the forecasting of the funding requirements, the declarations of expenditure to be provided by the Member States and the calculation of the amount to be paid should be adjusted in relation to the EAFRD allocations.
- (5) Implementing Regulation (EU) No 908/2014 should therefore be amended accordingly.
- (6) The measures provided for in this Regulation are in accordance with the opinion of the Committee on the Agricultural Funds,

HAS ADOPTED THIS REGULATION:

Article 1

Implementing Regulation (EU) No 908/2014 is amended as follows:

- (1) in Article 11(1), point (c), the last sentence is deleted;
- (2) in Article 14(1), the second subparagraph is replaced by the following:

'When the payments to be made by the Commission lead to a negative amount for a Member State, the surplus deductions shall be carried over to the following months.;

- (3) in Article 21, the first paragraph is replaced by the following:

'For each rural development programme as referred to in Article 6 of Regulation (EU) No 1305/2013 of the European Parliament and of the Council (*), and in accordance with Article 102(1), first subparagraph, point (c)(ii), of Regulation (EU) No 1306/2013, Member States shall send to the Commission, twice per year, by 31 January and 31 August at the latest, their forecasts of the amounts to be funded by the EAFRD for the financial year. Those forecasts shall indicate separately the amounts forecasted for the additional resources referred to in Article 58a(2) of Regulation (EU) No 1305/2013. In addition, Member States shall send an updated estimate of their funding requests for the following financial year.

(*) Regulation (EU) No 1305/2013 of the European Parliament and of the Council of 17 December 2013 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) and repealing Council Regulation (EC) No 1698/2005 (OJ L 347, 20.12.2013, p. 487).;

(†) Regulation (EU) 2020/2220 of the European Parliament and of the Council of 23 December 2020 laying down certain transitional provisions for support from the European Agricultural Fund for Rural Development (EAFRD) and from the European Agricultural Guarantee Fund (EAGF) in the years 2021 and 2022 and amending Regulations (EU) No 1305/2013, (EU) No 1306/2013 and (EU) No 1307/2013 as regards resources and application in the years 2021 and 2022 and Regulation (EU) No 1308/2013 as regards resources and the distribution of such support in respect of the years 2021 and 2022 (OJ L 437, 28.12.2020, p. 1).

(*) Regulation (EU) No 1305/2013 of the European Parliament and of the Council of 17 December 2013 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) and repealing Council Regulation (EC) No 1698/2005 (OJ L 347, 20.12.2013, p. 487).

(4) in Article 22(1), the first and second subparagraphs are replaced by the following:

‘1. Paying agencies shall declare expenditure for each rural development programme as referred to in Article 6 of Regulation (EU) No 1305/2013.

For each rural development measure, paying agencies shall specify in a declaration of expenditure the amount referred to in Article 58(4) of Regulation (EU) No 1305/2013 and the amount referred to in Article 58a(2) of that Regulation (EU) No 1305/2013.’;

(5) in Article 23, paragraph 2 is replaced by the following:

‘2. Without prejudice to the ceiling provided for in Article 34(2) of Regulation (EU) No 1306/2013, where the combined total of the Union contribution paid to the rural development programme exceeds the total programmed for a rural development measure, the amount to be paid shall be reduced as follows:

- (a) for resources under the EAFRD, without the additional resources referred to in Article 58a of Regulation (EU) No 1305/2013, it shall be reduced to the amount programmed for that measure under the EAFRD, without the additional resources;
- (b) for the additional resources referred to in Article 58a of Regulation (EU) No 1305/2013, it shall be reduced to the amount programmed for that measure under the additional resources.

Any Union contribution excluded as a result may be paid later provided that an adjusted financing plan has been submitted by the Member State and accepted by the Commission.’

Article 2

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

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

Done at Brussels, 18 June 2021.

For the Commission
The President
Ursula VON DER LEYEN