



Reports of Cases

Judgment of the General Court (Fourth Chamber) of 31 January 2012 — Spain v Commission

(Case T-206/08)

(EAGGF — ‘Guarantee’ section — Expenditure excluded from Community financing — Wine sector — Prohibition on new vine plantations — National monitoring systems — Lump-sum financial correction — Procedural guarantees — Error of assessment — Proportionality)

1. *Acts of the institutions — Statement of reasons — Obligation — Scope — Decision relating to the clearance of accounts in respect of expenditure financed by the EAGGF (Art. 253 EC) (see paras 24, 25)*
2. *Union law — Principles — Rights of defence — Whether applicable to administrative procedures initiated by the Commission — Compliance when communicating the results of checks carried out in the context of managing the EAGGF — Scope (Commission Regulation No 1663/95, Art. 8(1)) (see paras 45-47)*
3. *Agriculture — Common agricultural policy — EAGGF financing — Grant of aids and subsidies — Obligation on Member States to organise an efficient system of administrative controls and on-the-spot checks — Implied obligation — Scope (Council Regulations No 2392/86, Art. 4(4), and No 1493/1999, Art. 2(1); Commission Regulation No 2729/2000, Art. 5(2)) (see paras 77, 78)*
4. *Agriculture — EAGGF — Clearance of accounts — Disallowance of expenditure arising from irregularities in the application of the Community rules — Challenge by the Member State concerned — Burden of proof — Allocation between the Commission and the Member State (see paras 79, 104, 105, 114, 122)*

Re:

APPLICATION for annulment in part of Commission Decision 2008/321/EC of 8 April 2008 excluding from Community financing certain expenditure incurred by the Member States under the Guarantee Section of the European Agricultural Guidance and Guarantee Fund (EAGGF) and under the European Agricultural Guarantee Fund (EAGF) (OJ 2008 L 109, p. 35).

Operative part

The Court:

1. Dismisses the action;
2. Orders the Kingdom of Spain to bear its own costs and to pay those incurred by the European Commission.