Amendment 273/rev

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Report

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Common agricultural policy: financing, management and monitoring

Proposal for a regulation

Article 8

Text proposed by the Commission

8 Paying agencies and coordinating bodies

1. Paying agencies shall be departments or bodies of the Member States responsible for the management and control of expenditure referred in Article 5(2) and Article 6.

With the exception of making payment, the carrying out of those tasks may be delegated.

2. Member States shall accredit, as paying agencies, departments or bodies which have an administrative organisation and a system of internal control which provide sufficient guarantees that payments are legal, regular and properly accounted for.

To this end, paying agencies shall comply with minimum conditions for the accreditation with regard to the internal environment, control activities, information and communication and monitoring laid down by the Commission pursuant to point (a) of Article 10(1).

Amendment

8 Paying agencies

1. Paying agencies shall be departments or bodies of the Member States and, if applicable, of regions responsible for the management and control of expenditure referred in Article 5(2) and Article 6.

With the exception of making payment, the carrying out of those tasks may be delegated.

2. Member States shall accredit, as paying agencies, departments or bodies which have an administrative organisation and a system of internal control which provide sufficient guarantees that payments are legal, regular and properly accounted for.

To this end, paying agencies shall comply with minimum conditions for the accreditation with regard to the internal environment, control activities, information and communication and monitoring laid down by the Commission pursuant to point (a) of Article 12a(1).
Each Member State shall restrict the number of its accredited paying agencies as follows:

(a) to a single agency at national level or, where applicable, one per region; and
(b) to a single agency for the management of both EAGF and EAFRD expenditure.

However, where paying agencies are established at regional level, Member States shall, in addition, either accredit a paying agency at national level for aid schemes which, by their nature, have to be managed at national level or Member States shall confer the management of these schemes on their regional paying agencies.

The accreditation of paying agencies for the period 2014-2020 shall be carried over to the programming period 2021-2027, provided that they have informed the competent authority that they are in compliance with the accreditation criteria, and unless a review carried out pursuant to point (a) of Article 7a(2) shows that this is not the case.

Paying agencies which did not manage EAGF or EAFRD expenditure for at least three years shall have their accreditation withdrawn.

Member States shall not appoint any new additional paying agency after the date of entry into force of this Regulation.

Each Member State shall, taking into account its constitutional provisions, restrict the number of its accredited paying agencies as follows:

(a) to a single agency at national level or, where applicable, one per region; and
(b) to a single agency for the management of both EAGF and EAFRD expenditure, where only an agency at national level exists.

However, where paying agencies are established at regional level, Member States shall, in addition, either accredit a paying agency at national level for aid schemes which, by their nature, have to be managed at national level or Member States shall confer the management of these schemes on their regional paying agencies.

Paying agencies which did not manage EAGF or EAFRD expenditure for at least three years shall have their accreditation withdrawn.

Member States may appoint any additional paying agencies after the date of entry into force of this Regulation, provided that:

(a) the number of accredited paying agencies does not increase in relation to the situation on 31 December 2019; or
(b) the new paying agencies are appointed pursuant to an administrative reorganisation in the Member State concerned.
3. For the purposes of Article 63(5) and (6) of Regulation (EU, Euratom) 2018/... [the new Financial Regulation] ('the Financial Regulation'), the person in charge of the accredited paying agency shall, by 15 February of the year following the financial year concerned, draw up and provide the Commission with the following:

(a) the annual accounts for the expenditure incurred in carrying out the tasks entrusted to their accredited paying agency, as provided for in point (a) of Article 63(5) of the Financial Regulation, accompanied by the requisite information for their clearance in accordance with Article 51;

(b) the annual performance report referred to in Article 52(1) showing that the expenditure was made in accordance with Article 35;

(c) a management declaration as provided for in Article 63(6) of the Financial Regulation, as to:

(i) the fact that the information is properly presented, complete and accurate, as provided for in point (a) of Article 63(6) of the Financial Regulation,

(ii) the proper functioning of the governance systems put in place, which give the necessary guarantees concerning the outputs reported in the annual performance report, as provided for in points (b) and (c) of Article 63(6) of the Financial Regulation,

(iii) an analysis of the nature and extent of errors and weaknesses identified in systems by audit and controls, as well as

3. For the purposes of Article 63(5) and (6) of Regulation (EU, Euratom) 2018/1046 [the new Financial Regulation] ('the Financial Regulation'), the person in charge of the accredited paying agency shall, by 15 February of the year following the financial year concerned, draw up and provide the Commission with the following:

(a) the annual accounts for the expenditure incurred in carrying out the tasks entrusted to their accredited paying agency, as provided for in point (a) of Article 63(5) of the Financial Regulation, accompanied by the requisite information for their clearance in accordance with Article 51;

(b) an annual summary of the final audit reports and of controls carried out, including their outcome and an analysis of the nature and extent of errors and weaknesses identified in systems by audit and controls, as well as corrective action taken or planned, as provided for in point (b) of Article 63(5) of the Financial Regulation;

(c) a management declaration as provided for in Article 63(6) of the Financial Regulation, as to:

(i) the fact that the information is properly presented, complete and accurate, as provided for in point (a) of Article 63(6) of the Financial Regulation,

(ii) the proper functioning of the internal control systems put in place in line with the basic Union requirements, which give, as provided for in points (b) and (c) of Article 63(6) of the Financial Regulation, the necessary guarantees that the expenditure was made in accordance with Article 35 of this Regulation,
corrective action taken or planned, as provided for in point (b) of Article 63(5) of the Financial Regulation.

The deadline of 15 February referred to in the first subparagraph may be exceptionally extended by the Commission to 1 March, upon request by the Member State concerned, as provided for in the second subparagraph Article 63(7) of the Financial Regulation.

3a. For the purpose of the annual performance monitoring referred to in Article 38a and the multiannual performance review referred to in Article 121 of Regulation (EU) …/… [CAP Strategic Plan Regulation], the person in charge of the accredited paying agency shall, by 15 February of the year following the financial year concerned, draw up and provide the Commission with the performance report.

The report shall reflect the operations carried out and the progress made towards the achievement of the objectives as set out in the CAP National Strategic Plan and contain information about realised outputs and realised expenditure every year, information on realised results and distance to respective targets every two years, and, where feasible, reporting on impacts using the data referred to in Article 129 of Regulation (EU) …/… [CAP Strategic Plan Regulation].

The performance report shall be submitted to the Commission for the first time by … [two years after the date of application of this Regulation] and then each subsequent year until and including 2030. The first performance report shall cover the first two financial years after … [year of the date of application of this Regulation]. Of those direct payments referred to in Chapter II of Title III of Regulation (EU) …/… [CAP Strategic Plan Regulation], the performance report shall cover only the financial year …
4. Where more than one paying agency is accredited, Member States shall appoint a public coordinating body, to which it shall assign the following tasks:

(a) to collect the information to be provided to the Commission and to send that information to the Commission;

(b) to furnish the annual performance report referred to in Article 52(1);

(c) to take or coordinate actions with a view to resolving any deficiencies of a common nature and to keep the Commission informed of any follow-up;

(d) to promote and ensure harmonised application of Union rules. As regards the processing of the financial information referred to in point (a) of the first subparagraph, the coordinating body shall be subject to specific accreditation by the Member States.

The annual performance report provided by the coordinating body shall be covered by the scope of the opinion referred to in Article 11(1) and its transmission shall be accompanied by a management declaration covering the entirety of that report.

5. Where an accredited paying agency does not meet or no longer meets one or more of the accreditation criteria referred to in paragraph 2, the Member State, acting on its own initiative or at the request of the Commission, shall withdraw that accreditation unless the paying agency makes the necessary changes within a period to be determined by the competent authority depending on the severity of the problem.

6. The paying agencies shall manage and ensure the control of the operations linked to public intervention for which they are
responsible and they shall retain overall responsibility in that field.

Where support is provided through a financial instrument which is implemented by the EIB or another international financial institution in which a Member State is a shareholder, the paying agency shall rely on the control report supporting the payment applications submitted by the EIB or another international institution.

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