



Reports of Cases

Judgment of the General Court (Seventh Chamber) of 7 December 2022 – Lithuania v Commission

(Case T-537/20)¹

(EAGF and EAFRD – Expenditure excluded from financing – Expenditure by Lithuania – Aid for early retirement – Article 52(2) of Regulation (EU) No 1306/2013 – Article 34(6) and Article 35(1) of Implementing Regulation (EU) No 908/2014)

1. *Agriculture – EAGF and EAFRD financing – Clearance of accounts – Disallowance of expenses arising from irregularities in applying EU rules – Challenge by the Member State concerned – Burden of proof – Shared by the Commission and the Member State – New data resulting from additional checks communicated by the Member State concerned not having sufficient probative value – Application of flat-rate correction – Whether permissible – Breach of the principles of proportionality and of sincere cooperation – None*

(European Parliament and Council Regulation No 1306/2013, Arts 5 and 52; Commission Regulations No 907/2014, Art. 12, and No 908/2014, Art. 34)

(see paragraphs 38-41, 52, 74, 75, 77, 79, 93, 118, 125, 126)

2. *Agriculture – EAGF and EAFRD financing – Clearance of accounts – Disallowance of expenses arising from irregularities in applying EU rules – Finding of defects in the control system established by a Member State – Challenge by the Member State concerned – Obligation on the Commission to respond to evidence put forward by the Member State concerning the financial consequences of the defects*

(European Parliament and Council Regulation No 1306/2013, Art. 52)

(see paragraph 54)

3. *Agriculture – Common agricultural policy – EAGGF, EAGF and EAFRD financing – Support for rural development – Mechanism granting aid for early retirement – Regulations No 1257/1999 and No 1698/2005 – Conditions for granting – Exercise of an agricultural activity for commercial purposes before the surrender of the holding – Criteria for assessment*

(Council Regulations No 1257/1999, Art. 11(1), and No 1698/2005, Art. 23(2))

(see paragraphs 84-86)

¹ OJ C 359, 26.10.2020.

4. *Agriculture – EAGF and EAFRD financing – Clearance of accounts – Implementing decision imposing a flat-rate financial correction – De minimis threshold*
(Commission Regulation No 908/2014, Art. 35(1))
(see paragraphs 130, 134)

Operative part

The Court:

1. Dismisses the action;
2. Orders the Republic of Lithuania to pay the costs.