## **EUROPEAN PARLIAMENT**

2004 \*\*\*\* 2009

Committee on Agriculture and Rural Development

2004/2198(INI)

16.3.2005

## **OPINION**

of the Committee on Agriculture and Rural Development

for the Committee on Budgetary Control

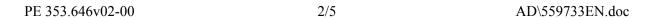
on protection of the European Communities' financial interests and the fight against fraud (2004/2198(INI))

Draftswoman: Katerina Batzeli

AD\559733EN.doc PE 353.646v02-00

EN EN

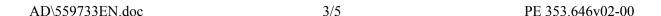
PA\_NonLeg



## **SUGGESTIONS**

The Committee on Agriculture and Rural Development calls on the Committee on Budgetary Control, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

- 1. Expects the new regulation on the financing of the CAP to help simplify implementation of that policy, reduce bureaucracy, increase transparency and facilitate more effective management of Community appropriations;
- 2. Takes the view that reform of the CAP, with the move from a production aid system to a single-payment system, ought to limit risks of fraud and irregularities; however, because of the complexity of the system and the way in which it is applied, differing according to Member States, an effective and transparent control system needs to be put in place, with steps to be taken to prevent farmers who work on a cross-border basis receiving either too little aid or more than the rules prescribe as a result of differences in implementation between the Member States in question;
- 3. Takes the view that, as well as efficiency and transparency of monitoring systems, attention must be paid to the appropriateness of controls and monitoring systems; asks the Commission to draw up a report on the costs and benefits of the controls and monitoring systems in operation within the CAP, and to forward it to the European Parliament;
- 4. Is concerned at the continuing very low rate of recovery of irregular payments and the great differences between Member States as regards the percentages of amounts actually recovered; calls on the Commission to take appropriate steps leading to substantial improvements in all these areas;
- 5. Hopes that the task force set up in 2003 to examine pre-1999 cases, will make it possible to recover a proportion of the arrears;
- 6. Expresses its satisfaction with developments in some Member States, such as the adoption of new regulatory provisions imposing penalties in the event of irregularities;
- 7. Calls on the Member States to give CAP debt recovery at least the same priority as the recovery of national aids; accordingly, the amount represented by irregular payments could be deducted from other Community payments owed to recipients;
- 8. Considers that the Member States ought to defray part of the cost of irregular payments still 'pending' after a reasonable period for which no write-off proposal has been made and where there is evidence that the Member State is responsible for failing to recover those payments;
- 9. Calls on the Commission to use objective criteria to charge unrecoverable undue payments to Member States or to the budget;
- 10. Argues in favour of simplifying definitions of types of fraud and methods of detection; calls on the Commission, in this context, to make the distribution of responsibilities



between DG AGRI and OLAF absolutely clear;

- 11. Points out that the current lack of clarity regarding compensation of livestock farmers when a contagious animal disease has to be combated could harm the financial interests of the Union, given that in the event of an outbreak there are differences in levels of compensation depending on the place of slaughter; calls on the European Commission to make good these lacunae with a compensation system in which the costs of combating the disease are distributed in a comparable manner between the EU, the national authorities and the agricultural sector in all the Member States;
- 12. Reiterates its call on the Commission to report on the inadequacies of the 'blacklist' system (Council Regulation (EC) No 1469/95 of 22 June 1995 on measures to be taken with regard to certain beneficiaries of operations financed by the Guarantee Section of the EAGGF<sup>1</sup>);
- 13. Calls for discussions to be embarked on, on the basis of that report, either to make significant changes to that system or to replace it by a more effective instrument.

ΕN

<sup>&</sup>lt;sup>1</sup> OJ L 145, 29.6.1995, p. 1.

## **PROCEDURE**

Title	Protection of the European Communities' financial interests and the
	fight against fraud
Procedure number	2004/2198(INI)]
Committee responsible	CONT
Committee asked for its opinion Date announced in plenary	AGRI 18.11.2004
Enhanced cooperation	-
Drafts(wo)man Date appointed	Katerina Batzeli 20.1.2005
Discussed in committee	14.3.2005 16.3.2005
Date suggestions adopted	16.3.2005
Result of final vote	for: 35 against: - abstentions: -
Members present for the final vote	Filip Adwent, Marie-Hélène Aubert, Sergio Berlato, Thijs Berman, Niels Busk, Luis Manuel Capoulas Santos, Joseph Daul, Albert Deß, Gintaras Didžiokas, Michl Ebner, Jean-Claude Fruteau, Ioannis Gklavakis, Lutz Goepel, Bogdan Golik, Friedrich-Wilhelm Graefe zu Baringdorf, María Esther Herranz García, Elisabeth Jeggle, Heinz Kindermann, Stéphane Le Foll, Albert Jan Maat, Diamanto Manolakou, Mairead McGuinness, María Isabel Salinas García, Agnes Schierhuber, Czesław Adam Siekierski, Csaba Sándor Tabajdi, Marc Tarabella, Kyösti Tapio Virrankoski, Janusz Wojciechowski
Substitutes present for the final vote	Béla Glattfelder, Gábor Harangozó, Astrid Lulling, Markus Pieper, Karin Resetarits, Struan Stevenson
Substitutes under Rule 178(2) present for the final vote	-