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**REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND
THE COUNCIL**

**on EAGF expenditure
Early Warning System No 11-12/2023**

1. TABLE PROVISIONAL CONSUMPTION ON 31/12/2023

This report presents the provisional implementation of the 2023 budget for the EAGF on 31/12/2023, with details given in the below table.

A comparison is made of the implementation level with the corresponding appropriations included in the 2023 budget.

Budget Year 2023 ⁽¹⁾

PROVISIONAL CONSUMPTION OF THE EAGF APPROPRIATIONS ON 31/12/2023

in Eur million

		Appropriations Budget ⁽²⁾	Expenditure on 15/10/2023	Forecast direct Commission expenditure until 31/12/2023	Total expenditure of financial year 2023	Utilisation	Gap between expenditure and appropriations	
		EUR mio	EUR mio	EUR mio	EUR mio	%	%	EUR mio
		A	B	C	D=B+C	E=D/A	F=E-100%	G=D-A
	Expenditure	40.692,2	40.645,4	26,3	40.671,7	99,9%	-0,1%	-20,5
08 01	Support administrative expenditure of the "Agriculture and Maritime Policy" Cluster	4,6	4,2	0,4	4,6	100,0%	0,0%	0,0
08 01 01	Support expenditure for the "European Agricultural Guarantee Fund"	4,6	4,2	0,4	4,6	100,0%	0,0%	0,0
08 02	European Agricultural Guarantee Fund (EAGF) (*)	40.687,6	40.641,2	25,9	40.667,2	99,9%	-0,1%	-20,5
08 02 01	Agricultural reserve	450,0	134,5		134,5	29,9%	-70,1%	-315,5
08 02 02	Sectoral types of interventions under the CAP Strategic Plans	960,2	204,7		204,7	21,3%	-78,7%	-755,5
08 02 02 01	Fruit and vegetables sector	470,0	127,6		127,6	27,1%	-72,9%	-342,4
08 02 02 02	Apiculture products sector	53,0	37,2		37,2	70,2%	-29,8%	-15,8
08 02 02 03	Wine sector	399,0	13,3		13,3	3,3%	-96,7%	-385,7
08 02 02 04	Hops sector	2,2	0,0		0,0	0,0%	-100,0%	-2,2
08 02 02 05	Olive oil and table olives sector	36,0	26,7		26,7	74,0%	-26,0%	-9,3
08 02 03	Market-related expenditure outside the CAP Strategic Plans	1.744,9	2.469,1	14,0	2.483,1	142,3%	42,3%	738,2
08 02 03 01	POSEI and Smaller Aegean Islands (excluding direct payments)	229,0	222,7		222,7	97,2%	-2,8%	-6,3
08 02 03 02	Promotion of agricultural products — Simple programmes under shared management	83,0	76,9		76,9	92,6%	-7,4%	-6,1
08 02 03 03	Promotion of agricultural products — Multi-programmes and actions implemented by the Commission under direct management	96,9	82,9	14,0	96,9	100,0%	0,0%	0,0
08 02 03 04	School schemes	175,0	170,9		170,9	97,7%	-2,3%	-4,1
08 02 03 05	Olive oil	9,0	7,8		7,8	87,1%	-12,9%	-1,2
08 02 03 06	Fruit and vegetables	508,0	928,5		928,5	182,8%	82,8%	420,5
08 02 03 07	Wine	627,0	963,8		963,8	153,7%	53,7%	336,8
08 02 03 08	Apiculture	5,0	7,2		7,2	143,2%	43,2%	2,2
08 02 03 09	Hops	p.m.	2,2		2,2			
08 02 03 10	Public and private storage measures	12,0	6,2		6,2	52,1%	-47,9%	-5,8
08 02 03 11	Exceptional measures	p.m.	0,0		0,0			
08 02 05	Direct payments outside the CAP Strategic Plans (*)	37.126,0	37.688,2		37.688,2	101,5%	1,5%	562,2
08 02 05 01	POSEI and Smaller Aegean Islands (direct payments)	444,0	440,9		440,9	99,3%	-0,7%	-3,1
08 02 05 02	Single area payment scheme (SAPS)	4.495,0	4.475,0		4.475,0	99,6%	-0,4%	-20,0
08 02 05 03	Redistributive payment	1.661,0	1.653,4		1.653,4	99,5%	-0,5%	-7,6
08 02 05 04	Basic payment scheme (BPS) (**)	14.192,0	14.826,3		14.826,3	104,5%	4,5%	634,3
08 02 05 05	Payment for agricultural practices beneficial for the climate and the environment	10.931,0	10.898,3		10.898,3	99,7%	-0,3%	-32,7
08 02 05 06	Payment for farmers in areas with natural constraints	5,0	4,9		4,9	97,7%	-2,3%	-0,1
08 02 05 07	Payment for young farmers	477,0	459,1		459,1	96,2%	-3,8%	-17,9
08 02 05 08	Crop-specific payment for cotton	246,0	242,1		242,1	98,4%	-1,6%	-3,9
08 02 05 09	Voluntary coupled support scheme	4.080,0	4.079,7		4.079,7	100,0%	0,0%	-0,3
08 02 05 10	Small farmers scheme	595,0	608,7		608,7	102,3%	2,3%	13,7
08 02 06	Policy strategy, coordination and audit	405,5	142,5	11,9	154,4	38,1%	-61,9%	-251,1
08 02 06 01	Financial corrections in favour of Member States following clearance of accounts and conformity clearance decisions	331,4	80,2		80,2	24,2%	-75,8%	-251,2
08 02 06 02	Settlement of disputes	p.m.	0,1		0,1			
08 02 06 03	EAGF — Operational technical assistance	74,2	62,3	11,9	74,2	100,0%	0,0%	0,0
08 02 99	Completion of previous programmes and activities	1,0	2,2		2,2	221,5%	121,5%	1,2

⁽¹⁾ Financial year = 16/10/2022 to 15/10/2023 but expenditure under Commission direct management possible until 31/12/2023.

⁽²⁾ It concerns the commitment appropriations.

Budget Year 2023 ⁽¹⁾
PROVISIONAL CONSUMPTION OF THE EAGF APPROPRIATIONS ON 31/12/2023

in Eur million

		Appropriations Budget ⁽²⁾	Expenditure/Assigned revenue on 15/10/2023	Utilisation
		EUR mio	EUR mio	%
		A	B	C=B/A
(*) Not included in 08 02 and 08 02 05 (p.1/2)				
08 02 05 12	Reimbursement of direct payments to farmers from appropriations carried-over in relation to financial discipline	485,2	473,5	97,6%
(**) For information only: expenditure against original appropriations and estimated assigned revenue				
08 02 05 04	Basic payment scheme (BPS) - including estimated assigned revenue	14.826,3	14.826,3	100,0%
Assigned Revenue		634,3	626,2	98,7%
6 2 0 0	European Agricultural Guarantee Fund — Assigned revenue	632,0	623,9	98,7%
	Assigned revenue carried over from previous budget year	2,3	2,3	100,0%

⁽¹⁾ Financial year = 16/10/2022 to 15/10/2023 but expenditure under Commission direct management possible until 31/12/2023.

⁽²⁾ It concerns the commitment appropriations.

2. COMMENTS ON THE 2023 AGRICULTURAL RESERVE

Budget 2023 included an amount of EUR 450 million for the agricultural reserve. Five measures, totaling EUR 530.5 million, have been adopted¹.

¹ Commission Implementing Regulation (EU) 2022/2406 of 8 December 2022 on exceptional market support measures for the eggs and poultry meat sectors in Poland (OJ L 317, 9.12.2022, p. 56,

ELI: http://data.europa.eu/eli/reg_impl/2022/2406/oj),

Commission Implementing Regulation (EU) 2023/739 of 4 April 2023 providing for an emergency support measure for the cereal and oilseed sectors in Bulgaria, Poland and Romania (OJ L 96, 5.4.2023, p. 80, ELI:

http://data.europa.eu/eli/reg_impl/2023/739/oj),

Commission Implementing Regulation (EU) 2023/834 of 18 April 2023 on exceptional market support measures for the eggs and poultry meat sectors in Italy (OJ L 105, 20.4.2023, p. 2,

ELI: http://data.europa.eu/eli/reg_impl/2023/834/oj),

Commission Implementing Regulation (EU) 2023/1343 of 30 June 2023 providing for an emergency support measure for the cereal and oilseed sectors in Bulgaria, Hungary, Poland, Romania and Slovakia (OJ L 168, 03.7.2023, p. 22, ELI: http://data.europa.eu/eli/reg_impl/2023/1343/oj),

Commission Implementing Regulation (EU) 2023/1465 of 14 July 2023 providing for emergency financial support for the agricultural sectors affected by specific problems impacting on the economic viability of agricultural producers (OJ L 180, 17.7.2023, p. 21, ELI: http://data.europa.eu/eli/reg_impl/2023/1465/oj).

The first three ones are exclusively financed under the 2023 agricultural reserve, thus under Budget 2023. Whereas the last two measures are financed both under the 2023 and 2024 budget. A total of EUR 134.5 million of payments have been declared under Budget 2023. The remaining appropriations of EUR 315.5 million will be carried over to Budget 2024.

3. COMMENTS ON THE PROVISIONAL IMPLEMENTATION OF THE 2023 EAGF BUDGET

The provisional expenditure of the 2023 EAGF budget, including estimated, fully implemented actions under direct management by the Commission until 31 December 2023, results in an under-execution of EUR 20.5 million compared to the budget's voted appropriations. Considering the available assigned revenue of EUR 626.2 million, the total EAGF under-implementation amounts to EUR 646.7 million.

This overall EAGF surplus includes EUR 315.5 million of voted appropriations (C1) from the agricultural reserve, which in accordance with Article 16(2), third subparagraph, of Regulation (EU) 2021/2116 will be carried over to the 2024 agricultural reserve.

The remaining surplus of EUR 331.2 million translates into additional revenue assigned to the EAGF (C4) to be carried over from 2023 to 2024, reducing the amount of appropriations needed in the Budget 2024.

The real implementation at year-end for the directly managed expenditure as well as a number of end-of-year adjustments and transfers of appropriations will influence slightly the final balance of assigned revenue to be carried over to the 2024 budget. In the context of the conciliation procedure on the budget for 2024, this balance was estimated at EUR 339.8 million.