



## Reports of Cases

### Judgment of the General Court (Third Chamber) of 30 June 2021 – Italy v Commission

(Case T-265/19)

(EAGF and EAFRD – Expenditure excluded from financing – Expenditure incurred by Italy – Clearance of the accounts – Conformity clearance – Financial corrections – Regulation (EU) No 1306/2013 – Risk of financial loss – Regulation (EC) No 1290/2005 – Regulation (EC) No 885/2006 – Primary administrative or judicial finding – Existence of an irregularity)

1. *Agriculture – Common agricultural policy – EAGGF, EAGF and EAFRD financing – Clearance of accounts – Disallowance of expenses arising from irregularities in applying EU rules – Assessment of the losses incurred by the EAGGF – Obligation on the Commission to establish the existence of a genuine loss by the Fund – None*

*(Council Regulation No 1290/2005, Art. 31(2); European Parliament and Council Regulation No 1306/2013, Art. 52(2))*

*(see para. 44)*

2. *Agriculture – EAFRD financing – Principles – Disallowance of expenses arising from irregularities in applying EU rules – Financial correction – Conditions – Existence of a serious deficiency exposing the EAFRD to a genuine risk of loss*

*(European Parliament and Council Regulation No 1306/2013, Art. 74(1))*

*(see paras 47, 100)*

3. *Agriculture – Common agricultural policy – EAGGF, EAGF and EAFRD financing – Clearance of accounts – Primary administrative or judicial finding – Definition – Established on the basis of a potential irregularity – Not included*

*(Council Regulation No 1290/2005, Art. 35)*

*(see paras 96-99, 101)*

**Re:**

Application under Article 263 TFEU for the partial annulment of Commission Implementing Decision (EU) 2019/265 of 12 February 2019 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) (OJ 2019 L 44, p. 14), in so far as it relates to certain expenditure incurred by the Italian Republic.

**Operative part**

The Court:

1. Annuls Commission Implementing Decision (EU) 2019/265 of 12 February 2019 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) in so far as excludes from EU financing expenditure incurred by the Italian Republic, amounting to EUR 305 122.74;
2. Dismisses the action as to the remainder;
3. Orders the Italian Republic and the European Commission each to bear their own costs.