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TWENTY-SECOND FINANCIAL REPORT

on

THE EUROPEAN AGRICULTURAL GUIDANCE  
AND GUARANTEE FUND  
EAGGF

- 1992 -

GUARANTEE SECTION  
and  
FOOD AID ACCOUNTS CLEARANCE

(presented by the Commission)

T A B L E 1

Average conversion rates used for 1992

(cf. Annex 19)

EUROPEAN COMMUNITY	1 ECU = (budgetary) (*)
Belgium	42.0996 BFR
Denmark	7.90779 DKR
Germany	2.04437 DM
Greece	236.448 DRA
Spain	129.209 PTA
France	6.93885 FF
Ireland	0.766469 IRL
Italy	1.540.53 LIT
Luxembourg	42.0057 LFR
Netherlands	2.30407 HFL
Portugal	175.52 ESC
United Kingdom	0.707647 UKL

(\*) The ecu is the unit of account used for the Communities' budget; all receipts and expenditures, agricultural and non-agricultural, are expressed in ecus. Conversion into national currencies is generally at market rates or "budget rates". The common agricultural policy, to operate efficiently, requires that exchange rates between national currencies remain fairly stable. In order therefore to lessen the effect on agricultural prices of any adjustments to the rates of exchange, conversion into national currencies of agricultural prices expressed in ecus is not effected at the real exchange rates of the ecu but at specific rates called "green rates". Hence the amount calculated in ecu under agricultural regulations is referred to as "ECU(A)". However, for the charging to the budget of the financial consequences of agricultural regulations, conversion into ecus of national currencies is not at the green rate but at the market or budget rate; hence, the amount in ecu to be entered in the accounts is referred to as "ECU(B)".

INTRODUCTORY NOTE

- a) Article 10 of Council Regulation (EEC) No 729/70 on the financing of the common agricultural policy\* requires the Commission to send each year to the Council and Parliament "a financial report on the administration of the Fund during the preceding financial year and, in particular, on the state of its resources and the nature of its expenditure and the conditions under which Community financing has been effected".

This Report covers the operations of the EAGGF Guarantee Section and the clearance of accounts in respect of Community food aid for 1992.

The main task of the Guarantee Section is financing the expenditure arising from the common policy on agricultural markets and prices. Under Articles 2 and 3 of Regulation (EEC) No 729/70, expenditure consists of refunds on exports to non-Community countries, paid under the EEC market organizations, and intervention measures designed to stabilize agricultural markets.

- b) *Up to and including 1986, the financial year was always the same as the calendar year. The amendments made in 1987 to the Regulations governing the financing of the common agricultural policy resulted, as regards the Guarantee Section, in adjustments to the dates of closure of accounts for 1987<sup>(1)</sup>, 1988<sup>(2)</sup> and subsequent financial years<sup>(3)</sup>, with a corresponding displacement of the Guarantee Section financial year relative to the calendar year. This may make it difficult to compare these years with previous years, and should be taken into account in examining the various tables and annexes.*

\*

\* \*

N.B.: This report was completed on 21 September 1993

\* OJ No L 94, 28.4.1970, p.13.

(1) *Financial year 1987: expenditure here covers a period of ten months, from 1 January 1987 to end October 1987.*

(2) *Financial year 1988: expenditure here covers a period of eleven and a half months from beginning November 1987 to 15 October 1988.*

(3) *Financial year 1989 et seq.: expenditure here covers a period of twelve months from 16 October to 15 October of the following year.*

SUMMARY OF THE TWENTY-SECOND FINANCIAL REPORT  
EAGGF - GUARANTEE SECTION

A. Community expenditure on markets

1. The appropriations available for the Guarantee Section of the EAGGF for 1992, after transfers were made, amounted to ECU 32 867 million, including the set-aside of land from agricultural production (ECU 180 million) (the Guarantee Section's portion), the Fisheries Guarantee Fund (ECU 33 million), repayments to Member States of expenditure on the depreciation of agricultural stocks and the special disposal of butter from public stocks (ECU 810 million) (see table Nr. 6).

Allowing for the clearance of accounts for previous years (ECU 79 million), the financial contribution of cereal producers (ECU 1 099 million) and milk producers (ECU 368 million), total agricultural expenditure chargeable to the Guarantee Section for 1992 stood at ECU 31 950 million (see table Nr. 6).

2. Total expenditure taken into consideration for the 1992 budget, excluding emergency measures (ECU 202 million), the clearance of accounts (ECU 79 million) and miscellaneous payments (ECU 392 million), i.e. ECU 31 277 million, can be divided into expenditure on export refunds and intervention measures. These items amounted to ECU 9 488 million and ECU 21 789 million respectively.

In the case of refunds, 56% of total expenditure was taken up by cereals and rice and milk products alone, followed by beef and veal (14%) and sugar (14%).

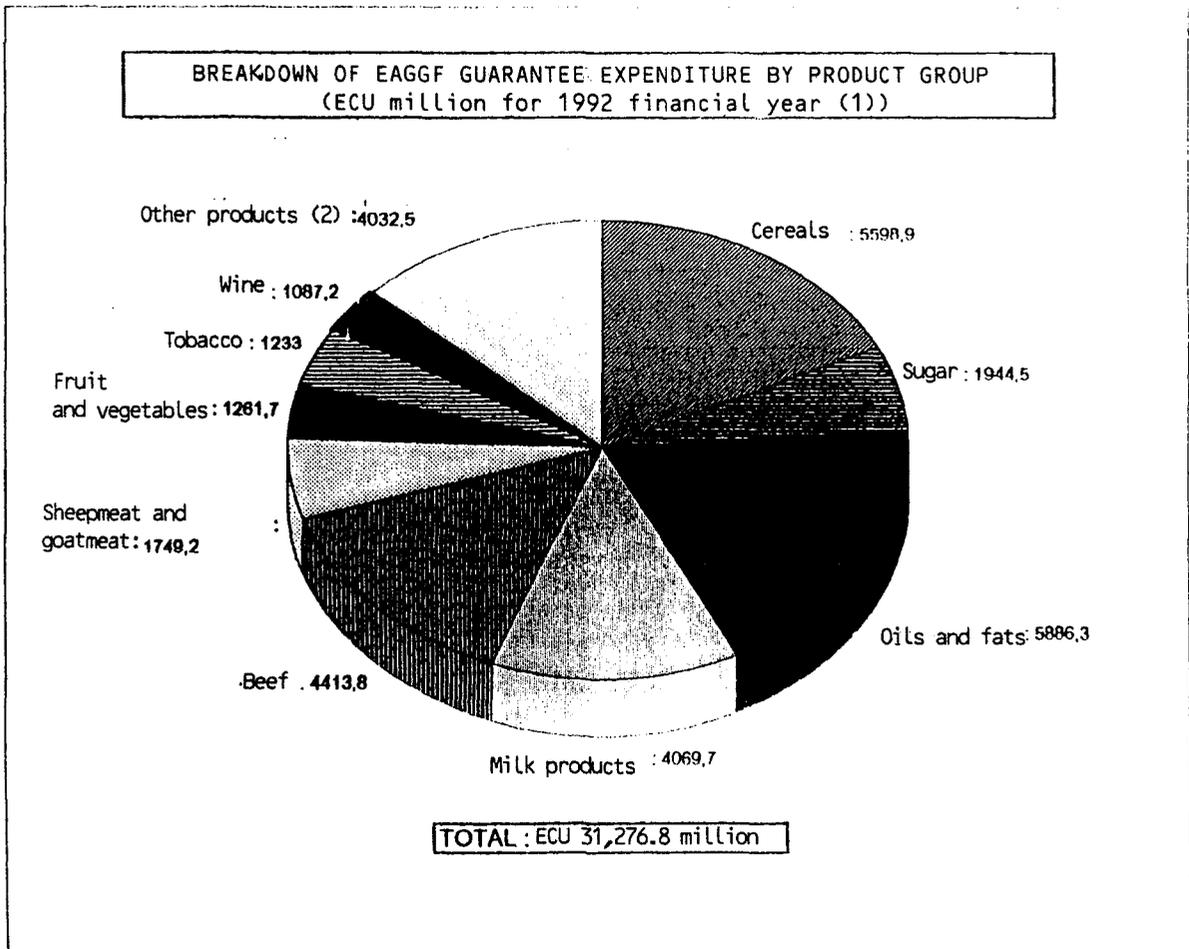
The product areas mainly responsible for expenditure on intervention were oilseeds (19%), followed by beef and veal (14%), cereals and rice (11%) and milk products (9%).

3. Despite the increase in the volume of public stocks during 1992, the book value remained virtually unchanged: ECU 2 584 million in 1991 and ECU 2 580.5 million in 1992.

As regards the quantities in stock, during 1992 there was:

- a considerable increase for cereals and a lesser one for oils and fats and beef;
- a fall for the other product groups.

GRAPH 1



- (1) Expenditure against the 1992 budget.
- (2) Including depreciation and special disposal of public butter stocks.  
Not including emergency measures.

B. Cash position and management of appropriations

For the Guarantee Section, twelve normal advances and one extraordinary advance were adopted during the year.

The 1992 budget was adopted in December 1991. There was such substantial underutilization that it was possible to reduce the appropriations required by adopting two supplementary and amending budgets.

The expenditure borne by the EAGGF Guarantee Section was charged to the 1992 budget (ECU 32 114.0 million) and to the appropriations carried over from 1991 (ECU 157.4 million). A total amount of ECU 879.7 million (ECU 869 million from the 1992 budget and ECU 10.7 million in carried-over appropriations) remained unused.

In addition, delays in the sending of emergency food aid to East European countries, as a result of the limited reception and storage capacities of the recipient countries, led the Commission to ask the budget authority for non-automatic carryovers of ECU 175.5 million.

As the two supplementary and amending budgets had already largely taken account of the new appropriations requirements, the transfers within the EAGGF Guarantee Section were far smaller than in previous years. The total transfers made to cover expenditure during 1992 came to only ECU 451.2 million.

C. Investigations and irregularities

The Commission continued its efforts to prevent fraud against the EAGGF. It concentrated on two main areas: stepping up controls, by increasing their number and improving their quality and training inspectors, and revising and simplifying agricultural legislation.

As part of the CAP reform, the Council adopted Regulation (EEC) No 3508/92 establishing an integrated administration and control system for certain Community aid schemes, comprising a computerized data base and using appropriate technical resources and administration and control methods such as aerial and satellite remote sensing.

The integrated system made application of the risk analysis method compulsory. Taking account of the risk factor makes it possible to target controls more effectively.

The Commission continued its operations on the ground, opening inquiries in various sectors such as cotton, wine, tobacco, olive oil, beef, cattle exports, milk powder and food aid.

The number of irregularities reported by the Member States under Articles 3 and 5 of the new Regulation (EEC) No 555/91 was 1 030, representing a total value of ECU 117.7 million, i.e. well up on the figures for 1991.

Inspection agencies for olive oil in the main producer Member States undertook a substantial number of checks which brought several irregularities to light. Parallel to this, inspection corps in the fruit and vegetable and wine sectors charged with cooperation on the spot with national authorities, detected a number of fraudulent practices.

Lastly, the use of remote sensing techniques was extended to virtually all the Member States.

D. Clearance of accounts

In 1992 the Commission took a formal decision on the clearance of accounts for 1989.

Checking expenditure for 1990, amounting to ECU 26.5 billion, was begun in 1991 and finished at the end of April 1992. It was based on a systems audit and on-the-spot verifications, in order to check the expenditure incurred for compliance with Community legislation. It appeared that the Member States were encountering increasing difficulties in applying the sometimes very complicated legislation laid down by the common agricultural policy.

In 1991 the payment systems of the Member States' paying agencies were subjected for the first time to an examination by external audit companies. The purpose of this measure was to carry out an initial financial audit in the 44 main paying agencies in the Member States.

Since the twenty-first financial report was drawn up, the Court of Justice delivered three judgments in cases brought by Member States relating to old clearance decisions. In each instance the complainant's case was dismissed.

During the decision-making process for the 1988 accounts, the Commission set up an internal working party with a remit to draw up proposals for improving the clearance of accounts procedure. The results were presented in October 1992.

E. Accounts clearance in respect of Community food aid

The financing of Community food aid operations changed as a result of Commission Regulation (EEC) No 2200/87 laying down general rules for the mobilization in the Community of products to be supplied as Community food aid, which entered into force on 1 July 1987.

The Commission's Directorate-General for Development is responsible for food aid.

The Guarantee Section of the EAGGF continues to be responsible for the clearance of accounts for budget years in which financing was carried out under the old system.

TABLE 2

Summary of the main totals in the  
22nd EAGGF Guarantee Section Financial Report

(ECU million)

- Expenditure under the 1992 budget complying with the terms of financing of the EAGGF Guarantee Section (Annex 2)	<u>32.271,4 (A)</u>
- Expenditure from carryovers from 1991	- 157,4 (B)
TOTAL TABLES 6 AND 9	<u>32.114,0</u>
A.	32.271,4
- Set-aside, Guidance Section part	- 138,0 (C)
- Income aids	- 25,9 (D)
TOTAL ANNEXES 3 AND 11	<u>32.107,5</u>
A.	32.271,4
B.	- 157,4
C.	- 138,0
D.	- 25,9
- Fisheries Guarantee Fund	- 32,1 (E)
- Reimbursement of Member States for expenditure on special disposal of butter from public stocks	- 799,5 (F)
TOTAL FINANCED WITHIN THE GUIDELINE	<u>31.118,5</u>
A.	32.271,4
B.	- 157,4
C.	- 138,0
D.	- 25,9
TOTAL TABLE 10 and ANNEX 4	<u>31.950,0</u>

<p>A. B. C. D.</p> <p>- Set-aside - Guarantee Section part - Interest to be paid to Member States as a result of the reform of the method of financing expenditure - Distribution of agricultural products to disadvantaged in the Community - Fraud prevention in the area of the EAGGF Guarantee Section - MCAs granted on imports (Item : B1.3210) - Accounts clearance previous years - Emergency actions (Item : B1-189)</p> <p>TOTAL TABLE 8 (column g) SUBTOTAL ANNEX 4</p>	<p>32.271,4 - 157,4 - 138,0 - 25,9 - 147,6 (G)  - 86,0 (H) - 130,2 (I) - 24,6 (J) - 3,9 (K) - 79,0 (L) - 202,0 (M)</p> <hr/> <p><u>31.276,8</u></p>
<p>A. (B + C + D) (G + H + I + J + K + L + M)</p> <p>- Cereals co-responsibility levy - Financial contribution by milk producers</p> <p>GROSS TOTAL OF AGRICULTURAL EXPENDITURE - TABLE 8 (column e)</p>	<p>32.271,4 - 321,3 - 673,3 + 1.098,7 (N) + 367,9 (O)</p> <hr/> <p><u>32.743,4</u></p>
<p>A. (B + C + D) (E + F)</p> <p>Total financed within the guideline</p> <p>Non-automatic carryovers EAGGF Guarantee</p> <p>TOTAL EXPENDITURE EAGGF GUARANTEE [TABLE 4]</p>	<p>32.271,4 - 321,3 - 831,6</p> <hr/> <p>31.118,5</p> <p>+ 175,5 (P)</p> <hr/> <p><u>31.294,0</u></p>
<p>A. B. L.</p>	<p>32.271,4 - 157,4 - 79,0</p>
<p>TOTAL TABLE 13</p>	<p><u>32.035,0</u></p>

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Title I

Community expenditure on markets

1. Background

1.1. 1992 budget

The initial 1992 budget, adopted on 18 December 1991, provided for the EAGGF Guarantee Section, for appropriations totalling ECU 36 039 million.

Table 3

(ECU million)

TOTAL APPROPRIATIONS RELATING TO THE EUROPEAN AGRICULTURAL GUIDANCE AND GUARANTEE FUND GOVERNED BY GUARANTEE SECTION FINANCING RULES			
Heading	Initial budget (1)	SAB No 2/92 (2)	SAB No 3/92 (3)
- European Agricultural Guidance and Guarantee Fund, Guarantee Section (Subsection B1)	36 039 (4)(5)	35 849 (4)(5)	33 095 (4)(5)
- Other appropriations governed by Guarantee Section financing rules			
. Fisheries Guarantee Fund (Chapter B2.90)	29	29	29
. Reimbursement of Member States for expenditure on depreciation of stocks of agricultural products and special disposal measures for butter from public stocks (Chapter B0.10)	810	810	810
. Set-aside, Guidance Section contribution (Chapter B2.220)	180	180	180
. Income aids (Chapter B2.221)	100	100	100
<b>Total for the Guarantee Section</b>	<b>37 158</b>	<b>36 968</b>	<b>34 214</b>

(1) OJ No L 26, 3.2.1992.

(2) Supplementary and amending budget No 2/1992 (OJ No L 174, 29.6.1992).

(3) Supplementary and amending budget No 3/1992 (OJ No L 349, 30.11.1992).

(4) Including ECU 1 000 million entered in the monetary reserve.

(5) Including ECU 17 million entered in Chapter B0.40 - "Provisions"; ECU 5 million was later transferred to Subsection B1.

The original appropriations were altered by supplementary and amending budget No 2, which was adopted on 13 May 1992 and which, in order to finance the special food aid programme for 1992, reduced the appropriations for the milk and milk products sector by ECU 190 million.

The appropriations allocated to the EAGGF Guarantee Section thus went down to ECU 35 849 million. Following the adoption of supplementary and amending budget No 3 on 25 September 1992, the appropriations allocated to the Guarantee Section were reduced to ECU 33 095 million, i.e. a total cut of ECU 2 944 million in the initial appropriations. The other appropriations governed by the Guarantee Section financing rules remained unchanged, the total appropriations managed by the Guarantee Section thus amounting to ECU 34 214 million, including the monetary reserve of ECU 1 billion<sup>(1)</sup>.

The ECU 36 039 million provided for in the initial budget and the amounts of ECU 35 849 million and ECU 33 095 million resulting from supplementary and amending budgets Nos 2 and 3/92 respectively included:

- the appropriations entered in the monetary reserve (ECU 1 billion).
- the appropriations of ECU 17 million initially entered in Chapter B0-40 "Provisions". Of this amount ECU 5 million was later transferred to Subsection B1, the remainder being divided as follows:
  - i) ECU 2 million for table olives;
  - ii) ECU 10 million for fraud prevention in the field of the EAGGF Guarantee Section.

The appropriations included in the monetary reserve were intended to cover significant and unexpected movements in the US dollar/ECU exchange rate in relation to the parity used to establish the budget. This reserve is not included in the guideline mentioned below.

Where savings are made in the Guarantee Section as a result of a favourable trend in the parity between the ECU and the dollar, they are transferred to the monetary reserve. Where the reverse happens, transfers are made to the budget headings for the Guarantee Section affected by this trend. A "franchise" of ECU 400 million is allowed, below which transfers to or from the monetary reserve do not occur.

The application of these provisions to the 1988, 1989, 1990 and 1991 financial years was presented in the 21st Financial Report concerning 1991 (see pages 2 and 3).

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(1) The initial budget was first amended by supplementary and amending budget No 1 for 1992 (OJ No L 142, 25.5.1992) but this did not affect the EAGGF Guarantee Section's appropriations.

As regards the impact of movements in the dollar parity on Guarantee Section expenditure in 1992, the trend during the period 1 August 1991 to 31 July 1992 was dollar appreciation.

This appreciation resulted in savings for the Guarantee Section estimated at ECU 355 million. However, the saving for the budget was below the "franchise" of ECU 400 million, so there was no need for a transfer of appropriations from the EAGGF Guarantee Section to the monetary reserve.

Lastly, the appropriation of ECU 810 million in Chapter B0.10 was intended solely to cover the financing, from 1989 to 1992, of the loss on sales under the special scheme for the disposal of butter from public stocks during 1987 and 1988 prefinanced by the Member States.

The 1992 financial year, like previous ones, remained subject to the requirements of budgetary discipline and, in particular, observance of the guideline agreed by the Brussels European Council in February 1988 for a period of four years ending with 1992. The Edinburgh European Council agreed to extend it until 1999.

Reflecting the need for control of CAP expenditure, this guideline limits the annual rate of growth of this expenditure.

The guideline currently covers all agricultural expenditure chargeable to the EAGGF Guarantee Section, less expenditure under Chapter B2.90 ("Fisheries Guarantee Fund") and Chapter B0.10 ("Repayment to the Member States of expenditure for depreciation of stocks of agricultural products and under specific measures for the disposal of butter from public stocks").

The general trend in Guarantee Section expenditure since 1988 can be summarized as follows:

(ECU million)

EAGGF Guarantee Section	1988	1989	1990	1991	1992
Guideline	27 500	28 624	30 630	32 511	35 039
Expenditure financed within the guideline	26 400	24 406	25 069	30 961	31 119
Total expenditure	27 687	25 873	26 453	32 386	32 108
p.m.: Margin compared with the guideline	1 100	4 218	5 561	1 550	3 920

#### 1.2. Transfers of appropriations and appropriations available

On account of numerous unforeseeable factors, both internal and external, including the ECU/US dollar exchange rate, agricultural expenditure may frequently diverge in the course of the financial year from the initial forecasts, which are outlined some twelve months before the beginning of the financial year in question.

However, since the introduction of the early warning system (cf 18th Financial Report on the Guarantee Fund, page 4), the Commission has been able to monitor more closely the trend of agricultural expenditure, chapter by chapter, act accordingly and thus ensure compliance with the budget. In view of the rate of utilization of the appropriations, however, some adjustments proved necessary (see Table Nr. 6 below).

The initial transfers were far smaller than in previous years thanks, among other things, to the adoption of supplementary and amending budgets Nos 2 and 3/92, which enabled appropriations to be reallocated to headings in Subsection B1.

The total value of these internal movements was ECU 456.2 million, compared with over ECU 2 300 million in the previous two years.

The budget authority also adopted a transfer out of the EAGGF Guarantee Section<sup>(1)</sup> of ECU 60 million from Chapter B1-33 "Refunds in connection with Community food aid" to Chapter B7-20 "Food aid and food projects in place of food aid".

As a result, the total amount of appropriations available for the EAGGF Guarantee Section (Subsection B1) for 1992, including supplementary and amending budgets Nos 2 and 3/92, came to ECU 32 879 million<sup>(2)</sup>.

### 1.3. Agricultural expenditure

Taking into account, firstly the expenditure of ECU 78.9 million on clearance of accounts for previous years and, secondly, the financial contribution of cereal producers (ECU 1 098.8 million) and milk producers (ECU 367.9 million), the total agricultural expenditure chargeable to the EAGGF Guarantee Section for the 1992 financial year and to the budget for that year amounted to ECU 31 950.0 million, not counting expenditure against carryovers of appropriations from 1991, set-aside (Guidance Section contribution) (Item B2-220) or income aids (Item B2-221), which are not charged to the Guarantee Section but for which the Community's financial contribution is paid in accordance with the rules governing the EAGGF Guarantee Section. A detailed analysis of the financing of the different sectors is given below (points 2.1 et seq.).

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(1) Another transfer moved ECU 4 million from Article B2-910 "Expenditure in connection with international fisheries agreements" to Article B2-901 "Intervention for fishery products", thus increasing the appropriations of the Guarantee Section.

(2) Including an amount of ECU 12 million entered in Title B0-40 (reserves and provisions) but not counting the appropriations entered in Chapter B2-22 "Set-aside (Guidance Section contribution) and income aid" (ECU 280 million) or appropriations entered in the monetary reserve (ECU 1 billion).

TABLE 4

EAGGF Guarantee Section expenditure<sup>(1)</sup>  
in relation to total EC expenditure<sup>(2)</sup>

Year	Total EC expenditure (ECU million)	EAGGF Guarantee Section expenditure (ECU million)	%
1988	41 120.9	26 400.4 (3)	64.2 %
1989	40 850.0	24 406.0	59.7 %
1990	44 378.9 (4)	25 754.7 (4)	58.0 %
1991	53 823.1 (5)	31 126.8 (5)	57.8 %
1992	58 857.0 (6)	31 294.0 (6)	53.2 %

(1) Expenditure in payment appropriations under Titles B1.1, B1.2, B1.3 and B1.4 (from 1991) - (Titles 1 and 2 and Chapter 390, Guarantee part, before 1991) of the budget, including carryovers to the following year.

(2) Total expenditure in payment appropriations, including carryovers to the following year.

(3) Expenditure covering a period of 11½ months.

(4) Of which ECU 685.5 million non-automatic EAGGF Guarantee Section carryovers.

(5) Of which ECU 166.0 million non-automatic EAGGF Guarantee Section carryovers.

(6) Of which ECU 175.5 million non-automatic EAGGF Guarantee Section carryovers.

#### 1.4. Fixing of farm prices and related measures for 1992/1993

The Council reached agreement on the 1992/93 prices on 21 May 1992<sup>(1)</sup>, keeping, with a few changes (see below), the institutional prices applied in 1991/92. For Spain and Portugal the prices for products for which there is a transitional period were aligned in accordance with the Act of Accession. The principal changes relate to:

- cereals: the co-responsibility levies in this sector and the two alternative aid systems for small producers linked to the levy were abolished.  
Following the 3% reduction in the intervention price to the automatic application of the system of stabilizers, the increases for common wheat and rye were fixed at ECU 3.27 and ECU 4.09 per tonne respectively.
- olive oil: the amount of the production aid for the Ten was increased by ECU 13.5/100 kg, and the intervention price and the representative market price were reduced accordingly. The amount of the production aid in the Ten for small producers was raised to ECU 92.12/100 kg. Consumption aid was cut by ECU 8/100 kg, the representative market price also being brought back to its 1990/91 level.

The related measures adopted by the Council, in addition to those already mentioned for cereals, relate primarily to the following:

- processed tomatoes: the system of quotas expired at the end of 1991/92, so the former guarantee thresholds will automatically come back into force. In this context, it was decided that the reduction in aid in the event of an overrun of the guarantee thresholds would be applied during the 1992/93 marketing year instead of 1993/94.
- sheepmeat: in this sector the application of the stabilizer mechanism was frozen for 1993 at 7%, and the basic price kept unchanged.

#### 1.5. The agri-monetary situation

The agri-monetary decisions taken by the Council on 21 May 1992 can be summarized as follows (for further details see Annex 18):

- For the currencies kept within a 2.25% margin of fluctuation among themselves there is no longer any difference between the green central rate and the green rate.

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(1) The details of this agreement are contained in the issue of "CAP Working Notes" on the 1992/93 agricultural prices - Council decisions, ref. VI/3012/92.

- As regards the escudo, sterling, the peseta and the drachma, the monetary gaps vary according to exchange market trends. It was decided in July 1988 that these differences would be dismantled by 1 January 1993. The rate for sterling was maintained, while the agricultural exchange rates for the peseta and the escudo were revalued so as to reduce the positive gaps varying from one production sector to another. It was also decided to devalue the drachma to reduce the gaps to 1.5 percentage points.

On 13 and 17 September 1992, then on 22 November 1992, the green rates for some currencies were adjusted in accordance with the realignments provided for in the event of currency movements. On this basis, new monetary compensatory amounts were applied, reaching fairly substantial levels for Italy, the United Kingdom and Spain.

#### 1.6. CAP reform

The Council reached a political agreement on the reform of the common agricultural policy on 21 May 1992<sup>(1)</sup>. The changes will be implemented over the next three marketing years and will affect most of the agricultural market organizations.

The Council adopted the three main guidelines proposed by the Commission, i.e.:

- a substantial cut in prices for agricultural products, to make them more competitive on internal and external markets;
- compensatory payments or premiums which are not directly linked to the quantities produced but which depend on the inputs involved;
- measures limiting the use of inputs, such as set-aside of arable land, restrictions on stocking rates and quotas.

Conscious of the need to encourage the restructuring of agricultural holdings, improve protection of the environment and the countryside and wishing to promote environment-friendly farming methods, the Council also adopted accompanying measures focusing on three schemes:

- the environmental aspects of farming;
- the afforestation of farmland;
- early retirement.

##### a) Arable crops

For cereals, a significant cut, spaced over three marketing years starting in 1993/94, will bring the target price down to ECU 110/tonne in 1995/96, i.e. a 29% reduction on current levels.

The difference between the target price and the threshold price will be ECU 45.

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(1) For more details, see the issue of "CAP Working Notes 1992" published on 7 July 1992 on the reform of the common agricultural policy.

The co-responsibility levy and the two aid systems for small farmers linked to the levy is abolished as of the 1992/93 marketing year.

From 1993/94 oilseeds will no longer benefit from guaranteed prices, only an aid per hectare fixed at Community level and subject to regional variations on the basis of average cereal yields or average oilseed yields for individual regions. Aid of ECU 359/ha, paid in two instalments (one at the beginning and one at the end of the marketing year), adjustable in the light of world price trends, has been introduced.

From 1993/94, the arrangements applicable to protein crops (peas, field beans and sweet lupins) are to be replaced by a compensatory aid per hectare cultivated and equal to the regional yield of cereals expressed in tonnes per hectare multiplied by ECU 65.

The cut in cereals prices will be offset by an aid per hectare calculated by multiplying a basic amount (ECU 25, ECU 35 and ECU 45 per tonne for the marketing years 1993/94, 1994/95 and 1995/96 respectively) by a regional yield which is the average of the yields recorded during the period 1986/87 to 1990/91. This amount will be granted on the basis of the crop areas recorded for the three previous marketing years.

The aid will be paid to producers of cereals, oilseeds and protein crops whose average production exceeds the equivalent of 92 tonnes of cereals provided that they subscribe to a programme to set aside 15% of their land normally used for those crops (this percentage applies to the 1993/94 marketing year).

- b) As regards tobacco, from 1993 a single premium is fixed for each group of varieties. It is increased by 10% in the case of contracts signed with producers' associations. The quotas are set at 370 000 tonnes for 1993/94 and 350 000 tonnes for subsequent marketing years.

Other measures were also adopted, including:

- the abolition of intervention and export refunds;
- the creation of a Community research and information fund, financed from a levy equal to not more than 1% of the premiums granted;
- the establishment of national agencies to monitor the implementation of the Community arrangements for tobacco;
- the implementation of a programme for the conversion of certain varieties.

c) Milk products

The Council decided to extend the additional levy system for seven years from 1993/94. The reference quantities for all the Member States will be cut by 2% in two stages, at the rate of 1% in both 1993/94 and 1994/95. The Council also decided to cut the price of butter by 2.5% in 1993/94 and 2.5% in 1994/95.

d) Beef/veal

The intervention price for beef is to be cut by 15% over three years. To offset the resulting loss of income, however, the premiums for the production of beef have been increased, but, to prevent excessive intensification, the Council decided to limit the support provided in the form of premiums by setting a maximum stocking rate per hectare of forage area, which will be reduced gradually to 2 LSU<sup>(1)</sup> per hectare in 1996. This limit does not apply to small farmers with less than 15 LSU.

Beef producers may be eligible for:

- a premium for male bovines, set at ECU 90, payable a maximum of twice in the life of the animal and
- a suckler cow premium of ECU 120 per cow and limited for each producer to the number of premiums paid for 1990, 1991 or 1992, to be decided by the Member State concerned.

The two premiums may be increased by ECU 30 in the case of producers with less than 1.4 LSU per hectare (extensification premium).

The Member States, depending on their production structures, may also introduce either a calf processing premium of ECU 100 per young male dairy calf withdrawn from production before the age of 10 days, or an intervention system for lightweight animals, i.e. those with a carcass weight of 150 to 200 kg.

The intervention system for beef is also undergoing changes. These relate to the following:

- the fixing of ceilings on intervention buying-in reducing the total in stages from 750 000 tonnes in 1993 to 350 000 tonnes in 1997;
- the creation of a safety net in Member States where the market price is less than 60% of the intervention price during a reference period;
- the restriction of intervention to quality meat, thus excluding a certain category of young male cattle as from 1993.

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(1) LSU = livestock unit.

- e) In the sheepmeat sector, the existing premium arrangements are maintained and the individual ceilings per producer are set at 1 000 head in the less-favoured regions and at 500 head in other regions. Beyond those limits the premiums will be reduced by 50%. The premiums for lightweight sheep and for goats are increased to 80% of the normal premium. Premiums are granted on the basis of a reference year (1989, 1990 or 1991, to be decided by the Member State).

An additional reserve equal to 1% of the individual rights of producers in the less-favoured regions of each Member State is also being established. This is to be allocated exclusively to these regions in accordance with criteria to be laid down by the Member States.

There are rules on the transfer of rights between producers and between regions, but the Member States must take appropriate measures to prevent these rights from being transferred outside the sensitive areas or regions where sheep production is particularly important for the local economy.

1.7. Emergency measures to assist CEEC and CIS countries

Since 1989 the Community, under various regulations, has provided emergency aid for the populations of a number of central and eastern European countries (see 1990 and 1991 Financial Reports).

1.7.1. With regard to the emergency measure for Romania decided on in 1990, a final payment of ECU 0.4 million was made in 1992. The Romania operation can be summarized as follows:

Product	Quantity Tonnes	Accounts entries (ECU million)	
		during 1992 fin. year	Aggregate up to end 1992

<u>ROMANIA (In 1990)</u>				
- 1st tranche (R.282/90)	Rye	62.500	-	3,6
	Maize	62.500	-	3,6
	Olive oil	2.500	-	4,1
	Butter	2.500	-	2,8
	Beef	10.000	-	9,6
	<b>Total</b>			<b>0,0</b>
 (In 1990)				
- 2nd tranche (R.456/90) Charged to PHARE (DG I)	Rye	62.500	-	3,7
	Maize	62.500	-	3,6
	Olive oil	2.500	0,4	4,0
	- Costs of delay In taking over		0,0	0,7
	Butter	2.500	-	2,7
	Beef	10.000	-	9,5
	<b>Total</b>			<b>0,4</b>
<b>TOTAL FOR OPERATION</b>			<b>0,4</b>	<b>47,9</b>

1.7.2. Emergency measure to assist Bulgaria, Romania and the CIS decided on in 1991

The Council adopted in 1991 measures to assist Bulgaria (ECU 27 million), Romania (ECU 53 million) and the CIS (ECU 250 million) by supplying food and by providing ECU 500 million in loan guarantees for exports of agricultural and food products.

The detailed rules for the application of these various programmes were adopted between May and July 1991.

All these operations, costing a total of ECU 330 million, were financed by the EAGGF from appropriations carried over from 1990.

Under the regulations adopted, the total quantities supplied from 1991 were as follows:

Product	Quantity Tonnes	Accounts entries(ECU million)	
		during 1992 fin. year	Aggregate up to end 1992
<b>ROMANIA (in 1991)</b>			
Bread wheat	50.000	3,9	3,9
SMP	2.000	0,7	2,8
Butter	5.000	1,2	6,8
Sunflower oil	20.000	4,0	10,6
Sugar	20.000	-	15,8
Baby food	1.500	4,1	4,1
Whole-milk powder	2.000	4,9	4,9
Cost of checks		0,2	0,2
<b>TOTAL FOR OPERATION</b>		<b>19,0</b>	<b>49,1</b>
<b>BULGARIA (in 1991)</b>			
SMP	7.500	0,4	8,2
Butter	4.000	0,4	5,6
Beef	11.000	-	12,8
<b>TOTAL FOR OPERATION</b>		<b>0,8</b>	<b>26,6</b>

(R. 597/91)  
TOT. APPROP.  
ECU 80 million

The products supplied to Romania and Bulgaria came partly from Community intervention stocks (wheat, skimmed milk and butter) and partly from purchases on the Community market (infant food, sugar, sunflower oil and whole milk).

Product	Quantity Tonnes	Accounts entries(ECU million)	
		during 1992 fin. year	Aggregate up to end 1992

CIS (in 1991)					
(R.598/91) APPROP ECU 250 million <u>The goods were</u> <u>transported</u> <u>mainly by</u> <u>non-governmental</u> <u>organizations</u>	Beef (quarters)	8.000	0,02	9,5	
	Beef (tinned)	12.737	1,5	27,6	
	Pigmeat	5.200	0,02	8,0	
	Pasta	2.500	0,5	1,9	
	Tomato concentrate	3.000	0,1	2,4	
	Baby food	7.300	4,0	20,4	
	Whole-milk powder	48.800	7,6	142,0	
	Checking costs		0,4	0,4	
	Transport costs		22,0	30,8	
	TOTAL FOR OPERATION			36,0	243,0

The operations concerning the CIS mainly involved packaged products specially purchased on the Community market.

These goods were carried and distributed to the addressees identified in the CIS mainly under the responsibility of non-governmental organizations.

1.7.3. Operations to assist Moscow, St Petersburg and other Russian towns, decided on in 1991/92

The Council on December 1991 decided to send emergency food aid to the people of Moscow, St Petersburg and other Russian towns, worth a total of ECU 200 million, including ECU 5 million financed from Article B7-500 "Humanitarian aid". Funding was provided by the EAGGF Guarantee Section: ECU 100 million from appropriations carried over from 1991 and ECU 95 million from 1992 appropriations.

The total quantities supplied in 1992 were as follows:

Product	Quantity Tonnes	Accounts entries(ECU million)	
		during 1992 fin. year	Aggregate up to end 1992

<u>MOSCOW, ST PETERSBURG (in 1992)</u>				
(R.3767/91)				
APPROPRIATION	SMP	13.000	12,7	12,6
ECU 95 million	Butter	12.500	14,9	14,9
	Beef	47.200	68,0	68,0
	TOTAL FOR OPERATION		95,6	95,6
<u>MOSCOW, ST.PETERSBURG, ETC (in 1992)</u>				
(R.330/92)				
APPROPRIATION	SMP	21.000	18,5	18,5
ECU 100 million	Butter	25.000	27,2	27,2
(carried over	Beef	8.000	11,1	11,1
from 1991)	Baby food	4.500	9,8	9,8
	White sugar	7.000	2,9	2,9
	Rapeseed oil	17.500	8,7	8,7
	TOTAL FOR OPERATION		78,2	78,2
<u>SUPPLY OF PRODUCTS NOT COMPLETED BY THE END OF THE 1992 FINANCIAL YEAR</u>				

1.7.4. Emergency measures to assist the people of Albania, decided on in 1992

To meet the basic and urgent needs of the population, the Council decided on aid in the form of food aid consisting of agricultural products from intervention stocks (regulation 3860/91).

Product	Quantity Tonnes	Accounts entries (ECU Million)	
		during 1992 fin. year	Aggregate up to end 1992

ALBANIA (in 1992)  
(R. 2938/91)

Charged to  
PHARE (DG I)

Bread wheat	100.000	8,7	8,7
TOTAL FOR OPERATION		8,7	8,7

N.B. : This amount was prefinanced by the EAGGF Guarantee Section and charged  
in fine against the appropriations for cooperation with  
non-Community countries.

ALBANIA (in 1992)  
(R. 3860/91)

APPROPRIATION  
ECU 35 million

Bread wheat	130.000	8,2	8,2
- Flour	38.000	1,9	1,9
- Meal	2.000	-	-
SMP	5.000	4,5	4,5
Butter	1.000	1,3	1,3
Beef	11.000	13,9	13,9
TOTAL FOR OPERATION		29,8	29,8

SUPPLY OF PRODUCTS NOT COMPLETED BY THE END OF THE 1992 FINANCIAL YEAR

Product	Quantity Tonnes	Accounts entries (ECU million)	
		during 1992 fin. year	Aggregate up to end 1992

ALBANIA (In 1992)			
(R. 1567/92)			
APPROPRIATION			
ECU 45 million			
Bread wheat	250.000	5,1	5,1
- Flour	52.500	-	-
Milled rice	2.000	-	-
SMP	5.000	-	-
Beef	9.000	-	-
TOTAL FOR OPERATION		5,1	5,1
SUPPLY OF PRODUCTS NOT COMPLETED BY THE END OF THE 1992 FINANCIAL YEAR			

ALBANIA (In 1992)			
(R. 3106/92)			
APPROPRIATION			
ECU 40 million			
Bread wheat	67.000	-	-
- Flour	5.000	-	-
Milled rice	4.000	-	-
Beef	5.000	-	-
Sugar	10.000	-	-
Eggs	20.000	-	-
TOTAL FOR OPERATION		0,0	0,0
NB : The products and quantities are still provisional.			

1.7.5. Emergency measures to assist the Baltic States, decided on in 1992

To improve the supply conditions of the populations of Estonia, Latvia and Lithuania and also maintain those countries' livestock herds, the Council adopted two regulations making cereal products held in Community stocks available to the Baltic States.

Product	Quantity Tonnes	Accounts entries(ECU million)	
		during 1992 fin. year	Aggregate up to end 1992

BALTIC STATES (R. 3861/91) (in 1992)

Estonia	Product	Quantity Tonnes	during 1992 fin. year	Aggregate up to end 1992
	Bread wheat	60.000	4,4	4,4
	- Flour	2.000	0,2	0,2
	Feed wheat	10.000	0,7	0,7
	Barley	50.000	3,1	3,1
	Rye	20.000	1,4	1,4
	<b>TOTAL</b>		<b>9,8</b>	<b>9,8</b>

Latvia	Product	Quantity Tonnes	during 1992 fin. year	Aggregate up to end 1992
	Bread wheat	80.000	5,9	5,9
	Barley	60.000	3,9	3,9
	Rye	50.000	3,5	3,5
	<b>TOTAL</b>		<b>13,3</b>	<b>13,3</b>

Lithuania	Product	Quantity Tonnes	during 1992 fin. year	Aggregate up to end 1992
	Bread wheat	150.000	10,7	10,7
	Barley	85.000	5,0	5,0
	Rye	20.000	1,4	1,4
	<b>TOTAL</b>		<b>17,1</b>	<b>17,1</b>

TOTAL FOR OPERATION 40,2 40,2

SUPPLY OF PRODUCTS NOT COMPLETED BY THE END OF THE 1992 FINANCIAL YEAR

Product	Quantity Tonnes	Accounts entries(ECU million)	
		during 1992 fin. year	Aggregate up to end 1992

<u>BALTIC STATES (R. 2335/92) (in 1992)</u>				
APPROPRIATION ECU 45 million				
Estonia	Bread wheat	60.000	-	-
	Feed wheat	10.000	0,3	0,3
	Barley	75.000	0,7	0,7
	TOTAL		1,0	1,0
Latvia	Bread wheat	80.000	1,4	1,4
	Barley	25.000	0,8	0,8
	Rye	50.000	0,7	0,7
	TOTAL		2,9	2,9
Lithuania	Bread wheat	200.000	-	-
	Rye	50.000	-	-
	TOTAL		0,0	0,0
TOTAL FOR OPERATION			3,9	3,9
<u>SUPPLY OF PRODUCTS NOT COMPLETED BY THE END OF THE 1992 FINANCIAL YEAR</u>				

1.7.6. Urgent action to assist the victims in the former Yugoslavia, decided on in 1992

The Council decided on 2 July 1992 on aid amounting to ECU 120 million as humanitarian assistance to refugees and displaced persons in the former Yugoslavia.

Out of this total, ECU 72.5 million were intended for food aid from the EAGGF Guarantee appropriations. This portion was mobilized by:

- Council Regulation (EEC) Nr. 2139/92 of 23 July 1992, which provided for the mobilization of intervention products and
- Council Regulation (EEC) Nr. 2793/92 of 21 September 1992, which also provided for the purchase of products on the Community market.

Product	Quantity Tonnes	Accounts entries (ECU million)	
		during 1992 fin. year	Aggregate up to end 1992

<u>FORMER YUGOSLAVIA</u>			
(R. 2139/92)			
APPROPRIATION			
ECU 35 million			
Flour	96.614	-	-
Pasta	2.064	-	-
Vitamin-enriched milk powder	935	-	-
Tinned beef	5.345	-	-
TOTAL FOR OPERATION		0,0	0,0
<span style="border: 1px solid black; padding: 2px;">UNDER WAY</span>			

FORMER YUGOSLAVIA (R. 2793/92)	<u>managed by ECHO</u>	<span style="border: 1px solid black; padding: 2px;">UNDER WAY</span>
APPROPRIATION ECU 72.5 million, minus the ECU 35 million under R. 2139/92, <u>i.e. ECU 37.5 million</u>		
N.B. : These appropriations were used primarily to finance the food components (sugar, cheese, corned beef, tinned fish, etc.) of family parcels for distribution, by way of priority, to refugees.		

SUMMARY:

EMERGENCY MEASURES TO ASSIST CENTRAL AND EASTERN EUROPEAN  
COUNTRIES (CEEC) AND THE CIS

ENTERED IN THE ACCOUNTS FOR 1992

ROMANIA	ECU 19.4 million
BULGARIA	ECU 0.8 "
FORMER USSR	ECU 209.8 "
ALBANIA	ECU 43.6 "
BALTIC STATES	ECU 44.1 "
FORMER YUGOSLAVIA	ECU 0.0 "
<hr/>	
TOTAL BOOKED	ECU 317.7 million

#### 1.8. Set-aside

The Council decided by Regulation (EEC) No 1765/92 to end the multiannual set-aside scheme provided for in Article 2 of Regulation (EEC) No 2328/91, which had been in force since 1988.

The new applications for participation in the five-year scheme were restricted to the 1992 harvest.

Producers who continue to take part in the five-year scheme by virtue of contracts entered into before that date have the possibility of withdrawing from those contracts between 1 September and 15 December of the years 1992 to 1996 and opting for the scheme offered by the above-mentioned Regulation (EEC) No 1765/92.

This option is, however, available only to holdings subject to the set-aside obligation provided for in Article 7 of Regulation (EEC) No 1765/92.

A total of 1 775 036 hectares have been set aside under the five-year scheme (see table 5 below).

A very limited number of farmers have so far taken up the possibility of switching from the five-year scheme to the annual scheme. The figure in hectares is 86 108 ha for the whole Community, including 60 465 ha for the new Länder. There is more incentive in the new Länder to switch from the five-year to the annual scheme because of the large size of holdings and the degressive premiums applicable to large holdings.

TABLE 5  
Results of set-aside (five-year scheme)

MEMBER STATE	Areas set-aside (ha)					Switching to annual scheme
	New applications in marketing year				Total	
	1988/1989	1989/1990	1990/1991	1991/1992*	1988-1992	Ha
Belgique/België	380	118	222	93	813	3
Danmark	-	-	4.596	3.545	8.141	0
Deutschland 1)	167.775	52.208	79.854	188.636	488.473	67.187
Ellas	-	250	250	213	713	0
España	25.080	13.864	28.720	22.279	89.943	643
France	14.219	40.157	112.199	68.917	235.492	0
Irland	1.141	486	52	71	1.750	41
Italia	93.756	234.972	242.761	207.487	778.976	1.382
Luxembourg	6	31	47	6	90	0
Nederland	2.535	5.919	6.667	402	15.523	45
Portugal	...	...	...	...	...	...
United Kingdom	51.991	48.814	28.880	25.437	155.122	16.803
<b>Total EUR 12</b>	<b>356.883</b>	<b>396.819</b>	<b>504.248</b>	<b>517.086</b>	<b>1.775.036</b>	<b>86.104</b>

\*) Including the changes under Article 12 of Regulation (EEC) No 1272/88.

1) The new Länder from the 1991/1992 marketing year.

... : Scheme not applied.

2. FINANCING OF THE MARKETS

2.1. Comparison between original appropriations and expenditure in 1992

Having regard to the adoption by the budget authority of supplementary and amending budget No 3/92, which brought down the total EAGGF guarantee appropriations subject to the guideline to ECU 32 095 million<sup>(1)</sup> and also a transfer 27/92 of ECU 60 million to Title 7 "Food and aid"<sup>(2)</sup>, unused appropriations for the 1992 financial year totalled ECU 917 million (see Table Nr. 6 above).

Expenditure for the financial year totalled ECU 31 119 million. To this must be added expenditure incurred from carryovers from 1991 of ECU 157 million for food aid to the former USSR.

Agricultural expenditure, which depends largely on external factors (e.g. the weather, the international trade situation, fluctuations in the US dollar/ECU parity) often differs from the initial estimates.

The differences between the initial appropriations and actual expenditure - totalling ECU 3 918 million for the 1992 financial year - result from two types of factor:

- A) "non-market" factors, accounting for a total of ECU 406 million, which represent the impact of variations in the US dollar/ECU exchange rate, the result of the clearance of accounts for previous years, the reimbursement by Germany of Community prefinancing and food aid operations.
- B) "market" factors, accounting for a total of ECU 3 512 million, which represent the impact of factors affecting markets, including monetary movements within the EMS.

The breakdown of the gaps for the individual sectors into the two types of factor is shown in Table Nr. 7 below.

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(1) Including the ECU 12 million entered under Chapter B0-40 "Provisions".

(2) Consequently, as the initial budget for Subsection B1 provided for appropriations of ECU 35 039 million, the appropriations allocated to this Subsection were reduced during the financial year by ECU 3 003 million.

**TABLE 6**  
Comparison between appropriations of 1992, appropriations available after SAB and transfers and expenditure

Chapter	Initial budget 1992	Transfers before SAB 3/92	SAB 2/92	SAB 3/92	Appropriations after SAB 3/92	Transfers after SAB 3/92	Final Appropriations	Expenditure 16.10.91 to 15.10.92	% Expenditure as % of initial approps.	Difference between initial appropriations and expenditure		Carryovers from 1991			
	(a)	(b)	(c)	(d)	(e) = a + b + c	(f)	(g) = e + f	(h)	(i) = (h)/(a)	(j) = (h)-(a)	(k) = (j)/(a)	Approps.	Expenditure	Difference	Difference
												(l)	(m)	(n) = (m)-(l)	(o) = (n)/(l)
B1-10 Cereals and rice	6.423,0	- 88,0		- 793,0	5.542,0	11,0	5.553,0	5.544,2	86,3 %	- 878,8	- 13,7 %				
B1-11 Sugar	2.110,0			- 114,0	1.996,0		1.996,0	1.937,4	91,8 %	- 172,6	- 8,2 %				
B1-12 Oils and fats	5.551,0			450,0	6.001,0	- 58,2	5.942,8	5.886,3	106,0 %	335,3	6,0 %				
of which: olive oil	1.759,0			8,0	1.767,0		1.767,0	1.754,3	99,7 %	- 4,7	- 0,3 %				
oilseeds	3.792,0			442,0	4.234,0	- 58,2	4.175,8	4.131,9	109,0 %	339,9	9,0 %				
B1-13 Protein plants	893,0			- 29,0	867,0		867,0	862,0	96,5 %	- 31,0	- 3,5 %				
B1-14 Fibre plants	664,0	43,0		97,0	804,0		804,0	771,3	116,2 %	107,3	16,2 %				
B1-15 Fruit and vegetables	1.570,0			- 336,0	1.234,0	30,0	1.264,0	1.261,7	80,4 %	- 308,3	- 19,6 %				
B1-16 Wine	1.775,0	- 175,0		- 395,0	1.205,0	- 65,0	1.140,0	1.087,2	61,3 %	- 687,8	- 38,7 %				
B1-17 Tobacco	1.307,0			- 120,0	1.187,0	47,0	1.234,0	1.233,0	94,3 %	- 74,0	- 5,7 %				
B1-18 Other plant sectors or products	146,0	220,0		162,0	528,0		528,0	302,7	207,3 %	156,7	107,3 %	166,0	157,4	- 8,6	- 5,2 %
<b>Title I</b>	<b>20.439,0</b>	<b>0,0</b>	<b>0,0</b>	<b>- 1.075,0</b>	<b>19.364,0</b>	<b>- 35,2</b>	<b>19.328,8</b>	<b>18.885,8</b>	<b>92,4 %</b>	<b>- 1.553,2</b>	<b>- 7,6 %</b>	<b>166,0</b>	<b>157,4</b>	<b>- 8,6</b>	<b>- 5,2 %</b>
B1-20 Milk products	5.695,0		- 190,0	- 1.348,0	4.157,0	- 65,0	4.092,0	4.006,8	70,4 %	- 1.688,2	- 29,6 %				
B1-21 Beef and veal	4.636,0			- 167,0	4.469,0		4.469,0	4.413,8	95,2 %	- 222,2	- 4,8 %				
B1-22 Sheepmeat and goatmeat	1.821,0			1,0	1.822,0		1.822,0	1.749,2	96,1 %	- 71,8	- 3,9 %				
B1-23 Pigmeat	263,0			- 74,0	189,0		189,0	141,6	53,9 %	- 121,4	- 46,1 %				
B1-24 Eggs and poultry	259,0			- 57,0	202,0		202,0	193,1	74,6 %	- 65,9	- 25,4 %				
B1-25 Other animal product aid measures	22,0			18,0	40,0		40,0	6,0	27,2 %	- 16,0	- 72,8 %				
<b>Title II</b>	<b>12.696,0</b>	<b>0,0</b>	<b>- 190,0</b>	<b>- 1.627,0</b>	<b>10.879,0</b>	<b>- 65,0</b>	<b>10.814,0</b>	<b>10.510,6</b>	<b>82,8 %</b>	<b>- 2.185,4</b>	<b>- 17,2 %</b>				
B1-30 Non-Annex II	672,0			11,0	683,0	17,0	700,0	699,6	104,1 %	27,6	4,1 %				
B1-31 ACAs	37,0			- 12,0	25,0	4,0	29,0	28,2	76,3 %	- 8,8	- 23,7 %				
B1-32 MCAs	36,0			- 15,0	21,0		21,0	0,9	2,6 %	- 35,1	- 97,4 %				
B1-33 Food aid	298,0			- 17,0	281,0	- 59,3	221,7	221,6	74,4 %	- 76,4	- 25,6 %				
B1-34 Interest	96,0			1,0	97,0		97,0	85,9	89,5 %	- 10,1	- 10,5 %				
B1-35 Distribution to deprived	150,0				150,0		150,0	130,2	86,8 %	- 19,8	- 13,2 %				
B1-36 Fraud prevention	24,0	5,0			29,0		29,0	24,6	102,5 %	0,6	2,5 %				
B1-37 Clearance of accounts prev.yrs	p.m.				p.m.	79,0	79,0	78,9	p.m.	78,9	p.m.				
B1-38 Rural development	394,0			- 20,0	374,0		374,0	304,4	77,3 %	- 89,6	- 22,7 %				
<b>Title III</b>	<b>1.707,0</b>	<b>5,0</b>	<b>0,0</b>	<b>- 52,0</b>	<b>1.660,0</b>	<b>40,7</b>	<b>1.700,7</b>	<b>1.574,5</b>	<b>92,2 %</b>	<b>- 132,5</b>	<b>- 7,8 %</b>				
<b>Title I + II + III</b>	<b>34.842,0</b>	<b>5,0</b>	<b>- 190,0</b>	<b>- 2.754,0</b>	<b>31.903,0</b>	<b>- 59,5</b>	<b>31.843,5</b>	<b>30.970,9</b>	<b>88,9 %</b>	<b>- 3.871,1</b>	<b>- 11,1 %</b>	<b>166,0</b>	<b>157,4</b>	<b>- 8,6</b>	<b>- 5,2 %</b>
B1-40 Set-aside	180,0				180,0		180,0	147,6	82,0 %	- 32,4	- 18,0 %				
<b>Total guideline</b>	<b>35.022,0</b>	<b>5,0</b>	<b>- 190,0</b>	<b>- 2.754,0</b>	<b>32.083,0</b>	<b>- 59,5</b>	<b>32.023,5</b>	<b>31.118,5</b>	<b>88,9 %</b>	<b>- 3.903,5</b>	<b>- 11,1 %</b>	<b>166,0</b>	<b>157,4</b>	<b>- 8,6</b>	<b>- 5,2 %</b>
B2-22 Set-aside + Income aid	280,0				280,0		280,0	163,9	58,5 %	- 116,1	- 41,5 %				
B2-90 Fisheries	29,0				29,0	4,0	33,0	32,1	110,6 %	3,1	10,6 %				
B0-10 Depreciation	810,0				810,0		810,0	799,5	98,7 %	- 10,5	- 1,3 %				
<b>Total</b>	<b>36.141,0</b>	<b>5,0</b>	<b>- 190,0</b>	<b>- 2.754,0</b>	<b>33.202,0</b>	<b>- 55,5</b>	<b>33.146,5</b>	<b>32.114,0</b>	<b>88,9 %</b>	<b>- 4.027,0</b>	<b>- 11,1 %</b>	<b>166,0</b>	<b>157,4</b>	<b>- 8,6</b>	<b>- 5,2 %</b>
B0-40 Reserves and provisions	17,0	- 5,0			12,0		12,0	p.m.	p.m.	p.m.	p.m.				
<b>Grand total</b>	<b>36.158,0</b>	<b>0,0</b>	<b>- 190,0</b>	<b>- 2.754,0</b>	<b>33.214,0</b>	<b>- 55,5</b>	<b>33.158,5</b>	<b>32.114,0</b>	<b>88,8 %</b>	<b>- 4.027,0</b>	<b>- 11,1 %</b>	<b>166,0</b>	<b>157,4</b>	<b>- 8,6</b>	<b>- 5,2 %</b>

TABLE 7

CHAPTER	GAPS	NON-MARKET FACTORS	MARKET FACTORS
	a=b+c	b	c
B1-10. Cereals and rice	- 879	- 213	- 666
B1-11. Sugar	- 173	- 29	- 144
B1-12. Oils and fats	335	- 103	438
B1-13. Protein plants	- 31	- 35	4
B1-14. Fibre plants	107	- 18	125
B1-15. Fruit and vegetables	- 308		- 308
B1-16. Wine	- 688		- 688
B1-17. Tobacco	- 74		- 74
B1-18. Other measures	157	+ 177	- 20
<b>TITLE 1</b>	- 1 554	- 221	- 1 333
	+ 599	+ 177	+ 567
	- 2 153	- 398	- 1 900
B1-20. Milk and milk products	- 1 688	- 73	- 1 615
B1-21. Beef and veal	- 222	- 160	- 62
B1-22. Sheepmeat and goatmeat	- 72		- 72
B1-23. Pigmeat	- 121	- 31	- 90
B1-24. Eggs and poultrymeat	- 66		- 66
B1-25. Other measures	- 16		- 16
<b>TITLE 2</b>	- 2 185	- 264	- 1 921
	- 2 185	- 264	- 1 921
B1-30. Non-Annex II products	28		29
B1-31. ACAs	- 9		- 9
B1-32. MCAs	- 35		- 35
B1-33. Refunds on food aid	- 76		- 76
B1-34. Reimbursement interest	- 10		- 10
B1-35. Free distribution	- 20		- 20
B1-36. Fraud prevention*	- 17		- 17
B1-37. Clearance prev. yrs.	+ 79	+ 79	0
B1-38. Rural development	- 87		- 87
<b>TITLE 3</b>	- 147	+ 79	- 226
	+ 107	+ 79	+ 28
	- 254		- 254
B1-40. Set-aside	- 32		- 32
<b>TOTAL</b>	- 3 918	- 406	- 3 512
	+ 706	+ 256	+ 595
	- 4 624	- 662	- 4 107

\* Including the ECU 15 million for fraud prevention entered in Title B0-40 (reserves and provisions).

A. "NON-MARKET" FACTORS

These can be summed up as follows:

1. The effect of the dollar: the appreciation of the dollar resulted in a saving of ECU 355 million, broken down as follows:

Chapter B1-10 : Cereals and rice	ECU 170 million
Chapter B1-11 : Sugar	ECU 29 million
Chapter B1-12 : Oils and fats	ECU 103 million
Chapter B1-13 : Protein plants	ECU 35 million
Chapter B1-14 : Fibre plants	ECU 18 million

As the resulting saving is less than the "franchise" of ECU 400 million, there is no need to make a transfer to the monetary reserve.

2. In connection with the clearance of accounts for previous years, ECU 79 million was reimbursed to France. There was a reservation regarding the sums provisionally recovered from this Member State in 1991.
3. Germany repaid ECU 307 million for Community prefinancing for the 1991 financial year of export refunds for abnormal agricultural stocks in the former GDR. This amount was broken down for 1992 as follows:

ECU 43 million for cereals;  
ECU 73 million for butter;  
ECU 160 million for beef;  
ECU 31 million for pigmeat.

4. Financing of certain food aid operations.  
During the financial year, in order to allow for the food aid operations decided on by the Council, the Community increased the appropriations entered in Chapter B1-18 by ECU 398 million. Out of this amount only ECU 177 million was used, but nonetheless the commitments for the majority of operations had been entered into, so the Commission proposed to the budget authority that appropriations of ECU 175.5 million be carried over to cover payments for the following year.

B. BUDGETARY ANALYSIS OF THE MAIN CHAPTERS AND/OR ARTICLES DISREGARDING EXTERNAL FACTORS

Comparing actual expenditure with the initial budget allocated to the EAGGF Guarantee Section it can be seen that there was an under-utilization of appropriations of the order of ECU 3 512 million. It is particularly significant for the livestock products sector (- ECU 1 921 million), above all for milk and milk products (- ECU 1 615 million) affected by the decline in milk production in the new German Länder.

The crop products sector also showed an under-utilization of appropriations of ECU 1 333 million, but this was limited by the overrun for oils and fats and fibre plants.

Deficit chapters	Surplus chapters
B1-12. Oils and fats + 438	B1-10. Cereals and rice - 666
B1-13. Protein plants + 4	B1-11. Sugar - 144
B1-14. Fibre plants + 125	B1-15. Fruit & Vegetabl.- 308
B1-30. Non-Annex II products + 28	B1-16. Wine - 688
	B1-17. Tobacco - 74
	B1-18. Other crop sectors - 20
	B1-20. Milk products - 1 615
	B1-21. Beef/veal - 62
	B1-22. Sheepmeat and goatmeat - 72
	B1-23. Pigmeat - 90
	B1-24. Eggs & poultry - 66
	B1-25. Other measures - 16
	B1-31. ACAs - 9
	B1-32. MCAs - 35
	B1-33. Food aid refunds - 76
	B1-34. Interest for fin. reform - 10
	B1-35. Free distribut. - 20
	B1-36. Fraud prevention - 17
	B1-38. Rural developm. - 87
	B1-40. Set-aside - 32
+ 595	- 4 107
Total : - ECU 3 512 million	

CROP PRODUCTS

<u>Chapter B1-10: Cereals and rice</u>	- ECU 666 million
of which: cereals	- ECU 643 million
rice	- ECU 23 million

The main reason for the under-utilization in the cereals sector is the decrease in expenditure on refunds (- ECU 518 million).

The improvement in world prices as a consequence of the very tense situation on the American market with very limited carry-over stocks, enabled the price for wheat to average USD 110/t, compared with the figure of USD 85/t on which the budget was based. The level of refunds was thus lower than expected (ECU 99/t for wheat as against the budget estimate of ECU 115/t) for a slightly larger volume of exports for 1991/92.

As regards rice, removal from storage went well, the prices obtained being higher than the book value of the merchandise in stock.

<u>Chapter B1-11: Sugar</u>	- ECU 144 million
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<u>Article 110: Refunds</u>	- ECU 55 million
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The low world demand and the decrease in the Community surplus led to a decrease of 200 000 t in the quantities exported compared with the estimates on which the budget was based.

<u>Article 111: Intervention</u>	- ECU 89 million
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Given the strong internal demand, the average time spent in store decreased and, consequently, expenditure on the reimbursement of storage costs was lower.

<u>Chapter B1-12: Oils and fats</u>	- ECU 438 million
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1. Olive oil

Expenditure at the end of the financial year in this sector was equal to the initial appropriations. The 1991/92 marketing year saw a high level of production (115 000 t more than the budget estimate).

<u>Article 121: Production aids</u>	- ECU 49 million
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Virtually all the payments relating to the 1990/91 marketing year have been made, which reduces the backlog. As advances to producers belonging to producers' groups during the 1992 financial year were greater than the estimates contained in the supplementary and amending budget, the drop in expenditure was less than expected.

<u>Article 123: Intervention in the form of storage</u>	+ ECU 60 million
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As a result of the increase in production, intervention buying-in totalled 45 000 t, i.e. half way between the estimate on which the budget was based and that adopted for the supplementary and amending budget.

2. Oilseeds + ECU 443 million  
Following the Council decision of December 1991, the 1992/92 marketing year is governed by the new regulation (aids per hectare). The 1992 budget was established on the assumption that the 1992/93 marketing year would be governed by the old Council rules. This change led to an increase in appropriations of about ECU 440 million.

**Chapter B1-13: Protein plants** + ECU 4 million

Article 130: Peas and field beans + ECU 21 million  
On account of the drought in the production regions, output for the 1991/92 marketing year totalled 4.4 million t, as against the estimate of 5.1 million t on which the budget was based, for an MGQ of 3.5 million t. Consequently, the reduction in the guide price under the stabilizers was less than expected (16.5% instead of 22.0%), which led to substantial expenditure independently of the dollar situation.

Article 131: Dried fodder - ECU 18 million  
Production for 1991/92 amounted to 3.72 million t, very close to the budget estimate (3.75 million t).  
The lower expenditure in the dried fodder sector resulted primarily from world prices.

**Chapter B1-14: Fibre plants** + ECU 125 million

Article 141: Cotton + ECU 131 million  
There was a substantial overrun in this sector during the 1992 financial year. The Commission had suspended advances while waiting for Greece to carry out an investigation. Once Greece had started inquiries, the Commission reimbursed the advances.

**Chapter B1-15: Fruit and vegetables** - ECU 308 million

Article 150: Fresh fruit and vegetables - ECU 224 million  
The main reason for this lower level of expenditure was that withdrawals of apples were less than expected.

Article 151: Processed fruit and vegetables - ECU 48 million  
Less expenditure was needed for aids for the processing of tomatoes, fruit and dried grapes and for aids per hectare for dried vegetables.

**Chapter B1-16: Wine** - ECU 688 million

Production for the 1991/92 wine year was particularly low (93 million hl, as compared with the estimate of 128 million hl on which the budget was based), which led to a substantial saving compared to the initial budget.

Article 162: Taking over of alcohol from  
compulsory distillation - ECU 255 million

On the one hand, intervention buying-in was less than estimated in the budget (2 million hl instead of 4 million hl) and, on the other hand, sales of alcohol on which there were losses were of the order of 1.6 million hl, whereas in the initial budget, sales were expected to total 5 million hl.

Chapter B1-17: Tobacco - ECU 74 million

This under-utilization is almost entirely due to lower expenditure arising from a small volume of intervention buying-in (21 000 t compared with the 57 000 t allowed for in the budget) and larger sales from intervention (97 000 t compared with the estimated 85 000 t) at higher prices than expected.

#### LIVESTOCK PRODUCTS

Chapter B1-20: Milk and milk products - ECU 1 615 million

The substantial under-utilization of appropriations compared with the initial budget results from the favourable market trend. Large quantities of intervention stocks of butter and skimmed-milk powder were able to be sold, making for substantial revenue resulting in the savings recorded.

Milk production in the five new German Länder being markedly below the quotas was the main reason for this trend. Community milk production (not corrected on the basis of fat content) is around 3 million t below the quotas.

Article 201: Intervention in the form of storage  
of skimmed-milk powder - ECU 500 million

Sales of skimmed-milk powder from intervention totalled 390 000 t, compared with the estimate of 25 000 t on which the budget was based. In addition to this, there was no intervention buying-in although this was provided for in the budget.

Article 203: Intervention in the form of storage  
of butter and cream - ECU 614 million

As a result of intervention buying-in of 40 000 tonnes instead of the 245 000 t allowed for in the budget and since the quantities sold were larger than expected (250 000 t against 150 000 t), the final stock was only 180 000 t (instead of the expected 405 000 t).

Chapter B1-21: Beef/veal - ECU 62 million

Article 211: Intervention in the form of storage - ECU 139 million

Despite losses on sales resulting from exports of meat from intervention not allowed for in the initial budget, the lower expenditure results, on the one hand, from smaller stocks than estimated for the budget (1 014 million t instead of 1 225 million t), quantities having been removed from storage for export and, on the other, the fact that private storage aid was not opened for the 1992 financial year.

Chapter B1-23: Pigmeat - ECU 90 million

Article 230: Refunds - ECU 31 million

The under-utilization noted resulted primarily from the fact that despite the drop in world prices due largely to the dollar rate, the rate of refunds did not increase. In addition, the quantities exported were smaller than expected.

Article 231: Intervention - ECU 34 million

There was no need for private storage contracts in 1992 as the market situation was good: prices did not deteriorate until the end of the financial year.

#### OTHER SECTORS

Chapter B1-30: Refunds on non-Annex II products + ECU 28 million

The overrun is due to the volume of trade in goods resulting from the processing of agricultural products being greater than the estimates on which the budget was based.

Chapter B1-31: ACAs<sup>(3)</sup> granted  
in intra-Community trade - ECU 9 million

The under-utilization can be explained by the progressive alignment of Spanish and Portuguese prices on those of the other Member States.

Chapter B1-32: MCAs<sup>(4)</sup> levied or paid in trade  
in agricultural products - ECU 35 million

The decrease in expenditure resulted almost entirely from the fact that sterling held its value after entry into the EMS at higher levels than the parity on which the budget was based and from the accordingly lower MCAs.

(3) Accession compensatory amounts.

(4) Monetary compensatory amounts.

**Chapter B1-33: Refunds on food aid**

**- ECU 76 million**

The main reason for the reduction in appropriation requirements was the general drop in the level of refunds during the financial year. The surplus of appropriations led to a transfer to Title 7 "Food aid".

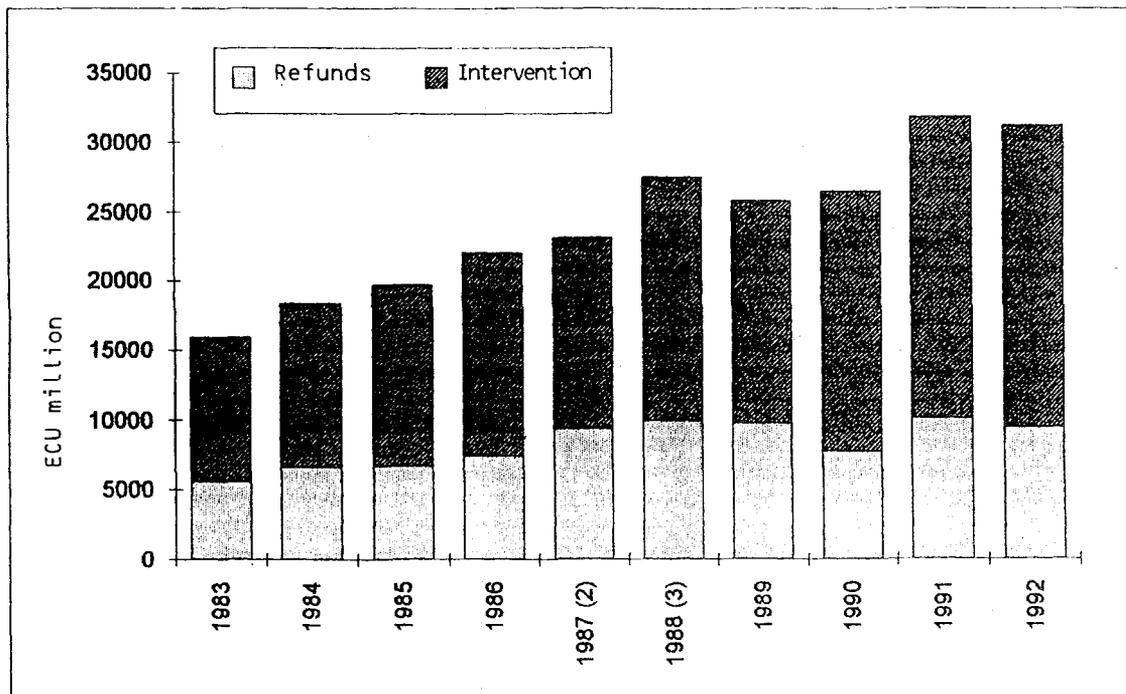
**Chapter B1-38: Rural development schemes  
linked to market operations**

**- ECU 87 million**

The under-utilization resulted, in particular, from the lower expenditure on aid per hectare for small producers of arable crops and the decrease in the number of animals eligible for the suckler cow premium for mixed herds on small farms.

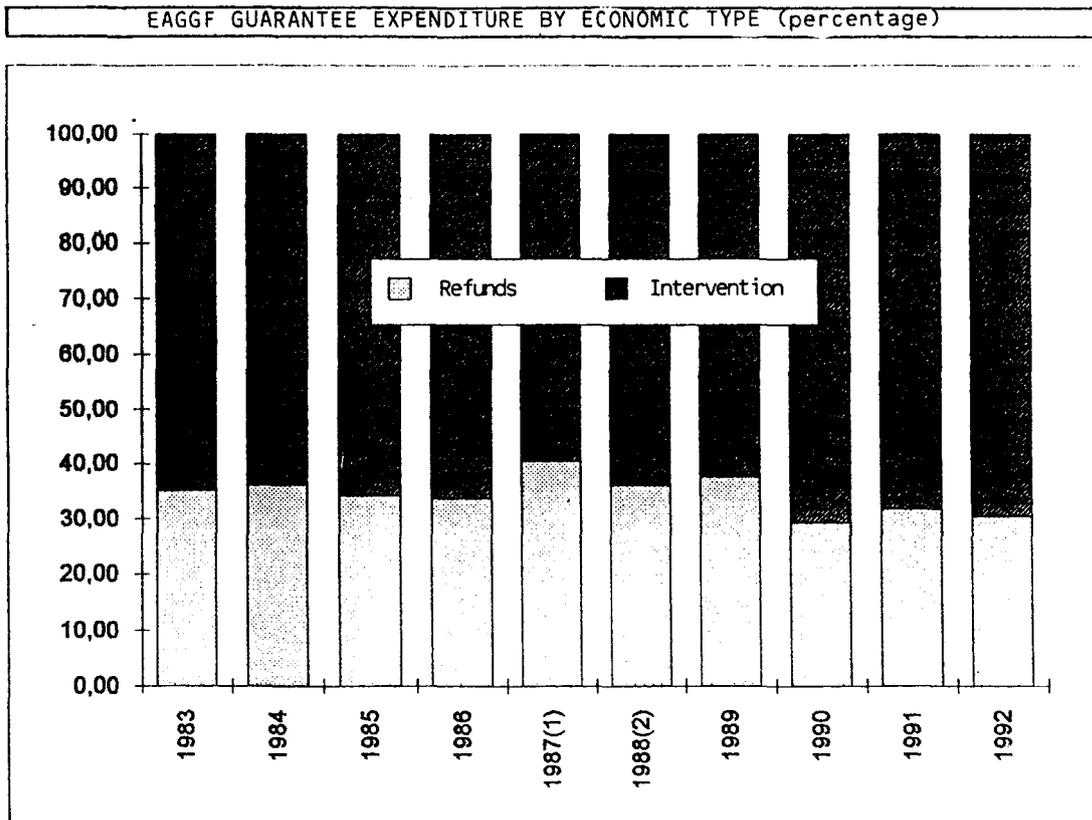
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EAGGF GUARANTEE EXPENDITURE BY ECONOMIC TYPE (1)



- (1) Not counting the consequences of emergency measures, clearance of accounts, Community compensation measures or miscellaneous measures.
- (2) Expenditure against the 1987 budget (10 months).
- (3) Expenditure against the 1988 budget (11 1/2 months).

G R A P H 3



- (1) Expenditure against the 1987 budget (10 months).
- (2) Expenditure against the 1988 budget (11 1/2 months).

TABLE 8

## Breakdown of agricultural expenditure by economic type (1)

(ECU million)

Chapter	Export refund		Storage		Price compensating Aids	Other intervention		Total Gross	Co-responsibility levy	Budget expenditure (4)
		of which food aid		of which depreciation			of which guidance premiums			
B1.10 Cereals and rice	3.383,1	151,6	2.474,7	2.116,8	936,8	-	-	6.794,6	- 1.098,7	5.695,9
B1.11 Sugar	1.312,7	7,1	496,1	-	135,7	-	-	1.944,5	-	1.944,5
B1.120 Olive oil	48,4	p.m.	42,9	59,5	1.663,1	-	-	1.754,4	-	1.754,4
B1.125 Oilseeds	0,1	-	0,4	-	4.132,2	-	-	4.131,9	-	4.131,9
B1.13 Protein crops	-	-	-	-	862,0	-	-	862,0	-	862,0
B1.14 Fibre plants	-	-	1,9	-	769,4	-	-	771,3	-	771,3
B1.15 Fruit and vegetables										
- fresh	91,6	-	-	-	245,5	270,5	83,0	607,6	-	607,6
- processed	25,1	-	14,9	-	614,1	-	-	654,1	-	654,1
B1.16 Wine / alcohol	77,3	-	220,9	162,5	133,6	655,4	245,5	1.087,2	-	1.087,2
B1.17 Tobacco	71,9	-	0,5	14,1	1.160,6	-	-	1.233,0	-	1.233,0
B1.18 Other products (2)	-	-	-	-	100,7	-	-	100,7	-	100,7
B1.20 Milk products	2.118,9	62,8	611,0	869,5(3)	1.896,5	610,6	610,6	5.237,0	- 367,9	4.869,1
B1.21 Beef / veal	1.332,5	-	2.190,6	1.746,6	890,7	-	-	4.413,8	-	4.413,8
B1.22 Sheepmeat and goatmeat	-	-	2,5	-	1.746,7	-	-	1.749,2	-	1.749,2
B1.23 Pigmeat	130,4	-	11,0	-	0,2	-	-	141,6	-	141,6
B1.24 Eggs and poultry	193,2	-	-	-	-	-	-	193,2	-	193,2
B1.25 Other animal product aid meas.	-	-	-	-	6,0	-	-	6,0	-	6,0
B1.30 Non-Annex II products	699,6	-	-	-	-	-	-	699,6	-	699,6
B1.31 ACAs	-	-	-	-	28,2	-	-	28,2	-	28,2
B1.32 MCAs	0,6	-	-	-	3,6	-	-	3,0	-	3,0
B1.380 Differential application of agricultural market mechanisms	-	-	-	-	304,4	-	-	304,4	-	304,4
B2.90 Fisheries guarantee fund	1,9	-	0,2	-	21,2	8,8	-	32,1	-	32,1
TOTAL	9.487,4	221,6	6.066,8	4.969,0	15.643,9	1.545,3	939,1	32.743,4	- 1.466,6	31.276,8
%	29,0 %	0,7 %	18,5 %	15,2 %	47,8 %	4,7 %	2,9 %	100 %	- 4,5 %	95,5 %

(1) Expenditure against the 1992 budget.

(2) Not including emergency measures (ECU 202 million) - Item B01-189.

(3) Of which ECU 799.5 million represents the 3rd tranche of reimbursements to Member States for expenditure incurred on the disposal of public butter stocks.

(4) Not including:

- expenditure from appropriations carried over from 1991 (ECU 157.4 million)
  - set-aside, Guidance Section partion (ECU 137.9 million) - Item B02-220
  - income aids (ECU 25,2 million) - Item B02.221
  - consequences of accounts clearance (ECU 78,9 million)
  - interest to be paid to Member States following changes in the method of financing expenditure (ECU 85.9 million)
  - distribution of agricultural products to disadvantaged in the Community (ECU 130,2 million)
  - set-aside Guarantee Section partion (ECU 147.6 million)
  - measures to combat fraud (ECU 24,6 million)
  - MCAs granted on imports (ECU 3,9 million) - Item B01.3210
- i.e. a total of ECU 791,6 million.

## 2.2. Breakdown of expenditure by economic type

On the basis of total expenditure against the 1992 budget, i.e. ECU 31 277 million<sup>(\*)</sup>, expenditure on export refunds amounted to ECU 9 488 million (30.3%) and that on intervention to ECU 21 789 million (69.7%) (see Annex 4). Last year, out of total expenditure against the 1991 budget (ECU 31 891 million), expenditure on refunds amounted to ECU 10 080 million (31.6%) and that on intervention to ECU 21 811 million (68.4%).

### 2.2.1. Restitutions

The breakdown of expenditure on refunds by main product group is as follows:

SECTORS	1991	1992
- Cereals/rice	36.5 %	34.1 %
- Milk products	22.3 %	21.7 %
- Beef/veal	12.7 %	14.0 %
- Sugar	12.4 %	13.8 %
- Non-Annex II products	7.0 %	7.4 %

### 2.2.2. Interventions

On the basis of expenditure against the 1992 budget, expenditure on intervention related mainly to the following product groups:

SECTORS	1991	1992
- Oilseeds	16.3 %	19.0 %
- Beef/veal	13.8 %	14.1 %
- Cereals & rice	6.9 %	10.6 %
- Milk products	15.5 %	9.0 %
- Sheepmeat & goatmeat	8.2 %	8.0 %
- Olive oil	8.1 %	7.8 %
- Tobacco	5.8 %	5.3 %
- Fruit & vegetables	4.6 %	5.3 %
- Wine	4.5 %	4.6 %

<sup>(\*)</sup> Excluding the clearance of accounts for previous years (+ 79 million) and the items covering interest payments following changes in the method used for financing EAGGF expenditure (+ ECU 86 million), distribution free of charge to the less well-off (+ ECU 130 million), set-aside, Guarantee portion (+ ECU 148 million), fraud prevention (+ ECU 25 million) and the portion of MCAs granted on imports - Item B01.3210 - (+ ECU 4 million).

Nor has account been taken of:

- expenditure from appropriations carried over from 1991 (+ ECU 157 million);
- set-aside, Guidance Section portion (+ ECU 138 million) - Item B02.220;
- income support (+ ECU 26 million) - Item B02.221;
- emergency measures (+ ECU 202 million) - Item B01.189.

Intervention, broken down by the economic nature of the scheme concerned, consists of public or private storage aid, withdrawals and similar operations, price compensating aids and guidance premiums (see Annex 7).

Compared with the total for intervention (ECU 23 256 million)<sup>(1)</sup>, price compensating aids came to ECU 15 644 million (67.3%), storage aids to ECU 6 067 million (26.1%), guidance premiums to ECU 939 million (4.0%) and withdrawals and similar operations to ECU 606 million (2.6%).

2.2.2.1. Price compensating aids remain the most important type of intervention. This heading groups aids granted on the internal Community market so that the consumer price is lower than the producer price and is competitive with products imported from non-member countries.

This type of aid accounts for 67.3% of total intervention (1991: 64.6%) and 50.0% of total expenditure against the 1992 budget<sup>(2)</sup> 1991: 46.7%).

The product groups benefiting most from price compensating aids were the following:

SECTORS	1991 ECU million	1992 ECU million
Oilseeds	3 549	4 132
Milk products	1 971	1 897
Sheepmeat and goatmeat	1 787	1 747
Olive oil	1 781	1 663
Tobacco	1 211	1 161
Cereals/rice	993	937
Beef/veal	702	891
Protein plants	959	862

Annex 8, which gives the breakdown of those aids, shows that production aids are mainly granted for oilseeds (rape and sunflower), sheepmeat and goatmeat and tobacco. However, aids for processing and promotion are concentrated on milk products, olive oil and fruit and vegetables.

(1) Not taking into account co-responsibility levies for cereals (ECU 1 099 million) and the financial contribution of milk producers (ECU 368 million).

(2) Not counting emergency operations, the clearance of accounts for previous years and miscellaneous expenditure.

2.2.2.2. Storage intervention totalled ECU 6 067 million, accounting for 26.1% of all intervention (1991: 27.7%) and 19.4% of all expenditure against the 1992 budget<sup>(1)</sup> (1991 financial year: 20.1%). This kind of intervention covers the costs of storage, whether public or private (the details of expenditure are given in Annex 9). On the basis of a total of ECU 5 267 million, i.e. not taking account of the reimbursement of Member States for expenditure on special disposal measures for butter from public stocks (ECU 800 million) or, on the other hand, expenditure on products from public storage in connection with emergency measures (ECU 359 million), expenditure on private storage totalled ECU 767 million and that on public storage ECU 4 500 million.

Private storage aids relate mainly to sugar (ECU 496 million), but costs in this sector are covered by the collection of storage levies from sugar manufacturers (see Annex 13); then come storage costs for milk products (ECU 194 million) and for wine/alcohol (ECU 40 million).

A detailed analysis of public storage is contained in paragraph 2.3 and Annex 10.

2.2.2.3. Withdrawals and similar operations affect only a limited number of sectors. They account for 2.6% of total intervention and 1.9% of total expenditure booked to the 1992 budget<sup>(1)</sup>, compared with 2.7% and 2.0% respectively for 1991.

2.2.2.4. Guidance premiums are granted only in the fruit and vegetables, wine and milk products sectors. They account for 4.1% of total intervention and 3.0% of total expenditure booked to the 1992 budget<sup>(1)</sup>, compared with 5.0% and 3.6% respectively for 1991.

In the fruit and vegetables sector, premiums make up the Community's contribution to the financing of schemes for developing and improving the consumption and use of nuts and/or locust-beans and to the financing of expenditure on schemes for grubbing fruit trees. In the wine sector premiums are granted for permanent abandonment of land under vines, in the milk sector they are granted for permanent abandonment of milk production, as compensation for temporary suspension of milk quotas and the surrender of milk quotas, this latter measure arising from the implementation of the Community programme for the redistribution of milk quotas to producers in regions of the Community where production conditions are difficult.

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(1) Excluding emergency measures, the clearance of accounts for previous years and miscellaneous expenditure.

### 2.3. Trend of public stocks (see Annexes 9 and 10)

Between 1 October 1991 and 30 September 1992, the date on which public storage accounts were closed, the book value of public stocks remained virtually unchanged, going from ECU 2 584.0 million in 1991 to ECU 2 580.5 million in 1992, a decrease of 0.1%.

An initial examination shows that the proportion of total book value of stocks accounted for by cereals and rice, which had been declining since the 1989 financial year, increased: from 38.4% in 1991 to 52.8% in 1992. The same applies to oils and fats. Milk products, again in terms of percentage of book value, showed a very marked decline between 1991 and 1992, despite the appearance of Grana Padano cheese in public stocks of milk products. Their share fell from 28.2% in 1991 to 9.2% in 1992 (including Grana Padano). Beef, on the other hand, which had been relatively stable between 1989 and 1990, continued the increase that started in 1991, expanding from 30% in 1991 to 34.5% in 1992.

More detailed analysis of the 1991 and 1992 figures shows the following:

#### a) Cereals and rice

- a substantial increase in the quantities of stocks of 29.3% (1991: 17 550 200 t; 1992: 22 689 360 t). The increase was particularly marked for common wheat and durum wheat, less substantial for barley; stocks of rice, on the other hand, showed an appreciable decrease.
- an appreciable rise in the book value of cereals stocks of 40.8% (1991: ECU 966.9 million; 1992: ECU 1 361.6 million), while that of rice stocks fell by 91.2% between 1991 and 1992. During 1992, depreciations of the book value affecting stocks of cereals and rice totalled ECU 2 116.8 million.

#### b) Oils and fats

- a 14.1% rise in stocks in terms of quantities (1991: 56 114 t; 1992: 64 008 t). The increase involved only olive oil, the stocks of sunflower and rapeseed having disappeared during the year.
- a 26.7% increase in the book value of olive oil, from ECU 55.1 million in 1991 to ECU 69.8 million in 1992. For 1992, depreciation amounted to ECU 59.5 million.

c) Tobacco

- a sharp decline in the quantities in stock. Of the 109 036 t in storage in 1991, only 30 036 remained in 1992 (- 72.5%). The decrease applied to both processed and baled tobacco, the stock of leaf tobacco having virtually disappeared.
- parallel to this, a drop in the total book value of tobacco stocks of 67.3%. The book value for 1992 amounted to ECU 9.1 million. The decrease applied mainly to baled tobacco and, to a lesser extent, processed tobacco. The financial depreciation of tobacco stocks totalled ECU 14.1 million in 1992.

d) Milk products

- stocks of skimmed-milk powder and butter declined very sharply, from 880 674 t in 1991 to 231 581 t in 1992 (- 73.7%). The intensity of this decrease was offset to some extent by the arrival of just over 7 000 t of Grana Padano cheese in public stocks in 1992.
- an appreciable decline (67.4%) in the book value of stocks of skimmed-milk powder and butter (1991: ECU 727 million; 1992: ECU 237.3 million). The decrease was more marked for skimmed-milk powder than for butter. During 1992 the financial depreciation for butter and skimmed-milk powder totalled ECU 70 million.

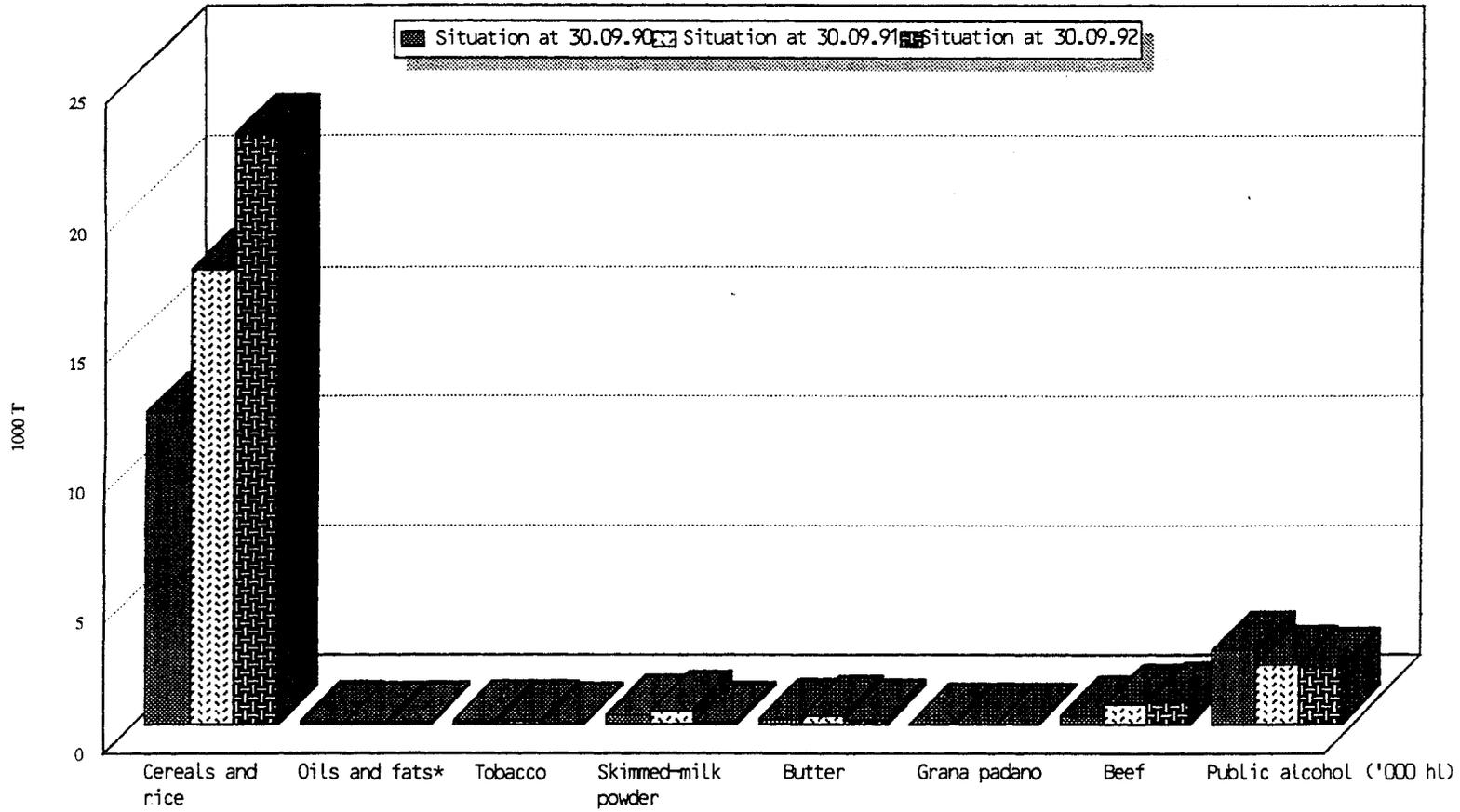
e) Beef

- quantities in stock rose slightly (1991: 740 670 t; 1992: 823 287 t); the increase applied mainly to boned meat;
- a slight increase (15.6%) in the book value of stocks (1991: ECU 769.9 million; 1992: ECU 890 million). Financial depreciation for the year totalled ECU 1 746.6 million.

f) Alcohol

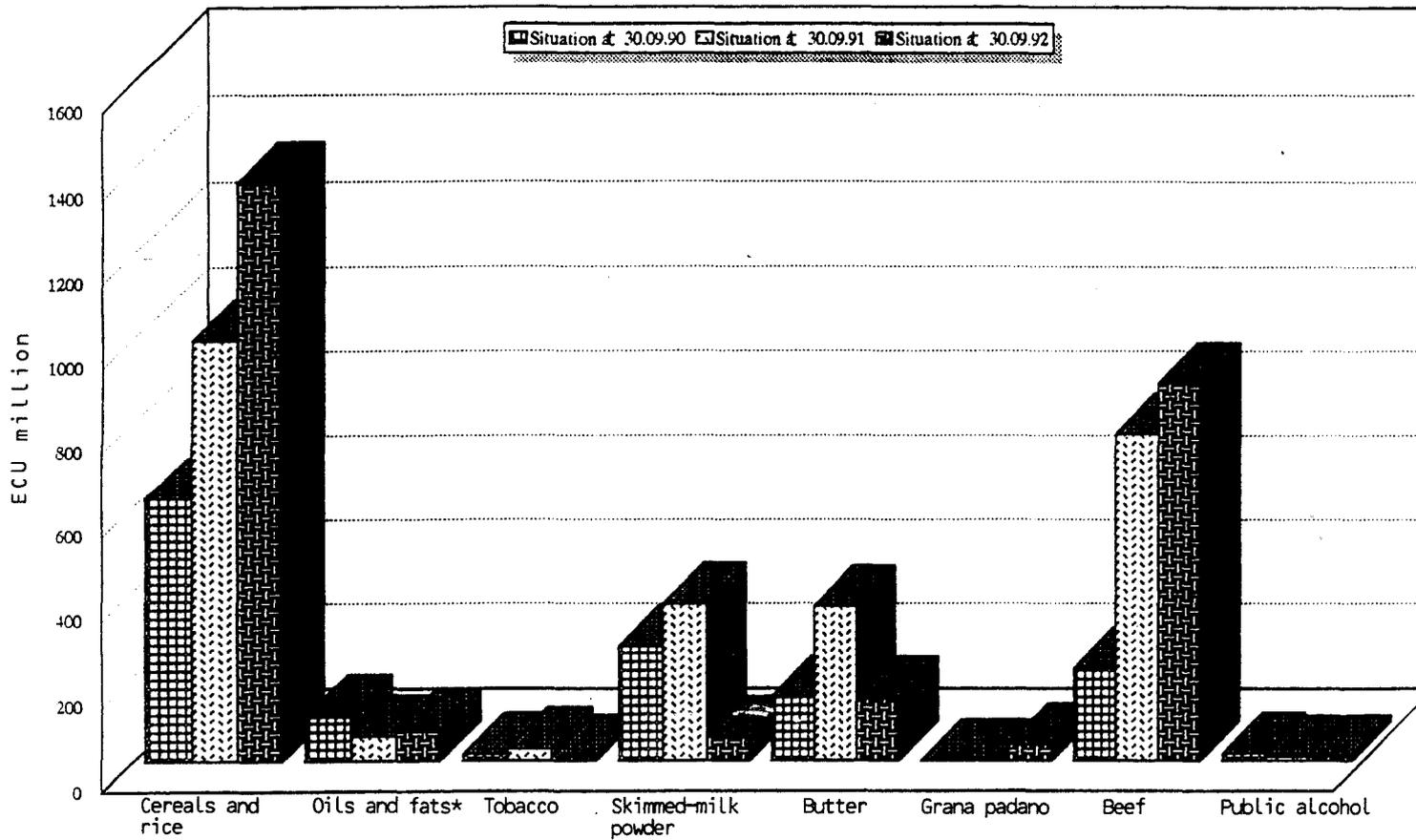
- stocks of public alcohol were 4.3% down on 1991: from 2 248 797 hectolitres in 1991 to 2 151 799 in 1992.

QUANTITIES OF PUBLIC STOCKS WITH INTERVENTION AGENCIES  
('000 tonnes)



\* Olive oil + oilseeds

BOOK VALUE OF PUBLIC STOCKS WITH INTERVENTION AGENCIES  
(ECU million)



\* Olive oil + rape and sunflower seed.

- the book value rose by 18.4% (1991: ECU 8.7 million; 1992: ECU 10.3 million); the financial depreciation during 1992 totalled ECU 60.3 million.

2.4. Corrections to be made to the breakdown of expenditure by Member State in connection with monetary compensatory amounts (MCAs)

Article 10 of Regulation (EEC) No 1677/85 relating to monetary compensatory amounts in the agricultural sector provides that, when a product exported from one Member State has been imported into a Member State which has to grant a monetary compensatory amount upon importation, the exporting Member State may, with the agreement of the importing Member State, pay the MCA which should be granted by the importing Member State.

**TABLE 9**

**Breakdown of expenditure by Member State, allowing for the impact of the arrangement whereby exporting Member States may pay intra-Community MCAs for importing Member States**

(Article 10 of Regulation No 1677/85)

MEMBER STATES	DECLARED EXPENDITURE (1)	IMPACT OF ARTICLE 10 OF REG. (EEC) No 1677/85	EXPENDITURE AFTER APPLICATION OF ART. 10
Belgium	1.373,22	0,68	1.373,90
Denmark	1.165,77	0,80	1.166,57
Germany	4.835,26	0,65	4.835,91
Greece	2.231,36	0,00	2.231,36
Spain	3.577,40	0,00	3.577,40
France	6.925,62	2,08	6.927,70
Ireland	1.425,97	0,04	1.426,01
Italy	5.207,87	- 0,12	5.207,75
Luxembourg	1,14	0,00	1,14
Netherlands	2.379,08	0,00	2.379,08
Portugal	423,75	0,00	423,75
United Kingdom	2.458,82	- 4,13	2.454,69
TOTAL MEMBER STATES	32.005,26	0,00	32.005,26
COMMUNITY (2)	108,71	0,00	108,71
TOTAL E.E.C.	32.113,97	0,00	32.113,97
(1) Expenditure for 1992 including impact of clearance of the accounts for 1989 and the cost to the EAGGF Guidance Section of set-aside and income aids but not including payments from appropriations carried over from 1991. (2) Direct payments to recipients for information and promotion schemes relating to olive oil, fibre flax, nuts and wine and to finance measures to combat fraud.			

2.5. Overall cost of Guarantee Section

2.5.1. Overall trend of expenditure

TABLE 10

OVERALL TREND OF EAGGF GUARANTEE SECTION EXPENDITURE

YEAR	TOTAL EXPENDITURE * ECU million	ANNUAL GROWTH RATE %
1987 (1)	22.967,7	3,8
1988 (2)		
- Expenditure financed within the guideline (3) (ECU 27.500 million)	[26.400,4]	[14,9]
- Total expenditure	27.687,3	20,5
1989		
- Expenditure financed within the guideline (ECU 28.624 million)	[24.406,0]	[-7,6] (4)
- Total expenditure	25.872,9	-6,6 (5)
1990		
- Expenditure financed within the guideline (ECU 30.630 million)	[25.069,2]	[2,7] (4)
- Total expenditure	26.453,5	2,3 (5)
1991		
- Expenditure financed within the guideline (ECU 32.511 million)	[30.960,8]	[23,5] (4)
- Total expenditure	31.784,3(6)	20,2 (5)
1992		
- Expenditure financed within the guideline (ECU 35.039 million)	[31.118,5]	[0,51](4)
- Total expenditure	31.950,0(6)	0,52 (5)
<p>* Including impact of clearance of accounts</p> <p>(1) Budget year 1987 (10 months)</p> <p>(2) Budget year 1988 (11 1/2 months)</p> <p>(3) The guideline includes all agricultural expenditure charged to the EAGGF Guarantee Section, minus expenditure under Chapter B 2.90 (European Guarantee Fund for Fisheries) and Chapter B 0.10 (reimbursement to the Member States of expenditure on the depreciation of stocks and disposal of butter from public stocks)</p> <p>(4) In relation to expenditure financed within the previous year's guideline</p> <p>(5) In relation to total expenditure for the previous year</p> <p>(6) Not including expenditure from appropriations carried over from the previous year and on set-aside - Guidance Section portion (item B02-220) and income aids (item B02-221) which are not chargeable to the Guarantee section but for which a Community financial contribution is paid in accordance with the EAGGF Guarantee Section financial procedure</p>		

2.5.2. Revenue of agricultural origin

revenue of agricultural origin makes up part of the Community's own resources and consists of the following:

- import levies, which are variable charges to offset the difference between world market prices and Community prices;
- levies imposed under the sugar market organization to limit surpluses in the sector by involving producers in financing them.

TABLE 11

Revenue under the common agricultural policy  
accruing as own resources of the Community

(ECU million)

NATURE OF THE CHARGE	1988	1989	1990	1991	1992
Item 1000 - Levies	1 504.6	1 282,7	1 173.4	1 636.2 <sup>(1)</sup>	1 218.6
Item 1001 - Reimb. to Portugal of MCAs (Art. 372 (3) of the Act of Accession)				- 15.0	- 11.8
Chapter 11 - Sugar levies, of which:	1 390.7	1 381.6	910.6	1 141.8	1 002.4
- production (2)	845.9	912.4	504.6	770.0	606.8
- storage costs	544.8	469.2	406.0	371.8	388.6
T O T A L	2 895.3	2 664.3	2 084.0	2 763.0	2 209.2
<p>(1) Of which ECU 1.9 million, outstanding balance from previous years.                      (2) Including the elimination levy (ECU 87 million in 1987, ECU 94.1 million in 1988, ECU 89.3 million in 1989, ECU 84.9 million in 1990, ECU 16.5 million in 1991 and ECU 1.1 million in 1992) and the special elimination levy (ECU 234.2 million in 1987, ECU 110.8 million in 1988, ECU 175.5 million in 1989, (-) 19.9 million in 1990, ECU 30.7 million in 1991 and ECU 0.9 million in 1992.</p>					

Import levies fell by 25.5%, from ECU 1 636.2 million in 1991 to ECU 1 218.6 million in 1992. They are imposed mainly on imports of cereals into the Community. The volumes of revenue in this sector decreased as a result of the rise in world prices combined with a decline in the quantities of cereals imported.

The sugar levies, for their part, were down by 12.2% in 1992, with a total of ECU 1 002.4 million.

The reason for this fall was the reduction in production levies arising from the higher world prices compared to 1991. In addition, an increase in internal consumption of sugar led to a drop in the costs of exporting sugar and, consequently, in the cost of production levies.

The co-responsibility levies and additional levies paid by cereal producers and milk producers also constitute revenue of agricultural origin, but not being own resources, they are classed as intervention to regulate the agricultural markets and are therefore deducted from agricultural expenditure for the year in the sectors concerned.

It should be noted that the co-responsibility levies on cereals were abolished with effect from the 1992/93 marketing year.

In 1992 the producers' financial contributions amounted to ECU 368 million in the milk products sector (ECU 352 million in 1991) and ECU 1 116 million in the cereals sector, or ECU 1 099 million if the reimbursement of the additional co-responsibility levy is taken into account (ECU 926 million and ECU 924 million respectively in 1991).

#### 2.5.3. Guarantee costs compared with GDP

Comparison of total expenditure by the EAGGF Guarantee Section in 1992 with the most significant economic indicator i.e. the Community's gross domestic product at market prices (GDP), shows an appreciable slowing-down of the upward movement seen in 1991.

The cost of the Guarantee Section represented only 0.42% of GDP in 1992, compared with 0.64% in 1991 (see Annex 11), thus resuming its 1975 level.

3. AMENDMENTS TO LEGISLATION GOVERNING THE EAGGF GUARANTEE SECTION

During 1992 a number of amendments and routine management measures were adopted in connection with legislation directly concerning the EAGGF Guarantee Section:

- a) COMMISSION REGULATION (EEC) No 652/92  
of 16 March 1992  
amending Commission Regulation (EEC) No 147/91  
defining and fixing the tolerance for quantity losses  
of agricultural products in public intervention storage<sup>(1)</sup>

Commission Regulation (EEC) No 147/91 specifies the tolerance limits for quantitative losses of agricultural products in public intervention storage.

The second subparagraph of Article 2(2) of Regulation (EEC) No 147/91, which lays down that the percentage losses allowed during processing of the products apply to all the quantities processed during the financial year was liable to be misinterpreted, so Regulation (EEC) No 652/92 clarifies the rules accordingly.

- b) COUNCIL REGULATION (EEC) No 1869/92  
of 30 June 1992  
amending Regulation (EEC) No 1442/88 on the granting, for the  
1988/89 to 1995/96 wine years, of permanent abandonment premiums  
in respect of wine-growing areas<sup>(2)</sup>

This Regulation amends the rules on accounting for the permanent abandonment of vineyards scheme for the wine years 1988/89 and 1989/90.

- c) COMMISSION REGULATION (EEC) No 2562/92  
of 2 September 1992  
fixing depreciation percentages to be applied when  
agricultural products are bought in, for the 1993 financial year<sup>(3)</sup>

This Regulation fixes the depreciation coefficients for the relevant products for 1993. The purpose of the coefficients is to enable their value to be depreciated to cover the difference between the buying-in price and the foreseeable selling price.

- d) COMMISSION REGULATION (EEC) No 2922/92  
of 7 October 1992  
on the rate of interest to be used for calculating  
the costs of financing intervention measures comprising  
buying-in, storage and disposal<sup>(1)</sup>

This Regulation fixes, before the beginning of the 1993 financial year, the rate of interest for financing public storage at 10.3%, except in the case of France (10%), Ireland (9.5%), the Netherlands (8.3%) and the United Kingdom (9.9%).

(1) OJ No L 70, 17.03.1992.

(2) OJ No L 189, 09.07.1992.

(3) OJ No L 257, 03.09.1992.

(1) OJ No L 292, 08.10.1992.

- e) COMMISSION REGULATION (EEC) No 3077/92  
of 26 October 1992  
amending Regulation (EEC) No 618/90  
laying down rules for drawing up the annual inventory  
of agricultural products in public storage<sup>(2)</sup>

The Annex to this Regulation amends Annex III to Regulation (EEC) No 618/90 and lays down the inspection procedure with regard to the varieties of cheese bought into public storage.

- f) COUNCIL REGULATION (EEC) No 3508/92  
of 27 November 1992  
establishing an integrated administration and control system  
for certain Community aid schemes<sup>(3)</sup>

This Regulation establishes a common framework for the establishment, from 1 February 1993, of an integrated administration and control system for compensatory aids provided for under the CAP reform. The aids being linked to the area cultivated or the number of animals kept per farmer, the Regulation provides in particular for the establishment of a computerized data base listing holdings, parcels and eligible animals.

- g) COMMISSION REGULATION (EEC) No 3887/92  
of 23 December 1992  
laying down detailed rules for applying the  
integrated administration and control system for  
certain Community aid schemes<sup>(4)</sup>

This Regulation lays down the detailed rules for the application of the integrated administration and control system introduced by Council Regulation (EEC) No 3508/92 following the introduction of the reform of the common agricultural policy.

The purpose of these arrangements is to implement the reform effectively and in particular to solve the administrative problems arising from the introduction of several aid schemes linked to area and livestock headage.

(2) OJ No L 310, 27.10.1992.

(3) OJ No L 355, 05.12.1992.

(4) OJ No L 391, 31.12.1992.

TITLE II

CASH POSITION AND MANAGEMENT OF APPROPRIATIONS

4. Advances to the Member States

4.1. System of advance payments

Council Regulation (EEC) No 2048/88<sup>(1)</sup> of 24 June 1988 amending Regulation (EEC) No 729/70<sup>(2)</sup> made permanent the system of monthly advances on entry of expenditure in the accounts. Advances are paid to the Member States at the beginning of the second month following that in which expenditure is made by the paying agency.

The 1992 budget covered the payments entered in the accounts as made to recipients during the period 16 October 1991 to 15 October 1992. It related to expenditure over 12 months.

<u>Expenditure covered by the system of advances:</u>	<u>EAGGF-Guarantee section commitments</u>
<ul style="list-style-type: none"><li>- Subsection B1 (apart from "direct payments")</li> <li>- Other payments subject to EAGGF Guarantee Section financing rules<ul style="list-style-type: none"><li>. B2-90 (Fisheries)</li><li>. B0-10 (Repayment of expenditure on special butter disposal measures)</li></ul></li> <li>- B2-22 (set-aside) and income aids (Guidance Section contribution)</li> <li>- Certain expenditure charged to the PHARE programme</li> <li>- Expenditure from appropriations carried over from 1991 (Item B1-1890)</li></ul>	<p>Certain payments made direct by the Commission</p> <ul style="list-style-type: none"><li>- Subsection B1</li> <li>- Other expenditure governed by EAGGF Guarantee Section financing rules<ul style="list-style-type: none"><li>. B2-90 (Fisheries)</li><li>. B0-10 (Reimbursement of expenditure on special butter disposal measures)</li></ul></li> <li>- Expenditure from appropriations carried over from 1991 (B1-1890)</li></ul>

(1) OJ L 185, 15.07.1988, p. 1

(2) OJ L 94, 28.04.1970, p. 13

4.2. Decisions on advance payments in respect of 1992

The Commission adopted 13 decisions, 12 of which were routine.

An extraordinary advance to adjust the advances granted to total expenditure chargeable to the year was passed in December.

4.3. Funds available and Member States' expenditure during the year

Funds placed at the disposal of the Member States for expenditure charged to 1992 amounted to ECU 32 130.7 million (see also Table 12).

- Advances for the Guarantee Section	
- relating to 1992 appropriations	ECU 31 837.4
- relating to appropriations carried over from 1991	ECU 120.2
- Advances relating to the Guidance Section (Chapter B2-22)	ECU 163.9
- Advances relating to expenditure financed <u>in fine</u> by the PHARE programme	ECU 32 130.7

Direct payments by the Commission totalled ECU 108.7 million against appropriations for the financial year and ECU 37.2 million against carryovers.

The expenditure committed in respect of the EAGGF amounted to ECU 32 271.4 million<sup>(1)</sup> (including ECU 157.4 million against appropriations carried over from 1991). An amount of ECU 9.2 million was definitively charged against Article B7-600 - aid for economic restructuring of the countries of Central and Eastern Europe.

5. Management of appropriations

5.1. Initial budget, supplementary and amending budgets and transfers of appropriations

The initial budget for 1992 was adopted in December 1991.

The initial appropriations totalled ECU 36 158 million<sup>(2)</sup>.

The budget authority also approved a carryover of appropriations from 1991 to 1992 on 10 March 1992 amounting to ECU 166 million.

(1) Allowing for ECU 3.9 million due to exchange differences.

(2) Including ECU 17 million under Chapter B0-40 (provisional appropriations) but not including ECU 1 000 000 000 from the monetary reserve.

5.1.1. Supplementary and amending budgets

In the course of 1992 two supplementary and amending budgets adjusted the Guarantee Section's appropriations. They led to a reduction of ECU 2 944 million compared with the initial appropriations.

Appropriations totalling ECU 190 million were transferred to Title B7 of the budget in May 1992 to finance the special food aid programme in response to the very large-scale threat of famine in Africa by supplementary and amending budget No 2/92.

The short-term review of appropriations requirements for the EAGGF Guarantee Section undertaken in June showed a substantial underutilization of appropriations at the end of the financial year, so a third supplementary and amending budget was proposed and was adopted by the budget authority reducing the amount available to the Guarantee Section by ECU 2 754 million (see Table 6, p. 23).

5.1.2. Transfers of appropriations to cover expenditure incurred in 1992

Pursuant to the conclusions of the European Council of 11 and 13 February 1988, the Commission, anxious wherever possible to adjust appropriations before exhaustion of one or more chapters, proposed transfers of appropriations between chapters so that appropriations would be available before payment of advances against entry in the accounts (see Table 6).

As the two supplementary and amending budgets had already largely taken account of the appropriations requirements, the internal transfers in the EAGGF Guarantee Section were far smaller than in previous years.

The transfers between chapters to cover expenditure incurred in 1992 totalled only ECU 451.2 million (compared with ECU 2 255 million the previous year).

Of this amount about half (ECU 220 million) was intended to cover the cost of food aid operations in Central and Eastern Europe (ECU 95 million for St Petersburg, Moscow and other towns of the former USSR, ECU 80 million for Albania and ECU 45 million for the Baltic States).

5.1.3. Transfers outside the EAGGF Guarantee Section

To cover the expenditure incurred in the fisheries sector, a transfer of ECU 4 million was made to Chapter B2-90.

A transfer of ECU 59.5 million from Chapter B1-33 to Title B7 of the budget was also required to offset the increase in the requirements for food aid resulting from the sharp rise in world prices. This also led to savings on refunds (Chapter B1-33), which enabled appropriations to be transferred.

In addition, there was a transfer of ECU 5 million involving the provisions in Chapter B0-40, to cover expenditure on remote sensing.

5.1.4. Transfers to or from the monetary reserve

The average dollar exchange rate during the financial year was higher than that on which the 1992 budget was based, leading to a saving of ECU 355 million.

Since this amount did not exceed the 'franchise' of ECU 400 million, no transfer to the monetary reserve was necessary.

5.1.5. Appropriations available

The appropriations available for the 1992 financial year totalled ECU 33 324.5 million:

a) 1992 budget appropriations (counting transfers and supplementary and amending budgets)

Subsection B1	32 023 500 000
Chapter B2-22 (Guidance Section)	280 000 000
Chapter B2-90 (fisheries)	33 000 000
Chapter B0-10 (special butter disposal)	810 000 000
Chapter B0-40 (provisions)	12 000 000
Total	33 158 500 000 <sup>(1)</sup>

b) Appropriations carried over from 1991 (non-automatic carryovers)

Appropriations carried over due to payment delays in 1991	ECU 66 000 000
Operations decided on by the European Council in December 1991	ECU 100 000 000
Total	ECU 166 000 000

c) Total appropriations available ECU 33 324 000 000

(1) Not including ECU 1 000 000 000 from the monetary reserve.

5.2. Expenditure

5.2.1. Expenditure against 1992 appropriations

A total of ECU 32 114.0 million was charged to the 1992 budget (of which ECU 163.9 million were charged to the Guidance Section under Chapter B2-22).

This sum breaks down as follows:

- expenditure claimed by the Member States including:	32 005.3
- ECU 799.5 million for the special disposal of butter	
- impact of clearance of accounts for 1988 and earlier years (ECU 78.9 million)	
- direct payments	<u>108.7</u>
Total	32 114.0

The breakdown of expenditure by Member States in Table 12 below is purely an accounting exercise: conclusions should be drawn with great caution, since payment deadlines can vary widely from one Member State to another and since expenditure by paying agencies in any given Member State is not necessarily attributable to that State, the Community being a single economic area for agricultural products. Thus, for example, certain export refunds for products from one Member State are in fact paid by another Member State, and products may be placed in public storage in a neighbouring country.

5.2.2. Expenditure against appropriations carried over (non-automatically) from 1991

Expenditure of ECU 157.4 million was committed against appropriations carried over from 1991. This expenditure relates exclusively to food aid operations for Central and East European countries (see the 1991 Financial Report, page 56, and point 1.7. of this Report).

5.3. Direct payments

5.3.1. In certain cases the Commission makes direct payments to beneficiaries in connection with certain schemes that are not conventional market measures but are intended to increase the scope for disposal of products, particularly in the olive oil, fibre flax and nut sectors and to finance measures to combat fraud.

- a) A total of ECU 24.1 million was automatically carried over from 1991 to 1992, of which ECU 11.2 million was paid during 1992.

The remainder (ECU 12.9 million) lapsed.

Chapters	Approps carried over from 1991	Payments charged in 1992	Lapsed approps
B01-12 (olive oil)	10,1	9,6	0,5
B01-14 (fibre flax)	0,7	0,6	0,1
B01-15 (nuts)	0,9	0,0	0,9
B01-36 (anti-fraud measures)	12,4	1,0	11,4
TOTAL	24,1	11,2	12,9

- b) The sum of ECU 59.5 million was committed against 1992 appropriations (see Annex 2, column headed "Community"):

B1-12 (olive oil)	ECU 27.8 million
B1-14 (fibre flax)	ECU 6.0 million
B1-15 (nuts)	ECU 1.1 million
B1-16 (wine)	ECU 0.04 million
B1-36 (anti-fraud measures)	ECU 24.6 million
	-----
	ECU 59.5 million

Of this amount ECU 26.0 million was paid and the balance of ECU 33.5 million was automatically carried over to 1993.

Some of these measures are financed by withholding a proportion of the aid to be paid to producers. Annex 20 gives an overall picture of the amounts withheld in relation to expenditure.

Although expenditure relating to the olive cultivation register is paid out by the paying agencies and does not therefore take the form of direct payments by the Commission, it was thought useful to include it in the Annex to make the position as regards amounts withheld and used clear.

5.3.2. Direct payments for emergency measures to aid the former USSR

- a) The transport and distribution of food aid to the former USSR by non-governmental organizations (NGOs) continued throughout 1992.

To finance this aid, the Commission committed a total of ECU 37.2 million from non-automatic carryovers from 1991, of which ECU 35.1 million were paid and the balanced of ECU 2.1 million lapsed.

- b) Of the 1992 appropriations available for emergency measures, ECU 49.2 million were committed for direct payments, of which ECU 31.9 million were paid and charged. The balance of ECU 17.3 million was automatically carried over to 1993.

5.4. Budget operations

5.4.1. Commitments

An amount of ECU 155.3 million was charged against the appropriations carried over from 1991 (non-automatic carryovers). The difference of ECU 2.1 million lapsed.

Commitments against 1992 appropriations	ECU 32 114.0 million
Commitments against carryovers from 1991 (including ECU 37.2 million paid direct by the Commission	ECU 157.4 million
Total commitments	----- ECU 32 271.4 million <sup>(1)</sup>

5.4.2. Sums charged as payments

Sums charged as payments for 1992 totalled ECU 32 063.2 million. The difference of ECU 50.8 million vis-à-vis itemized commitments corresponds to appropriations committed to direct payments by the Commission that had not yet been made by the end of the year.

(1) Including ECU 145,9 million in commitments for direct payments (1992 appropriations + carryovers from previous year).

5.5. Carryover of appropriations

5.5.1. Automatic carryovers

a) Carryovers from 1991 to 1992

The 1991 appropriations automatically carried over to 1992 concerned direct payments amounting to ECU 24.1 million of which ECU 11.2 million was used. The balance of ECU 12.9 million lapsed (cf 5.3.1., point a)).

b) Carryovers from 1992 to 1993

The following appropriations, which were committed during the 1992 financial year (cf 5.3.1., point b) and 5.3.2., point b)) were automatically carried over to 1993.

Carryovers relating to direct payments for certain agricultural measures:

Chapter B01-12 (olive oil)	ECU 12.1 million
Item B01-1401 (fibre flax)	ECU 3.3 million
Item B01-1507 (nuts)	ECU 0.8 million
Item B01-1612 (wine)	ECU 0.02 million
Chapter B01-36 (anti-fraud measures)	ECU 17.2 million
	-----
	ECU 33.5 million

Carryovers relating to direct payments for emergency measures:  
Item B01-1890 (emergency measures)

ECU 17.3 million

Total carryovers

-----  
ECU 50.8 million

5.5.2. Non-automatic carryovers

a) Carryovers from 1991 to 1992

Of the ECU 166.0 million carried over from 1991 to 1992, ECU 157.4 million was committed during the financial year. A total of ECU 155.3 million was charged, the balance of ECU 10.7 million lapsed.

b) Carryovers from 1992 to 1993

A request for the carryover of appropriations totalling ECU 175.5 million was requested, and was allowed by the budget authority, for payment for residual food aid operations to the following countries/cities during 1993:

Moscow/St Petersburg	ECU 21.0 million
Albania	ECU 85.0 million
Yugoslavia	ECU 23.5 million
Baltic States	ECU 46.0 million
	-----
	ECU 175.5 million

Several factors prevented the operations from being charged in their entirety during the 1992 financial year:

- a) the expenditure resulting from these aids is governed by the accounting rules of the EAGGF Guarantee Section, whereby any payment made by the Member States after 15 October is postponed to the following year;
- b) delays in the delivery of the goods arose as a result of the low reception and storage capacity of the recipient countries;
- c) the need to continue operations during the winter when the need was greatest.

As the 1993 budget does not provide for cover of this additional expenditure, the appropriations still available at the end of 1992 had to be carried over.

5.6. Summary of the implementation of the 1992 budget

The 1992 financial year closed with a balance of unused appropriations totalling ECU 879 706 477.43 (including ECU 10 682 346.98 carried over non-automatically from 1991).

	1992 <u>Appropriations</u>	Appropriations <u>carried over</u>	Total <u>Appropriations</u>
A. Initial budget*	36.158.000.000,00	166.000.000,00	36.324.000.000,00
SAB No 2 and 3/93	-2.944.000.000,00	0,00	-2.944.000.000,00
Transfers outside EAGGF	- 55.500.000,00	0,00	- 55.500.000,00
Appropriations available	33.158.500.000,00	166.000.000,00	33.324.500.000,00
B. Commitments	32.113.975.869,55	157.389.378,81	32.271.365.248,36
Sums charged as payments	32.063.216.484,42	155.317.653,02	32.218.534.137,44
Automatic carryovers to 1993	50.759.385,13	0,00	50.759.385,13
C. Non-automatic carryovers	175.500.000,00	0,00	175.500.000,00
D. Lapsed appropriations	869.024.130,45	10.682.346,98	879.706.477,43

\* Including the ECU 17.000.000 under Chapter B0-40, not including ECU 1.000.000.000 under the monetary reserve.

Table 12

Advances to the Member States for 1992

Member State	Advances for 1992 (a)	PHARE (b)	Exchange rate differences (c)	Expenditure charged in 1992 (d)=a-b-c	Payments from carryovers from 1991 (e)	Expenditure charged to 1992 budget (f)=d-e
Belgium	1.378.276.567,69		233,56	1.378.276.334,13	5.055.915,91	1.373.220.418,22
Denmark	1.167.325.338,34		-9,79	1.167.325.348,13	1.552.671,88	1.165.772.676,25
Germany	4.872.216.132,37		354,54	4.872.215.777,83	36.951.649,37	4.835.264.128,46
Greece	2.227.514.195,72		-3.844.267,90	2.231.358.463,62	0,00	2.231.358.463,62
Spain	3.580.035.111,53	435.933,66	4.515,65	3.579.594.662,22	2.193.132,22	3.577.401.530,00
France	6.961.137.694,88	8.723.653,80	1.010,72	6.952.413.030,36	26.793.191,56	6.925.619.838,80
Ireland	1.452.902.189,31		182,48	1.452.902.006,83	26.934.878,56	1.425.967.128,27
Italy	5.212.179.159,53		-43.117,79	5.212.222.277,32	4.354.326,23	5.207.867.951,09
Luxembourg	1.136.002,08		0,15	1.136.001,93	0,00	1.136.001,93
Netherlands	2.392.389.579,55		317,12	2.392.389.262,43	13.305.947,15	2.379.083.315,28
Portugal	423.792.228,92		-8.688,52	423.800.917,44	50.872,06	423.750.045,38
United Kingdom	2.461.826.612,62		-2.019,47	2.461.828.632,09	3.005.219,78	2.458.823.412,31
Subtotal	32.130.730.812,54	9.159.587,46	-3.891.489,25	32.125.462.714,33	120.197.804,72	32.005.264.909,61
EAGGF (direct payments)				145.902.534,03	37.191.574,09	108.710.959,94
Total EEC	32.130.730.812,54	9.159.587,46	-3.891.489,25	32.271.365.248,36	157.389.378,81	32.113.975.869,55

**TABLE 13**

**Expenditure recorded in the Member States against the 1992 budget by type of financing**

	REFUNDS	INTERVENTION	OTHER (1)	EMERG. AID	TOTAL 1992 (2)(3)	
B	909,9	457,5	2,8	3,0	1.373,2	4,3%
DK	708,4	443,6	2,8	10,9	1.165,7	3,6%
D	1.445,0	3.273,5	78,1	38,7	4.835,3	15,1%
EL	99,1	2.107	25,3		2.231,4	7,0%
ES	418,4	3.073,6	79,0	6,4	3.577,4	11,2%
F	2.399,6	4.310,3	90,4	46,4	6.846,6	21,4%
IRL	345,1	1.026,1	21,2	33,6	1.426,0	4,5%
I	1.002,6	4.039,8	161,8	3,7	5.207,9	16,3%
LUX	1,4	-0,4	0,1		1,1	0,0%
NL	1.416,8	951,8	8,2	2,3	2.379,1	7,4%
P	31,9	376,2	15,7		423,8	1,3%
UK	709,3	1.695,5	46,1	7,9	2.458,8	7,7%
<b>TOTAL MS</b>	<b>9.487,4</b>	<b>21.754,5</b>	<b>531,5</b>	<b>152,8</b>	<b>31.926,2</b>	<b>99,7%</b>
<b>DIRECT PAYMENTS</b>	<b>0,0</b>	<b>34,9</b>	<b>24,6</b>	<b>49,2</b>	<b>108,7</b>	<b>0,3%</b>
<b>EC</b>	<b>9.487,4</b>	<b>21.789,4</b>	<b>556,1</b>	<b>202,0</b>	<b>(2)(3)32.034,9</b>	<b>100,0%</b>

(1) Including ECU 85.9 million (Interest on prefinancing), ECU 130.2 million (free distribution of Intervention products) and ECU 311.5 million set-aside - Guarantee and Guidance Sections and income aid)

(2) This does not take into account the financial impact of the clearance of accounts for 1988 and previous years (+ ECU 78.9 million)

(3) Not including expenditure from carryovers from 1991 (ECU 157.4 million)

TITLE III

INVESTIGATIONS, IRREGULARITIES AND RELATED WORK<sup>(1)</sup>

6.1. General remarks

Under Regulation (EEC) No 729/70 the Member States are required to implement Community rules and must adopt any appropriate measures to ensure that operations financed by the EAGGF Guarantee Section did actually take place and were in accordance with requirements, to forestall and pursue irregularities and to recover sums wrongly paid out.

The Commission's role essentially is to encourage, coordinate and monitor the control work of the national authorities. Using the legal instruments at its disposal, apart from checks for clearance of accounts purposes, the Commission can request Member States to carry out investigations, in which it may participate, carry out checks itself, or organize selective checks (these generally cover all the Member States and are connected with the problems of a particular sector).

There are also arrangements for contact between the Member States and between them and the Commission to increase the effectiveness of the fight against fraud.

The Commission continued its activities with regard to the prevention of fraud and irregularities involving EAGGF funds. This work concentrated on three main objectives: reinforcing control; increasing the number of checks and improving their quality, and revising and simplifying agricultural legislation.

6.2. Integrated administration and control system as part of the reform of the CAP

Regulation (EEC) No 3508/92, which was adopted by the Council in connection with the reform of the common agricultural policy, establishes an integrated administration and control system for certain Community aid schemes<sup>(2)</sup>. It provides for the following:

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(1) Some of the information given here can also be found in the 1992 report on the fight against fraud (doc COM(93) 141).

(2) OJ No L 355, 05.11.1992

- application to both the crop sector and the livestock sector<sup>(1)</sup>;
- an integrated system featuring a computerized data base; an alphanumeric identification system for agricultural parcels and an alphanumeric system for the identification and registration of animals; aid applications; an integrated control system (administrative checks, on-the-spot checks and, where appropriate, verification by aerial or satellite remote sensing);
- Community part-financing for three years (from 1992) at the rate of up to 50% of expenditure incurred by the Member States for the introduction of the computerized and checking structures;
- the option for Member States to extend one or more elements of the integrated system to Community aid schemes not covered by the Regulation.

The Commission adopted the detailed rules for the application of the Regulation on 23 December 1992<sup>(2)</sup>.

By collating all the information relating to areas, animals and producers available to it, the control authority is in a position to carry out a very detailed administrative check. This procedure should make it possible to detect far more irregularities or anomalies at the aid application stage and reduce the number of elements that have to be checked on the spot. Computerizing these administrative checks makes for greater efficiency and cost-effectiveness.

This administrative approach to aid applications should also speed up payments to farmers, and combining applications for the various aids also simplifies the farmers' paper work.

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(1) Support system for producers of certain arable crops established by Council Regulation (EEC) No 1765/92 of 30 June 1992 (OJ L 181, 1.7.1992), as amended by Commission Regulation (EEC) No 2467/92 of 25 August 1992 (OJ L 246, 27.8.1992).

- Premium arrangements for:

- a) beef and veal producers (Council Regulation (EEC) No 805/68 of 27 June 1968: OJ L 148, 28.6.1968), as last amended by Council Regulation (EEC) No 2068/92 of 30 June 1992 (OJ L 215, 30.7.1992).
  - b) sheepmeat producers (Council Regulation (EEC) No 3013/89: OJ L 289, 7.10.1989, as last amended by Council Regulation (EEC) No 2069/92 of 30 June 1992 (OJ L 215, 30.7.1992).
- specific measures for farming in mountain, hill and certain less-favoured areas (Council Regulation (EEC) No 2328/91 of 15 July 1991: OJ L 218, 6.8.1991, as last amended by Council Regulation (EEC) No 2080/92 of 30 June 1992 (OJ L 215, 30.7.1992).

(2) Commission Regulation (EEC) No 3887/92 of 23 December 1992 laying down detailed rules for the application of the integrated administration and control system for certain Community aid schemes (OJ L 391, 31.12.1998).

The first year will obviously be difficult for the authorities and for the farmers. But once the register of agricultural parcels and the data base have been established, administration and control will be easier.

During the transitional period, one of the main tasks for the Commission staff concerned will be to monitor the introduction of the integrated system in the Member States.

6.3. Application of control measures

6.3.1. A posteriori administrative checks (Regulation (EEC) No 4045/89)

Council Regulation (EEC) No 4045/89<sup>(1)</sup> on a posteriori checks aims to concentrate checks on high-risk sectors and undertakings receiving the most aid (all undertakings receiving over ECU 20 000/year have to be checked every two years).

The annual presentation by the Member States of national programmes reflecting these two factors has enabled better targeting of fraud and concentration of resources (necessarily limited) on those sectors and firms representing the highest risk of fraud.

The importance of the checks and their role in the detection of fraud is obvious just from the statistics on irregularities reported to the Commission (source: Regulations (EEC) Nos 283/72 and 595/91).

PERIOD 1988-1991	NUMBER OF CASES			AMOUNTS CONCERNED (IN MECU)		
	(A)	(B)	(B/A)	(A)	(B)	(B/A)
BELGIUM	36	6	17%	3,4	0,8	24%
DENMARK	99	21	21%	16,4	3,1	19%
GERMANY	291	196	67%	90,9	85,2	94%
GREECE	35	15	43%	0,9	0,6	67%
SPAIN	140	76	54%	3,9	2,7	69%
FRANCE	407	256	63%	19,4	13,8	71%
IRELAND	39	7	18%	3,5	0,1	3%
ITALY	499	258	52%	332,9	209,7	63%
LUXEMBOURG	1	1	100%	0	0	0
NETHERLANDS	347	143	41%	23,7	19,2	81%
PORTUGAL	70	7	10%	1,3	0,2	15%
UNITED KINGDOM	592	30	5% (*)	18,1	1,6	9% (*)
TOTAL CEE	2.556	1.016	40%	514,4	337,0	66%

(A)= all cases of irregularities reported (all detection methods);

(B)= all reported cases of irregularities detected solely by a posteriori administrative checks.

(1) OJ L 338, 30.12.1989

(\*) The United Kingdom figure excludes a number of cases reported in an abbreviated form which did not identify the error found nor the method of detection. This would increase the UK proportion of cases found by a posteriori controls.

It can be seen from the table that over 40% of the irregularities reported to the Commission were detected by a posteriori audit; they represent over 66% of the amounts involved.

The Commission therefore intends to continue its work in this area.

To that end, pursuant to Article 7 of the Regulation and in cooperation with the Member States it has taken the appropriate initiatives to obtain correct and adequate information about those undertakings receiving the most from aid schemes and on the financial channels used, with the aim of preventing fraud which might be engendered by the growing internationalization of trade; a trend which is often used to disguise the real objective of certain transactions qualifying for Community aids.

Following a preliminary evaluation of the implementation of Regulation (EEC) No 4045/89<sup>(1)</sup>, the Commission asked the Member States at the end of 1992 to reply to a detailed questionnaire on the subject and throughout the year stressed the importance of the criteria to be used in drawing up the control programmes and the need to base them on an analysis of the risk involved and asking the Member States to describe the procedure they followed.

#### 6.3.2. Reinforcing monitoring (Regulation (EEC) No 307/91)

Regulation (EEC) No 307/91, which was adopted by the Council on 4 February 1991<sup>(2)</sup>, provides for reinforcing the monitoring of certain expenditure chargeable to the EAGGF Guarantee Section in the field of exports of agricultural products and products exported in the form of goods not covered by Annex II to the Treaty plus certain intervention measures.

As in 1991, a total figure of ECU 20 million was made available to the Member States to finance 50% of the expenditure incurred on the relevant measures. In accordance with the Regulation, ECU 10 million is for reinforcing checks on exports and ECU 10 million for reinforcing checks on intervention measures.

Luxembourg having turned down Community funding, the amount thus made available was shared among the other Member states concerned. They notified the Commission of their estimated expenditure, altogether ECU 11 million, i.e. only 54% of the total amount available. Advances were paid to the Member States on the basis of their respective expenditure estimates.

In 1991 the expenditure incurred by the Member States totalled ECU 7.3 million, of which ECU 5.2 million related to checks in relation to exports and ECU 2.1 million to those in relation to intervention, making a total utilization of Community appropriations of 36% of the total amount available. The inevitable difficulties associated with the launching of new legislation of this kind partly account for this situation.

(1) Commission report on the implementation during the period from 1 January 1990 to 30 June 1991 of Council Regulation (EEC) No 4045/89 : SEC(92) 2361 final 16.12.1992.

(2) OJ L 37, 9.2.1991, p. 5.

Most of the Member States - albeit to varying degrees - implemented the measures proposed. Only one country (Portugal) confined itself to a single measure (purchase of equipment) and another (Greece) implemented No measures at all as new inspection services had not been established<sup>(1)</sup>.

Among the items of expenditure incurred, the highest rate of utilization was for remuneration of additional personnel, while training showed the lowest level, despite the needs expressed by the additional personnel.

The provisional figures for 1992 would seem to point to an improvement in the situation. In particular, the countries which showed a rather low rate or zero uptake of Community appropriations seem to be catching up with the other Member States.

#### 6.3.3. Checks on exports of agricultural products (Regulation (EEC) No 386/90

Under Article 7(2) of Regulation (EEC) No 386/90<sup>(2)</sup> a report was sent to the Council<sup>(3)</sup> stressing the need to monitor the situation so that once the system had been in operation for two years (end of 1993) appropriate measures could be taken to improve the monitoring arrangements if necessary.

At this stage, however, the Commission takes the view that:

- the 5% minimum checking rate is not a priori incompatible with an approach based on risk assessment since the Member States continue to be called upon to determine which cases are actually monitored and how intensively on the basis of an appropriate risk analysis within and beyond this rate.
- No sector can automatically be regarded as risk-free.

#### 6.4. Improvement of legislative framework and control methods

##### 6.4.1. Revision and simplification of agricultural legislation

The Lachaux Group has since its creation put forward a large number of proposals for simplification. The Commission renewed the Group's mandate for three years, ending in March 1993.

The action taken on the first proposals put forward by the Group varied from one sector to another.

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(1) Paradoxically, this stems from the Greek Government programme to restrict recruitment of new public officials.

(2) Council Regulation (EEC) No 386/90 of 12 February 1990 on the monitoring carried out at the time of export of agricultural products receiving refunds or other amounts (OJ L 42, 16.2.1990).

(3) Report on the application of Regulation (EEC) No 386/90 on the monitoring carried out at the time of export of agricultural products receiving refunds or other amounts (COM(93) 13 final, 25.1.1993).

The Group's proposals submitted in December 1990 on measures to encourage the disposal of butter to certain branches of the food industry were partially incorporated into Commission Regulation (EEC) No 1157/91<sup>(1)</sup>.

As regards the refund for the use of starch, the Commission plans to approve the Group's proposal to abolish the obligation for the starch user to specify in the certificate application what product he intends to manufacture from the starch.

As regards the nomenclature of agricultural products for export refunds on products of primary and secondary processing of cereals, the distinctions according to destination or use in the domestic animal feed sector have been abolished in accordance with the Group's proposal.

Beyond this sector, the Commission is looking into the advisability of abolishing the criteria regarding the milk product or starch content in order to combine the present subheadings of the combined nomenclature with the same rate of refund (possible reduction of the present number of codes by over two thirds). But it is planned at this stage to maintain the distinction according to the nature of the cereals incorporated.

The Commission also included the Group's main proposals on milk quotas in the CAP reform proposals. Also in this connection the Commission proposed a new definition of eligible ewe in connection with the sheepmeat compensatory premium, although this was not exactly the definition envisaged by the Group.

Although the Commission saw no need to create a new document (CEE 5) to replace the T5, as proposed by the Group, it did nonetheless adopt the objective of establishing a direct line of transmission between the monitoring authority and the paying agency.

#### 6.4.2. Risk analysis

Discussions have taken place within various groups since the end of 1991 on how to increase awareness of risk analysis in agriculture.

The groups concerned are the Working Groups on EAGGF Irregularities and Mutual Assistance and on Regulation (EEC) No 4045/89.

These meetings serve to:

- draw the attention of the departments concerned in the Member States to this working method;
- analyse the essential elements of such a working method;
- refine the technique;

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(1) OJ L 112, 04.05.1991

- provide additional information to be taken into account in the analysis, in particular by a systematic analysis of the cases of irregularities reported by the Member States to the Commission on a quarterly basis;
- discuss relevant experience gained in some Member States.

The EAGGF staff have produced documents on the general framework and on its implementation at sectoral level, in particular with regard to exports. The reactions of the Member States reflect a very positive attitude.

As regards regulations, the method of risk analysis became compulsory in connection with the integrated administration and control system for certain Community aid schemes. Article 6(4) of Regulation (EEC) No 3887/92 lays down that applications subjected to on-the-spot checking are to be selected by the competent authority on the basis of a risk analysis and an element of representativeness of the aid applications submitted. This Article also lists the factors to be taken into account in the risk analysis.

The Commission plans to continue work in this area. Other discussions will be organized with the Member States on the subject to refine the method and the areas to be covered in the various sectors covered by the CAP.

#### 6.5. Investigations and special checks

The Commission has two legal instruments under which checks and investigations may be made carried out:

- a) Article 9 of Regulation (EEC) No 729/70<sup>(1)</sup>, enabling it to make any checks that it deems necessary, including on-the-spot checks. Officials of the Member State concerned may take part in these checks;
- b) Article 6 of Regulation (EEC) No 595/91<sup>(2)</sup>, enabling it to request the Member State to investigate a specific matter if it considers that irregularities may have or have in fact occurred in the course of operations financed by the EAGGF Guarantee Section. Commission officials may participate in the investigation.

The Commission may also ask the Member States concerned for information and make information visits in that connection.

##### 6.5.1. New cases

In 1992, several new files were opened concerning irregularities detected or presumed, and investigations were carried out in various countries by Commission staff.

The main cases concerned were the following:

(1) OJ L 94, 28.04.1970

(2) OJ L 67, 14.03.1991

6.5.1.1. Crop products

Investigation into production aid for cotton in Greece

Following an aid application for a volume of production exceeding that for the 1991/92 marketing year, a wide-ranging investigation was carried out in cooperation with the Member State. A number of facts came to light from which it was concluded that frauds had been committed. The whole sector is currently under examination, and further checks will continue in 1993.

Investigation concerning the premium for the permanent abandonment of vineyards

In the case of Regulations (EEC) Nos 1442/88<sup>(1)</sup> and 2729/88<sup>(2)</sup>, substantial discrepancies were noted between data relating to the permanent abandonment of vineyards in the province of Taranto and the vineyard register. These mainly concerned vineyards of exceptional size or parcels which were not under vines. The file is being finalized.

Tobacco: substitution of varieties and export

Following an initiative by the Court of Auditors and in cooperation with it, an inquiry was conducted in Spain concerning the tobacco varieties Burley E and Burley F (substitution of one variety for another). No irregularities were detected.

A new wide-ranging inquiry is under way concerning exports of tobacco to certain non-Community countries (Albania and Bulgaria) regarding which there are indications of fraud.

Olive oil: consumption aid

The inquiry was initiated in 1991 but the main checks were carried out in 1992. The investigations carried out brought to light fraudulent operations concerning in particular the importation into Italy of about 18 000 tonnes of olive oil from non-member countries covered by false T2L documents implying that the merchandise originated in Greece. The amount involved totalled ECU 8.7 million wrongly paid for the oil in question as consumption aid for Community olive oil. The administrative and legal procedures are under way in the Member States concerned for the recovery of the amount wrongly paid. It should also be noted that agricultural levies totalling ECU 12.4 million were evaded. The inquiry is still in progress.

(1) OJ L 132, 28.05.1988

(2) OJ L 241, 01.09.1988

6.5.1.2. Exports

Special sale of beef to the former USSR

Various inquiries in the United Kingdom, Ireland and Italy showed that 200 tonnes of a consignment of 10 000 tonnes of Irish beef which was intended, after processing in Italy, for export to the former USSR under Regulation (EEC) No 2911/91<sup>(1)</sup> was diverted to the United Kingdom without being processed. The official stamps, whose authenticity was confirmed by the Irish authorities, were found on a number of cuts, indicating that this meat came from the cold stores supplying meat for the tendering procedure. The Italian authorities have indicated that legal proceedings have been initiated.

Exports to Poland of livestock declared to be pure-bred breeding animals

It was noted that there was a huge increase in the number of consignments declared as pure-bred breeding animals among exports to Poland, particularly from Germany and, to a lesser extent, from the Netherlands.

The rate of refund for pure-bred breeding animals is non-differentiated and the amount is higher than that for cattle for slaughter. Checks were carried out in the Member States concerned, from which it was concluded that hardly any of the animals concerned were pure-bred breeding animals.

In Germany and the Netherlands frauds have already been confirmed and reported to the Commission. In the Commission's opinion these two Member States failed to take all the appropriate measures to prevent abuse: one of the main reasons for this traffic can be found in too broad an interpretation of the relevant rules.

The impact of these exports will therefore be quantified in the context of the preparatory clearance work.

Regulation (EEC) No 2342/92<sup>(2)</sup> moreover clarifies the conditions under which the refund may be granted for breeding animals.

Milk powder

Several inquiries, dating back to 1991, have brought to light various suspected fraudulent trade circuits.

An administrative cooperation visit to Russia and the Ukraine in June 1992 to check that 37 000 tonnes of skimmed-milk powder which had first been exported from Germany to Austria to be temporarily stored in a customs warehouse, had actually been put into circulation in the former USSR showed the following:

(1) OJ L 276, 03.10.1992

(2) OJ L 227, 12.08.1992

- these 37 000 tonnes had been the subject of a fictitious sale in the former USSR, receiving the export refund, whereas two years after the milk powder in question had been exported it was still in the customs warehouse;

- a total amount of ECU 44 million has to be recovered.

#### 6.5.1.3. Food aid

##### Food aid to Bulgaria

Pursuant to Regulation (EEC) No 2321/91<sup>(1)</sup> food aid was allocated to Bulgaria in connection with an emergency measure.

On the basis of indications that the milk powder mobilized under the aid programme for Bulgaria had been marketed elsewhere, the Commission carried out an investigation in Egypt and other places. This showed that at least 740 tonnes of this skimmed-milk powder had actually been diverted to Egypt and released for consumption.

According to the Bulgarian agency responsible for distribution, this was an isolated case.

##### Food aid to the former USSR (programme worth ECU 250 million - Regulation (EEC) No 598/91)<sup>(2)</sup>

A contract was concluded with a supervisory agency to oversee this programme.

Commission staff also carried out checks in Russia and Bielorussia on some NGOs responsible for distribution and on the monitoring company.

It was found that an Italian company which had successfully tendered for 4 200 tonnes of preserved meat intended for a number of republics in the south of the former USSR had sent tins with serious manufacturing defects. The quantities not destroyed on the spot were returned to Italy. On the question of who is to blame in this case (national intervention agency, successful tenderer or other operator) the file is still under consideration.

6.5.2. In addition to the cases mentioned above, the following older cases can be summarized as follows:

(1) OJ L 213, 01.09.1991

(2) OJ L 67, 14.03.1991

TABLE No 14

Subject and period of the investigation	Financial consequences decided (1989 accounts clearance )	Other remarks
Citrus fruit (1989)	Italy - Correction: LIT 7 646.790 mill.	
Withdrawals of fruit and vegetables (1990)		Italy - quality control and checks on producers' organizations Financial impact to be determined  Germany: No irregularity detected
Storage of dried grapes (1990)	Greece - Correction: DRA 97.690 million	
Production of durum wheat (1990)	Greece - Correction: DRA 269.995 mill.	
Cereals (durum wheat, common wheat in intervention) (1990)		Italy - quality control - financial consequences to be determined  Germany: No irregularity detected
Public storage of beef (1990-91)		Ireland and Italy - financial impact  United Kingdom and France final phase and bilateral discussions
Private storage of beef (1989)	Germany - Correction: DM 5.826 million Ireland - Correction: IRL 3.656 million	Dispositions de contrôle appropriées

TABLE No 14 (continued)

Ewe premium	Spain - Correction: PTA 1 315.813 mill. Greece - Correction: DRA 651.170 mill. United Kingdom - Correction: UKL 5.592 million	Portugal : adjustment to current control arrangements requested
Withdrawal of pigmeat following swine fever outbreak in Belgium (1990)		Belgium - check on quality, quantity and origin - financial consequences to be decided
Variable slaughter premium (sheepmeat and goatmeat (1989)		United Kingdom CJEC judgment of 10 March 1992, adoption by Commission of Regulation (EEC) No 1922/92. New case brought
Beef exports to: 1) Mauritius (1990) 2) Zimbabwe-Zaire(1990)  3) Yugoslavia and Lebanon (1991)  4) Côte d'Ivoire(1991)		1) Mauritius - recovery in progress  2) Zimbabwe - Zaire - recovery in progress in France and Ireland; financial consequences to be determined for Germany, the Netherlands and the United Kingdom  3) Yugoslavia and Lebanon - recovery in progress in Germany and the Netherlands  4) Côte d'Ivoire - definition in nomenclature of lean meat content of deboned meat (minimum 50%); national physical checks to be stepped up
Placing of butter in Intervention (NIZO) (1989)		Netherlands - financial consequences to be determined

6.6. Cases of fraud and irregularities reported

Irregularities are reported quarterly to the Commission under Articles 3 and 5 of Regulation (EEC) No 595/91. The details of communications in 1992 are broken down by the sector involved in Annex 21.

Annex 22 shows the trend in communications by Member States concerning cases of fraud and irregularities detected and the situation with regard to the recovery of amounts unduly paid.

For the four quarters of 1992 the breakdown by Member State of the number of cases of irregularities involving ECU 4 000 or more and the financial impact on EAGGF funds was as follows.

MEMBER STATE	B	D	DK	EL	ES	F	IRL	I	L	NL	P	UK	TOTAL	
NUMBER OF CASES	48	100	32	56	66	108	24	366	0	88	10	132	1.030	
AMOUNTS IN ECU MILLION	2,5	7,9	1,4	1,5	4,4	4,8	0,8	79,5	0	7,5	0,8	6,6	117,7	
ECU MILLION RECOVERED	—	0,4	1,3	0	0,3	0,4	1,5	0,0	1,2	0	2,9	0,1	1,8	9,9

For the four quarters of 1992, 1030 cases representing ECU 117.7 million were reported. During the same period in 1991, 600 cases involving a total of ECU 135.2 million were reported.

At first sight it may be concluded that the number of cases had almost doubled, that the average amount remained the same, but that the rate of recovery of amounts wrongly paid remained very low: ECU 9.9 million recovered out of a total of ECU 117.7 million.

Nonetheless, it should be pointed out that in 1992 Italy reported 366 cases totalling ECU 79.5 million. These were for the most part old cases of irregularities not yet settled in the olive oil sector, detected by the olive oil agency. In most of the other Member States with such agencies irregularities detected by such agencies are not always reported, under Articles 3 and 5 of Regulation (EEC) Nr. 595/91, although the Commission has repeatedly urged that this be done.

Not counting the Italian cases, there remain for 1992 about 664 cases accounting for some ECU 37.6 million. For 1991, over the same period (excluding Italy), 518 cases representing a total of ECU 26.1 million were reported.

In conclusion, by way of comparison with 1991:

- the number of cases reported increased by 28% (not counting Italy);
- the average amount rose from ECU 50 000 in 1991 to ECU 56 000 in 1992.

Apart from olive oil (369 cases and ECU 75.2 million), the sectors most often involved were: beef (95 cases, ECU 7.6 million), cereals (100 cases, ECU 7.4 million) and milk products (153 cases, ECU 7.4 million).

Statistics on the trend in the number of cases per sector and the amounts involved were distributed and discussed at the meetings of the EAGGF Irregularities and Mutual Assistance Group. At these meetings the Commission staff each time stressed that the situation with regard to communications was unsatisfactory and that they had the distinct impression that the Member States were only reporting some of the cases of irregularities detected.

More specific matters relating to irregularities were also discussed in the Committee:

- the number and volume per sector;
- detection methods; for 1988 to 1991, 40% of cases were discovered by means of a posteriori administrative checks and 35% by routine checks;
- delays in reporting to the Commission; on account of delays in reporting irregularities to the Commission, a new irregularity may continue during a long period before the Commission staff are able to inform the other Member States so that they can take it into account in their checks;
- the relationship between EAGGF expenditure and irregularities in the main sectors.

#### 6.7 Recovery of amounts wrongly paid out

For 1992 recoveries during the financial year related, as shown in Annex 21, to 260 cases, i.e. 26% of the total number of cases reported in 1992 and only 8.6% of the total amount of expenditure to be recovered in relation to cases reported during the year. The main reason for this is that where the financial implications are great, the operators concerned tend to resort to all the legal means possible in an attempt to defend themselves, and recovery is therefore generally suspended pending the outcome.

Annex 22 shows the amounts wrongly paid out and the amounts recovered.

In view of the very large sums remaining to be recovered by the Member States and the extremely long time taken by them to complete these operations, the Commission continues to take steps to speed up the recovery procedures.

6.8. Mutual information system

Under Article 4 of Regulation (EEC) No 595/91<sup>(1)</sup> information is rapidly circulated on cases of irregularities where there is likely to be an effect outside the Member State in which the irregularity was detected or where a new fraudulent practice has appeared.

For the period 1972 to 1992, these cases of irregularities can be broken down by Member State as follows:

YEAR	B	D	DK	EL	ES	F	IRL	I	L	NL	P	UK	COM	TOTAL
1972-1982	25	12	0	0	-	15	14	2	0	3	-	59	12	142
1983	4	0	0	3	-	1	3	0	0	0	-	2	0	13
1984	1	0	0	1	-	1	0	0	0	0	-	0	3	6
1985	1	1	0	1	-	1	0	0	0	0	-	1	2	7
1986	1	1	1	0	0	0	0	0	0	0	-	1	4	8
1987	0	0	0	0	0	0	0	0	0	0	0	0	7	10
1988	0	0	0	0	0	0	0	0	0	1	0	0	3	4
1989	0	0	1	0	1	1	0	0	0	2	0	1	0	6
1990	2	1	0	0	0	0	0	0	0	0	0	1	8	12
1991	1	0	0	0	0	0	0	0	0	0	0	1	3	5
1992	2	0	0	0	0	0	0	0	0	0	0	1	3	6

As can be seen from the above table, the number of cases reported is very small, indicating that the system does not work very well. Discussions on this matter are under way with the Member States.

6.9. EAGGF Irregularities and Mutual Assistance Group meetings

These meetings, held pursuant to Article 8 of Regulation (EEC) No 595/91, bring together, with an EAGGF representative in the chair, Commission officials and Member States' representatives responsible for control and investigation work. Four plenary meetings were held in 1992, at which the introduction of new regulations and procedures for the notification of irregularities were discussed, as well as numerous presumed or known irregularity cases, and the action to be taken in each case was considered.

(1) OJ L 67, 14.03.1991

There were also about 40 bilateral meetings with the Member States, at which many specific points were examined.

6.10. Legal protection of Community funds - penalties

The Member States are required to protect the financial interests of the Community in the same way as they protect their national financial interests. The principle of equality in that area is enshrined in the Treaty on European Union<sup>(1)</sup>.

Appropriate and effective penalties ought to be applied to that end.

The survey of Member States' systems of administrative and penal sanctions (completed at the end of 1992) showed the following:

- an administrative penalty is defined in terms of:
  - the administrative nature of the authority imposing the measure;
  - the infringement of a law;
  - the deterrent value of the measure and
  - the burden of the measure on the person concerned or his property;
- the principle of equality is widely recognized in the Member States;
- the principle of proportionality, recognized by the Court of Justice, should enable the combination of the national penalty with the Community penalty not to produce excessive sanctions.

In particular, in the field of the CAP, the judgment of the Court of Justice in Case 240/90 recognized with regard to administrative penalties<sup>(2)</sup>:

- the power of the Community to provide in its legislation for administrative penalties such as the temporary exclusion of an operator from benefit from an aid scheme;
- the power of the Commission to provide for administrative penalties (such as the above-mentioned temporary exclusion and a surcharge calculated on the basis of the amount of aid unduly paid) to the extent that the Council has conferred implementing powers on it, with reference to the Köster case, which accepted that the imposition of penalties was included in the implementing powers not reserved for the Council.

The Commission is re-examining the proposal for a Council Regulation on the checks and penalties applicable under the common agricultural and fisheries policies<sup>(3)</sup> in the light of this judgment and the recommendations put forward in connection with the above-mentioned study.

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(1) Article 209a of Title II, Article 78i of Title III and Article 183a of Title IV.

(2) Judgment of the Court of Justice (27.10.92) in Case 240/90: Federal Republic of Germany v Commission of the European Communities.

(3) Most recently: COM(91) 378 final; OJ C 294, 13.11.1991.

A comparative study of the Member States' laws, regulations and administrative provisions relating to fraudulent actions involving Community funds is also being carried out, at the request of the Council held on 13 November 1991 by a group of high-level experts (academics). The conclusions of the study will be of great assistance in drawing up appropriate proposals for improving fraud prevention.

6.11. Specific control arrangements

6.11.1. Control agencies for olive oil

Pursuant to Council Regulation (EEC) No 2262/84<sup>(1)</sup> and Commission Regulation (EEC) No 27/85<sup>(2)</sup>, control agencies for olive oil were set up in four main producer Member States: Italy, Greece, Spain and Portugal (see 18th Financial Report on the EAGGF, pages 53-54).

In addition to Council Regulation (EEC) No 200/90<sup>(3)</sup>, which extended the responsibilities of the agencies to consumption aid and storage operations, the Council adopted Regulation (EEC) No 593/92<sup>(4)</sup> which provides for Community part-financing of the agencies until 1997 and the extension of their activities to checks on all measures relating to olive oil apart from export refunds. Commission Regulation (EEC) No 27/85 laying down detailed rules for the application of the Council Regulation was amended accordingly by Regulation (EEC) No 3602/92<sup>(5)</sup>.

The main amendments made concern:

- a) the obligation for the agencies to submit to the Member State and the Commission a list of infringements liable to give rise to administrative or penal sanctions (Article 5(2) of Regulation (EEC) No 27/85);
- b) the obligation for the agencies to notify the Commission of the dates of meetings of deliberative and management bodies and the agendas for such meetings (Article 5(2) of Regulation (EEC) No 27/85);
- c) the obligation for the Member State to take action on the basis of the findings of the agencies and to notify the Commission of the provisions adopted and the penalties applied (Article 7 of Regulation (EEC) No 27/85).

The four agencies carried out their control tasks during the 1991/92 marketing year in accordance with the arrangements laid down in the activity programmes and the forward estimates approved by the Member States' authorities and the Commission.

(1) OJ L 208, 03.08.1984

(2) OJ L 4, 05.01.1985

(3) OJ L 22, 27.01.1990

(4) OJ L 64, 10.03.1992

(5) OJ L 366, 15.12.1992

In Italy, since it began its activities, the agency has carried out checks on 3 407 mills out of 6 048 and on 32 404 producers out of the average of 700 000 who over the past seven marketing years have submitted aid applications. Nineteen inspections related to six unions and 331 to the 187 producers' associations. The agency has also taken part in determining the yields in 1 343 communes.

The agency has been operating in the field of consumption aid for three marketing years and has carried out 2 351 checks on 641 recognized undertakings.

As a result of these checks, the agency has put forward 409 proposals for withdrawal of approval, of which 382 for mills and 27 for producers' associations. Not counting the impact on producers of the withdrawal of approval from associations, 5 141 producers will be subject to a restriction on the aid received as a result of the agency's checks. In addition, 800 reports have been sent to the Guardia di Finanza in connection with the checks.

As regards consumption aid, 1 865 irregularities have been detected, of which 113 have led to a proposal for withdrawal of approval of the undertaking. A total of 125 cases have been referred to the Guardia di Finanza.

The agency continued its control activities in the 1991/92 marketing year, during which it carried out checks on 2 288 producers, 664 mills and 10 producers' associations. It carried out 908 checks on packaging plants and 1 580 cross-checks. At the request of the Commission, it carried out 32 checks on compliance with the rules on private storage.

Since it has been in existence the Greek control agency (OEEE) has carried out 2 262 checks on the 3 000 or so mills in operation and has proposed penalties in 309 cases: 209 proposals for the withdrawal of approval and 109 fines. The 305 checks on the 77 producers' organizations have led to six proposals for the withdrawal of approval and 37 fines. Proposals for penalties for producers are sent via the associations. As regards consumption aid, the agency has carried out 405 checks on 231 packaging undertakings, proposing one withdrawal of approval and 193 fines.

For the 1991/92 marketing year the agency carried out 586 checks on the 2 949 mills in operation and proposed 14 withdrawals of approval and 31 fines. The 41 checks on associations led to no proposals for penalties. The 215 checks on packaging undertakings led to the quantities declared being disputed in 90 cases.

It should be pointed out that whereas the Italian agency is quite satisfactory, the Greek agency suffers from chronic instability in its administrative bodies, and as far as Portugal and Spain are concerned, it is regrettable that their agencies have not become operational sooner.

In Portugal the agency has, since it came into existence, carried out checks on 2 493 producers and proposed 1 168 corrections to the quantities declared. The number of producers submitting aid applications varies substantially from one marketing year to another on account of the rotation of crops: 32 000 in 1989/90; 22 000 in 190/91 and 37 000 in 1991/92.

The number of approved mills varied between 60 and 70 up to 1991. The checks carried out led to no proposals for penalties. With regard to consumption aid, the 116 checks carried out led to one proposal for withdrawal of approval and three disputes of the quantities declared.

For the 1991/92 marketing year the agency carried out checks on 785 producers, 330 of whom were found wanting. The number of approved mills rose to 1 604, and the agency inspected 265, of which 27 were the subject of a proposal for the withdrawal of approval and 23 received a warning. The 19 inspections carried out on the 49 producers' associations led to 13 withdrawals of approval for 1992/93.

The 56 inspections at packaging plants revealed shortcomings in the keeping of accounts, which will be punishable on the basis of Decree No 1193/92, published on 22 December 1992.

In Spain the agency has carried out 1 741 checks since it was set up, on 1 931 approved mills, and has proposed three withdrawals of approval. The 72 producers' organizations have been inspected on 205 occasions and six withdrawals of approval have been proposed. Of the 500 000 producers, 8 230 have been checked and 393 found to be in an irregular position. The 511 packaging plants have been the subject of 679 checks. Three withdrawals of approval and 414 adjustments of quantities declared have been proposed.

For 1991/92 the agency checked 766 mills, two associations, 59 producers' organizations and 329 packaging plants. Four hundred and twenty producers were found to be in an irregular position, four producers' organizations had their approval withdrawn, 292 packaging plants had their quantities cut and three of them were suspended.

#### 6.11.2. Community control body in the fruit and vegetables sector

Basic Regulation: Council Regulation (EEC) No 1319/85<sup>(1)</sup> on the reinforcement of the application of Community rules on fruit and vegetables provides for conformity checks concerning the application of quality standards in the following areas:

- internal market and dispatch to other Member States;
- import/export from/to non-member countries;
- withdrawals from the market;

(1) OJ L 137, 27.05.1985, p. 39

- deliveries to processing industries for products qualifying for aids;
- recording of prices referred to in Articles 17 and 24 of Council Regulation (EEC) No 1035/72<sup>(1)</sup>.

Activities in 1992: These checks were carried out by Commission inspectors together with officials from the Member State concerned. The Commission initially took on five auxiliary agents, and the first inspections began at the end of January 1992.

From September the number of inspectors was limited to two for administrative reasons.

During 1992, 20 inspection visits were made to Member States, based on a regional approach: after deciding on the subject of the check, the visits were carried out in appropriate regions, which provided an overall view of the sector and at the same time enabled a better prioritization of the objectives.

Based on this approach, one inspection visit per Member State was carried out with reference to the application of standardization and the recording of representative market prices. Four subjects were subsequently identified:

- citrus fruit (withdrawals, deliveries to industries);
- cauliflowers (withdrawals);
- stone fruits (withdrawals);
- pomaceous fruits (preventive withdrawals).

Results of inspection visits: It emerged in the course of visits to the Member States that the obligatory standardization was being applied very unevenly from one Member State to another and even one region to another. The Member States had obtained appropriate resources to carry out checks on the products sent beyond their frontiers, but some of them were not yet in a position to ensure the standardization of fruit and vegetables on the national market because they did not have sufficient personnel, agents' powers were not broad enough and appropriate penalties were lacking.

Deliveries of citrus fruit to the juice industry were examined in the three main producer countries. The minimum quality conditions required of the raw material were not always observed.

As regards withdrawals, there was the problem of the perishability of fruit and vegetables. Although the organization of intervention had been remarkable in some countries, too often the products withdrawn were not marketable and did not therefore meet the minimum characteristics of class II, which was particularly evident for the most delicate species (e.g. peaches).

In cases where withdrawals took place in packing stations, the quality generally corresponded to the standards. Where the withdrawals were structural and where the product was delivered by the farmer, the rules were often not observed.

If, on the other hand, a system of auctions was in operation, withdrawals would be greatly facilitated, and the minimum quality characteristics of the products to be withdrawn would be met.

There is room for improvement in Member States' resources not only for checks on standards on the internal market but also for checks on withdrawal operations. Staffing levels were generally very low, so the intensity of checks was geared to this shortage of personnel rather than the real needs of standardization.

### 6.11.3. Community control body in the wine sector

Basic Regulation: Council Regulation (EEC) No 2048/89 laying down general rules on controls in the wine sector<sup>(1)</sup> provides for the creation of a body of special officials whose task is to collaborate with the competent authorities of the Member States in on-the-spot checks in order to ensure the uniform application of the rules in the wine sector.

During 1992, the second year of operation of the special body, the number of agents varied between six and eight.

Activities in 1992: The wine sector control body carried out 58 inspection visits, the majority of which were planned on the basis of the points listed in the Annex to Regulation (EEC) No 2048/89. On several points it is planned to carry out at least one inspection visit to each country concerned to compare the application of the Community rules in the individual Member States. A number of inspection visits followed the detection or suspicion of an infringement, but always in the areas covered by the above-mentioned annex.

A report was drawn up on each inspection visit. The results were communicated to the country concerned. Four summary reports were then presented to the Management Committee and a final report on the activities of the body of inspectors, after a year of operation, was presented to the Council and Parliament.

(1) OJ L 202, 14.07.1989

A series of inspection visits dealing with enrichment, observance of a minimum natural grape content, yields of quality wines psr, the keeping of records, the description and presentation of wine and illegal oenological practices followed those carried out the previous year. The other inspection visits were concerned with distillation operations, the production and use of concentrated must, new planting and grubbing premiums.

Application of the Community rules

The inspection visits to Member States revealed differences in interpretation and application and also irregularities:

- Enriching [Regulations (EEC) Nos 822/87<sup>(1)</sup> and 2240/89<sup>(2)</sup>]: one Member State does not oblige producers to give prior notification of enriching.
- Differences noted between Member States as regards how strict checks are in this area.
- Limits on yields of quality wines psr [Regulation(EEC) No 823/87<sup>(3)</sup>]: the quality objective sought by the Commission is not taken into account in the national rules of some Member States, which set excessively high ceilings and provide for the possibility of disposing of excess production on the wine market. The inspection visits also brought to light the tendency of certain producers to make false declarations to reduce high yield figures.
- The keeping of registers [Regulation (EEC) No 986/89<sup>(4)</sup>]: the situation noted in two Member States the previous year (several compulsory registers not being kept) had improved substantially.
- Designation and presentation of wine [Regulations (EEC) Nos 2392/89<sup>(5)</sup> and 5201/90<sup>(6)</sup>]: as in the previous year, many cases of illegal labelling were detected in all the countries concerned, and in particular in the importing countries.
- Illegal oenological practices [Regulation (EEC) No 822/87]: the allegations concerning wine, must and concentrated must of Community origin imported into other Member States were investigated. The differences of opinion between the competent authorities make it necessary and a matter of urgency to designate an arbitration laboratory. The harmonization of analysis methods in use in the Member States must also be continued. To that end inspection visits were paid to various laboratories.

(1) OJ L 84, 27.03.1987

(2) OJ L 215, 26.07.1989

(3) OJ L 84, 27.03.1987

(4) OJ L 106, 18.04.1989

(5) OJ L 232, 09.08.1989

(6) OJ L 309, 08.11.1990

- Grubbing in connection with permanent abandonment of vineyards [Regulation (EEC) No 1442/88<sup>(1)</sup>]: the inspection visits to some countries revealed differences in interpretation of the rules, difficulties in the execution of checks and above all some serious irregularities.
- New planting [Regulation (EEC) No 822/87]: the lack of a vineyard register in the majority of countries creates enormous difficulties as regards checking new planting and replanting rights. In the Member States where the vineyard register is kept up to date, inspection visits revealed irregularities in the procedure for replanting and also illegal planting.
- Voluntary and compulsory distillation [Regulations (EEC) Nos 822/87 and 2046/89<sup>(2)</sup>]: this area is the most carefully checked in all the Member States, although the checks carried out are far from being harmonized.

In 1992, the Commission presented its first annual report to the Council and Parliament on the activities of the inspectorate<sup>(3)</sup>. The report concluded that the first year of work had been valuable and that results were starting to make themselves felt. It also noted that closer cooperation was being established between the competent authorities in the Member States and the Commission in the field of wine inspection.

#### 6.12. Control techniques and methods

##### 6.1.2.1. Remote sensing

In 1992 checks on temporary set-aside (8% of cases) and the new oilseeds régime (5% of cases) were carried out by remote sensing under a scheme established by the Commission, (EAGGF and JRC, Ispra) common to the participating Member States, consisting in:

- selection and computerization of files by the national authorities;
- acquisition and processing of satellite images (combined, where appropriate with aerial photographs);
- digitization of the cadastral boundaries (or equivalent data) of the declared parcels;
- photo interpretation of images (by undertakings selected by tendering procedure) and classification of files;
- checks on the ground, by the national authorities, in unsatisfactory cases, and validation of the conclusions of photo interpretation.

(1) OJ L 132, 28.05.1988

(2) OJ L 202, 14.07.1989

(3) SEC(92) 2014 final.

The number of cases checked in this way can be broken down as follows:

MEMBER STATE	SET-ASIDE	OILSEEDS
B	45	153
DK	14	1,502
D	804	180
EL	100	517
ES	1,050	4,204
F	56	49
IRL	39	161
I	--	5,432
L	--	--
NL	--	99
P	20	182
UK	47	736
TOTAL	2,175	13,215

The satellite images were supplied by the Commission which in 1992 financed the full cost of the contracts. Being still at the experimental stage, the average cost per case checked is still rather high (ECU 314, including pictures), but the cost should come down to about ECU 200 by 1993.

Although this was the first year of application of the new arrangements, 72% of the files in the sample were accepted without an on-the-spot check.

Since, moreover, the results of remote sensing are far superior to those of "traditional" checks which are expensive and time-consuming, remote sensing may prove cheaper per file checked from 1993.

To complete the 1992 programme a two-day seminar in November brought together the Member States and those responsible in the specialized companies involved. As a result of the seminar, all the Member States apart from Luxembourg decided to continue the experiment in 1993 as part of the integrated administration and control system for certain Community aid schemes.

A joint invitation to tender was issued in December by the Commission and the Member States, which will manage the contracts. The Commission will provide technical assistance, the satellite images and part-financing up to a maximum of ECU 10 million in 1993. Parallel to the checks, technical research continues: the production of documents based on satellite images or aerial photos may replace the land register for the declaration of parcels cultivated; radar satellites not affected by cloud cover could be used, etc.

6.12.2. Proof of arrival at destination (differentiated refunds).  
Establishment of a register

In view of the financial significance of this sector and in the interests of fraud prevention, the Commission instructed a private company to make a collection of all the documents and official stamps used by non-Community countries as proof of arrival at their destination of goods qualifying for differentiated refunds and to give a complete account of the customs import procedures in about 70 countries of destination. After carrying out field work, the company concerned produced a manual on proof of arrival at destination (differentiated refunds), which was distributed to the Member States and the Commission staff concerned.

TITLE IV

ACCOUNTS CLEARANCE

7.1. Verification of EAGGF Guarantee Section expenditure and clearance procedure - 1989

- 7.1.1. Pursuant to Article 5(2)(b) of Regulation (EEC) No 729/70, the Commission, after consulting the EAGGF Committee, cleared the accounts for 1989 (Decision 92/491/EEC of 23 September 1992). For that financial year the expenditure disallowed totalled ECU 960.6 million.

The clearance of accounts for 1989 covered claimed expenditure of ECU 25 522 million.

- 7.1.2. The 1989 financial year was the fourth one to which the systems audit method applied in accordance with the rules set out in the EAGGF Guarantee Section audit manual.

The progressive application of the systems audit method nonetheless requires additional checks on selected individual operations to ascertain whether Community law has been complied with. A considerable workload results, especially because of the timetable for the clearance of accounts.

The results of the checks carried out are shown in the Summary Report for 1989, which also contains the main elements to come out of the dialogue with the Member States and the financial consequences for the Member States.

- 7.1.3. As in previous clearance operations, the EAGGF worked in close cooperation, during the various stages of the procedure, with the Legal Service and the Directorate-General for Financial Control. The latter took part in several inspection visits.

The financial corrections were based on the Commission Decision of 20 December 1985 on the criteria to be applied and concern cases of formal and substantive failure to observe Community law, the granting of illegal aids by Member States and infringements with regard to the clearance of accounts. The financial consequences for 1989 are set out in detail in Annex 23 to this report. Two sectors require additional explanations.

Application of the additional levy on milk

In its Decision 92/4912/EEC of 23 September 1992 on the clearance of the 1989 accounts, the Commission entered a negative reservation concerning the non-collection of the additional levy in Spain and Italy. The financial corrections of PTA 23 420 million and LIT 896 844 million respectively, will be the subject of additional checks. The checks will cover in particular the actual introduction of the system of milk quotas in these countries.

At the Council meetings in May and December 1992, it was decided to allocate additional quotas provided that Spain and Italy (and also Greece) proved that they were actually applying the system of milk quotas. To establish whether that condition was being observed, the EAGF staff undertook a special inquiry, which gave rise to two reports from the Commission to the Council.

Reports COM(93) 109 of 9 March 1993 and COM(93) 169 final of 21 April 1993 on progress in Greece, Spain and Italy on the actual application of the system of milk quotas led to a Council decision to allocate a provisional additional quantity to those three Member States.

It should be stressed that the additional allocations are only provisional and have to be confirmed by the Council in March 1994, when it will be possible to see whether the levy due is actually being collected.

It is also proposed to revise the 1989 clearance decision on the basis of the Council decisions and the final figures for quantities of deliveries for 1988/89.

Additional inquiry into export refund

Under the 1989 accounts clearance, a financial correction was applied to the expenditure presented by four Member states in relation to export refunds, on account of the inadequacy of customs controls. This correction was as follows:

- Belgium	BFR	101 462 150
- Spain	PTA	626 592 450
- Ireland	IRL	5 990 097.61
- United Kingdom	UKL	4 051 029.12

However, the Commission gave the national authorities concerned the option of showing by inquiries that the financial impact of the shortcomings of the customs was less than the corrections. The inquiries have now been completed and the conclusions will be considered in connection with the 1990 clearance.

As regards export controls on agricultural products qualifying for refunds, the EAGGF verified the application of Regulation (EEC) No 386/90 in six Member States: Denmark, Germany, Italy, France, Netherlands and United Kingdom. The findings were summarized to serve as a basis for the additional report to the Council on the above-mentioned Regulation. The checks will continue in the other six Member States in the course of 1993.

7.2. 1990

7.2.1. Expenditure claimed by the Member States in respect of 1990 totalled ECU 26.5 billion, the breakdown being as follows:

TABLE 15

EAGGF Guarantee expenditure claimed for 1990

MEMBER STATE	TRANSMISSION OF THE FIRST DECLARATIONS OF EXPENDITURE	
	DATE Deadline under Community law: 31.3.1991	1990
		AMOUNT (National currency)
Belgium	22.04.1991	BFR 36.708.849.337,00
Denmark	23.04.1991	DKR 8.873.891.435,98
Germany	15.04.1991	DM 9.442.894.164,93
Greece	29.04.1991	DRA 364.211.374.505,00
Spain	27.05.1991	PTA 277.982.315.185,00
France	15.07.1991	FF 35.969.122.771,86
Ireland	17.05.1991	IRE 1.285.174.312,84
Italy	07.06.1991	LIT 6.370.613.428.380,00
Luxembourg	27.05.1991	FLUX 190.346.362,00
Netherlands	22.04.1991	HFL 6.650.953.782,54
Portugal	30.04.1991	ESC 38.364.410.470,90
UK	15.04.1991	UK£ 1.410.029.647,46

The 1990 financial year began on 16 October 1989 and ended on 15 October 1990.

Several Member States again failed to meet the 31 March deadline for submission of their declarations and sent in adjustments and additions much later than that date, thus complicating the clearance work considerably.

7.2.2 A total of 90 on-the-spot checks were carried out between February 1991 and March 1992 involving 903 working days in the Member States.

Additional investigations were made between October 1992 and March 1993, in particular in the export refund and milk product sectors, for which there were large negative reserves following the 1989 accounts clearance decision. These special enquiries involved a total of 150 working days in the six Member States concerned.

7.2.3. The consultation procedure started with the notification in writing to the Member States of the results of the checks made. The Member States had the opportunity to give their comments in their replies. In addition, bilateral meetings were held under the dialogue procedure between the Commission staff and the Member States to enable the parties concerned to clarify their respective positions.

7.2.4. Checks made

The work programme for clearance of the 1990 accounts involved continuation of the Member States' systems audit programme, on-the-spot checks of measures selected on the basis of the amount of expenditure and a risk assessment, together with an audit of the Member States' annual declarations. The Member States continued to receive equal treatment.

The operations subjected to a systems audit for the first time under this accounts clearance exercise are given in Table 16.

By contrast with previous practice, the EAGGF used private authorized accounting companies to audit the systems of some paying agencies. Four of these companies were awarded contracts following a restricted tendering procedure and, with the aid of EAGGF officials, each made an audit at a paying agency.

During 1991 the EAGGF made two audits of the financial systems in force in the following Member States: one in Belgium and one in Denmark. These audits were carried out by external audit companies under the full responsibility of the EAGGF.

The main reason why only two audits were carried out was the fact that the EAGGF was still drawing up basic guidelines and establishing the contents of financial audits. Furthermore, the personnel available to oversee the audits was insufficient.

Apart from the fact that they gave the EAGGF a degree of security regarding the authenticity of declarations, the above audits revealed the following:

- The reports submitted on the financial audits (audit reports, diagrams, recommendations) provide constructive recommendations on improvements to be made to the financial systems in force at the paying agencies. The EAGGF therefore hopes that these audits will have a major effect on the effectiveness of these systems.

- The reports will also provide basic information essential to the auditors of the Member States and the EAGGF responsible for market audits.
- Private auditors recruited to carry out financial audits in a Member State have a good knowledge of the special situation in the Member State concerned. This will further increase the value of the recommendations made.

Given the need to shorten the customary delay with which the clearance decision is taken, and that current staff levels in the EAGGF are insufficient, and taking account of the knowledge and experience which external auditors have with financial systems, more widespread use will be made of such external auditors.

During these audits special attention will be paid to aspects such as the financial systems, the internal control procedures, the method by which declarations are prepared, and the quality of classification systems and data bases. On the basis of the results of this work, recommendations can be made to improve these systems.

TABLE 16

<u>Operations subject to a systems audit</u> <u>in 1992</u>		
<u>Budget article</u>	<u>Measure</u>	<u>Member State</u>
<b>Cereals</b>		
1-1011	Technical costs of public storage	Greece, Italy, Portugal
1-1012	Financial costs of public storage	Greece, Italy
1-1013	Other public storage costs	Greece, Italy, Portugal
1-1014	Depreciation of stocks	Greece, Italy, Portugal
1-1029	Other intervention	Portugal
1-1033	Reimbursement 1-1032	Italy, United Kingdom
1-1030	Co-responsibility levy	France, Italy, UK
1-1032	Additional co-responsibility levy	France, Italy, UK
<b>Sugar</b>		
1-1110	Reimbursement of storage costs	Denmark
1-1112	Refunds on sugar used in the chemical industry	
1-1113	Raw sugar aids	
1-1119	Other intervention	United Kingdom
<b>Oils and fats</b>		
1-1210	Production aid	Greece, Italy
1-1211	Schemes related to production	Greece, Spain, Italy, Portugal
1-1220	Consumption aid	Spain, Italy, Portugal
1-1260	Rapeseed aid	Denmark, Spain, Italy
1-1261	Sunflower aid	Spain, Italy,
1-1300	Aid for peas, etc.	Belgium, Denmark, UK
1-1310	Aid for dried fodder	Germany, France, UK
1-1410	Cotton	
1-1505	Improvement of production	Germany, UK
1-1506	Promotion measures	
1-1507	Nuts	Spain
1-1515	Aid for dried vegetables	Spain
<b>Wine</b>		
1-1611	Distillation of wine	Portugal
<b>Tobacco</b>		
1-1710	Premiums	Greece, Spain, Italy
1-1720	Technical costs of public storage	Italy
1-1721	Financial costs of public storage	Italy
1-1722	Other public storage costs	Italy

TABLE 16 (continued)

<u>Operations subject to a systems audit</u> <u>in 1992</u>		
<b>Seeds/Hops</b>		
1-1800	Seeds	Denmark
<b>Milk</b>		
1-2011	Technical costs SMP	Germany, Portugal
1-2012	Financial costs SMP	Germany, Portugal
1-2013	Other costs SMP	Germany, Portugal
1-2014	Depreciation SMP	Germany, Portugal
1-2024	Aid for casein production	Denmark, Germany, France Ireland, Netherlands, UK
1-2031	Technical costs butter	Portugal
1-2032	Financial costs butter	Portugal
1-2033	Other costs butter	Portugal
1-2034	Depreciation beurre	Portugal
1-2049	Other measures (50%)	Denmark
1-2066	Definitive cessation premium	Germany
1-2067	Temporary suspension of quota	Germany
1-3803	Purchase of milk quotas	Spain, France, Italy
1-2070	Linear levy	
1-2071	Additional levy	Belgium, Denmark, Germany, Greece, Spain, France, Italy, Luxembourg, Netherlands, Portugal
<b>Meat</b>		
1-2111	Technical costs beef	Denmark
1-2112	Financial costs beef	Denmark
1-2113	Other costs beef	Denmark
1-2114	Depreciation beef	Denmark
1-2220	Ewe premiums	Greece, Spain, Italy
1-2221	Slaughter premiims	United Kingdom
1-4000	Set-aside - Guarantee	Germany, Spain, UK

7.3. 1991

The expenditure declared by the Member States totalled ECU 31 705 million. The dates on which the expenditure for 1991 was reported to the EAGGF are shown in the table below. The Member States submitted numerous additional corrections afterwards.

Table 17

MEMBER STATE	TRANSMISSION OF THE FIRST DECLARATIONS OF EXPENDITURE	
	DATE (Deadline under Community law: 31.3.1992)	1991
		AMOUNT (national currency)
Belgium	28.04.1992	BFR 62.290.364.916,00
Denmark	08.04.1992	DKR 10.322.305.779,85
Germany	08.04.1992	DM 10.847.333.804,03
Greece	24.06.1992	DRA 478.459.744.651,00
Spain	21.05.1992	PTA 417.594.380.666,00
France	19.07.1992	FF 45.361.326.507,29
Ireland	11.05.1992	IRL 1.340.950.955,58
Italy	07.05.1992	LIT 8.545.831.367.595,00
Luxembourg	14.02.1992	FLUX 118.859.802,00
Netherlands	23.04.1992	HFL 6.250.029.038,54
Portugal	22.04.1992	ESC 56.715.270.383,00
UK	21.04.1992	UKL 1.568.247.185,59

7.4. Reform of the clearance of accounts procedure

A working party, set up in April 1991 and comprising 13 members, of whom four, including the Chairman, M. Belle, came from outside the Commission, submitted its report on 31 October 1992, in which it proposed guidelines for a reform of the clearance of accounts procedure.

The working group proposed the following objectives for an overhauled clearance system which would be:

- preventative and corrective, rather than a means of imposing penalties;
- based to a greater extent on cooperation and partnership;
- carried out at the same time as the operations, or shortly after, so as to improve management;
- a means of providing greater legal and financial certainty for the Community and the Member States;

- accompanied by adequate procedural guarantees when financial corrections prove unavoidable;

The Belle working party regarded the single clearance decision as the source of many problems since it has at one and the same time, for a particular year, for all the EAGGF Guarantee Section measures and for all the member States, both an accounting objective and an objective of ensuring that expenditure complies with Community provisions. It suggested that the clearance operation should be split into decisions of two types:

- a purely accounting clearance based on greater reliance on the Member States financial controls,
- a compliance audit, which would consist of a "discussion" phase. If this proved unsuccessful, a "dispute" phase would follow during which the Member State could present its case to a conciliation body. The Commission would then take its decision on any financial consequence to be drawn.

The Commission decided on 5 March 1993, to apply the essential of these guidelines for a trial period of three years starting from the clearance of the 1992 year.

7.5. Application of Council Regulation No (EEC) 4045/89 regarding Member States' controls of beneficiaries records

- a) Council Regulation (EEC) 4045/89 of December 1989, on the scrutiny by Member States of transactions forming part of the system of financing by the Guarantee Section of the European Agricultural Guidance and Guarantee Fund, came into force in 1990. On 16 December 1992, the Commission submitted a general report on the implementation of the regulation during the period 1 January 1990 to 30 June 1991. The report is based on information supplied by Member States under article 9 of the regulation.
- b) The Commission's report:
  - takes stock of the results achieved and the difficulties encountered;
  - assesses the rate of uptake of Community funds for degressive part-financing by the Commission of the reinforcement and training of inspection departments;
  - assesses the conditions under which the regulation (EEC) 4045/89 was implemented during the first year; and
  - draws general conclusions and puts forward general recommendations as to how to go about scrutiny transactions in the future.

c) The main points presented in the report follow:

- in the light of scrutiny programmes received, the Commission services proposed a standardised presentation to identify the minimum number of undertakings to be scrutinised within each financial bracket and whether all undertakings receiving over ECU 200,000 were actually being scrutinised every two years; the relevant sector and the amounts involved; and how the risks had been assessed and the selection made;
- 92% of the scrutiny programmes envisaged were implemented, with 63% of the 5,066 scrutiny operations carried out involving undertakings each accounting for over ECU 200,000;
- a country by country analysis revealed a significant shortfall in respect of the minimum number of scrutiny operations for Greece (61%) and Italy (69%) and, to a far lesser extent, France (96%);
- out of 2,556 cases of irregularities communicated under article 3 of Council regulations (EEC) 283/72 and 595/91, nearly 40% were detected by a posteriori administrative checks;
- for the co-ordination of checks between Member States co-ordination will have to improve on the national level (for instance by centralisation of the information held on the various companies to be scrutinised) and on the Community level by means of the exchange of information on companies operating internationally;
- Member States expressed a desire for guidance on the practical application of rules on scrutiny including the need for a definition of the term "commercial documents" laid down in article 1(2);
- the Commission identified a significant and widespread under-utilisation of the appropriations made available to Member States for the part-financing of additional personnel recruited (article 13), training of personnel (article 14), and the purchase of data-processing and office equipment (article 15).

d) Section IV of the report presents an evaluation by Commission staff of the implementation of the regulation and section V, a look to the future. The report concludes, section VI, "that the programme has got off to a satisfactory start."

e) Section VI also points out that in 1992 the Commission services launched a control programme on the practical application of the regulation by Member States. The objective of the programme is to arrive at an assessment of the strengths and weaknesses of Member State's scrutiny arrangements with a view to encouraging remedial action where this is necessary. The complete findings of the programme are likely to be available around mid-1994.

7.6. Appeals to the Court of Justice against clearance decisions

7.6.1. Judgments handed down by the Court

Since the Summary Report for 1989 was drawn up, the Court of Justice has handed down two further judgments and several orders in respect of appeals lodged by Member States against clearance decisions for the 1987 and 1988 financial years:

- Judgment of 25 May 1992 (Case C-385/89) concerning export refunds, the management of animal feedingstuffs, the coresponsibility levy in the cereals sector and public storage in the tobacco sector in Greece. The appeal by the Member State was dismissed.
- Judgment of 18 November 1992 (Case C-118/91) concerning export refunds in the cereals and sugar sectors; in deciding that a ruling was not appropriate, the Court noted that as a result of Decision 92/315/EEC amending the initial decision on the clearance of the 1988 accounts and charging the amount initially corrected, the application by France was no longer applicable.
- Order of the President of the Court of 5 February 1992 concluding the inadmissibility of the appeal lodged by France in the cereals and sugar sectors.
- In Cases C-53/91 5 (Netherlands v Commission) and C-335/91 (France v Commission), both concerning export refunds in the cereals and sugar sectors, the Dutch and French governments have withdrawn their appeals. The Court has therefore decided to strike these cases from its register.

7.6.2 Appeals pending at 31 December 1992

The situation at 31 December concerning appeals pending and the amounts involved is given in Table 18 below.

T A B L E 18

APPEALS FILED AGAINST THE 1988 CLEARANCE DECISION  
(SITUATION AT 31.12.1992)

CASE NUMBER	MEMBER STATE	EXPENDITURE CONCERNED	REFERENCE IN SUMMARY REPORT Document VI/220/90- Final of 23.11.1990	AMOUNT IN QUESTION (in national currency)
				1988
C-48/91	Netherlands	1. Cereals - co-responsibility levy not charged	4.2.2.2.	708.540,--
C-54/91	Germany	1. Export refunds		
		- insufficient physical checks	4.1.13.	27.510.204,--
		- export declarations submitted late	4.1.3.3.	18.037.338,--
		- lack of customs control before the initiation of financing procedures	4.1.3.6.	7.295.236,38
		- quantitative losses	4.1.3.4.	584,43
		- acceptance of export declarations by customs after good loaded	4.1.3.5.	262.248,64
		- quantity exported charged on basis of tolerance margin not authorized	4.1.3.2.	104.909,63
		- goods not qualifying for refund	4.1.3.1.	27.321,71
		2. Production refunds for starch - non-observance of checking procedures	4.2.4.1.	5.807.619,24
		3. Refunds for the use of sugar in the chemical industry - non-observance of checking procedures	4.5.1.4.	392.741,52

APPEALS FILED AGAINST THE 1988 CLEARANCE DECISION  
(SITUATION AT 31.12.1992)

CASE NUMBER	MEMBER STATE	EXPENDITURE CONCERNED	REFERENCE IN SUMMARY REPORT Document VI/220/90-Final of 23.11.1990	AMOUNT IN QUESTION (in national currency)
				1988
C-55/91	Italy	1. Non-payment of additional milk levy	4.3.10.3.	46.253.180.000,--
		2. Premiums for sheepmeat and goatmeat producers - absence of supporting documents	4.6.7.5.	53.438.771.788,--
		3. Public storage of tobacco - tobacco not meeting minimum quality characteristics - revision of buying-in price	4.9.2.1. 4.9.2.3.	719.977.199,-- 1.554.528.324,--
		4. Olive oil in intervention not corresponding to required quality characteristics	5.1.	60.808.737.217,--
		5. Aid for soya processing - insufficient checks	5.3.	38.034.266.760,--
		6. Aid for the production of durum wheat - insufficient checks	5.4.	67.501.305.800,--

APPEALS FILED AGAINST THE 1988 CLEARANCE DECISION  
(SITUATION AT 31.12.1992)

CASE NUMBER	MEMBER STATE	EXPENDITURE CONCERNED	REFERENCE IN SUMMARY REPORT Document VI/220/90-Final of 23.11.1990	AMOUNT IN QUESTION (in national currency)
				1988
C-56/91	Greece	1. Refunds cereals sector - illegal national aid	4.1.4.1.	869.296.279,--
		2. Co-responsibility levy on cereals not collected	4.2.2.2.	215.156.000,--
		3. Public storage of beef	4.6.2.9.	245.233,--
		4. Milk sector - security not obtained	4.3.7.2.	316.980,--
		5. Public storage of tobacco - Revision of intervention price - tobacco not meeting minimum quality characteristics	4.9.2.2.	511.862.586,--
			4.9.2.4.	528.931.426,--
		6. Contesting of financial consequences of Court judgments in Cases 259/87 and 334/87	6.1	p.m.

T A B L E 18

(CONTINUED)

APPEALS FILED AGAINST THE 1988 CLEARANCE DECISION  
(SITUATION AT 31.12.1992)

CASE NUMBER	MEMBER STATE	EXPENDITURE CONCERNED	REFERENCE IN SUMMARY REPORT Document VI/220/90-Final of 23.11.1990	AMOUNT IN QUESTION (in national currency)
				1988
C-411/92	France	Cereals sector - co-responsibility levy and additional co-responsibility levy not charged - sale with repurchase clause	4.2.2.7	8.623.507,--
C-413/92	Germany	Milk sector - aid for the production of caseins and caseinates	4.3.4.1	432.000,--
C-415/92	Italy	Milk sector - additional levy not charged	4.3.13.2	896.844.000.000,--
C-417/92	Ireland	Export refunds in the beef sector	4.1.7.5	5.990.097,--

7.7 Financial audits of paying agencies

In the financial report of financial year 1991 the EAGGF reported on the performance of two pilot audits for the introduction of financial audits as part of the EAGGF clearance plan.

During 1992, the EAGGF carried out financial audits of 12 of the 44 paying agencies, based on the experiences of the pilot audits. These 12 agencies accounted for 50% of total EAGGF expenditure.

For the performance of these audits in each Member State the EAGGF employed the four selected audit firms which have gained a good knowledge of the specific characteristics of the guarantee fund. Apart from the main audit objective (verifying the reliability of the annual declaration) the financial audits aim to identify improvements required to the administrative and control systems in the Member States in order to ensure the conformity of the transactions with the conditions of the Community legislation, and the reliability of the accounts.

The auditors of the 12 paying agencies presented reports with descriptions of administrative procedures and key controls, and their audit findings and recommendations for improvements of procedures and controls. During the 1992 audits the auditors reported the following findings which are relevant to the agencies as a whole:

1. Most of the agencies have difficulties with providing accurate and timely monthly and annual declarations, partly caused by an unexpected increase in intervention stocks.
2. In most agencies the accounting systems and the financial records are not audited by an internal audit department and only a few Member States have their systems and records (including the annual declaration) audited by an external, independent auditor.
3. Several paying agencies execute payments authorized by other bodies without requiring supporting documents, and without undertaking any checks on these bodies control procedures or on the supporting documents held by them.

During the financial audits in 1993 the auditors will pay specific attention to the findings mentioned above and the measures taken to correct deficiencies.

For the audits to be performed in 1993 (audits of the 1992 accounts) the EAGGF encouraged certain Member States to have their annual declaration certified by an independent audit body selected by themselves. This request anticipated the audit approach to be applied by the EAGGF following the recommendations of the Belle working group. By May 1993 two Member States had informed the EAGGF that their annual declaration will be certified. These two certificates will only cover the financial records, and will not yet contain an opinion about the quality of administrative and physical control systems which aim to ensure that Community rules are correctly applied.

Most of the other Member States will be unable to have the 1992 accounts certified by a national body. EAGGF, supported by external auditors, will undertake financial audits of their main agencies in 1993, which will cover 60% of total EAGGF expenditure.

TITLE V

CLEARANCE OF ACCOUNTS IN RESPECT OF COMMUNITY FOOD AID  
FOR PRODUCTS SUBJECT TO EEC MARKET ORGANIZATION

8.1. Reform of the system of financing Community food aid

This reform came into force on 1 July 1987. From that date, the mobilization and financing of Community food aid has taken place in accordance with Commission Regulation (EEC) No 2200/87 of 8 July 1987 laying down general rules for the mobilization in the Community of products to be supplied as Community food aid<sup>1</sup>, based on Council Regulation (EEC) No 3972/86 on food-aid policy and food-aid management<sup>2</sup>.

Financing pursuant to Regulation (EEC) No 2200/87 is therefore carried out directly by the Commission and not via the Member States.

Financial and budgetary management is now the responsibility of the Directorate-General for Development, which also makes payment to entitled parties.

The EAGGF Guarantee Section remains responsible for clearance of the accounts of expenditure by the Member States and for payment and recovery of any amounts outstanding from operations covered by the old system.

8.2. Accounts clearance

The Commission took the decision relating to the clearance of accounts for 1984, 1985, 1986 and 1987 on 31 March 1992 (92/235/EEC)<sup>3</sup>. With these clearance operations the old system of financing Community food aid to developing countries came to an end.

Nonetheless, the Commission voiced some reservations concerning specific aid operations, which are the subject of legal proceedings.

These reservations will be lifted where appropriate in the light of the outcome of these procedures.

1 OJ L 204, 25.7.1987.

2 OJ L 370, 30.12.1986.

3 OJ L 121, 6.5.1992, p. 29.

The cases in question are the following:

Member State	Aid operation	Year	Amount
Belgium	R. 2936/81 China	1982	BFR 6.374.970,--
"	R. 2936/81 China	1982	BFR 7.685.613,--
"	R. 93/82 Djibouti	1982	BFR 14.080.665,--
"	R. 3611/81 ICRC	1982	FB 1.667.050,--
"	R. 359/84 Zambia	1984	FB 2.085.421,--
"	R. 345/87 WFP	1987	)
	R. 1358/87 Euronaid	1987	) FB 50.781.099,--
"	R. 3292/85 WFP	1985	)
"	R. 19/84 Licross	1984	)
France	R. 2779/83 Egypt	1983	FB 447.866,88
Italy	R. 76/748 Niger	1976	reservation on the whole operation
"	R. 2277/85 Egypt	1987	FF 1.812.500,--

\* This reservation is to be withdrawn by Commission decision in the light of the outcome of the procedure initiated by the successful tenderer.

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ANNEX 1

SUMMARY OF IMPLEMENTATION FOR 1992

1992 appropriations:

ECU million

APPROPRIATIONS		IMPLEMENTATION	
1. Original appropriations, Title B1 (not counting 1 000 000 in monetary reserve)	35.022,000	1. Commitments	
2. Original appropriations, Chapter B0-10	810,000	- for expenditure incurred by M.S.	32.005,265
3. Original appropriations, Chapter B2-90	29,000	- for direct payments	<u>108,711</u>
4. Original appropriations, Chapter B0-40	17,000	Total commitments	32.113,976
5. Amending budgets	-2.944,000	2. Payments (attributed)	
6. Transfers of appropriations	-55,000	- for expenditure incurred by M.S.	32.005,265
Total EAGGF Guarantee appropriations	<u>32.878,500</u>	- for direct payments	<u>57,952</u>
7. Original appropriations, Chapter B2-22	<u>280,000</u>	Total attributed	32.063,216
Total appropriations for 1992	<u>33.158,500</u>	3. Approps to be carried over automatically	50,759
		4. Approps to be carried over non-automatically	175,500
		5. Lapsed appropriations	869,024

Non-automatic carryovers from 1991:

APPROPRIATIONS		IMPLEMENTATION	
1. Appropriations (Item B-1890)	166,000	1. Commitment	
		- for expenditure incurred by M.S.	120,197
		- for direct payments	<u>37,192</u>
		Total commitments	157,389
		2. Payments (attributed)	
		- for expenditure incurred by M.S.	120,197
		- for direct payments	<u>35,121</u>
		Total attributed	155,318
		3. Amounts committed to be cancelled	2,071
		4. Lapsed appropriations	8,611

Appropriations carried over automatically from 1991:

APPROPRIATIONS		IMPLEMENTATION	
1. Appropriations (Appropriations committed in 1991 but not allocated)	24,146	1. Payments (attributed)	11,239
		2. Lapsed appropriations carried over	12,907

## ANNEX 2

EAGGF GUARANTEE  
EXPENDITURE CHARGED AGAINST THE 1992 BUDGET (ECU MILLION)

1.

		BELGIQUE	DANMARK	DEUTSCHLAND	ELLAS	ESPANA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNIT.KINGD	COMMUNITY	TOTALS
B00-100	REPAYMENT TO M.S.OF COSTS FOR DEPRECIAT. OF STOCKS OF AGRICULTURAL PRODUCTS	----	----	----	----	----	----	----	----	----	----	----	----	----	----
B00-101	REPAYMENT TO M.S.OF COSTS UNDER SPECIF. MEASURES OF BUTTER FROM PUBLIC STOCKS	12,543	4,125	254,750	----	8,213	62,835	101,516	5,678	----	212,916	----	136,935	----	799,512
B00-10	REPAYM.TO M.S.OF COSTS DEPREC.OF STOCKS & SPECIF.MEAS.BUTTER FROM PUBLIC STOCKS	12,543	4,125	254,750	----	8,213	62,835	101,516	5,678	----	212,916	----	136,935	----	799,512
B00-1	REPAYMENTS AND REFUNDS TO MEMBER STATES	12,543	4,125	254,750	----	8,213	62,835	101,516	5,678	----	212,916	----	136,935	----	799,512
B00	REPAYMENTS, GUARANTEES, RESERVES	12,543	4,125	254,750	----	8,213	62,835	101,516	5,678	----	212,916	----	136,935	----	799,512

EAGGF GUARANTEE  
EXPENDITURE CHARGED AGAINST THE 1992 BUDGET (ECU MILLION)

2.

	BELGIQUE	DANMARK	DEUTSCHLAND	ELLAS	ESPANA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNIT. KINGD	COMMUNITY	TOTALS	
B01-1000	REFUNDS ON COMMON WHEAT GRAIN AND FLOUR	81,750	49,311	123,737	1,855	8,688	825,798	0,143	107,442	-----	81,966	0,093	178,909	-----	1.459,692
B01-1001	REFUNDS ON BARLEY GRAIN AND MALT	113,619	36,221	191,703	-----	64,581	258,350	7,067	0,002	-----	130,008	-----	119,501	-----	921,052
B01-1002	REFUNDS ON DURUM WHEAT AND ON DURUM WHEAT FLOUR, GROATS AND MEAL	-----	-----	0,389	7,634	70,367	63,884	-----	278,100	-----	0,002	-----	0,004	-----	420,381
B01-1003	REFUNDS ON OTHER CEREALS	13,915	24,106	91,893	7,198	4,469	53,487	0,565	76,115	-----	55,971	0,310	6,517	-----	338,547
B01-100	REFUNDS ON CEREALS	209,284	109,638	407,723	16,687	148,105	1.201,519	7,776	461,659	-----	271,947	0,404	304,930	-----	3.139,672
B01-1010	CARRYOVER PAYMENTS	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
B01-1011	TECHNICAL COSTS OF PUBLIC STORAGE	3,380	19,440	222,484	9,412	35,491	149,296	2,047	46,337	0,019	0,010	1,304	11,531	-----	500,752
B01-1012	FINANCIAL COSTS OF PUBLIC STORAGE	1,023	5,500	63,849	4,544	12,006	28,442	0,637	17,631	0,006	0,002	0,455	3,697	-----	137,793
B01-1013	OTHER PUBLIC INTERVENTION STORAGE COSTS	-9,652	-8,113	-142,604	-7,291	-18,933	-93,931	-1,503	37,853	-----	-0,120	-5,832	-8,846	-----	-258,971
B01-1014	DEPRECIATION OF STOCKS	35,255	63,712	806,743	76,784	72,601	858,206	6,771	162,072	0,388	-----	3,223	29,026	-----	2.114,781
B01-1019	OTHER INTERVENTION STORAGE	-----	-----	-----	3,074	-----	-----	-----	-----	-----	-----	-----	-----	-----	3,074
B01-101	INTERVENTION STORAGE OF CEREALS	30,007	80,539	950,473	86,523	101,165	942,014	7,953	263,893	0,413	-0,108	-0,849	35,407	-----	2.497,429
B01-1020	PRODUCTION AID FOR DURUM WHEAT	-----	-----	-----	123,437	92,626	26,224	-----	210,004	-----	-----	4,117	-----	-----	456,408
B01-1021	PRODUCTION REFUNDS FOR POTATO STARCH	-----	3,571	9,864	-----	0,046	5,860	-----	-----	-----	9,793	-----	6,996	-----	36,130
B01-1022	OTHER PRODUCTION REFUNDS	10,343	19,481	72,131	1,005	19,553	93,043	1,419	31,040	-----	47,378	2,186	27,021	-----	324,600
B01-1023	PREMIUM FOR INCORPORATION OF CEREALS IN FEED	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
B01-1029	OTHER INTERVENTION	-----	-----	-0,067	-----	-----	-----	-----	-----	-----	70,706	-----	-----	-----	70,639

EAGGF GUARANTEE  
EXPENDITURE CHARGED AGAINST THE 1992 BUDGET (ECU MILLION)

3.

		BELGIQUE	DANMARK	DEUTSCHLAND	ELLAS	ESPAÑA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNIT. KINGD	COMMUNITY	TOTALS
B01-102	INTERVENTION, OTHER THAN STORAGE, OF CEREALS	10,343	23,052	81,929	124,442	112,225	125,127	1,419	241,044	-----	57,171	77,009	34,016	-----	887,777
B01-1030	CORESPONSIBILITY LEVY	-16,267	-50,183	-241,363	-12,166	-56,430	-464,028	-13,263	-61,602	-0,542	-11,313	-10,272	-174,659	-----	-1.112,089
B01-1031	AID TO SMALL PRODUCERS	2,289	3,400	18,389	-----	-----	-----	1,246	-----	0,188	1,279	1,588	2,446	-----	30,824
B01-1032	ADDITIONAL CORESPONSIBILITY LEVY	-0,071	-0,035	-0,636	-----	-0,006	-0,706	-0,064	-1,056	-----	-0,006	-----	-1,452	-----	-4,033
B01-1033	REIMBURSEMENT OF THE ADDITIONAL CORESPONSIBILITY LEVY	-----	-----	-0,011	-----	0,057	-----	-----	0,020	-----	-----	-----	0,051	-----	0,118
B01-1034	REIMBURSEMENT OF THE CORESPONSIBILITY LEVY: SET-ASIDE	-----	-----	-----	-----	7,139	10,115	-----	-----	-----	-----	-----	-----	-----	17,254
B01-103	CORESPONSIBILITY LEVY AND AID TO SMALL PRODUCERS	-14,049	-46,819	-223,622	-12,166	-49,240	-454,619	-12,081	-62,638	-0,354	-10,040	-8,684	-173,615	-----	-1.067,926
B01-104	REFUNDS ON RICE	-----	0,006	0,169	0,214	2,400	0,875	-----	84,313	-----	0,582	3,180	0,051	-----	91,790
B01-1050	TECHNICAL COSTS OF PUBLIC STORAGE	-----	-----	-----	-----	0,681	0,132	-----	3,248	-----	-----	-----	-----	-----	4,061
B01-1051	FINANCIAL COSTS OF PUBLIC STORAGE	-----	-----	-----	-----	0,280	0,050	-----	1,291	-----	-----	-----	-----	-----	1,620
B01-1052	OTHER PUBLIC INTERVENTION STORAGE COSTS	-----	-----	-----	-----	-4,383	-0,811	-----	-24,896	-----	-----	-0,341	-----	-----	-30,430
B01-1053	DEPRECIATION OF STOCKS	-----	-----	-----	-----	-0,003	-----	-----	2,048	-----	-----	-----	-----	-----	2,045
B01-1059	OTHER STORAGE MEASURES	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
B01-105	INTERVENTION FOR RICE	-----	-----	-----	-----	-3,425	-0,629	-----	-18,309	-----	-----	-0,341	-----	-----	-22,704
B01-1060	REFUNDS ON RICE USED FOR THE PRODUCTION OF STARCH AND IN THE BREWING INDUSTRY	0,029	-----	-----	-----	-----	-----	-----	-----	-----	0,001	-----	-----	-----	0,030
B01-1061	SUBSIDIES FOR SUPPLY OF RICE TO THE FRENCH OVERSEAS DEPARTMENT OF REUNION	-----	-----	-----	-----	-----	0,058	-----	-----	-----	-----	-----	-----	-----	0,058

EAGGF GUARANTEE  
EXPENDITURE CHARGED AGAINST THE 1992 BUDGET (ECU MILLION)

4.

		BELGIQUE	DANMARK	DEUTSCHLAND	ELLAS	ESPAÑA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNIT. KINGD	COMMUNITY	TOTALS
B01-1062	PRODUCTION AID FOR INDICA RICE	-----	-----	-----	0,761	11,572	0,122	-----	4,902	-----	-----	0,753	-----	-----	18,111
B01-1069	OTHER INTERVENTION	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
B01-106	INTERVENTION FOR RICE OTHER THAN STORAGE	0,029	-----	-----	0,761	11,572	0,179	-----	4,902	-----	0,001	0,753	-----	-----	18,198
B01-10	CEREALS AND RICE	235,613	166,416	1.216,671	216,462	322,802	1.814,467	5,066	974,864	0,059	319,553	71,471	200,791	-----	5.544,236

EAGGF GUARANTEE  
EXPENDITURE CHARGED AGAINST THE 1992 BUDGET (ECU MILLION)

5.

		BELGIQUE	DANMARK	DEUTSCHLAND	ELLAS	ESPAÑA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNIT. KINGD.	COMMUNITY	TOTALS
B01-110	REFUNDS ON SUGAR AND ISOGLUCOSE	382,229	55,215	278,189	0,329	47,887	362,106	2,085	46,983	-----	64,198	0,458	65,880	-----	1.305,561
B01-1110	REIMBURSEMENT OF STORAGE COSTS	35,618	15,898	120,444	7,114	21,376	142,960	6,979	69,944	-----	34,364	4,819	36,575	-----	496,092
B01-1111	PUBLIC STORAGE	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
B01-1112	REFUNDS ON SUGAR USED IN THE CHEMICAL INDUSTRY	1,318	1,834	16,842	0,328	8,098	7,773	0,147	2,795	-----	13,181	0,236	10,540	-----	63,091
B01-1113	MEASURES TO AID THE DISPOSAL OF RAW SUGAR	-----	-----	-----	-----	-----	14,679	-----	-----	-----	-----	7,420	-----	-----	22,099
B01-1114	IMPORT SUBSIDIES	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
B01-1115	DEPRECIATION OF STOCKS	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
B01-1119	OTHER INTERVENTION	-----	-----	-----	-----	-----	6,927	-----	-----	-----	-----	5,970	37,638	-----	50,534
B01-111	INTERVENTION FOR SUGAR	36,936	17,731	137,286	7,443	29,474	172,338	7,126	72,739	-----	47,545	18,445	84,753	-----	631,816
B01-11	SUGAR	419,165	72,947	415,475	7,772	77,361	534,444	9,211	119,722	-----	111,743	18,902	150,633	-----	1.937,376

EAGGF GUARANTEE  
EXPENDITURE CHARGED AGAINST THE 1992 BUDGET (ECU MILLION)

6.

	BELGIQUE	DANMARK	DEUTSCHLAND	ELLAS	ESPANA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNIT.KINGD	COMMUNITY	TOTALS
B01-120	REFUNDS ON OLIVE OIL	0,052	0,002	0,059	4,849	10,232	0,201	29,956	-----	0,045	2,994	0,005	-----	48,395
B01-1210	PRODUCTION AID	-----	-----	-----	212,462	373,553	0,290	219,392	-----	-----	19,318	-----	-----	825,016
B01-1211	SPECIFIC PRODUCTION MEASURES	-----	-----	-----	2,081	6,105	-----	15,620	-----	-----	0,991	-----	0,333	25,129
B01-121	PRODUCTION AID AND SCHEMES RELATED TO PRODUCTION OF OLIVE OIL	-----	-----	-----	214,543	379,657	0,290	235,012	-----	-----	20,309	-----	0,333	850,145
B01-1220	CONSUMPTION AID	0,277	-----	0,371	93,472	239,420	7,702	368,322	-----	-----	22,119	2,673	-----	734,395
B01-1221	SPECIFIC CONSUMPTION MEASURES (RESERVED FOR EAGGF)	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	27,441	27,441
B01-122	CONSUMPTION AID AND SCHEMES RELATED TO CONSUMPTION OF OLIVE OIL	0,277	-----	0,371	93,472	239,420	7,702	368,322	-----	-----	22,119	2,673	27,441	761,836
B01-1230	TECHNICAL COSTS OF PUBLIC STORAGE	-----	-----	-----	-----	5,353	-----	0,335	-----	-----	0,025	-----	-----	5,713
B01-1231	FINANCIAL COSTS OF PUBLIC STORAGE	-----	-----	-----	-----	1,694	-----	0,115	-----	-----	-0,001	-----	-----	1,808
B01-1232	OTHER PUBLIC STORAGE COSTS	-----	-----	-----	-----	-24,768	-----	-2,456	-----	-----	-0,322	-----	-----	-27,546
B01-1233	DEPRECIATION OF STOCKS	-----	-----	-----	-----	33,750	-----	25,451	-----	-----	0,295	-----	-----	59,496
B01-1239	OTHER STORAGE MEASURES	-----	-----	-----	0,047	3,336	-----	-----	-----	-----	0,003	-----	-----	3,386
B01-123	STORAGE MEASURES FOR OLIVE OIL	-----	-----	-----	0,047	19,364	-----	23,445	-----	-----	0,001	-----	-----	42,858
B01-124	OTHER INTERVENTION FOR OLIVE OIL	0,002	0,037	-----	0,118	5,539	1,525	40,513	-----	-----	3,354	-----	-----	51,088
B01-125	REFUNDS ON OIL SEEDS	0,018	-----	-----	-----	0,044	-----	-----	-----	0,005	-----	-----	-----	0,067
B01-1260	PRODUCTION AID FOR COLZA AND RAPE SEED	145,473	58,936	477,794	-----	6,945	190,902	0,160	7,544	46,211	0,741	224,250	-----	1.158,956
B01-1261	PRODUCTION AID FOR SUNFLOWER SEED	45,091	-----	64,750	7,302	283,398	283,306	-----	155,947	58,443	50,510	10,530	-----	959,278

EAGGF GUARANTEE  
EXPENDITURE CHARGED AGAINST THE 1992 BUDGET (ECU MILLION)

7.

	BELGIQUE	DANMARK	DEUTSCHLAND	ELLAS	ESPAÑA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNIT.KINGD	COMMUNITY	TOTALS	
B01-1262	PRODUCTION AID FOR SOYA BEANS	-----	-----	0,699	3,268	6,010	40,251	-----	428,149	-----	-----	0,016	0,003	-----	478,395
B01-1263	PRODUCTION AID FOR FLAX SEED	5,572	0,249	4,937	-----	-----	23,439	1,354	1,468	-----	3,433	-----	85,241	-----	125,692
B01-1269	OTHER AID	-----	-----	-----	-----	0,256	1,320	-----	-----	-----	-----	-----	-----	-----	1,576
B01-126	PRODUCTION AID FOR OIL SEEDS	196,136	59,185	548,180	10,570	296,608	539,219	1,514	593,108	-----	108,086	51,267	320,024	-----	2.723,897
B01-1270	TECHNICAL COSTS OF PUBLIC STORAGE	-----	-----	-----	-----	0,632	-----	-----	-----	-----	-----	-----	-----	-----	0,632
B01-1271	FINANCIAL COSTS OF PUBLIC STORAGE	-----	-----	-----	-----	0,177	-----	-----	-----	-----	-----	-----	-----	-----	0,177
B01-1272	OTHER PUBLIC STORAGE COSTS	-----	-----	-----	-----	-1,173	-----	-----	-----	-----	-----	-----	-----	-----	-1,173
B01-1273	DEPRECIATION OF STOCKS	-----	-----	-----	-----	-0,003	-----	-----	-----	-----	-----	-----	-----	-----	-0,003
B01-127	STORAGE MEASURES FOR OIL SEEDS	-----	-----	-----	-----	-0,368	-----	-----	-----	-----	-----	-----	-----	-----	-0,368
B01-128	OTHER INTERVENTIONS FOR OIL SEEDS	1,735	48,413	322,778	-----	305,686	487,900	1,508	103,056	0,181	1,323	14,981	120,779	-----	1.408,341
B01-12	OILS AND FATS	198,218	107,637	871,387	323,599	1.256,183	1.036,838	3,062	1.393,413	0,181	109,460	115,026	443,480	27,773	5.886,259

EAGGF GUARANTEE  
EXPENDITURE CHARGED AGAINST THE 1992 BUDGET (ECU MILLION)

8.

	BELGIQUE	DANMARK	DEUTSCHLAND	ELLAS	ESPANA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NETHERLAND	PORTUGAL	UNIT.KINGD	COMMUNITY	TOTALS
B01-130	PRODUCTION AID FOR PEAS AND FIELD BEANS	36,503	22,918	56,596	1,053	11,179	221,007	3,413	4,267	0,122	69,661	0,103	53,476	480,298
B01-131	PRODUCTION AID FOR DRIED FODDER	0,714	33,139	37,657	1,704	95,651	126,999	0,370	53,998	-----	20,626	0,408	8,960	380,226
B01-132	PRODUCTION AID FOR LUPINS	-----	0,001	0,595	-----	-----	0,875	-----	-----	-----	-----	-----	-0,002	1,470
B01-139	OTHER INTERVENTION	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
B01-13	PROTEIN PLANTS	37,217	56,058	94,848	2,757	106,831	348,881	3,783	58,265	0,122	90,287	0,512	62,434	861,993

EAGGF GUARANTEE  
EXPENDITURE CHARGED AGAINST THE 1992 BUDGET (ECU MILLION)

9.

		BELGIQUE	DANMARK	DEUTSCHLAND	ELLAS	ESPAÑA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNIT. KINGD	COMMUNITY	TOTALS
B01-1400	PRODUCTION AID FOR FIBRE FLAX	2,801	0,219	0,370	----	----	15,089	0,013	----	----	1,537	----	0,017	----	20,046
B01-1401	SPECIFIC MEASURES (RESERVED FOR EAGGF)	----	----	----	----	----	----	----	----	----	----	----	----	5,993	5,993
B01-1402	PRODUCTION AID FOR HEMP	----	----	----	----	0,241	0,794	----	----	----	0,002	----	----	----	1,037
B01-1409	OTHER INTERVENTION	0,739	----	0,003	----	----	1,151	----	----	----	0,032	----	----	----	1,925
B01-140	FIBRE FLAX AND HEMP	3,540	0,219	0,373	----	0,241	17,034	0,013	----	----	1,571	----	0,017	5,993	29,002
B01-141	COTTON	----	----	----	545,391	196,739	----	----	0,018	----	----	----	----	----	742,148
B01-142	SILKWORMS	----	----	----	0,162	----	0,008	----	0,019	----	----	----	----	----	0,188
B01-149	OTHER	----	----	----	----	----	----	----	----	----	----	----	----	----	----
B01-14	TEXTILE PLANTS AND SILKWORMS	3,540	0,219	0,373	545,553	196,980	17,042	0,013	0,036	----	1,571	----	0,017	5,993	771,338

EAGGF GUARANTEE  
EXPENDITURE CHARGED AGAINST THE 1992 BUDGET (ECU MILLION)

10.

	BELGIQUE	DANMARK	DEUTSCHLAND	ELLAS	ESPAÑA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNIT. KINGD.	COMMUNITY	TOTALS	
B01-1500	EXPORT REFUNDS	0,368	0,207	1,256	28,108	22,231	3,151	-----	30,199	-----	6,054	-----	0,068	-----	91,643
B01-1501	COMPENSATION FOR WITHDRAWALS AND BUYING IN AND FOR FREE DISTRIBUTION OPERATIONS	0,570	-----	0,401	80,168	8,336	51,744	0,164	40,431	-----	4,332	0,183	1,188	-----	187,517
B01-1502	COMPENSATION TO PROMOTE COMMUNITY CITRUS FRUITS	-----	-----	-----	4,761	0,984	-----	-----	8,078	-----	-----	-----	-----	-----	13,823
B01-1503	COMPENSATION TO ENCOURAGE PROCESSING OF CITRUS FRUITS	-----	-----	-----	22,646	63,071	0,252	-----	141,288	-----	-----	2,041	-----	-----	229,298
B01-1504	CITRUS REGISTER	-----	-----	-----	-----	-----	-----	-----	-----	-----	0,056	-----	-----	-----	0,056
B01-1505	MEASURES TO IMPROVE PRODUCTION	0,074	0,343	25,670	0,836	2,301	1,838	0,027	2,609	-----	0,318	1,464	1,189	-----	36,671
B01-1506	PROMOTION MEASURES	1,244	-----	0,082	-----	0,978	-----	-----	-----	-----	-----	-----	-----	-----	2,304
B01-1507	NUTS	-----	-----	-----	-----	43,440	1,710	-----	-----	-----	-----	-----	1,140	-----	46,289
B01-1509	OTHER INTERVENTION	-----	-----	0,001	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	0,001
B01-150	FRESH FRUIT AND VEGETABLES	2,257	0,551	27,409	136,519	141,341	58,695	0,191	222,605	-----	10,704	3,744	2,446	1,140	607,602
B01-1510	EXPORT REFUNDS	0,407	3,069	0,867	4,793	3,657	1,871	0,034	5,953	-----	1,110	0,190	3,125	-----	25,077
B01-1511	PRODUCTION AID FOR TOMATO-BASED PRODUCTS	-----	-----	-----	63,251	47,148	26,699	-----	217,323	-----	-----	40,153	-----	-----	394,573
B01-1512	PRODUCTION AID FOR FRUIT-BASED PRODUCTS	-----	-----	-----	41,517	16,990	31,864	-----	29,948	-----	0,025	0,839	-----	-----	121,182
B01-1513	PRODUCTION AID AND INTERVENTION FOR PROCESSED DRIED GRAPE PRODUCTS	-----	-----	-----	94,855	2,390	-----	-----	-----	-----	0,065	-----	-----	-----	97,310
B01-1514	PRODUCTION AID FOR TINNED PINEAPPLE	-----	-----	-----	-----	-----	7,729	-----	-----	-----	-----	-----	-----	-----	7,729
B01-1515	PRODUCTION AID FOR DRIED VEGETABLES	-----	-----	-----	-----	8,096	0,076	-----	0,019	-----	0,064	0,001	-----	-----	8,256
B01-1519	OTHER INTERVENTION	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----

EAGGF GUARANTEE  
EXPENDITURE CHARGED AGAINST THE 1992 BUDGET (ECU MILLION)

11.

		BELGIQUE	DANMARK	DEUTSCHLAND	ELLAS	ESPANA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNIT. KINGD	COMMUNITY	TOTALS
B01-151	PROCESSED FRUIT AND VEGETABLES	0,407	3,069	0,867	204,415	78,282	68,238	0,034	253,243	-----	1,136	41,311	3,126	-----	654,127
B01-152	OTHER INTERVENTION	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
B01-15	FRUIT AND VEGETABLES	2,664	3,619	28,276	340,934	219,623	126,933	0,226	475,848	-----	11,839	45,055	5,572	1,140	1.261,729

EAGGF GUARANTEE  
EXPENDITURE CHARGED AGAINST THE 1992 BUDGET (ECU MILLION)

12.

	BELGIQUE	DANMARK	DEUTSCHLAND	ELLAS	ESPANA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNIT.KINGD	COMMUNITY	TOTALS	
B01-160	REFUNDS ON PRODUCTS OF THE WINE-GROWING SECTOR	0,020	-----	0,245	0,117	47,984	5,348	-----	8,914	-----	0,033	14,605	0,001	-----	77,264
B01-1610	INTERVENTION STORAGE OF WINE AND GRAPE MUST(R. 822/87)	-----	-----	-----	2,465	12,243	7,302	-----	18,344	-----	-----	-----	-----	-----	40,354
B01-1611	DISTILLATION OF WINE (REG. 822/87)	-----	-----	0,935	2,905	124,498	6,926	-----	184,120	-----	-----	1,311	-----	-----	320,695
B01-1612	COMPULSORY DISTILLATION OF THE BY-PRODUCTS OF WINE-MAKING (ART.35 822/87)	-----	-----	-----	0,022	15,736	21,990	-----	16,732	-----	-----	34,663	-----	0,035	89,177
B01-161	INTERVENTION FOR PRODUCTS OF THE WINE-GROWING SECTOR	-----	-----	0,935	5,392	152,477	36,217	-----	219,196	-----	-----	35,974	-----	0,035	450,226
B01-1620	TECHNICAL COSTS	-----	-----	-----	-----	5,349	0,937	-----	1,986	-----	-----	-----	-----	-----	8,272
B01-1621	FINANCIAL COSTS	-----	-----	-----	-----	1,225	0,088	-----	0,174	-----	-----	-----	-----	-----	1,487
B01-1622	OTHER COSTS	-----	-----	-----	-----	6,264	2,418	-----	-0,384	-----	-----	-----	-----	-----	8,298
B01-1623	DEPRECIATION OF STOCKS	-----	-----	-----	-----	90,944	33,807	-----	37,761	-----	-----	-----	-----	-----	162,512
B01-162	BUYING-IN OF ALCOHOL FROM COMPULSORY DISTILLATION(ARTS.37 AND 40 OF R.822/87)	-----	-----	-----	-----	103,782	37,251	-----	39,536	-----	-----	-----	-----	-----	180,569
B01-163	AID FOR THE USE OF MUST	-----	-----	0,318	5,581	3,733	23,297	-----	95,184	-----	-----	0,123	0,091	-----	128,327
B01-164	PERMANENT ABANDONMENT PREMIUMS IN RESPECT OF AREAS UNDER VINES	-----	-----	0,895	12,736	55,510	71,522	-----	104,780	0,013	-----	-----	-----	-----	245,455
B01-165	OTHER INTERVENTION	0,197	-----	1,873	0,013	1,342	1,595	-----	0,338	-----	-----	-----	-----	-----	5,358
B01-16	PRODUCTS OF THE WINE-GROWING SECTOR	0,217	-----	4,265	23,838	364,829	175,229	-----	467,948	0,013	0,033	50,702	0,092	0,035	1.087,200

EAGGF GUARANTEE  
EXPENDITURE CHARGED AGAINST THE 1992 BUDGET (ECU MILLION)

13.

	BELGIQUE	DANMARK	DEUTSCHLAND	ELLAS	ESPANA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNIT.KINGD	COMMUNITY	TOTALS
B01-170	REFUNDS ON TOBACCO	1,676	-----	1,124	19,503	2,426	0,427	-----	31,616	-----	-----	0,651	-----	57,424
B01-171	PREMIUMS FOR TOBACCO	4,346	-----	42,821	424,818	87,737	69,299	-----	516,614	-----	-----	14,922	-----	1.160,557
B01-1720	TECHNICAL COSTS OF PUBLIC STORAGE	-----	-----	0,102	5,639	-----	-----	-----	6,622	-----	-----	-----	-----	12,362
B01-1721	FINANCIAL COSTS OF PUBLIC STORAGE	-----	-----	-0,001	1,017	-----	-----	-----	0,681	-----	-----	-----	-----	1,697
B01-1722	OTHER PUBLIC STORAGE COSTS	-----	-----	-0,204	-14,364	-----	-----	-----	-13,062	-----	-----	-----	-----	-27,630
B01-1723	DEPRECIATION OF STOCKS	-----	-----	-----	10,842	-----	-----	-----	3,244	-----	-----	-----	-----	14,086
B01-172	INTERVENTION STORAGE OF TOBACCO	-----	-----	-0,103	3,134	-----	-----	-----	-2,515	-----	-----	-----	-----	0,516
B01-173	OTHER INTERVENTION FOR TOBACCO	-----	-----	-----	14,494	-----	-----	-----	-----	-----	-----	-----	-----	14,494
B01-17	TOBACCO	6,022	-----	43,842	461,948	90,163	69,727	-----	545,715	-----	-----	15,573	-----	1.232,990

EAGGF GUARANTEE  
EXPENDITURE CHARGED AGAINST THE 1992 BUDGET (ECU MILLION)

14.

		BELGIQUE	DANMARK	DEUTSCHLAND	ELLAS	ESPANA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNIT.KINGD	COMMUNITY	TOTALS
B01-180	SEEDS	2,510	18,164	12,810	1,948	5,299	13,700	0,082	7,347	0,082	12,624	0,394	6,548	----	81,508
B01-181	HOPS	0,176	----	7,763	----	0,001	0,336	0,007	----	----	----	0,242	1,350	----	9,875
B01-182	ETHYL ALCOHOL OF AGRICULTURAL ORIGIN	----	----	----	----	----	----	----	----	----	----	----	----	----	----
B01-1830	POSEIDOM	----	----	----	----	----	8,485	----	----	----	----	----	----	----	8,485
B01-1831	POSEIMA	----	----	----	----	----	----	----	----	----	----	0,848	----	----	0,848
B01-1832	POSEICAN	----	----	----	----	----	----	----	----	----	----	----	----	----	----
B01-183	POSEIDOM - PLANT PRODUCTS	----	----	----	----	----	8,485	----	----	----	----	0,848	----	----	9,333
B01-184	TABLE OLIVES	----	----	----	----	----	----	----	----	----	----	----	----	----	----
B01-189	OTHER	2,992	10,914	38,698	----	6,400	46,351	33,579	3,672	----	2,263	----	7,930	49,165	201,965
B01-189 RN	OTHER	5,056	1,553	36,952	----	2,193	26,793	26,935	4,354	----	13,306	0,051	3,005	37,192	157,389
B01-189	TOT OTHER	8,048	12,467	75,649	----	8,593	73,144	60,514	8,027	----	15,569	0,051	10,935	86,357	359,355
B01-18	OTHER SECTORS OR PLANT PRODUCTS	5,679	29,078	59,270	1,948	11,699	68,873	33,668	11,020	0,082	14,887	1,484	15,829	49,165	302,682
B01-18 RN	OTHER SECTORS OR PLANT PRODUCTS	5,056	1,553	36,952	----	2,193	26,793	26,935	4,354	----	13,306	0,051	3,005	37,192	157,389
B01-18	TOT OTHER SECTORS OR PLANT PRODUCTS	10,735	30,631	96,222	1,948	13,892	95,667	60,603	15,374	0,082	28,193	1,535	18,834	86,357	460,071
B01-1	PLANT PRODUCTS	908,336	435,975	2.734,407	1.924,812	2.646,472	4.192,434	55,028	4.046,831	0,457	659,373	318,725	878,847	84,106	18.885,803
B01-1 RN	PLANT PRODUCTS	5,056	1,553	36,952	----	2,193	26,793	26,935	4,354	----	13,306	0,051	3,005	37,192	157,389
B01-1	TOT PLANT PRODUCTS	913,392	437,527	2.771,358	1.924,812	2.648,665	4.219,227	81,963	4.051,185	0,457	672,679	318,776	881,852	121,298	19.043,192

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EAGGF GUARANTEE  
EXPENDITURE CHARGED AGAINST THE 1992 BUDGET (ECU MILLION)

15.

	BELGIQUE	DANMARK	DEUTSCHLAND	ELLAS	ESPANA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNIT.KINGD	COMMUNITY	TOTALS
B01-2000	REFUNDS ON BUTTER AND BUTTEROIL	27,157	27,648	-14,627	0,045	14,598	71,682	19,859	0,216	0,031	148,214	0,039	13,631	308,492
B01-2001	REFUNDS ON SKIMMED-MILK POWDER	42,709	3,775	47,643	-----	8,985	17,108	52,216	0,021	0,016	56,555	0,910	9,287	239,224
B01-2002	REFUNDS ON CHEESE	4,568	151,777	90,927	3,915	12,085	65,210	6,259	50,175	0,287	145,948	1,134	34,026	566,311
B01-2003	REFUNDS ON OTHER MILK PRODUCTS	81,458	120,642	74,724	0,040	21,897	171,313	34,900	1,032	0,756	338,244	0,019	97,101	942,126
B01-200	REFUNDS ON MILK AND MILK PRODUCTS	155,892	303,842	198,667	4,000	57,565	325,313	113,234	51,443	1,091	688,961	2,102	154,044	2,056,153
B01-2010	PRIVATE STORAGE	0,109	-----	0,173	-----	-----	0,690	0,395	-----	-----	0,444	-----	0,021	1,832
B01-2011	TECHNICAL COSTS OF PUBLIC STORAGE	0,245	-----	3,680	-----	0,389	0,390	3,938	-----	0,023	0,068	0,008	0,148	8,889
B01-2012	FINANCIAL COSTS OF PUBLIC STORAGE	0,632	-----	9,907	-----	1,088	0,952	9,760	-----	0,059	0,154	0,005	0,372	22,930
B01-2013	OTHER PUBLIC STORAGE COSTS	-12,531	-----	-240,060	-----	-22,126	-25,806	-149,081	-----	-1,698	-4,523	-1,179	-9,357	-466,361
B01-2013 RN	OTHER PUBLIC STORAGE COSTS	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
B01-2013 TOT	OTHER PUBLIC STORAGE COSTS	-12,531	-----	-240,060	-----	-22,126	-25,806	-149,081	-----	-1,698	-4,523	-1,179	-9,357	-466,361
B01-2014	DEPRECIATION OF STOCK	0,003	-----	-0,075	-----	-----	-----	-0,157	-----	-----	-----	-----	-----	-0,230
B01-201	INTERVENTION STORAGE OF SKIMMED-MILK POWDER	-11,542	-----	-226,374	-----	-20,649	-23,774	-135,146	-----	-1,616	-3,856	-1,165	-8,816	-432,939
B01-201 RN	INTERVENTION STORAGE OF SKIMMED-MILK POWDER	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
B01-201 TOT	INTERVENTION STORAGE OF SKIMMED-MILK POWDER	-11,542	-----	-226,374	-----	-20,649	-23,774	-135,146	-----	-1,616	-3,856	-1,165	-8,816	-432,939
B01-2020	AID FOR SKIMMED-MILK FOR USE AS FEED FOR CALVES	17,893	1,489	153,094	-----	4,004	255,914	11,526	8,084	-0,001	154,114	-----	11,157	617,272
B01-2021	AID FOR LIQUID SKIMMED MILK FOR USE AS FEED FOR CALVES	7,118	1,653	16,522	-----	-----	2,343	0,373	7,590	-----	0,370	-----	1,223	37,193
B01-2022	AID FOR SKIMMED-MILK POWDER FOR USE AS FEED FOR ANIMALS OTHER THAN CALVES	-----	-----	2,993	-----	-----	-----	-----	-----	-----	-----	-----	-----	2,993

EAGGF GUARANTEE  
EXPENDITURE CHARGED AGAINST THE 1992 BUDGET (ECU MILLION)

16.

	BELGIQUE	DANMARK	DEUTSCHLAND	ELLAS	ESPANA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNIT.KINGD	COMMUNITY	TOTALS
B01-2023			1,082			-0,004								1,079
B01-2024		49,296	57,958			111,799	112,248			94,867		1,768		427,935
B01-2025														
B01-2029														
B01-202	25,011	52,439	231,649		4,004	370,051	124,147	15,674	-0,001	249,350		14,148		1.086,471
B01-2030	9,536	1,509	5,342			5,992	4,171	0,070		11,415		1,927		39,962
B01-2031	0,270	0,290	2,774		2,801	0,634	7,468	0,771		2,828	0,136	1,553		19,525
B01-2032	0,368	0,381	4,542		3,678	0,967	8,681	0,748		2,973	0,097	2,412		24,846
B01-2033	-1,958	-0,925	-12,852		-9,955	-9,585	-5,970	-6,897		-1,423	-1,715	-14,989		-66,269
B01-2033 RN														
B01-2033 TOT	-1,958	-0,925	-12,852		-9,955	-9,585	-5,970	-6,897		-1,423	-1,715	-14,989		-66,269
B01-2034			11,214		30,372		6,662	4,309		13,773	3,898			70,229
B01-203	8,215	1,255	11,021		26,895	-1,992	21,011	-0,999		29,567	2,416	-9,098		88,293
B01-203 RN														
B01-203 TOT	8,215	1,255	11,021		26,895	-1,992	21,011	-0,999		29,567	2,416	-9,098		88,293
B01-2040							11,418							11,418
B01-2049	74,831	10,933	111,014	0,669	9,087	154,853	5,684	18,447	0,326	50,457	0,770	60,008		497,077

EAGGF GUARANTEE  
EXPENDITURE CHARGED AGAINST THE 1992 BUDGET (ECU MILLION)

17.

		BELGIQUE	DANMARK	DEUTSCHLAND	ELLAS	ESPANA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNIT.KINGD	COMMUNITY	TOTALS
B01-204	OTHER MEASURES RELATING TO BUTTERFAT	74,831	10,933	111,014	0,669	9,087	154,853	17,101	18,447	0,326	50,457	0,770	60,008	-----	508,495
B01-2050	STORAGE OF CHEESE	-----	-----	0,004	1,331	-----	4,461	0,182	150,123	-----	-----	-----	-----	-----	156,101
B01-2059	OTHER INTERVENTION	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
B01-205	INTERVENTION FOR OTHER MILK PRODUCTS	-----	-----	0,004	1,331	-----	4,461	0,182	150,123	-----	-----	-----	-----	-----	156,101
B01-2060	FINANC. CONTRIBUT. BY THE QUARANT. SECTION TO NON-MARKETING AND CONVERSION PREMIUMS	-----	-0,015	-0,109	-----	-----	-0,008	-0,020	-----	-----	-----	-----	-0,006	-----	-0,159
B01-2061	SCHOOL MILK	7,701	4,063	47,372	0,023	27,623	67,874	2,839	6,854	0,168	5,137	6,061	56,987	-----	232,702
B01-2062	MARKET DEVELOPMENT MEASURES	2,642	2,545	13,437	0,886	4,160	11,264	1,561	6,475	0,242	5,515	1,421	8,432	-----	58,581
B01-2063	IMPROVEMENT OF MILK QUALITY	-----	-----	3,639	-1,718	-0,310	3,594	3,481	-0,030	0,062	-----	-----	-----	-----	8,719
B01-2064	OTHER MEASURES UNDER THE PROGRAMME TO EXPAND THE MARKET FOR MILK PRODUCTS	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	1,782	-----	1,782
B01-2066	PREMIUM FOR DEFINITIVE CESSATION OF MILK PRODUCTION	6,597	9,511	63,457	2,548	10,697	50,164	10,268	-----	0,537	55,652	-----	25,242	-----	234,672
B01-2067	COMPENSATION FOR TEMPORARY SUSPENSION OF QUOTAS	11,579	17,408	126,949	-----	16,213	89,686	18,545	-----	0,964	43,048	-----	51,532	-----	375,924
B01-2069	OTHER MEASURES	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
B01-206	OTHER MEASURES IN THE MILK AND MILK PRODUCTS SECTOR	28,519	33,512	254,744	1,739	58,383	222,574	36,674	13,299	1,973	109,352	7,482	143,970	-----	912,221
B01-2070	LINEAR LEVY	-11,203	-19,944	-45,948	-----	-5,590	-69,449	-12,135	-32,427	-----	-48,127	-----	-46,723	-----	-291,546
B01-2071	SUPER LEVY(CO-RESPONSIBILITY - R.856/84)	-3,317	-5,345	-31,033	-----	-----	-7,985	3,573	-0,164	-2,355	-24,480	-----	-5,328	-----	-76,432
B01-207	FINANCIAL CONTRIBUTION BY MILK PRODUCERS	-14,520	-25,289	-76,981	-----	-5,590	-77,433	-8,562	-32,590	-2,355	-72,607	-----	-52,052	-----	-367,978

EAGGF GUARANTEE  
EXPENDITURE CHARGED AGAINST THE 1992 BUDGET (ECU MILLION)

18.

	BELGIQUE	DANMARK	DEUTSCHLAND	ELLAS	ESPAÑA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNIT.KINGD	COMMUNITY	TOTALS
B01-208 MEASURES TO ASSIST SMALL PRODUCERS	-----	-----	-0,001	-----	-----	-----	-----	-0,002	-----	0,006	-----	-----	-----	0,003
B01-20 MILK AND MILK PRODUCTS	266,406	376,692	503,744	7,739	129,695	974,052	168,641	215,395	-0,582	1.051,230	11,604	302,205	-----	4.006,821
B01-20 RN MILK AND MILK PRODUCTS	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
B01-20 TOT MILK AND MILK PRODUCTS	266,406	376,692	503,744	7,739	129,695	974,052	168,641	215,395	-0,582	1.051,230	11,604	302,205	-----	4.006,821

EAGGF GUARANTEE  
EXPENDITURE CHARGED AGAINST THE 1992 BUDGET (ECU MILLION)

19.

	BELGIQUE	DANMARK	DEUTSCHLAND	ELLAS	ESPAÑA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNIT. KINGD	COMMUNITY	TOTALS	
B01-210	REFUNDS ON BEEF/VEAL	78,361	41,661	437,822	0,023	29,780	240,106	160,547	126,653	0,043	175,465	----	42,075	----	1.332,536
B01-2110	PRIVATE STORAGE	----	----	-0,229	----	-0,013	0,001	-0,113	----	----	----	----	0,254	----	-0,099
B01-2111	TECHNICAL COSTS OF PUBLIC STORAGE	1,416	13,883	50,680	----	4,180	64,362	84,926	27,702	----	0,777	----	43,924	----	291,850
B01-2112	FINANCIAL COSTS OF PUBLIC STORAGE	0,462	3,923	11,799	----	0,959	16,350	26,409	7,791	----	0,218	----	19,675	----	87,585
B01-2113	OTHER PUBLIC STORAGE COSTS	-3,190	-11,130	36,825	----	-3,731	41,980	12,300	16,540	-0,014	-2,260	-6,309	-16,341	----	64,671
B01-2113 RN	OTHER PUBLIC STORAGE COSTS	----	----	----	----	----	----	----	----	----	----	----	----	----	----
B01-2113 TOT	OTHER PUBLIC STORAGE COSTS	-3,190	-11,130	36,825	----	-3,731	41,980	12,300	16,540	-0,014	-2,260	-6,309	-16,341	----	64,671
B01-2114	DEPRECIATION OF STOCKS	5,810	78,158	379,825	----	24,430	425,289	452,455	178,421	----	3,157	----	199,020	----	1.746,565
B01-211	INTERVENTION STORAGE OF BEEF	4,498	84,833	478,901	----	25,826	547,982	575,977	230,453	-0,014	1,892	-6,309	246,532	----	2.190,571
B01-211 RN	INTERVENTION STORAGE OF BEEF	----	----	----	----	----	----	----	----	----	----	----	----	----	----
B01-211 TOT	INTERVENTION STORAGE OF BEEF	4,498	84,833	478,901	----	25,826	547,982	575,977	230,453	-0,014	1,892	-6,309	246,532	----	2.190,571
B01-2120	PREMIUMS FOR SUCKLER COWS	0,078	0,067	8,445	7,775	53,712	178,563	67,144	18,173	0,399	2,300	8,980	91,104	----	436,739
B01-2121	SPECIAL PREMIUM	12,844	14,416	157,792	5,359	24,360	72,752	47,280	35,827	0,447	15,458	4,376	62,587	----	453,496
B01-2122	CALF PREMIUMS	----	----	----	----	----	----	0,024	0,426	----	----	----	0,003	----	0,453
B01-2123	PREMIUMS FOR THE SLAUGHTER OF ADULT CATTLE OTHER THAN COWS	----	----	----	----	----	----	----	----	----	----	----	0,001	----	0,001
B01-2129	OTHER INTERVENTION	----	----	----	----	----	----	----	----	----	----	----	----	----	----
B01-212	INTERVENTION OTHER THAN STORAGE OF BEEF	12,921	14,483	166,237	13,133	78,072	251,315	114,448	54,425	0,846	17,757	13,356	153,695	----	890,689

EAGGF GUARANTEE  
EXPENDITURE CHARGED AGAINST THE 1992 BUDGET (ECU MILLION)

20.

		BELGIQUE	DANMARK	DEUTSCHLAND	ELLAS	ESPAÑA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNIT.KINGD	COMMUNITY	TOTALS
B01-21	BEEF/VEAL	95,780	140,977	1.082,959	13,156	133,678	1.039,403	850,972	411,531	0,876	195,115	7,047	442,301	----	4.413,795
B01-21	RN BEEF/VEAL	----	----	----	----	----	----	----	----	----	----	----	----	----	----
B01-21	TOT BEEF/VEAL	95,780	140,977	1.082,959	13,156	133,678	1.039,403	850,972	411,531	0,876	195,115	7,047	442,301	----	4.413,795

EAGGF GUARANTEE  
EXPENDITURE CHARGED AGAINST THE 1992 BUDGET (ECU MILLION)

21.

		BELGIQUE	DANMARK	DEUTSCHLAND	ELLAS	ESPAÑA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNIT.KINGD	COMMUNITY	TOTALS
B01-220	EXPORT REFUNDS FOR SHEEPMEAT AND GOATMEAT	----	----	----	----	----	----	----	----	----	----	----	----	----	----
B01-2210	PRIVATE STORAGE	----	----	0,015	----	0,721	----	0,006	----	----	----	----	1,775	----	2,517
B01-2219	OTHER INTERVENTION	----	----	----	----	----	----	----	----	----	----	----	----	----	----
B01-221	INTERVENTION IN THE FORM OF STORAGE OF SHEEPMEAT AND GOATMEAT	----	----	0,015	----	0,721	----	0,006	----	----	----	----	1,775	----	2,517
B01-2220	EWES AND GOAT PREMIUMS	1,655	2,741	32,874	187,378	423,831	162,645	159,997	227,613	0,089	43,047	54,827	375,886	----	1.672,583
B01-2221	SLAUGHTER PREMIUMS	----	----	----	----	----	----	----	----	----	----	----	74,127	----	74,127
B01-2229	OTHER INTERVENTION	----	----	----	----	----	----	----	----	----	----	----	----	----	----
B01-222	INTERVENTION OTHER THAN STORAGE OF SHEEPMEAT AND GOATMEAT	1,655	2,741	32,874	187,378	423,831	162,645	159,997	227,613	0,089	43,047	54,827	450,013	----	1.746,710
B01-22	SHEEPMEAT AND GOATMEAT	1,655	2,741	32,889	187,378	424,552	162,645	160,002	227,613	0,089	43,047	54,827	451,788	----	1.749,227

EAGGF GUARANTEE  
EXPENDITURE CHARGED AGAINST THE 1992 BUDGET (ECU MILLION)

22.

	BELGIQUE	DANMARK	DEUTSCHLAND	ELLAS	ESPAÑA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNIT.KINGD	COMMUNITY	TOTALS	
B01-230	REFUNDS ON PIGMEAT	4,628	99,248	-20,260	0,061	11,407	3,277	1,318	4,610	0,006	22,894	0,838	2,433	-----	130,459
B01-231	INTERVENTION FOR PIGMEAT	2,983	5,693	0,378	-----	0,591	0,183	-0,006	0,720	-----	0,573	-----	0,108	-----	11,224
B01-239	OTHER INTERVENTION	-0,054	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-0,054
B01-23	PIGMEAT	7,558	104,941	-19,882	0,061	11,998	3,460	1,312	5,330	0,006	23,467	0,838	2,541	-----	141,630

EAGGF GUARANTEE  
EXPENDITURE CHARGED AGAINST THE 1992 BUDGET (ECU MILLION)

23.

	BELGIQUE	DANMARK	DEUTSCHLAND	ELLAS	ESPAÑA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNIT.KINGD	COMMUNITY	TOTALS	
B01-240	REFUNDS ON EGGS	1,713	0,537	6,086	0,074	1,526	2,906	0,001	0,118	----	19,176	0,031	0,583	----	32,752
B01-241	REFUNDS ON POULTRYMEAT	9,907	19,096	9,832	0,071	2,215	100,830	0,011	0,885	----	10,759	3,633	3,144	----	160,383
B01-249	OTHER INTERVENTION	----	----	----	----	----	----	----	----	----	----	----	----	----	----
B01-24	EGGS AND POULTRYMEAT	11,620	19,633	15,918	0,145	3,741	103,736	0,011	1,003	----	29,936	3,665	3,727	----	193,136

EAGGF GUARANTEE  
EXPENDITURE CHARGED AGAINST THE 1992 BUDGET (ECU MILLION)

24.

	BELGIQUE	DANMARK	DEUTSCHLAND	ELLAS	ESPAÑA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNIT.KINGD	COMMUNITY	TOTALS
B01-250	TRANSHUMANCE	----	----	----	----	----	----	----	----	----	----	----	----	----
B01-2510	POSEIDOM	----	----	----	----	----	----	----	----	----	----	----	----	----
B01-2511	POSEIMA	----	----	----	----	----	----	----	----	----	5,988	----	----	5,988
B01-2512	POSEICAN	----	----	----	----	----	----	----	----	----	----	----	----	----
B01-251	POSEIDOM - PLANT PRODUCTS	----	----	----	----	----	----	----	----	----	5,988	----	----	5,988
B01-253		----	----	----	----	----	----	----	----	----	----	----	----	----
B01-259	OTHER	----	----	----	----	----	----	----	----	----	----	----	----	----
B01-25	OTHER ANIMAL PRODUCT AID MEASURES	----	----	----	----	----	----	----	----	----	5,988	----	----	5,988
B01-2	ANIMAL PRODUCTS	383,020	644,984	1.615,628	208,479	703,663	2.283,297	1.180,939	860,871	0,389	1.342,795	83,969	1.202,562	10.510,596
B01-2	RN ANIMAL PRODUCTS	----	----	----	----	----	----	----	----	----	----	----	----	----
B01-2	TOT ANIMAL PRODUCTS	383,020	644,984	1.615,628	208,479	703,663	2.283,297	1.180,939	860,871	0,389	1.342,795	83,969	1.202,562	10.510,596

EAGGF GUARANTEE  
EXPENDITURE CHARGED AGAINST THE 1992 BUDGET (ECU MILLION)

25.

	BELGIQUE	DANMARK	DEUTSCHLAND	ELLAS	ESPAÑA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNIT.KINGD	COMMUNITY	TOTALS
B01-300					0,034		0,874					55,781		56,689
B01-301	33,611	49,174	90,476	4,947	26,587	75,320	45,859	109,307	0,046	127,658	2,801	77,130		642,916
B01-30	33,611	49,174	90,476	4,947	26,621	75,320	46,732	109,307	0,046	127,658	2,801	132,911		699,604

EAGGF GUARANTEE  
EXPENDITURE CHARGED AGAINST THE 1992 BUDGET (ECU MILLION)

26.

	BELGIQUE	DANMARK	DEUTSCHLAND	ELLAS	ESPAÑA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNIT. KINGD	COMMUNITY	TOTALS	
B01-310	ACCESSION COMPENSATORY AMOUNTS GRANTED IN INTRA-COMMUNITY TRADE	-0,007	-0,236	1,086	3,207	6,046	1,640	0,002	12,017	-----	0,073	4,231	0,159	-----	28,220
B01-31	ACCESSION COMPENSATORY AMOUNTS GRANTED IN INTRA-COMMUNITY TRADE	-0,007	-0,236	1,086	3,207	6,046	1,640	0,002	12,017	-----	0,073	4,231	0,159	-----	28,220

EAGGF GUARANTEE  
EXPENDITURE CHARGED AGAINST THE 1992 BUDGET (ECU MILLION)

27.

		BELGIQUE	DANMARK	DEUTSCHLAND	ELLAS	ESPAÑA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNIT. KINGD	COMMUNITY	TOTALS
B01-3200	M.C.A.ON IMPORTS GRANTED BY IMPORTING MEMBER STATES (WITH A DEPREC.CURRENCY)	----	----	----	30,017	0,026	0,124	----	0,091	----	----	0,837	5,543	----	36,638
B01-3201	M.C.A.ON IMPORTS GRANTED BY EXPORT.MEMB. STAT.ON BEFALF OF IMP.MEMB.ST.(DEP.CUR.)	0,685	0,797	0,655	----	----	2,079	0,041	----	----	-0,001	----	0,001	----	4,257
B01-3202	M.C.A.ON IMPORTS LEVIED BY IMPORTING MEMBER STATES (WITH AN APPREC.CURREN.)	----	----	0,023	-0,004	-20,753	----	----	----	----	----	----	----	----	-20,733
B01-3203	M.C.A.ON EXPORTS GRANTED BY EXPORTING MEMBER STATES (WITH AN APPREC.CURREN.)	----	----	0,002	----	9,501	----	----	----	----	0,001	----	----	----	9,503
B01-3204	M.C.A.ON EXPORTS LEVIED BY EXPORTING MEMBER STATES (WITH A DEPREC.CURRENCY)	----	----	----	-11,385	----	0,002	-0,005	-0,004	----	----	-10,741	-11,099	----	-33,232
B01-320	MONETARY COMPENSATORY AMOUNTS IN INTRA-COMMUNITY TRADE	0,685	0,797	0,681	18,628	-11,226	2,205	0,036	0,087	----	----	-9,904	-5,555	----	-3,566
B01-3210	PART.OF M.C.A.GRANTED ON IMP.(INTO MEMB. STAT.WITH A DEPREC.CURR.)EXC.IMPORT LEVY	----	----	----	0,159	----	----	----	----	----	----	----	3,691	----	3,851
B01-3211	M.C.A.ON EXPORTS GRANTED BY EXPORTING MEMBER STATES (WITH AN APPREC.CURRENCY)	----	----	0,065	----	0,551	----	----	----	----	0,009	0,010	----	----	0,635
B01-321	MONETARY COMPENSATORY AMOUNTS IN TRADE WITH NON-MEMBER COUNTRIES	----	----	0,065	0,159	0,551	----	----	----	----	0,009	0,010	3,691	----	4,486
B01-32	MONETARY COMPENSATORY AMOUNTS LEVIED OR PAID IN TRADE IN AGRICULTURAL PRODUCTS	0,685	0,797	0,746	18,788	-10,675	2,205	0,036	0,087	----	0,009	-9,895	-1,864	----	0,920

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EAGGF GUARANTEE  
EXPENDITURE CHARGED AGAINST THE 1992 BUDGET (ECU MILLION)

28.

		BELGIQUE	DANMARK	DEUTSCHLAND	ELLAS	ESPANA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNIT. KINGD	COMMUNITY	TOTALS
B01-330	REFUNDS IN CONNECTION WITH COMMUNITY FOOD AID (CEREALS)	25,325	26,755	7,804	0,275	3,687	76,334	----	0,836	0,169	0,849	----	----	----	142,035
B01-331	REFUNDS IN CONNECTION WITH COMMUNITY FOOD AID (RICE)	-0,031	----	----	----	0,592	----	----	9,057	----	----	----	----	----	9,618
B01-332	REFUNDS IN CONNECTION WITH COMMUNITY FOOD AID (SUGAR)	2,028	----	5,070	----	----	----	----	----	----	0,012	----	----	----	7,110
B01-333	REFUNDS IN CONNECTION WITH COMMUNITY FOOD AID (VEGETABLE OIL/OLIVE OIL)	----	----	----	----	----	----	----	0,028	----	----	----	----	----	0,028
B01-333 RN	REFUNDS IN CONNECTION WITH COMMUNITY FOOD AID (VEGETABLE OIL/OLIVE OIL)	----	----	----	----	----	----	----	----	----	----	----	----	----	----
B01-333 TOT	REFUNDS IN CONNECTION WITH COMMUNITY FOOD AID (VEGETABLE OIL/OLIVE OIL)	----	----	----	----	----	----	----	0,028	----	----	----	----	----	0,028
B01-334	REFUNDS IN CONNECTION WITH COMMUNITY FOOD AID (SKIMMED-MILK POWDER)	2,223	----	17,938	----	----	----	13,347	----	----	12,786	----	----	----	46,294
B01-335	REFUNDS IN CONNECTION WITH COMMUNITY FOOD AID (BUTTEROIL)	2,238	----	----	----	----	----	----	----	----	14,303	----	----	----	16,541
B01-33	REFUNDS IN CONNECTION WITH COMMUNITY FOOD AID	31,782	26,755	30,812	0,275	4,279	76,334	13,347	9,921	0,169	27,950	----	----	----	221,626
B01-33 RN	REFUNDS IN CONNECTION WITH COMMUNITY FOOD AID	----	----	----	----	----	----	----	----	----	----	----	----	----	----
B01-33 TOT	REFUNDS IN CONNECTION WITH COMMUNITY FOOD AID	31,782	26,755	30,812	0,275	4,279	76,334	13,347	9,921	0,169	27,950	----	----	----	221,626

		EAGGF GUARANTEE												29.	
		EXPENDITURE CHARGED AGAINST THE 1992 BUDGET (ECU MILLION)													
		BELGIQUE	DANMARK	DEUTSCHLAND	ELLAS	ESPAÑA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNIT.KINGD	COMMUNITY	TOTALS
B01-340	INTEREST PAYMENTS TO M.S., AFTER CHANGES IN METHOD OF FINANC. EAGGF GUAR. EXPEND.	----	----	----	24,944	40,022	----	16,243	----	----	----	4,738	----	----	85,947
B01-34	INTEREST PAYMENTS TO M.S. FOLLOW. CHANGES IN METHOD USED FOR FINANCING EXPENDITURE	----	----	----	24,944	40,022	----	16,243	----	----	----	4,738	----	----	85,947

EAGGF GUARANTEE  
EXPENDITURE CHARGED AGAINST THE 1992 BUDGET (ECU MILLION)

30.

		BELGIQUE	DANMARK	DEUTSCHLAND	ELLAS	ESPANA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNIT. KINGD	COMMUNITY	TOTALS
B01-350	DISTRIBUTION OF AGRICULT. PRODUCTS TO THE MOST DEPRIVED PERSONS IN THE COMMUNITY	2,716	1,830	-----	0,197	35,957	26,355	4,574	24,089	0,040	2,504	10,927	20,978	---	130,167
B01-35	DISTRIBUTION OF AGRICULTURAL PRODUCTS TO DEPRIVED PERSONS IN THE COMMUNITY	2,716	1,830	-----	0,197	35,957	26,355	4,574	24,089	0,040	2,504	10,927	20,978	-----	130,167

EAGGF GUARANTEE  
EXPENDITURE CHARGED AGAINST THE 1992 BUDGET (ECU MILLION)

31.

		BELGIQUE	DANMARK	DEUTSCHLAND	ELLAS	ESPAÑA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNIT. KINGD	COMMUNITY	TOTALS
B01-360	MEASURES TO COMBAT FRAUD AFFECTING THE AGGF GUARANTEE SECTION	---	---	---	---	---	---	---	---	---	---	---	---	23,120	23,120
B01-361		---	---	---	---	---	---	---	---	---	---	---	---	1,485	1,485
B01-36	MEASURES TO COMBAT FRAUD AFFECTING THE EAGGF GUARANTEE SECTION	---	---	---	---	---	---	---	---	---	---	---	---	24,605	24,605

EAGGF GUARANTEE  
EXPENDITURE CHARGED AGAINST THE 1992 BUDGET (ECU MILLION)

32.

		BELGIQUE	DANMARK	DEUTSCHLAND	ELLAS	ESPAÑA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNIT.KINGD	COMMUNITY	TOTALS
B01-370	CLEARANCE OF PREVIOUS YEARS' ACCOUNTS AND RESIDUAL APPROPRIATIONS	----	----	----	----	----	78,948	----	----	----	----	----	----	----	78,948
B01-37	CLEARANCE OF PREVIOUS YEARS' ACCOUNTS AND RESIDUAL APPROPRIATIONS	----	----	----	----	----	78,948	----	----	----	----	----	----	----	78,948

EAGGF GUARANTEE  
EXPENDITURE CHARGED AGAINST THE 1992 BUDGET (ECU MILLION)

33.

	BELGIQUE	DANMARK	DEUTSCHLAND	ELLAS	ESPANA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEREDLAND	PORTUGAL	UNIT.KINGD	COMMUNITY	TOTALS
B01-3800						9,040								9,040
B01-3801	0,001	0,001	0,001			0,206		0,002						0,211
B01-3802				14,493	2,483									16,976
B01-3803					0,021									0,021
B01-3804	0,001		0,579			5,980	5,270			0,080				11,911
B01-3805	0,275		26,692	30,460	99,808	37,138			0,017		6,659	65,235		266,285
B01-3809														
B01-380	0,277	0,001	27,273	44,953	102,312	52,364	5,270	0,002	0,017	0,080	6,659	65,235		304,444
B01-381														
B01-382														
B01-389														
B01-38	0,277	0,001	27,273	44,953	102,312	52,364	5,270	0,002	0,017	0,080	6,659	65,235		304,444
B01-3	69,065	78,321	150,394	97,311	204,563	313,167	86,205	155,424	0,273	158,275	19,461	217,419	24,605	1.574,481
B01-3														
B01-3	69,065	78,321	150,394	97,311	204,563	313,167	86,205	155,424	0,273	158,275	19,461	217,419	24,605	1.574,481

EAGGF GUARANTEE  
EXPENDITURE CHARGED AGAINST THE 1992 BUDGET (ECU MILLION)

34.

		BELGIQUE	DANMARK	DEUTSCHLAND	ELLAS	ESPAÑA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNIT. KINGD COMMUNITY	TOTALS	
B01-400	SET-AIDE - GARANTIE SECTION SHARE	0,063	0,480	35,770	0,008	1,511	19,683	0,099	66,963	0,006	2,627	-----	10,735	-----	137,947
B01-401	TEMPORARY FALLOWING SCHEME	-----	-----	0,630	-----	-----	8,406	0,202	-----	0,004	0,440	-----	-----	-----	9,682
B01-40	SET-ASIDE - GUARANTEE SECTION SHARE	0,063	0,480	36,401	0,008	1,511	28,089	0,300	66,963	0,010	3,067	-----	10,735	-----	147,629
B01-4	SET-ASIDE	0,063	0,480	36,401	0,008	1,511	28,089	0,300	66,963	0,010	3,067	-----	10,735	-----	147,629

EAGGF GUARANTEE  
EXPENDITURE CHARGED AGAINST THE 1992 BUDGET (ECU MILLION)

35.

		BELGIQUE	DANMARK	DEUTSCHLAND	ELLAS	ESPAÑA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNIT.KINGD	COMMUNITY	TOTALS
B01-500	MONETARY RESERVE	----	----	----	----	----	----	----	----	----	----	----	----	----	----
B01-50	MONETARY RESERVE	----	----	----	----	----	----	----	----	----	----	----	----	----	----
B01-5	MONETARY RESERVE	----	----	----	----	----	----	----	----	----	----	----	----	----	----
B01	EUROPEAN AGRICULTURAL GUIDANCE AND GUARANTEE FUND, GUARANTEE SECTION	1.360,483	1.159,760	4.536,829	2.230,610	3.556,209	6.816,987	1.322,472	5.130,089	1,130	2.163,511	422,155	2.309,563	108,711	31.118,508
B01	RN EUROPEAN AGRICULTURAL GUIDANCE AND GUARANTEE FUND, GUARANTEE SECTION	5,056	1,553	36,952	-----	2,193	26,793	26,935	4,354	-----	13,306	0,051	3,005	37,192	157,389
B01	TOT EUROPEAN AGRICULTURAL GUIDANCE AND GUARANTEE FUND, GUARANTEE SECTION	1.365,538	1.161,312	4.573,781	2.230,610	3.558,402	6.843,780	1.349,407	5.134,444	1,130	2.176,817	422,206	2.312,568	145,903	31.275,898

EAGGF GUARANTEE  
EXPENDITURE CHARGED AGAINST THE 1992 BUDGET (ECU MILLION)

36.

		BELGIQUE	DANMARK	DEUTSCHLAND	ELLAS	ÉSPANA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNIT. KINGD	COMMUNITY	TOTALS
B02-220	SET-ASIDE	0,063	0,480	35,770	0,008	1,511	19,683	0,099	66,963	0,006	2,627	-----	10,735	-----	137,947
B02-221	INCOME AID	-----	-----	5,906	-----	-----	16,264	-----	3,765	-----	-----	-----	-----	-----	25,936
B02-22	SET-ASIDE AND INCOME AID	0,063	0,480	41,677	0,008	1,511	35,947	0,099	70,729	0,006	2,627	-----	10,735	-----	163,882
B02-2	OTHER STRUCTURAL OPERATIONS	0,063	0,480	41,677	0,008	1,511	35,947	0,099	70,729	0,006	2,627	-----	10,735	-----	163,882

EAGGF GUARANTEE  
EXPENDITURE CHARGED AGAINST THE 1992 BUDGET (ECU MILLION)

37.

		BELGIQUE	DANMARK	DEUTSCHLAND	ELLAS	ESPAÑA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNIT.KINGD	COMMUNITY	TOTALS
BO2-900	REFUNDS ON FISHERY PRODUCTS	----	----	1,942	----	----	----	----	----	----	----	----	----	----	1,942
BO2-901	INTERVENTION FOR FISHERY PRODUCTS	0,132	1,407	0,067	0,740	11,468	9,851	1,881	1,371	----	0,029	1,595	1,590	----	30,132
BO2-90	FISHERIES GUARANTEE FUND	0,132	1,407	2,008	0,740	11,468	9,851	1,881	1,371	----	0,029	1,595	1,590	----	32,074
BO2-9	COMMON POLICY ON FISHERIES AND THE SEA	0,132	1,407	2,008	0,740	11,468	9,851	1,881	1,371	----	0,029	1,595	1,590	----	32,074
BO2	EUROPEAN STRUCTURAL OPERATIONS AND FISHERY PRODUCTS	0,195	1,888	43,685	0,749	12,979	45,798	1,979	72,100	0,006	2,656	1,595	12,326	----	195,956
TOTAL	TOTAL COSTS CONCERNING THE EAGGF, GUARANTEE SECTION, AND EQUIVALENT	1.373,220	1.165,773	4.835,264	2.231,358	3.577,402	6.925,620	1.425,967	5.207,868	1,136	2.379,083	423,750	2.458,823	108,711	32.113,976
TOTAL	RN TOTAL COSTS CONCERNING THE EAGGF, GUARANTEE SECTION, AND EQUIVALENT	5,056	1,553	36,952	----	2,193	26,793	26,935	4,354	----	13,306	0,051	3,005	37,192	157,389
TOTAL	TOT TOTAL COSTS CONCERNING THE EAGGF, GUARANTEE SECTION, AND EQUIVALENT	1.378,276	1.167,325	4.872,216	2.231,358	3.579,595	6.952,413	1.452,902	5.212,222	1,136	2.392,389	423,801	2.461,829	145,903	32.271,365

## ANNEX 3 : EAGGF GUARANTEE EXPENDITURE BY SECTOR (1)

(ECU million)

CHAPTERS	SECTOR OR TYPE OF MEASURE	1 9 8 8 (2)	1 9 8 9 (3)	1 9 9 0 (3)	1 9 9 1 (3)	1 9 9 2 (3)
B1 - 100 to 103	<u>CEREALS</u>	4.264,4	3.150,0	3.799,5	5.077,4	5.456,9
	Refunds	2.924,6	2.597,1	2.443,4	3.601,5	3.139,7
	Intervention, of which:	1.339,8	552,9	1.356,1	1.475,9	2.317,2
	- Production refunds	393,3	301,2	275,9	419,1	360,7
	- Aid for durum wheat	275,1	365,0	419,5	516,1	456,4
	- Storage	1.274,7	576,4	1.251,4	1.419,4	2.497,4
	- Co-responsibility levy	-677,5	-720,5	-656,2	-924,3	-1.098,8
B1 - 104	<u>RICE</u>	72,8	111,5	85,1	111,9	87,3
	Refunds	61,0	45,3	29,1	77,8	91,8
	Intervention	11,8	66,2	56,0	34,1	- 4,5
B1 - 11	<u>SUGAR</u>	2.081,8	1.979,8	1.388,3	1.814,9	1.937,4
	Refunds	1.566,2	1.451,3	925,9	1.251,2	1.305,6
	Intervention, of which:	515,6	528,5	462,4	563,7	631,8
	- Reimbursement of storage costs	428,9	421,6	383,3	460,9	496,1
B1 - 120 to 124	<u>OLIVE OIL</u>	945,0	1.464,5	1.168,2	1.874,2	1.754,3
	Refunds	64,2	93,1	134,9	111,8	48,4
	Intervention	880,8	1.371,4	1.033,3	1.762,4	1.705,9
B1 - 125 to 128	<u>OILSEEDS</u>	2.971,8	2.673,6	3.477,0	3.549,5	4.132,0
	Refunds	24,9	5,8	1,0	0,5	0,1
	Intervention, of which:	2.946,9	2.667,8	3.476,0	3.549,0	4.131,9
	- Rape and sunflower seed	2.341,0	2.176,6	2.856,2	2.876,7	2.118,2
	- Soya	570,2	460,4	581,3	594,6	478,4
	- Flax seed	33,3	30,0	37,6	76,4	125,7
B1 - 13	<u>PROTEIN PLANTS</u>	689,3	642,9	834,8	959,0	862,0
	Refunds	-	-	-	-	-
	Intervention, of which:	689,3	642,9	834,8	959,0	862,0
	- Peas and field beans	471,1	423,5	536,4	550,8	480,3
	- Dried fodder	217,5	218,9	298,0	403,9	380,2
B1 - 14	<u>FIBER PLANTS AND SILK WORMS</u> , of which:	454,2	600,7	580,3	521,8	771,3
	- Flax and hemp	25,5	29,1	40,3	33,6	29,0
	- Cotton	428,2	570,9	539,8	487,9	742,1
B1 - 15	<u>FRUIT AND VEGETABLES</u>	708,2	1.018,6	1.253,0	1.106,5	1.261,7
	Refunds	64,6	78,7	80,6	94,8	116,7
	- Fresh	48,5	63,4	67,0	76,9	91,6
	- Processed	16,1	15,3	13,6	17,9	25,1
	Intervention	643,6	939,9	1.172,4	1.011,7	1.145,0
	- Fresh	234,0	433,1	603,4	412,0	516,0
	- Processed	409,6	506,8	569,0	599,7	629,0
B1 - 16	<u>WINE PRODUCTS</u>	1.545,6	1.147,7	745,2	1.047,8	1.087,2
	Refunds	43,5	45,3	54,7	55,5	77,3
	Intervention, of which:	1.502,1	1.102,4	690,5	992,3	1.009,9
	- Private storage aid	85,5	67,4	39,9	41,1	40,4
	- Compulsory distillation of the by-products of wine-making	96,9	78,5	68,3	72,3	89,2
	- Distillation	627,5	422,5	267,4	367,2	320,7
B1 - 17	<u>TOBACCO</u>	966,1	1.138,8	1.232,1	1.329,6	1.233,0
	Refunds	43,1	61,9	61,9	65,3	71,9
	Intervention	923,0	1.076,9	1.170,2	1.264,3	1.161,1

## ANNEX 3 EAGGF GUARANTEE EXPENDITURE BY SECTOR (1) (CTD)

(ECU million)

CHAPTERS	SECTOR OR TYPE OF MEASURE	1 9 8 8 (2)	1 9 8 9 (3)	1 9 9 0 (3)	1 9 9 1 (3)	1 9 9 2 (3)
B1 - 18	<u>OTHER SECTORS OR PLANT PRODUCTS</u> , of which:	59,8	83,8	84,5	67,6	302,7
	- Seeds	50,4	62,2	73,5	66,7	81,5
	- Hops	8,5	21,0	10,6	0,9	9,9
TOTAL FOR TITLE B1 - 1		14.759,0	14.011,0	14.648,0	17.460,2	18.885,8
B1 - 20	<u>MILK AND MILK PRODUCTS</u>	5.915,1	4.987,0	4.955,9	5.636,6	4.006,8
	Refunds	3.013,9	2.868,6	1.930,8	2.249,0	2.056,1
	Intervention, of which:	2.901,2	2.118,4	3.025,1	3.387,6	1.950,7
	- Aid for skimmed milk	1.623,3	1.080,5	843,9	1.052,7	1.086,5
	- Storage of skimmed milk	-10,5	2,2	394,7	270,5	- 432,9
	- Storage of butter	708,1	456,4	580,5	661,4	88,3
	- Disposal of butter	241,5	354,9	524,9	669,6	508,5
	- Fin. contribution of milk producers	-535,6	-890,3	-348,3	- 352,4	- 368,0
	- Expansion of the markets	187,6	225,8	268,6	248,3	301,8
B1 - 21	<u>BEEF/VEAL</u>	2.475,8	2.428,5	2.833,2	4.295,0	4.413,8
	Refunds	768,7	1.343,1	1.110,0	1.282,4	1.332,5
	Intervention, of which:	1.707,1	1.085,4	1.723,2	3.012,6	3.081,3
	- Public and private storage	1.245,6	663,0	997,7	2.302,8	2.190,6
	- Suckler cow premium	156,3	182,3	292,4	366,9	436,7
	- Special premium	192,2	158,1	401,5	334,9	453,5
B1 - 22	<u>SHEEPMEAT AND GOATMEAT</u>	1.293,7	1.452,8	1.452,3	1.790,4	1.749,2
	Refunds	-	-	-	-	-
	Intervention	1.293,7	1.452,8	1.452,3	1.790,4	1.749,2
B1 - 23	<u>PIGMEAT</u>	215,6	261,0	246,9	252,2	141,6
	Refunds	172,3	199,0	174,0	199,5	130,4
	Intervention	43,3	62,0	72,9	52,7	11,2
B1 - 24	<u>EGGS AND POULTRY</u>	194,1	234,1	178,5	169,2	193,2
	Refunds	194,1	234,1	178,5	169,2	193,2
	- Eggs	33,3	48,4	33,1	35,7	32,8
	- Poultry	160,8	185,7	145,4	133,5	160,4
B1 - 25	<u>OTHER MEASURES CONCERNING ANIMAL PRODUCTS</u>	-	-	-	p.m.	6,0
TOTAL FOR TITLE B1 - 2		10.094,3	9.363,4	9.666,8	12.143,4	10.510,6
B1 - 30	<u>REFUNDS ON CERTAIN GOODS OBTAINED BY PROCESSING AGRICULTURAL PRODUCTS</u>	602,4	552,1	511,5	704,1	699,6
B1 - 31	<u>ACCESSION COMPENSATORY AMOUNTS GRANTED IN INTRA-COMMUNITY TRADE</u>	64,3	41,5	36,6	28,3	28,2
B1 - 32	<u>MONETARY COMPENSATORY AMOUNTS LEVIED OR PAID IN INTRA-COMMUNITY TRADE</u>	505,2	322,8	270,9	130,7	0,9

## ANNEXE 3 : EVOLUTION DES DEPENSES DU FEOGA-GARANTIE PAR SECTEUR (1) (SUITE)

(en millions d'écus)

CHAPTERS	SECTORS OR TYPE OF MEASURE	1988 (2)	1989 (3)	1990 (3)	1991 (3)	1992 (3)
B1 - 33	<u>REFUNDS IN CONNECTION WITH COMMUNITY FOOD AID</u>	242.7	132,6	85.6	217.0	221.6
B1 - 34	<u>INTEREST PAYMENTS TO MEMBER STATES AFTER CHANGES IN METHOD OF FINANCING EXPENDITURE</u>	37.5	48,5	66.6	84.7	86.0
B1 - 35	<u>DISTRIBUTION OF AGRICULTURAL PRODUCTS TO THE MOST DEPRIVED PERSONS IN THE COMMUNITY</u>	65.8	132.9	136.9	145.0	130.2
B1 - 36	<u>MEASURES TO COMBAT FRAUD IN CONNECTION WITH THE EAGGF GUARANTEE SECTION</u>	-	-	3.0	20.1	24.6
B1 - 37	<u>CLEARANCE OF ACCOUNTS OF PREVIOUS YEARS AND REMAINING APPROPRIATIONS</u>	+29.2	-202,7	-377.9	-437.8	79.0
B1 - 38	<u>RURAL DEVELOPMENT MEASURES LINKED TO THE MARKETS</u>	-	-	-	388.2	304.4
TOTAL FOR TITLE B1 - 3		1.547,1	1.027,7	733.2	1.280,3	1.574,5
TOTAL FOR TITLES B1 - 1, B1 - 2, B1 - 3		26.400,4	24.403,0	25.048,0	30.883,9	30.970,9
B1 - 40	<u>SET-ASIDE - GUARANTEE SECTION</u>	-	3.0	21,2	76,9	147,6
TOTAL FINANCED WITHIN THE GUIDELINE		26.400,4	24.406,0	25.069,2	30.960,8	31.118,5
GUIDELINE		27.500,0	28.624,0	30.630,0	32.511,0	35.039,0
[B1 - 50]	<u>[MONETARY RESERVE]</u>	[1.000,0]	[1.000,0]	[1.000,0]	[1.000,0]	[1.000,0]
<u>EXPENDITURE FINANCED OUTSIDE THE GUIDELINE</u>						
B2 - 90	<u>FISHERS GUARANTEE FUND</u>	46,9	24,0	23,6	26,2	32,1
	Refunds	-0,1	0,1	-	-	1,9
	Intervention	47,0	23,9	23,6	26,2	30,2
B0 - 10	<u>REPAYMENT TO MEMBER STATES OF COST OF DEPRECIATION OF STOCKS OF AGRICULTURAL PRODUCTS AND SPECIFIC DISPOSAL OF BUTTER FROM PUBLIC STOCKS</u>	1.240,0	1.442,9	1.360,7	797,3	799,5
-	<u>EXPENDITURE USING APPROPRIATIONS CARRIED OVER FROM PREVIOUS YEAR</u>	-	-	-	601,6	157,4
TOTAL EAGGF GUARANTEE EXPENDITURE		27.687,3	25.872,9(4)	26.453,5(4)	32.385,9(4)	32.107,5(4)

(1) The expenditure is based on the claims by the Member States under the advance payments arrangements and charged to each year in accordance with Article 100 of the Financial Regulation.

(2) Expenditure charged against the 1988 budget (beginning of november 1987 / 15 October 1988)

(3) Expenditure charged from 16 October to 15 October of the following year

(4) Not including set-aside payments by the Guidance Section (item B02-220) and income support (item B02-221), which is not paid by the Guarantee Section but the Community's financial contribution for which is paid according to the EAGGF Guarantee financing rules.

ANNEX 4  
 BREAKDOWN OF EXPENDITURE BY SECTOR AND ECONOMIC CATEGORY  
 1992 (1) - (not including expenditure using appropriations carried over from 1991)

(2)	SECTEURS	TOTAL EXPENDITURE		EXPORT REFUNDS		INTERVENTION (3)	
		ECU million	%	ECU million	%	ECU million	%
1.10	CEREALS, of which:	5.544,2	17,4	3.231,5	34,1	2.312,7*	10,6
	- Rice	(87,3)		(91,8)		(-4,5)	
1.11	SUGAR	1.937,4	6,1	1.305,6	13,8	631,8	2,9
1.120-1.124	OLIVE OIL	1.754,3	5,5	48,4	0,5	1.705,9	7,8
1.125-1.128	OILSEEDS, of which:	4.132,0	12,9	0,1	p.m.	4.131,9	19,0
	- Rape and sunflower seed	(2.118,3)				(2.118,3)	
1.13	PROTEIN PLANTS, of which:	862,0	2,7	-		862,0	4,0
	- Peas and field beans	(480,3)		(-)		(480,3)	
	- Dried fodder	(280,2)		(-)		(380,2)	
1.14	FIBER PLANTS, of which:	771,3	2,4	-		771,3	3,6
	- Flax and hemp	(29,0)		(-)		(29,0)	
	- Cotton	(742,1)		(-)		(742,1)	
1.15	FRUIT AND VEGETABLES, of which:	1.261,7	4,0	116,7	1,2	1.145,0	5,3
	- Processed fruit and vegetables	(654,1)		(25,1)		(629,0)	
1.16	WINE PRODUCTS	1.087,2	3,4	77,3	0,8	1.009,9	4,6
1.17	TOBACCO	1.233,0	3,9	71,9	0,8	1.161,1	5,3
1.18	OTHER CROP OR SECTOR PRODUCTS	100,7	0,3	-		100,7	0,5
	of which: - Seeds	(81,5)				(81,5)	
1.20	MILK PRODUCTS, of which:	4.006,8	12,5	2.056,1	21,7	1.950,7*	9,0
	- Skimmed milk	(892,7)		(239,2)		(653,5)	
	- Butter	(905,3)		(308,5)		(596,8)	
1.21	BEEF/VEAL	4.413,8	13,8	1.332,5	14,0	3.081,3	14,1
1.22	SHEEPM EAT AND GOATMEAT	1.749,2	5,5	-		1.749,2	8,0
1.23	PIGMEAT	141,6	0,4	130,4	1,4	11,2	p.m.
1.24	EGGS AND POULTRY	193,2	0,6	193,2	2,0	-	
1.25	OTHER ANIMAL PRODUCT AID MEASURES	6,0	p.m.	-		6,0	p.m.
1.30	NON-ANNEX II PRODUCTS	699,6	2,2	699,6	7,4	-	
1.31	ACCESSION COMPENSATORY AMOUNTS	28,2	0,1	-		28,2	0,1
1.32	MONETARY COMPENSATORY AMOUNTS	- 3,0	p.m.	0,6	p.m.	- 3,6	p.m.
1.33	FOOD AID REFUNDS	221,6	0,7	221,6	2,3	-	
1.380	DIFFERENTIATION OF AGRICULTURAL MARKET MECHANISMS	304,4	1,0	-		304,4	1,4
2.90	FISHERIES GUARANTEE FUND	32,1	0,1	1,9	p.m.	30,2	0,1
0.101	REPAYMENT TO M.S. OF COSTS FOR SPECIFIC DISPOSAL OF BUTTER FROM PUBLIC STOCKS	799,5	2,5	-		799,5	3,7
S U B T O T A L		31.276,8	98,0	9.487,4	100	21.789,4	100
1.189	EMERGENCY MEASURES	202,0	0,6				
1.37	CLEARANCE OF PREVIOUS YEARS	78,9	0,2	i.e. : 30,3 %		i.e. : 69,7 %	
	OTHER	392,3 (4)	1,2				
T O T A L		31.950,0	100	of agricultural expenditure (31.276,8)			

- (1) Expenditure charged against the 1992 budget.  
 (2) Budget chapters or articles.  
 (3) The breakdown of intervention by economic category is shown in Annex 7.  
 (4) Including ECU 3,9 million in MCAs granted on imports (Item B01-3210).  
 (\*) Including co-responsibility levies for cereals and the financial contribution of milk producers.

ANNEX 5  
BREAKDOWN OF EXPENDITURE BY SECTOR AND ECONOMIC CATEGORY (1988-1992)

	1988		1989		1990		1991 (3)		1992 (3)	
	(1) (*) Mio écus	%	(*) Mio écus	%						
Total expenditure (including CAs)	27.554,8	100,0	25.840,0	100,0	26.527,5	100,0	31.891,0	100,0	31.276,8	100,0
Refunds (R)(**)	9.928,8	36,0	9.714,0	37,5	7.721,9	29,2	10.079,7	31,6	9.487,4	30,3
Intervention and similar (I)	17.626,0	64,0	16.126,0	62,5	18.805,6	70,8	21.811,3	68,4	21.789,4	69,7
Cereals (not including rice)										
R (**)	4.422,8	16,1	3.213,5	12,4	3.855,9	14,5	5.208,3	16,3	5.598,9	17,9
I	3.083,0	11,2	2.660,6	10,2	2.499,9	9,4	3.732,4	11,7	3.281,7	34,6
	1.339,8	4,9	552,9	2,2	1.356,0	5,1	1.475,9	4,6	2.317,2	10,6
Sugar										
R (**)	2.081,8	7,6	1.979,8	7,7	1.391,1	5,2	1.819,3	5,7	1.944,5	6,2
I	1.566,1	5,7	1.451,3	5,6	928,7	3,5	1.255,6	3,9	1.312,7	13,8
	515,7	1,9	528,5	2,1	462,4	1,7	563,7	1,8	631,8	2,9
Oilseeds										
R	2.971,8	10,8	2.673,6	10,3	3.477,0	13,1	3.549,5	11,1	4.132,0	13,2
I	24,9	0,1	5,8	-	1,0	-	0,5	p.m.	0,1	p.m.
	2.946,9	10,7	2.667,8	10,3	3.476,0	13,1	3.549,0	11,1	4.131,9	19,0
Milk and milk products										
R (**)	5.983,5	21,7	5.040,7	19,5	4.971,7	18,8	5.706,4	17,9	4.069,7	13,0
I	3.082,3	11,2	2.922,3	11,3	1.946,6	7,4	2.319,0	7,3	2.119,0	22,4
	2.901,2	10,5	2.118,4	8,2	3.025,1	11,4	3.387,4	10,6	1.950,7	9,0
Beef/veal										
R	2.475,8	9,0	2.428,5	9,4	2.833,2	10,7	4.295,0	13,5	4.413,8	14,1
I	768,7	2,8	1.343,1	5,2	1.110,0	4,2	1.282,4	4,0	1.332,5	14,0
	1.707,1	6,2	1.085,4	4,2	1.723,2	6,5	3.012,6	9,5	3.081,3	14,1
Other products or headings (2)										
R (**)	9.619,1	34,8	10.503,9	40,7	9.998,6	37,7	11.312,5	35,5	11.117,9	35,6
I	1.403,8	5,0	1.330,9	5,2	1.235,7	4,7	1.489,8	4,7	1.441,4	15,2
	8.215,3	29,8	9.173,0	35,5	8.762,9	33,0	9.822,7	30,8	9.676,5	44,4

(\*) Not including consequences of accounts clearance, set-aside or miscellaneous measures (interest payments after the changes in financing methods, free distribution, fraud prevention, MCAs granted on imports).  
(\*\*) Including refunds in connection with food aid operations.  
(1) Expenditure charged against the 1988 budget.  
(2) Including depreciation of stocks and specific disposal of butter from public stocks (1 240.0 in 1988, 1 442.9 in 1989, 1 360.7 in 1990, 797.3 in 1991 and 799.5 in 1992).  
(3) Not including expenditure using appropriations carried over from previous year.

ANNEX 6 : EAGGF GUARANTEE EXPENDITURE: BREAKDOWN BY SECTOR AND PERCENTAGE (1988-1992) (1)

SECTOR	1988 (3)		1989 (4)		1990 (4)		1991 (4)		1992 (4)	
	ECU mil.	%	ECU mil.	%	ECU mil.	%	ECU mil.	%	ECU mil.	%
Cereals	4.264,4	15,4	3.150,0	12,1	3.799,5	14,2	5.077,4	15,8	5.456,9	17,1
Rice	72,8	0,3	111,5	0,4	85,1	0,3	111,9	0,3	87,3	0,3
Sugar	2.081,8	7,5	1.979,8	7,6	1.388,3	5,2	1.814,9	5,6	1.937,4	6,1
Olive oil	945,0	3,4	1.464,5	5,6	1.168,2	4,3	1.874,2	5,8	1.754,3	5,5
Oilseeds	2.971,8	10,7	2.673,6	10,3	3.477,0	13,0	3.549,5	11,0	4.132,0	13,0
Protein plants	689,3	2,5	642,9	2,5	834,8	3,1	959,0	3,0	862,0	2,7
Fibre plants and silkworms	454,2	1,6	600,7	2,3	580,3	2,2	521,8	1,6	771,3	2,4
Fruit and vegetables	708,2	2,5	1.018,6	3,9	1.253,0	4,6	1.106,5	3,4	1.261,7	4,0
Wine	1.545,6	5,6	1.147,7	4,4	745,2	2,8	1.047,8	3,3	1.087,2	3,4
Tobacco	966,1	3,5	1.138,8	4,4	1.232,1	4,6	1.329,6	4,1	1.233,0	3,9
Other sectors	59,8	0,2	83,8	0,3	84,5	0,3	67,6	0,2	302,7*	0,9
Milk products	5.915,1	21,4	4.987,0	19,1	4.955,9	18,5	5.636,6	17,5	4.006,8	12,6
Beef/veal	2.475,8	9,0	2.428,5	9,3	2.833,2	10,6	4.295,0	13,3	4.413,8	13,8
Sheepmeat and goatmeat	1.293,7	4,7	1.452,8	5,6	1.452,3	5,4	1.790,4	5,6	1.749,2	5,5
Pigmeat	215,6	0,8	261,0	1,0	246,9	0,9	252,2	0,8	141,6	0,4
Eggs and poultry	194,1	0,7	234,1	0,9	178,5	0,7	169,2	0,5	193,2	0,6
Other animal product aid measures	-	-	-	-	-	-	p.m.	p.m.	6,0	p.m.
Non-Annex II products	602,4	2,2	552,1	2,1	511,5	1,9	704,1	2,2	699,6	2,2
Fisheries	46,9	0,2	24,0	0,1	23,6	0,1	26,2	0,1	32,1	0,1
<b>TOTAL AGRICULTURAL EXPENDITURE</b>	<b>25.502,6</b>	<b>92,2</b>	<b>23.951,4</b>	<b>91,9</b>	<b>24.849,9</b>	<b>92,7</b>	<b>30.333,9</b>	<b>94,1</b>	<b>30.128,1</b>	<b>94,5</b>
Accession compensatory amounts	64,3	0,2	41,5	0,2	36,6	0,1	28,3	0,1	28,2	0,1
Monetary compensatory amounts	505,2	1,9	322,8	1,2	270,9	1,0	130,7	0,4	0,9	p.m.
Depreciation of intervention stocks and disposal of butter from public stocks	1.240,0	4,5	1.442,9	5,5	1.360,7	5,1	797,3	2,5	799,5	2,5
Food aid refunds	242,7	0,9	132,6	0,5	85,6	0,3	217,0	0,7	221,6	0,7
Interest after change in financing method	37,5	0,1	48,5	0,2	66,6	0,2	84,7	0,3	86,0	0,3
Free distribution of intervention products	65,8	0,2	132,9	0,5	136,9	0,5	145,0	0,4	130,2	0,4
Set-aside (Guarantee Section)	-	-	3,0	p.m.	21,2	0,1	76,9	0,2	147,6	0,5
Fraud prevention measures	-	-	-	-	3,0	p.m.	20,1	0,1	24,6	0,1
Rural development measures linked to markets	-	-	-	-	-	-	388,2	1,2	304,4	0,9
<b>TOTAL AGRICULTURAL EXPENDITURE</b>	<b>27.658,1</b>	<b>100,0</b>	<b>26.075,6</b>	<b>100,0</b>	<b>26.831,4</b>	<b>100,0</b>	<b>32.222,1</b>	<b>100,0</b>	<b>31.871,1</b>	<b>100,0</b>
<b>EAGGF GUARANTEE SECTION</b>	<b>27.687,3 (2)</b>		<b>25.872,9 (2) (5)</b>		<b>26.453,5 (2) (5)</b>		<b>31.784,3(2)(5)(6)</b>		<b>31.950,0(2)(5)(6)</b>	
<p>(1) Expenditure is based on the Member States' claims under the advance payments arrangements and charged against each year in accordance with Article 100 of the Financial Regulation.</p> <p>(2) Taking into account the consequences of accounts clearance for previous years.</p> <p>(3) Expenditure charged against the 1988 budget (1 November 1987 - 15 October 1988).</p> <p>(4) Expenditure charged from 16 October to 15 October of the following year.</p> <p>(5) Not including set-aside payments by the Guidance Section (Item B02-220) and income support (Item B02-221), which is not paid by the Guarantee Section but for which the Community financial contribution is paid in accordance with the financing rules of the EAGGF Guarantee Section.</p> <p>(6) Not including expenditure using appropriations carried over from the previous year.</p> <p>* Including emergency measures (Item B01-189).</p>										

## ANNEX 7 : BREAKDOWN OF EXPENDITURE BY ECONOMIC CATEGORY

(ECU million)

BUDGET CHAPTER/ ARTICLE	SECTOR	TOTAL INTERVENTION (1)	STORAGE (2)	WITHDRAWALS AND SIMILAR OPERATIONS	PRICE COMPENSATING AIDS (3)	GUIDANCE PREMIUMS
B1.10	CEREALS, of which:	3.411,5	2.474,7	-	939,8(4)	-
	- Rice	(-4,5)	(-22,7)	-	(18,2)	-
B1.11	SUGAR	631,8	496,1	-	135,7	-
B1.120/124	OLIVE OIL	1.706,0	42,9	-	1.663,1	-
B1.125/128	OILSEEDS, of which:	4.131,8	- 0,4	-	4.132,2	-
	- Rape and sunflower seed	(2.118,2)	(-0,4)	-	(2.117,8)	-
B1.13	PROTEIN PLANTS, of which:	862,0	-	-	862,0	-
	- Peas and field beans	(480,3)	-	-	(480,3)	-
	- Dried fodder	(380,2)	-	-	(380,2)	-
B1.14	FIBRE PLANTS, of which:	771,3	1,9	-	769,4	-
	- Flax and hemp	(29,0)	(1,9)	-	(27,1)	-
	- Cotton	(742,1)	-	-	(742,1)	-
B1.15	FRUIT AND VEGETABLES, of which:	1.145,0	14,9	187,5	859,6	83,0
	- Processed fruit & vegetables	(629,1)	(14,9)	-	(614,2)	-
B1.16	WINE PRODUCTS	1.009,9	220,9	409,9	133,6	245,5
B1.17	TOBACCO	1.161,1	0,5	-	1.160,6	-
B1.18	OTHER CROP OR SECTOR PRODUCTS, of which:	100,7	-	-	100,7	-
	- Seeds	(81,5)	-	-	(81,5)	-
B1.20	MILK PRODUCTS, of which:	2.318,6	- 188,5	-	1.896,5(5)	610,6
	- Skimmed milk	(653,5)	(-432,9)	-	(1.086,4)	-
	- Butter	(596,8)	(88,3)	-	(508,5)	-
B1.21	BEEF/VEAL	3.081,3	2.190,6	-	890,7	-
B1.22	SHEEPMEAT AND GOATMEAT	1.749,2	2,5	-	1.746,7	-
B1.23	PIGMEAT	11,2	11,0	-	0,2	-
B1.24	EGGS AND POULTRY	-	-	-	-	-
B1.25	OTHER ANIMAL PRODUCT AID MEASURES	6,0	-	-	6,0	-
B1.30	NON-ANNEX II PRODUCTS	-	-	-	-	-
B1.31	ACCESSION COMPENSATORY AMOUNTS	28,2	-	-	28,2	-
B1.32	MONETARY COMPENSATORY AMOUNTS (Intra-Community trade)	- 3,6	-	-	- 3,6	-
B1.380	DIFFERENTIATION OF AGRICULTURAL MARKET MECHANISMS	304,4	-	-	304,4	-
B2.90	FISHERIES GUARANTEE FUND	30,1	0,2	8,8	21,1	-
B0.10	REPAYMENT TO M.S. OF COST OF SPECIFIC DISPOSAL OF BUTTER FROM PUBLIC STOCK	799,5	799,5	-	-	-
	SUBTOTAL	23.256,0	6.066,8	606,2	15.643,9	939,1
	%	100 %	26,1 %	2,6 %	67,3 %	4,0 %
	Co-responsibility levy cereals	- 1.098,7	-	-	-	-
	Fin. contrib. milk producers	- 367,9	-	-	-	-
	TOTAL	21.789,4	-	-	-	-

- (1) Expenditure charged against 1992 budget.  
(2) Details of expenditure on storage are shown in Annex 9.  
(3) The breakdown of expenditure on intervention in the form of price compensating aid is shown in Annex 8.  
(4) This amount does not take into account the co-responsibility levy (ECU 1 098.7 million).  
(5) This amount does not take into account the financial contribution of milk producers (ECU 368.0 million).

**ANNEX 8**  
**Breakdown of intervention expenditure in the form**  
**of price compensating aids**

(ECU million)

SECTOR	TOTAL	Production aid	Aid for processing, consumption and promotion
CEREALS, of which	936,8	505,4 (1)	431,4
- rice	(18,2)	(18,2)	(-)
SUGAR	135,7	-	135,7
OLIVE OIL	1.663,1	850,2	812,9
OILSEEDS, of which	4.132,2	4.132,2	-
- rape and sunflower seed	(3.434,7)	(3.434,7)	(-)
PROTEIN PLANTS, of which	862,0	862,0	-
- peas and field beans	(480,3)	(480,3)	(-)
- dried fodder	(380,2)	(380,2)	(-)
FIBRE PLANTS, of which	769,4	763,4	6,0
- flax and hemp	(29,0)	(29,0)	(-)
- cotton	(742,1)	(742,1)	(-)
FRUIT AND VEGETABLES, of which	859,6	62,5	797,1
- processed fruit and vegetables	(614,1)	(46,3)	(567,8)
WINE	133,6	-	133,6
TOBACCO	1.160,6	1.160,6	-
OTHER CROP SECTORS OR PRODUCTS, of which:	100,7	91,4	9,3
- seeds	(81,5)	(81,5)	(-)
- hops	(9,9)	(9,9)	(-)
MILK PRODUCTS, of which	1.896,5	-	1.896,5
- skimmed milk	(1.086,5)	(-)	(1.086,5)
- butter	(508,5)	(-)	(508,5)
BEEF/VEAL	890,7	454,0	436,7
SHEEPMEAT AND GOADMEAT	1.746,7	1.672,6	74,1
PIGMEAT	0,2	-	0,2
OTHER ANIMAL PRODUCT AID MEASURES	6,0	-	6,0
ACCESSION COMPENSATORY AMOUNTS	28,2	-	28,2
MONETARY COMPENSATORY AMOUNTS (intra-Community trade)	- 3,6	-	- 3,6
DIFFERENTIATION OF AGRICULTURAL MARKET MECHANISMS	304,4	304,4	-
FISHERIES GUARANTEE FUND	21,1	-	21,1
<b>TOTAL</b>	<b>15.643,9</b>	<b>10.858,7</b>	<b>4.785,2</b>

(1) Production aid for durum wheat = ECU 456.4 million.

**ANNEX 9**  
**Breakdown of Intervention expenditure on storage**  
**(1992)**

(ECU million)

PRODUCT	Total storage	Total private storage	Total public storage	PUBLIC STORAGE					
				Technical costs	Financial costs	Difference between buying-in and selling price	Total Dépréciation	Depreciation	
								Depreciation on purchase	Special depreciation at end of year
a-b+c	b	c=d+e+f+g	d	e	f	g-h+i	h	i	
Cereals, of which:	2.497,43	3,07	2.494,35	500,75	137,80	- 258,97	2.114,78	1.864,74	250,04
- common bread wheat	1.186,52	0,00	1.186,52	226,54	51,75	-162,33	1.068,55	932,07	136,48
- feed wheat	13,04	0,00	13,04	3,76	1,18	- 4,39	12,48	10,92	1,56
- durum wheat	461,16	0,00	461,16	65,15	26,88	44,87	324,27	289,34	34,93
- barley	571,63	0,00	571,63	139,32	35,36	-120,86	517,82	472,12	45,70
- rye	197,80	0,00	197,80	62,61	21,98	- 15,58	128,80	112,20	16,60
- maize	64,20	0,00	64,20	1,37	0,66	- 0,65	62,83	48,07	14,76
- sorghum	0,00	0,00	0,00	0,00	0,00	- 0,04	0,04	0,03	0,01
Rice	- 22,70	0,00	- 22,70	4,06	1,62	- 30,43	2,05	2,05	0,00
Sugar	496,09	496,09	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Olive oil	42,86	3,39	39,47	5,71	1,81	- 27,55	59,50	42,23	17,27
Oilseeds, of which	- 0,37	0,00	- 0,37	0,63	0,18	- 1,17	0,00	0,00	0,00
- rape	- 0,33	0,00	- 0,33	0,63	0,18	- 1,14	0,00	0,00	0,00
- sunflower	- 0,04	0,00	- 0,04	0,00	0,00	- 0,03	0,00	0,00	0,00
Fibre flax and hemp	1,93	1,93	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Fruit and vegetables	14,89	14,89	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Wine products/alcohol	220,92	40,35	180,57	8,27	1,49	8,30	162,51	140,25	22,27
Tobacco	0,52	0,00	0,52	12,36	1,70	- 27,63	14,09	14,09	0,00
Milk products, of which:	- 188,54	193,65	- 382,20	30,05	49,80	- 532,04	70,00	59,00	11,00
- skimmed milk	- 432,94	1,83	-434,77	8,89	22,93	-466,36	- 0,23	- 0,23	0,00
- butter and cream	88,29	39,96	48,33	19,53	24,85	- 66,27	70,23	59,24	10,99
- cheese	156,10	151,86	4,24	1,63	2,02	0,59	0,00	0,00	0,00
Beef	2.190,57	- 0,10	2.190,67	291,85	87,59	64,67	1.746,57	1.536,88	209,68
Sheepmeat and goatmeat	2,52	2,52	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Pigmeat	11,02	11,02	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Fishery products	0,22	0,22	0,00	0,00	0,00	0,00	0,00	0,00	0,00
<b>TOTAL</b>	<b>5.267,24</b>	<b>767,03</b>	<b>4.500,31</b>	<b>853,69</b>	<b>281,97</b>	<b>- 804,82</b>	<b>4.169,48</b>	<b>3.659,24</b>	<b>510,25</b>

(1) Sugar storage costs are covered by charging storage levies to sugar manufacturers.

(2) This figure does not take account of compensatory aid of ECU 13.45 million to cover losses on sales of goods in private storage.

(3) The amount of the depreciation is broken down as follows: "public" alcohol (Art. 39): ECU 60.30 million and "mixed" alcohol (Art. 35, 36): ECU 102.21 million.

N.B. - Excluding expenditure on products from public storage for emergency aid (B01-189): ECU 359.36 million

- Excluding expenditure on deferred payment for butter disposals (B00-101) : ECU 799.51 million

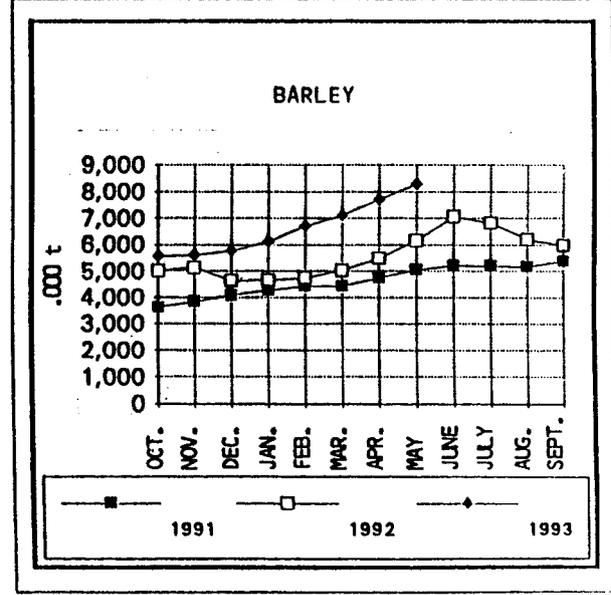
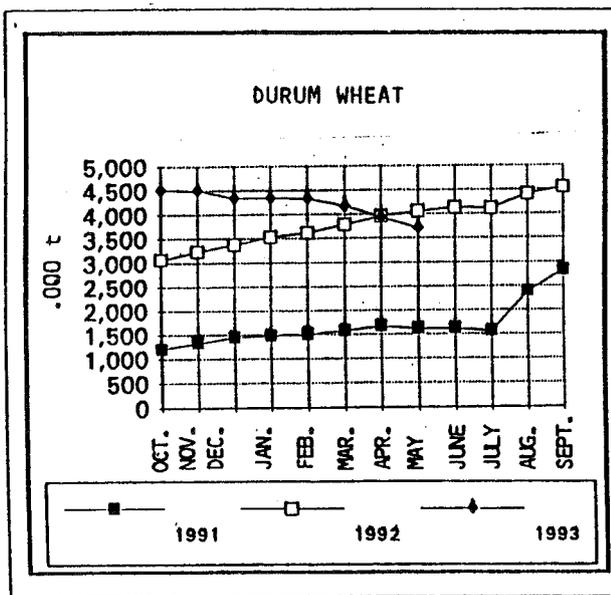
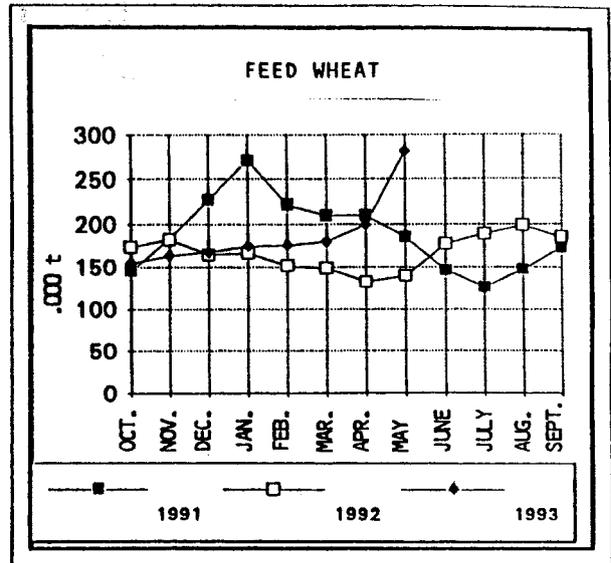
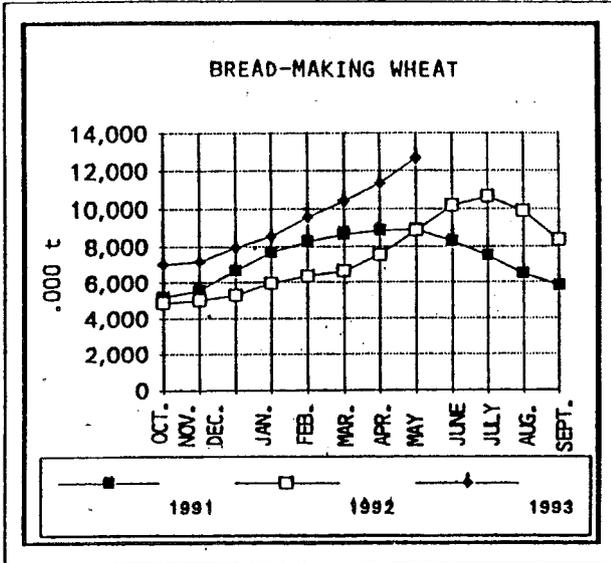
- The special depreciation at the start of the financial year was abolished from 1991.

(1)  
(2)  
(3)

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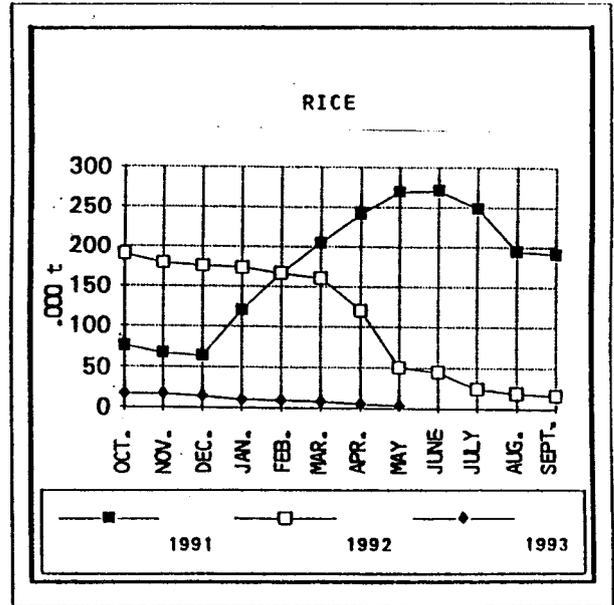
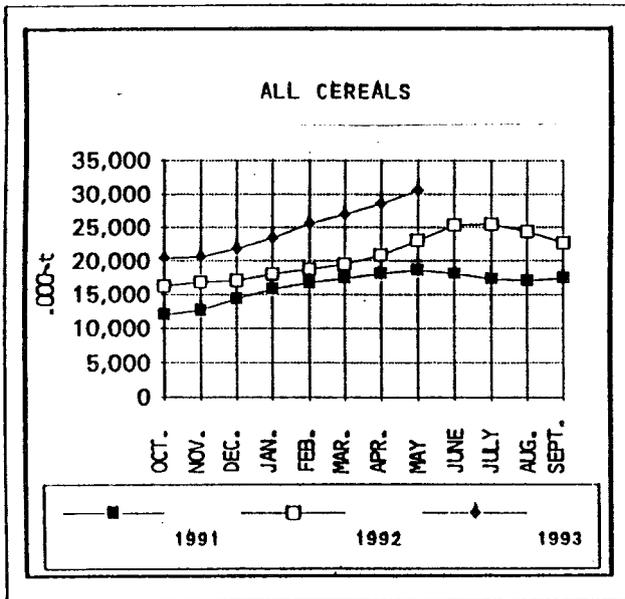
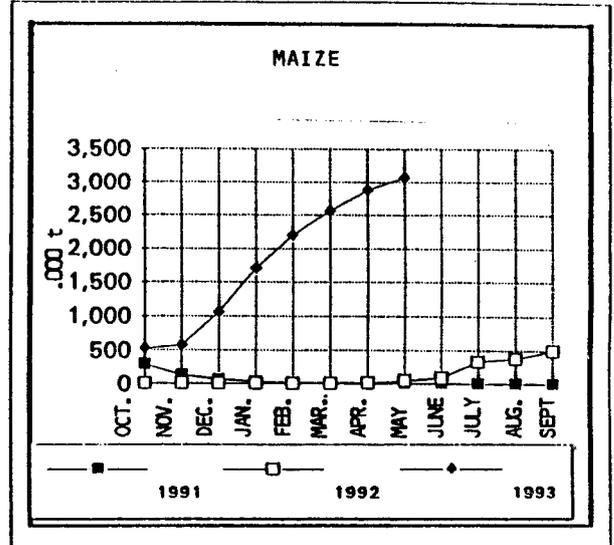
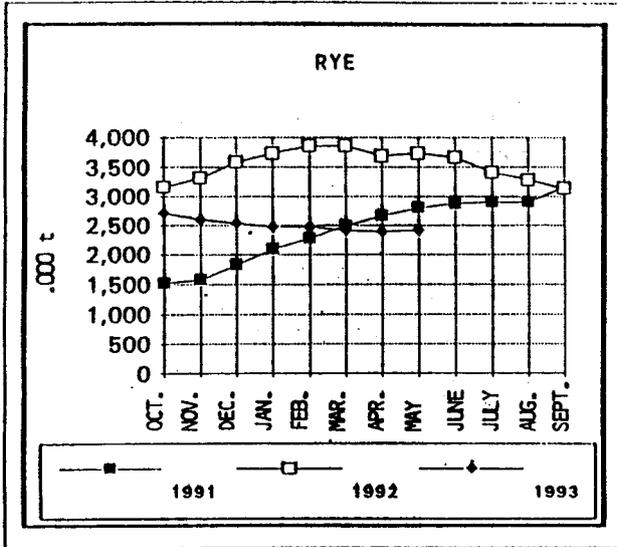
ANNEX 9.1

TREND IN QUANTITIES IN INTERVENTION STOCKS



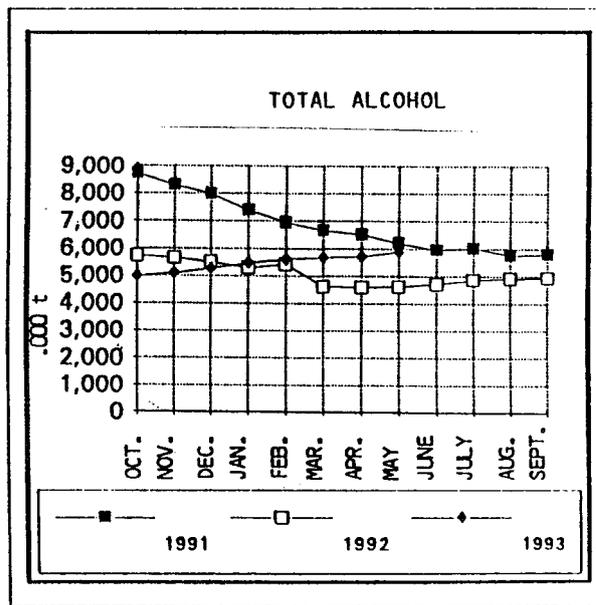
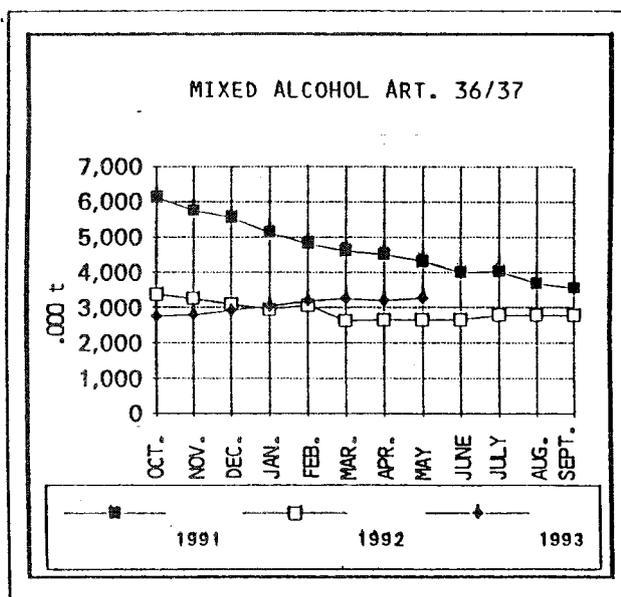
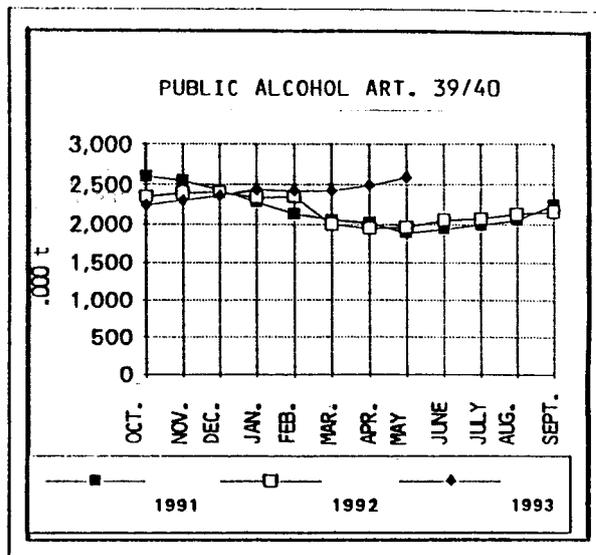
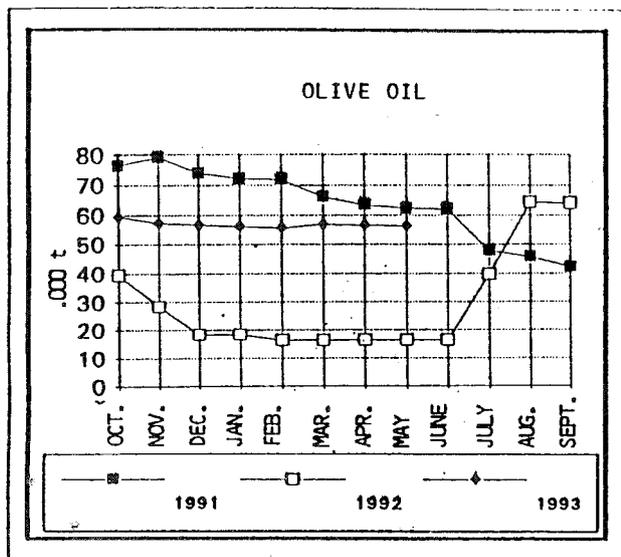
ANNEX 9.2

TREND IN QUANTITIES IN INTERVENTION STOCKS



ANNEX 9.3

TREND IN QUANTITIES IN INTERVENTION STOCKS









## ANNEX 10

## QUANTITY AND VALUE OF PRODUCTS IN PUBLIC STORAGE

(Including additional depreciation at the end of the year)

PRODUCTS	Situation at 30.09.1990 (1)			Situation at 30.09.1991 (1)				Situation at 30.09.1992 (1)			
	Quantity (tonnes)	Book value (ECU million) (2)	% of book value	Quantity (tonnes)	Book value (ECU million) (3)	% of book value	Foreseeable sales value (ECU million)	Quantity (tonnes)	Book value (ECU million) (4)	% of book value	Foreseeable sales value (ECU million)
Common wheat	5.231.117	256,6	18,6	5.820.874	341,2	13,2	346,6	8.340.864	491,1	19,0	495,3
Common wheat not suitable for bread-making	144.876	7,3	0,5	173.201	10,6	0,4	10,1	184.563	11,3	0,4	11,0
Barley	3.556.509	170,4	12,3	5.381.602	307,6	11,9	314,2	5.962.893	358,4	13,9	354,1
Rye	1.520.197	74,8	5,4	3.158.524	184,0	7,1	184,4	3.132.956	188,4	7,3	186,0
Durum wheat	1.167.779	93,2	6,7	2.824.359	123,4	4,8	216,7	4.550.513	283,7	11,0	337,8
Maize	299.702	15,6	1,1	876	0,1	p.m.	0,1	500.847	28,7	1,1	29,7
Sorghum	13.470	0,7	0,1	0	-	-	-	0	-	-	-
Rice	96.272	0,1	p.m.	190.750	25,5	1,0	25,8	16.723	2,2	0,1	2,3
<b>Total cereals/rice</b>	<b>12.029.922</b>	<b>618,7</b>	<b>44,7</b>	<b>17.550.186</b>	<b>992,4</b>	<b>38,4</b>	<b>1.097,9</b>	<b>22.689.359</b>	<b>1.363,8</b>	<b>52,8</b>	<b>1.416,2</b>
Olive oil	76.172	99,7	7,2	42.260	55,1	2,1	53,2	64.008	69,8	2,7	81,8
Rape	129	p.m.	-	13.438	2,4	0,1	2,3	0	-	-	-
Sunflower	18.187	4,0	0,3	416	0,1	p.m.	0,1	0	-	-	-
<b>Total oils and fats</b>	<b>94.488</b>	<b>103,7</b>	<b>7,5</b>	<b>56.114</b>	<b>57,6</b>	<b>2,2</b>	<b>55,6</b>	<b>64.008</b>	<b>69,8</b>	<b>2,7</b>	<b>81,8</b>
Tobacco - leaf	13.916	0,6	p.m.	29	0	-	-	6	p.m.	p.m.	p.m.
Tobacco - processed	10.193	2,6	0,2	22.130	3,0	0,1	6,6	11.323	1,4	0,1	3,2
Tobacco - baled	79.279	12,1	0,9	86.877	25,4	1,0	25,9	18.707	7,9	0,3	5,3
<b>Total tobacco</b>	<b>103.388</b>	<b>15,3</b>	<b>1,1</b>	<b>109.036</b>	<b>28,4</b>	<b>1,1</b>	<b>32,5</b>	<b>30.036</b>	<b>9,3</b>	<b>0,4</b>	<b>8,5</b>
Skimmed milk powder	340.177	266,9	19,3	490.501	366,5	14,3	367,9	71.267	53,3	2,1	53,6
Butter	187.708	147,8	10,7	390.173	360,5	13,9	350,7	161.156	145,6	5,6	145,5
Grana Padano	-	-	-	-	-	-	-	7.158	38,4	1,5	38,6
<b>Total milk products</b>	<b>527.885</b>	<b>414,7</b>	<b>30,0</b>	<b>880.674</b>	<b>727,0</b>	<b>28,2</b>	<b>718,6</b>	<b>239.581</b>	<b>237,3</b>	<b>9,2</b>	<b>237,7</b>
Beef (quarters)	185.602	88,8	6,4	425.549	368,4	14,3	382,5	427.736	382,1	14,8	383,1
Boned beef	119.058	126,8	9,1	315.121	401,5	15,5	414,9	395.551	507,9	19,7	519,0
<b>Total beef</b>	<b>304.660</b>	<b>215,6</b>	<b>15,5</b>	<b>740.670</b>	<b>769,9</b>	<b>29,8</b>	<b>797,4</b>	<b>823.287</b>	<b>890,0</b>	<b>34,5</b>	<b>902,1</b>
Public alcohol (hl)	2.805.066	16,4	1,2	2.248.797	8,7	0,3	10,3	2.151.799	10,3	0,4	9,9
<b>GRAND TOTAL</b>	<b>-</b>	<b>1.384,4</b>	<b>100 %</b>	<b>-</b>	<b>2.584,0</b>	<b>100 %</b>	<b>2.712,3</b>	<b>-</b>	<b>2.580,5</b>	<b>100 %</b>	<b>2.656,2</b>

(1) Regulation (CEE) n° 2776/88 provides that 2nd category expenditure to be claimed for a given year is to be calculated on the basis of the operations carried out during the period from October of one year to September of the next year.

(2) The value expressed in ECU has been obtained by applying to the carryover value in national currency the budgetary rates valid for the conversion of expenditure in September 1990.

(3) The value expressed in ECU has been obtained by applying to the carryover value in national currency the budgetary rates valid for the conversion of expenditure in September 1991.

(4) The value expressed in ECU has been obtained by applying to the carryover value in national currency the budgetary rates valid for the conversion of expenditure in September 1992.

ANNEX 11

Overall cost of the Guarantee Section as a percentage of gross  
domestic product (GDP)

Year	EAGGF Guarantee Section expenditure (ECU billion)  Gross  (1)	Community gross domestic product at market prices (current rates and prices) (ECU billion) (Source : Cronos-secl) (2)	EAGGF Guarantee expendi- ture as % of Community gross domestic product Gross
a	b	c	d = 100 b/c
1983	15,812	2.681,5	0,59
1984	18,346	2.887,3	0,64
1985	19,744	3.097,0	0,64
1986	22,137	3.535,7	0,63
1987	22,968 (*)	3.736,7	0,62
1988	27,687 (**)	4.054,8	0,68
1989	25,873	4.405,3	0,59
1990	26,454	4.752,1	0,56
1991	32,386 (3)	5.073,4	0,64
1992	32,108 (3)	7.638,8 (4)	0,42

(1) Including consequences of accounts clearance

(2) 1981 to 1985 = EUR 10  
from 1986 = EUR 12

(3) Including expenditure using appropriations carried over from the previous year

(4) Estimate

(\*) 1987 financial year

(\*\*) 1988 financial year

ANNEX 12

REVENUE FROM THE CO-RESPONSIBILITY LEVY ON MILK AND ALLOCATION TO VARIOUS MEASURES

(ECU million)

MEASURE	FROM 16.09.1977 TO 31.12.1985	1986	1987 (1)	1988 (2)	1989	1990	1991	1992	FROM 16.09.1977 TO 15.10.1992
A. REVENUE FROM LEVY (3)	3.379,6	551,6	447,6	487,3	423,7	313,7	292,0	291,5	6.187,0
B. TOTAL EXPENDITURE	3.379,6	551,6	447,6	487,3	423,7	313,7	292,0	291,5	6.187,0
a) School milk (R.1080/77)	428,1	112,5	99,3	112,7	136,2	140,6	139,9	174,5	1.343,8
b) Butter for the manu- - facture of ice-cream (R.232/75, R.262/79, R.1932/81, R.570/88)	226,1	27,9	40,6	49,6	32,0	29,3	53,5	26,0	485,0
c) Butter for pastry - manufacture (R.262/79, R.1932/81, R.442/84, R.570/88)	220,6	135,8	122,3	117,2	120,1	19,7	35,6	18,2	789,7
d) Concentrated butter for direct consumption (R.349/73, R.649/78, R.3143/85)	43,6	37,0	pm (4)	pm (4)	57,7	43,1	1,3	3,7	186,4
e) Promotion, advertising and market research in the Community (R.723/78)	306,0	45,2	40,7	35,1	39,0	58,4	54,5	58,6	637,5
f) Market research outside the Community (R.1993/78, R.1024/78)									
g) Improvement of the quality of milk (R.1271/78, R.382/89)	70,4	9,0	5,2	1,5	5,3	22,6	7,2	10,5	131,7
h) Disposal for pig and poultry feed (R.368/77, R.443/77, R.1844/77)	738,4	53,5	-	-	-	-	-	-	791,9
i) Other butter destocking schemes	-	152,7	102,1	2,3	33,4	-	-	-	290,5
j) Financing of priority measures	1.346,2	-22,0	37,4	168,9	-	-	-	-	1.530,5

(1) Revenue from co-responsibility levy and expenditure against the 1987 budget (approximately 10 months).  
(2) Revenue from co-responsibility levy and expenditure against the 1988 budget (approximately 11½ months).  
(3) Excluding appropriations carried over from one year to the next.  
(4) Expenditure in the Member States on the disposal of concentrated butter was ECU 67.4 million in 1987 and ECU 162.8 million in 1988. That expenditure is being reimbursed to the Member States in four instalments from 1989 pursuant to Regulation (EEC) No 801/87.

## ANNEX 13

## EQUALIZATION OF STORAGE COSTS FOR SUGAR

## COMMUNITY SUGAR

Situation at 31.01.1993

sugar year	Total levies (ECU A)	Total reimbursements (ECU A)	Annual balance		Cumulative balance		Duration of storage (months)
			absolute (ECU A)	% (a)	absolute (ECU A)	% (b)	
1968/69	64.844.437,00	63.916.054,19	+ 928.382,81	+ 1,43	+ 928.382,81	+ 1,43	5,63
1969/70	65.226.052,11	69.848.500,70	- 4.622.448,59	- 7,09	- 3.694.065,78	- 2,84	6,13
1970/71	69.029.052,44	65.111.106,99	+ 3.917.945,45	+ 5,68	+ 223.879,67	+ 0,11	5,38
1971/72	97.151.231,54	92.680.188,23	+ 4.471.043,31	+ 4,60	+ 4.694.922,98	+ 1,58	5,94
1972/73	91.067.000,23	90.747.372,33	+ 319.627,90	+ 0,35	+ 5.014.550,88	+ 1,29	5,81
1973/74	101.755.638,48	92.645.695,20	+ 9.109.943,28	+ 8,95	+ 14.124.494,16	+ 2,89	4,80
1974/75	104.267.684,38	97.929.484,41	+ 6.338.199,97	+ 6,08	+ 20.462.694,13	+ 3,45	4,64
1975/76	109.434.959,31	160.690.227,31	- 51.255.268,00	- 46,84	- 30.792.573,87	- 4,38	6,24
1976/77	201.167.705,37	184.974.731,36	+ 16.192.974,01	+ 8,05	- 14.599.599,86	- 1,62	5,99
1977/78	233.088.196,54	230.545.532,13	+ 2.542.664,41	+ 1,09	- 12.056.935,45	- 1,06	5,84
1978/79	248.919.064,38	239.524.266,97	+ 9.394.797,41	+ 3,77	- 2.662.138,04	- 0,19	6,35
1979/80	239.233.167,49	251.107.813,79	- 11.874.646,30	- 4,96	- 14.536.784,34	- 0,89	6,17
1980/81	326.426.745,59	316.364.823,82	+ 10.061.921,77	+ 3,08	- 4.474.862,57	- 0,23	6,09
1981/82	407.407.510,45	432.958.350,12	- 25.550.839,67	- 6,27	- 30.025.702,24	- 1,27	6,50
1982/83	478.721.551,25	540.741.171,60	- 62.019.620,35	- 12,96	- 92.045.322,59	- 3,24	7,62
1983/84	448.951.270,25	465.584.257,59	- 16.632.987,34	- 3,70	- 108.678.309,93	- 3,31	7,73
1984/85	482.847.708,67	407.810.922,59	+ 75.036.786,08	+ 15,54	- 33.641.523,85	- 0,89	6,77
1985/86	476.418.365,75	435.699.775,44	+ 40.718.590,31	+ 8,55	+ 7.077.066,46	+ 0,17	7,33
1986/87	499.316.786,40	486.190.482,53	+ 13.126.303,87	+ 2,63	+ 20.203.370,33	+ 0,43	7,35
1987/88	515.128.981,40	414.804.214,04	+ 100.324.767,36	+ 19,48	+ 120.528.137,69	+ 2,29	6,57
1988/89	446.395.407,50	387.612.063,72	+ 58.783.343,78	+ 13,17	+ 179.311.481,47	+ 3,14	6,21
1989/90	369.786.483,00	349.300.841,28	+ 20.485.641,72	+ 5,54	+ 199.797.123,19	+ 3,29	5,90
1990/91	326.646.741,85	401.667.579,56	- 75.020.837,71	- 22,97	+ 124.776.285,48	+ 1,95	5,91
1991/92	327.902.888,98	428.308.243,22	- 100.405.354,24	- 30,62	+ 24.370.931,24	+ 0,36	6,28

(a) % of annual levies.

(b) % of cumulative annual levies.

ANNEX 14

REVENUE FROM LEVIES IN THE SUGAR SECTOR

1992

(Situation at 31.01.1993)

BUDG. HEAD.	TITLE	AMOUNT IN ECU (B)
110	Sugar production levies (1)	607.469.692
112	Isoglucose production levies (1)	4.523.488
116	Additional levy	884.167
115	Elimination levy (2)	1.095.293
111	Sugar storage levies	388.305.356
113	Amounts charged on production of C sugar and isoglucose which is not exported	114.456
	<b>TOTAL REVENUE BUDGET CHAPTER 11</b>	<b>1.002.392.452</b>
(1)	Basic production levies and B levies pursuant to Article 28 of Council Regulation (CEE) No 1785/81.	
(2)	Designed to eliminate, during the period covering marketing years 1986/86 to 1990/91, the deficit of ECU (A) 400 million recorded following application of the quota arrangements for marketing years 1981/82 to 1985/86, pursuant to Article 32a of Council Regulation (EEC) No 1785/81.	

## ANNEX 15

SELF-FINANCING ARRANGEMENTS IN THE SUGAR SECTOR (1)(2)(3)  
1986/87 TO 1990/91 MARKETING YEARS

	MARKETING YEARS					Aggregate for 1986/87 to 1990/91
	1986/87	1987/88	1988/89	1989/90	1990/91	
<b>A. EXPENDITURE CHARGED TO COMMUNITY SUGAR AND ISOGLUCOSE PRODUCERS</b>	tonnes	tonnes	tonnes	tonnes	tonnes	tonnes
1. Production of A and B sugar and A and B isoglucose	12.790.202,8	12.667.742,9	12.775.277,4	12.750.147,1	13.621.191,3	64.604.561,5
2. Quantity of sugar and isoglucose disposed of for consumption within the Community	10.950.682,6	11.138.248,8	10.891.162,2	11.340.919,8	11.946.411,8	56.267.425,2
3. Surplus charged to Community producers (1-2)	1.839.520,2	1.529.494,1	1.884.115,2	1.409.227,3	1.674.779,5	8.337.136,3
	Ecus(A)/t	Ecus(A)/t	Ecus(A)/t	Ecus(A)/t	Ecus(A)/t	Ecus(A)/t
4. Average loss per tonne	446,38	447,49	385,10	287,34	387,19	-
	Ecus(A)	Ecus(A)	Ecus(A)	Ecus(A)	Ecus(A)	Ecus(A)
5. Overall loss in marketing year charged to Community producers (3x4) Cumulative adjustment due to rectification of 1 to 4	821.125.027 - 10.076.061	684.433.315 - 4.118.226	725.572.763 + 21.644.396	404.927.372 + 2.568.669	648.457.875 - 8.758.978	3.284.516.352 1.259.800
6. Total overall loss	811.048.966 =====	680.315.089 =====	747.217.159 =====	407.496.041 =====	639.698.897 =====	3.285.776.152 =====
<b>B. LEVIES IMPOSED</b>	Ecus(A)	Ecus(A)	Ecus(A)	Ecus(A)	Ecus(A)	Ecus(A)
7. Basic production levies	136.921.227	135.573.194	136.701.929	133.704.264	142.672.867	685.573.481
8. B levies	447.100.841	443.098.255	451.875.859	273.791.777	481.536.463	2.097.403.195
9. Special elimination levies (marketing years 1986/87 and 1987/88)	227.026.898	101.643.640	-	-	-	328.670.538
10. Additional levy (marketing years 1988/89 to 1990/91)	-	-	158.639.371	-	15.181.320	173.820.691
11. Total levies	811.048.966 =====	680.315.089 =====	747.217.159 =====	407.496.041 =====	639.698.827 =====	3.285.776.152 =====

(1) Application of Articles 28 and 28a Of Council Regulation (EEC) No 1785/81.

(2) All the quantities are expressed as white sugar (sugar) or dry matter (isoglucose).

(3) Definitive situation with regard to the quota system for 1986/87 to 1990/91, as established at the time of the fixing in October 1992 of the amounts of the levies for the 1991/92 marketing year (Commission Regulation (EEC) No 2965/92).

ANNEX 16

SELF-FINANCING ARRANGEMENTS IN THE SUGAR SECTOR (1)(2)(3)  
1991/92 MARKETING YEAR

	MARKETING YEAR 1991/92
<b>A. <u>EXPENDITURE CHARGED TO COMMUNITY SUGAR AND ISOGLUCOSE PRODUCERS</u></b>	tonnes
1. Production of A and B sugar and A and B isoglucose	13.538.633,7
2. Quantity of sugar and isoglucose disposed of for consumption within the Community	12.212.987,7
3. Surplus charged to Community producers (1-2)	1.325.646,0
	ECU (A)/t
4. Average loss per tonne	396,96
	ECU (A)
5. Overall loss in marketing year charged to Community producers (3x4)	526.228.436
Cumulative adjustment due to rectification of 1 à 4	- 1.259.800
6. Total overall loss	524.968.636
<b>B. <u>LEVIES IMPOSED</u></b>	ECU (A)
7. Basic production levies	141.796.552
8. B levies	383.172.084
9. Additional levy	-
10. Total levies	524.968.636

(1) Application of Articles 28 and 28a of Council Regulation (EEC) No 1785/81.

(2) All the quantities are expressed as white sugar (sugar) or dry matter (isoglucose).

(3) Situation at the fixing in October 1992 of the amounts of the levies for the 1991/92 marketing year (Commission Regulation (CEE) No 2965/92).

## ANNEX 17a

## ADVANCE PAYMENTS TO MEMBER STATES FOR 1992

in national currency

DATE OF DECISION	B BFR	DK DKR	D DM	EL DRA	ES PTA	F FF
20.12.91	8.939.000.000,00	1.247.800.000,00	881.700.000,00	87.570.000.000,00	82.880.000.000,00	3.683.000.000,00
30.01.92	5.741.000.000,00	437.400.000,00	803.200.000,00	56.120.000.000,00	33.670.000.000,00	3.092.000.000,00
26.02.92	4.562.000.000,00	708.000.000,00	630.200.000,00	50.850.000.000,00	36.720.000.000,00	3.334.000.000,00
24.03.92	5.501.000.000,00	677.600.000,00	705.100.000,00	56.320.000.000,00	29.840.000.000,00	3.363.000.000,00
27.04.92	6.718.000.000,00	1.029.400.000,00	835.100.000,00	40.370.000.000,00	30.620.000.000,00	3.911.000.000,00
25.05.92	5.308.000.000,00	629.000.000,00	772.500.000,00	13.970.000.000,00	19.510.000.000,00	4.772.000.000,00
29.06.92	4.118.000.000,00	697.300.000,00	1.215.000.000,00	27.820.000.000,00	33.660.000.000,00	3.349.000.000,00
23.07.92	5.276.000.000,00	1.033.500.000,00	905.600.000,00	35.710.000.000,00	32.310.000.000,00	5.635.000.000,00
27.08.92	3.258.000.000,00	473.900.000,00	836.000.000,00	44.410.000.000,00	44.320.000.000,00	6.247.000.000,00
30.09.92	3.404.000.000,00	616.100.000,00	764.700.000,00	32.210.000.000,00	44.730.000.000,00	5.939.000.000,00
26.10.92	3.033.000.000,00	1.094.300.000,00	1.040.900.000,00	48.820.000.000,00	59.160.000.000,00	2.398.000.000,00
27.11.92	2.166.000.000,00	586.600.000,00	570.600.000,00	33.080.000.000,00	15.270.000.000,00	2.579.000.000,00
21.12.92	844.645,00	63.433,30	12.381,39	349.525.489,00	- 118.935.158,00	270.209,93
TOTAL ADVANCE PAYMENTS	58.024.844.645,00	9.230.963.433,30	9.960.612.381,39	527.599.525.489,00	462.571.064.842,00	48.302.270.209,93
TOTAL IN ECU	1.378.276.334,13	1.167.325.348,13	4.872.215.777,83	2.231.358.463,62	3.580.030.595,88	6.961.136.684,16

ANNEX 17b

ADVANCE PAYMENTS TO MEMBER STATES FOR 1992

in national currency

DATE OF DECISION	IRL IRL	I LIT	L LFR	NL HFL	P ESC	UK UKL	TOTALS EEC ECU
20.12.91	249.500.000,00	967.700.000.000,00	- 6.440.000,00	1.086.200.000,00	11.703.000.000,00	353.200.000,00	4.352.889.181,05
30.01.92	137.450.000,00	1.047.900.000.000,00	13.980.000,00	384.100.000,00	12.909.000.000,00	155.550.000,00	2.858.823.421,86
26.02.92	57.000.000,00	364.200.000.000,00	- 29.020.000,00	438.600.000,00	5.278.000.000,00	148.850.000,00	2.229.096.116,37
24.03.92	47.050.000,00	436.300.000.000,00	- 8.420.000,00	385.400.000,00	4.288.000.000,00	81.550.000,00	2.166.967.324,22
27.04.92	56.300.000,00	570.600.000.000,00	- 7.330.000,00	481.900.000,00	3.615.000.000,00	113.800.000,00	2.504.167.833,14
25.05.92	114.600.000,00	645.400.000.000,00	8.890.000,00	545.500.000,00	4.234.000.000,00	222.550.000,00	2.625.480.928,09
29.06.92	74.350.000,00	736.500.000.000,00	58.340.000,00	364.400.000,00	4.797.000.000,00	119.500.000,00	2.572.981.844,87
23.07.92	73.400.000,00	706.000.000.000,00	40.310.000,00	567.700.000,00	7.029.000.000,00	112.800.000,00	2.910.992.193,40
27.08.92	92.450.000,00	701.700.000.000,00	- 34.020.000,00	463.500.000,00	6.206.000.000,00	98.550.000,00	2.925.156.085,98
30.09.92	64.000.000,00	942.100.000.000,00	- 3.310.000,00	266.000.000,00	4.079.000.000,00	127.200.000,00	2.877.572.436,33
26.10.92	60.400.000,00	628.300.000.000,00	7.960.000,00	344.400.000,00	5.344.000.000,00	150.000.000,00	2.591.060.131,22
27.11.92	87.100.000,00	283.500.000.000,00	6.770.000,00	184.700.000,00	4.903.000.000,00	58.550.000,00	1.515.432.123,48
21.12.92	4.939,63	- 593.142.115,00	8.512,00	- 167.166,71	328.804,00	5.772,57	111.192,53
Exchange rate							3.891.489,25
TOTAL ADVANCE PAYMENTS	1.113.604.939,63	8.029.606.857.885,00	47.718.512,00	5.512.232.833,29	74.385.328.804,00	1.742.105.772,57	32.134.622.301,79
TOTAL IN ECU	1.452.902.006,83	5.212.222.277,32	1.136.001,93	2.392.389.262,43	423.800.917,44	2.461.828.632,09	32.134.622.301,79

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ANNEX 18

MCAs applied to trade

CURRENCY	PRODUCT	RATE USED FOR THE 1992 BUDGET (JULY '91)	RATES RECORDED RELATING TO 1992 (AVERAGE MONTHLY RATE)	
		FROM 15.8.91 TO 14.8.92	MINIMUM	MAXIMUM
DM	All products	0	0	0
BFR/LFR	All products	0	0	0
HFL	All products	0	0	0
FF	All products	0	0	0
LIT	All products	0	0	0
IRL	All products	0	0	0
DKR	All products	0	0	0
UKL	Milk	0	- 1,7	0
	Beef	0	- 1,7	0
	Pigmeat	0	0	0
	Eggs and poultry	0	0	0
	Olive oil	0	0	0
	Wine	-	-	-
	Other crop products	0	- 1,7	0
DRA	Pigmeat	0	- 3,3	0
	Eggs and poultry	0	- 6,8	0
	Other livestock products	- 1,0	- 8,1	- 1,4
	Wine	0	- 8,5	0
	Olive oil	0	- 3,5	0
	Other crop products	0	- 10,3	- 1,5
PTA	Beef and milk products	+ 3,9	+ 2,7	+ 5,0
	Pigmeat	0	0	0
	Eggs and poultry	0	0	+ 1,0
	Wine	0	0	0
	Cereals, sugar	+ 3,5	+ 1,7	+ 4,0
	Other crop products	0	+ 1,3	+ 3,6
ESC	Eggs and poultry	0	0	+ 1,3
	Pigmeat	0	0	0
	Beef and milk products	0	0	+ 3,7
	Wine	0	0	+ 1,3
	Olive oil	0	0	0
	Cereals, sugar	0	0	+ 4,8

ANNEX 19

Exchange rates 1992

1) Conversion of monthly expenditure into ECU - Budget rates

Expenditure	Rate on:	OJ:	B	DK	D	EL	ES	F	IRL	I	LUX	NL	P	UK
NOVEMBER 91	20.09.91 - C	246/91	42,2348	7,91204	2,04946	227,635	128,699	6,98168	0,767047	1533,81	42,2348	2,30980	175,875	0,700397
DECEMBER 91	18.10.91 - C	274/91	42,1470	7,88908	2,04799	227,732	129,038	6,97927	0,765783	1531,90	42,1470	2,30773	176,261	0,703728
JANUARY 92	20.11.91 - C	300/91	42,0232	7,92414	2,04038	231,684	129,289	6,96823	0,764108	1541,30	42,0232	2,29902	177,736	0,709821
FEBRUARY 92	20.12.91 - C	332/91	41,9466	7,93354	2,03659	233,638	129,859	6,96305	0,764167	1542,18	41,9466	2,29500	180,297	0,712959
MARCH 92	20.01.92 - C	16/92	42,0116	7,90961	2,04020	235,599	129,134	6,95697	0,766379	1537,08	42,0116	2,29766	176,007	0,714072
APRIL 92	20.02.92 - C	47/92	42,0996	7,92918	2,04704	235,842	128,096	6,95696	0,765692	1534,97	42,0996	2,30267	175,789	0,708995
MAY 92	20.03.92 - C	72/92	42,0552	7,93147	2,04319	236,421	129,007	6,93455	0,766350	1535,76	42,0552	2,30047	176,008	0,714167
JUNE 92	16.04.92 - C	100/92	42,1738	7,93721	2,05013	239,513	128,521	6,93347	0,768405	1541,58	42,1738	2,30786	175,655	0,703748
JULY 92	20.05.92 - C	129/92	42,2768	7,93981	2,05382	244,193	128,520	6,90936	0,769385	1546,00	42,2768	2,31282	170,999	0,701045
AUGUST 92	19.06.92 - C	155/92	42,2108	7,89629	2,05096	249,497	129,040	6,90770	0,767020	1552,36	42,2108	2,31058	170,162	0,701923
SEPTEMBER 92	20.07.92 - C	184/92	41,9714	7,85065	2,03631	250,671	130,853	6,89387	0,765359	1551,33	41,9714	2,29697	174,016	0,718516
OCTOBER 92	20.08.92 - C	215/92	41,8873	7,85173	2,03364	251,765	130,633	6,90316	0,765539	1545,84	41,8873	2,29237	177,238	0,723002

2) Average rates

Average rate = in ECU	Total expend. in NC	42,0996	7,90779	2,04437	236,448	129,209	6,93885	0,766469	1540,53	42,0057	2,30407	175,52	0,707647
	Total expend. in ECU												

ANNEX 20  
AMOUNTS WITHHELD FROM PRODUCTION AND CONSUMPTION AID IN THE OLIVE OIL, FIBRE FLAX  
AND GRAPE JUICE SECTORS AND THEIR UTILIZATION

(ECU)

YEAR	SCHEMES RELATED TO OLIVE OIL CONSUMPTION  (Art. 11(6) - R. 136/66/EEC)		SCHEMES RELATED TO OLIVE OIL PRODUCTION  (Art. 5(2) and 4 - R. 136/66/EEC)		SCHEMES RELATED TO OLIVE OIL PRODUCTION  (Art. 5(4) - R. 136/66/EEC)		SCHEMES RELATED TO OLIVE OIL PRODUCTION  (Art. 20d(1) - R. 136/66/EEC)		SPECIFIC SCHEMES CONCERNING FIBRE FLAX  (Art. 2 - R. (EEC) 1308/70)		SCHEMES RELATED TO THE CONSUMPTION OF GRAPE JUICE			
	INFORMATION AND PROMOTION SCHEMES		ESTABLISHMENT OF OLIVE OIL REGISTER		IMPROVEMENT OF THE QUALITY OF OLIVE OIL		CONTRIBUTIONS TO COSTS OF RECOGNIZED ORGANIZATIONS AND ASSOCIATIONS		INFORMATION AND PROMOTION SCHEMES		Art. 4(2) - R. 2275/85/CEE	Art. 4(2) - R. 2275/85/CEE	Art. 2a (1) and Art 3(4) R. 3461/85/EEC	Art. 4 (4) R. 3461/85/EEC
	WITHHELD	UTILIZATION	WITHHELD	UTILIZATION	WITHHELD	UTILIZATION	WITHHELD	UTILIZATION	WITHHELD	UTILIZATION	WITHHELD	UTILIZATION	UTILIZ.	UTILIZ.
Until 1979	314.322	-	11.596.900	154.567	-	-	-	-	-	-	-	-	-	-
1980	3.002.587	186.053	1.913.256	-	-	-	-	-	300.381	-	-	-	-	-
1981	2.450.465	228.892	2.478.668	10.217.222	-	-	-	-	637.351	537.151	-	-	-	-
1982	6.186.243	2.637.599	2.790.595	2.533.411	-	-	-	-	949.916	996.897	-	-	-	-
1983	164.079	178.196	7.269.763	10.560.376	-	-	-	-	1.218.506	244.931	-	-	-	-
1984	(61.380)	3.908.825	15.922.259	16.652.197	-	-	-	-	1.146.909	1.154.500	-	-	-	-
1985	7.385.034	4.469.156	9.841.270	13.510.537	-	-	5.840.301	477.096	1.698.562	1.073.342	-	-	-	-
1986	16.814.429	1.415.569	5.703.249	22.024.203	3.508.293	-	4.240.523	10.022.034	1.787.949	3.274.836	2.720.876	-	82.041	-
1987	1.904.138	1.529.035	14.574.601	16.887.665	8.468.414	-	11.758.762	9.709.384	2.015.517	500.500	3.156.545	3.901.559	8.093	-
1988	27.568.043	8.756.550	10.865.415	22.880.775	978.326	-	5.746.143	6.591.949	2.395.084	1.303.210	7.441.746	2.314.470	-	-
1989	24.431.817	9.781.272	20.847.757	23.026.556	12.804.438	4.135.329	14.527.146	5.033.263	2.433.702	2.829.373	5.137.237	5.293.257	-	-
1990	19.037.203	4.175.724	15.020.682	20.587.986	10.669.627	4.606.092	8.944.125	7.239.877	3.941.124	1.649.911	6.523.170	4.174.999	-	-
1991	29.760.024	16.912.766	28.302.535	8.178.986	20.400.643	10.611.885	14.847.811	7.186.494	2.556.035	1.654.180	6.493.761	6.296.229	-	-
1992	13.151.205	27.480.816 (1)	27.876.365	17.292.122	21.840.665	7.504.480	15.903.625	6.635.186	2.239.724	5.993.337 (1)	6.493.724	4.741.154	-	-
TOTAL	150.108.209	81.660.452	175.003.315	184.506.603	78.670.405	26.857.787	81.808.435	52.885.283	23.320.758	21.185.169	37.967.059	26.721.669	90.134	-

(1) Commitments

ANNEX 21  
 EAGGF GUARANTEE SECTION - ANNEE 1992  
 IRREGULARITIES REPORTED, BY SECTOR  
 REG., (EEC) No 595/91

MEMBER STATE	BELGIUM		DENMARK		GERMANY		GREECE		SPAIN		FRANCE		IRELAND		ITALY		NETHERLANDS		PORTUGAL		UK		TOTAL EEC (1)	
	*	**	*	**	*	**	*	**	*	**	*	**	*	**	*	**	*	**	*	**	*	**	CASES	**
CEREALS AND RICE	8	307	3	66	21	878	0	0	19	1731	15	868	1	210	8	138	14	1470	0	0	11	1699	100	7.367
SUGAR AND ISOGLUCOSE	0	0	1	6	3	58	0	0	1	59	21	894	0	0	0	0	7	177	0	0	0	0	33	1.194
OILS AND FATS	1	490	1	23	0	0	17	1215	0	0	4	65	0	0	337	73085	0	0	2	60	7	250	369	75.188
PROTEIN CROPS	0	0	1	468	2	12	0	0	7	1537	25	1916	0	0	0	0	32	822	0	0	0	0	67	4.755
FIBRE PLANTS/SILKWORMS	0	0	0	0	0	0	15	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	15	4
FRUITS AND VEGETABLES	0	0	2	81	0	0	4	14	0	0	1	0	0	0	15	6149	0	0	5	724	0	0	27	6.968
WINE	0	0	0	0	0	0	0	0	0	0	3	58	0	0	0	0	0	0	0	0	0	0	3	58
TOBACCO	0	0	0	0	0	0	0	0	0	0	0	0	0	4	0	0	0	0	0	0	0	0	4	0
OTHER CROP PRODUCTS	0	0	0	0	0	0	0	0	4	886	0	0	0	0	0	0	0	0	0	0	0	0	4	886
MILK AND MILK PRODUCTS	3	48	11	374	46	2435	9	121	35	233	14	180	6	13	1	120	21	3334	0	0	7	562	153	7.420
BEEF/VEAL	5	123	1	59	17	4168	1	0	0	0	9	309	12	68	0	0	5	1115	0	0	45	1778	95	7.620
SHEEPMEAT AND GOATMEAT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	28	204	28	204
PIGMEAT	23	997	4	33	1	18	0	0	0	0	3	35	2	305	0	0	2	14	1	0	0	0	36	1.402
EGGS AND POULTRY	5	504	1	51	0	0	0	0	0	0	6	93	0	0	1	1	3	66	0	0	6	587	22	1.302
NON-ANNEX II PRODUCTS	0	0	7	212	7	249	0	0	0	0	2	8	3	217	0	0	4	511	0	0	2	1263	25	2.460
ACCESSION COMP. AMOUNTS	0	0	0	0	0	0	0	0	0	0	1	238	0	0	0	0	0	2	73	0	0	0	3	311
MONETARY COMP. AMOUNTS	2	43	0	0	0	0	10	113	0	0	3	141	0	0	0	0	0	0	0	5	93	20	390	
OTHER GUAR. MEASURES	0	0	0	0	3	138	0	0	0	0	0	0	0	0	0	0	0	0	0	21	142	24	280	
FISHERY PRODUCTS	0	0	0	0	0	0	0	0	0	0	1	5	0	0	0	0	0	0	0	0	0	0	1	5
SECTOR NOT SPECIFIED	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0
TOTAL	48	2512	32	1373	100	7956	56	1467	66	4446	108	4810	24	813	366	79493	88	7509	10	857	132	6578	1.030	117.814
RECOVERED	6	359	7	8	23	1292	10	288	26	376	38	1457	8	13	48	1247	46	2956	4	93	44	1840	260	9.930
LOST	0	0	3	68	1	653	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	4	721

(\*) Number of cases  
 (\*\*) Amounts in ECU million or last available rate  
 (1) Luxembourg reported no irregularities in 1992

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ANNEX 22  
EAGGF GUARANTEE  
IRREGULARITIES REPORTED AND RECOVERY SITUATION  
REG. (CEE) No 595/91

YEAR		< 1988		1988		1989		1990		1991		1992		TOTAL			Balance to be recovered
Member State		A	B	A	B	A	B	A	B	A	B	A	B	A	B	C	
BELGIUM	1 2	73 18,4	15 1,4	4 0,1	1 0	7 0,1	6 0,1	1 0	0 0	22 3,1	0 0	48 2,5	6 0,4	155 24,3	28 1,9	4 0	127* 22,4
GERMANY	1 2	1364 58,4	1073 23,6	45 42,7	29 0,4	71 18,5	35 3	132 28,7	48 1,5	43 4,3	10 0,3	100 7,9	23 1,3	1755 160,6	1244 30,3	58 5,9	511* 124,4
DENMARK	1 2	278 2,8	209 1,6	16 0,9	13 0,9	30 13,2	20 2,7	29 1,5	26 0,3	24 1,4	15 1,3	32 1,4	7 0	409 21,2	290 6,8	100 1,1	119* 13,3
GREECE	1 2	1 0	0 0	0 0	0 0	3 0,1	0 0	18 0,6	11 0,1	14 0,2	2 0	56 1,5	10 0,3	92 2,4	23 0,4	2 0	69* 2
SPAIN	1 2	0 0	0 0	6 0,1	6 0,1	13 0,3	6 0,1	57 2	13 0,1	64 1,5	19 0,1	66 4,2	26 0,4	206 8,3	70 0,8	29 0	136* 7,5
FRANCE	1 2	372 9	327 4,9	70 3,8	48 0,6	121 7,9	99 6,1	115 2,8	88 1,7	101 6,2	63 2,9	108 4,8	38 1,5	887 34,5	663 17,7	43 1,1	224* 15,7
IRELAND	1 2	87 4,5	56 2,7	14 2,8	7 0,1	12 2,5	7 0,5	3 0	1 0	10 0,1	3 0,1	24 0,8	8 0	150 10,7	82 3,4	5 0	68* 7,3
ITALY	1 2	331 132	69 3,5	81 90,9	19 1,7	242 87,2	35 1,4	95 83,5	13 1,9	82 109,1	7 2,3	366 79,5	48 1,2	1197 582,2	191 12	0 0,6	1006* 569,6
LUXEMBOURG	1 2	0 0	0 0	0 0	0 0	1 0	1 0	0 0	0 0	0 0	0 0	0 0	0 0	1 0	1 0	0 0	0 0
NETHERLANDS	1 2	228 4,6	203 1,7	41 0,3	38 0,1	81 13,1	46 1,5	132 7,2	114 3,8	93 4,2	56 1	88 7,5	46 2,9	663 36,9	503 11	21 0,3	160* 25,5
PORTUGAL	1 2	0 0	0 0	0 0	0 0	0 0	0 0	54 1,2	34 0,6	16 0,2	5 0,1	10 0,8	4 0,1	80 2,2	43 0,8	1 0	37* 1,4
UNITED KINGDOM	1 2	627 7,7	462 4	109 2,4	91 0,7	164 6,9	131 0,8	188 3	135 0,7	131 4,9	73 1,6	132 6,6	44 1,8	1351 31,5	936 9,6	99 4,3	415* 17,6
TOTAL EEC	1 2	3360 237,2	2440 43,4	386 144	252 4,6	745 150	386 16,2	824 130,6	483 10,7	600 135,2	253 9,7	1030 117,7	260 9,9	6946 914,7	4074 94,5	367 13,3	2872* 806,9

1 = number of cases  
2 = amounts in ECU million  
\* = number of cases to be totally or partially recovered  
A = cases reported  
B = cases totally or partially recovered  
C = cases closed without recovery

## ANNEX 23

## Financial results of clearance of the 1989 accounts (1)

(ECU million) (2)

	B	DK	DE	EL	ES	F	IR	IT	L	NL	PO	UK	EC TOTAL
1)a) Expenditure declared 1989	648,9	1.072,9	4.462,9	1.159,6	1.834,0	5.195,0	1.287,9	4.170,6	2,8	3.959,0	170,8	1.557,0	25.521,4
b) Expenditure declared in previous year but excluded from that clearance	-	-	-	-	-	-	-	106,0	-	-	-	-	106,0
c) Expenditure declared excluded from current clearance	-	-	- 386,0	- 228,5	- 12,8	- 75,0	- 391,3	- 59,9	-	-	-	- 25,0	- 1.178,5
d) Expenditure declared, subject to current clearance (a+b+c)	648,9	1.072,9	4.076,9	931,1	1.821,2	5.120,0	896,6	4.216,7	2,8	3.959,0	170,8	1.532,0	24.448,9
e) Expenditure rejected	- 24,1	- 1,7	- 112,3	- 8,3	- 206,7	- 28,7	- 11,1	- 561,2	- 0,9	- 1,8	- 1,5	- 2,2	- 960,5
f) Financial impact of previous years	-	-	- 3,0	- 9,1	- 9,5	2,4	- 4,9	- 13,4	-	-	-	- 7,1	- 44,6
g) Total expenditure recognized (d+e+f)	624,8	1.071,2	3.961,6	913,7	1.605,0	5.093,7	880,6	3.642,1	1,9	3.957,2	169,3	1.522,7	23.443,8
2)d)h) Total expenditure charged, subject to current clearance	636,3	1.069,4	4.061,5	931,2	1.808,5	5.120,2	894,8	4.192,6	2,0	3.958,9	170,8	1.530,6	24.376,8
3)i) Expenditure charged to or to be paid to the Member State as a result of clearance (2d - 1g)	11,5	- 1,8	99,9	17,5	203,5	26,5	14,2	550,5	0,1	1,7	1,5	7,9	933,0

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(1) Based on Decision 92/491/EEC

(2) Conversion rate at 30.09.1992