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TENTH FINANCIAL REPORT ON THE EAGGF

YEAR 1980

GUARANTEE SECTION AND

FOOD AID FINANCING

Average rates of conversion used for the 1980 financial year (see Annex 14)

	Belgium	Denmark	Germany	France	Ireland	Italy	Luxembourg	Netherlands	U.K.
Average rates in ECU	40,4335	7,76066	2,51225	5,84970	0,673477	1177,71	40,4548	2,75439	0,605540

INTRODUCTORY NOTE

Article 10 of Regulation (EEC) No. 729/70 on the financing of the common agricultural policy requires the Commission to submit to the Council and to the European Parliament before 1 July each year, "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 activities of the Guarantee Section of the EAGGF and the financing of community food aid for the 1980 financial year. The activities of the Guidance Section are dealt with in a separate report.

The Guarantee Section finances expenditure resulting from the common policy on agricultural markets and prices. Under Articles 2 and 3 of Regulation (EEC) No. 729/70, this is divided into refunds on exports to non-member countries to cover the difference between Community prices and world prices, and various intervention measures designed to stabilize agricultural markets (storage, withdrawal from the market, price compensation, guidance premiums).

N.B. This draft of the Report was completed on 17 July 1981.

SUMMARY OF THE TENTH FINANCIAL REPORT
EAGGF GUARANTEE SECTION

A. Trends in Community financing of markets

1. Original appropriations for 1980 totalled 11 507.5 million ECU; spending came to 11 315.2 million ECU, and thus fell short of total appropriations, the savings mainly being made in the milk sector. As a result, 190 million ECU in appropriations were cancelled. Expenditure was 8.4% higher than in 1979, an appreciably lower growth rate than in the previous year (20.4%).

Most of the increase in expenditure was in the beef and veal sector (+ 615 million ECU) following an increase in production at a time of sluggish demand, in the fruit and vegetable sector (+ 244 million ECU) following an increase in processing of these products, and in the wine sector (+ 238 million ECU) following a particularly good harvest in 1979. Spending was markedly down in the sugar sector (-365 million ECU) because rising world market prices enabled refunds to be held down and because favourable developments in the currency situation meant less expenditure on monetary compensatory amounts (-410 million ECU).

2. Expenditure on refunds rose faster than intervention spending, going up from 47.7% of total expenditure in 1979 to 50.3%. The increase was mainly accounted for by milk products, beef and veal, pigmeat and wine.

The value of public intervention stocks rose from 2 100 million ECU at the end of 1979 to 2 600 million ECU at the end of 1980, most of the increase being due to the amount of cereals, olive oil and colza in store. As a measure of the overall cost of EAGGF guarantee operations gross spending as a proportion of Community GDP went down from 0.60 in 1979 to 0.57 in 1980. The net cost after deduction of agricultural levies showed no change at 0.48.

B. Cash position and financial management

3. One of the key elements in financing the common agricultural policy is the system of monthly advances. It is designed to combine centralized decision-making on cash movements at Commission level with decentralized management by the Member States.

The Commission was more rigorous in its systematic examination of drawings from funds made available and endeavoured to ensure the highest possible rate of utilization. The level of EAGGF guarantee expenditure by the Member States thus came to 98.6% of the funds placed at their disposal, a record figure.

C. Investigations and irregularities

4. The Commission carried out several specific investigations and one selective check, the latter involving the application of the co-responsibility levy and measures intended to increase demand for milk.

Altogether, the Member States reported 246 cases of irregularities in 1980. These involved a sum of 21.5 million ECU, of which 1.6 million ECU have been recovered. These figures represent a sharp increase over 1979 (116 cases, involving 2.1 million ECU). The main areas concerned were milk products (116 cases), MCAs (50 cases), olive oil (19 cases), fruit and vegetables (15 cases) and cereals (14 cases).

D. Clearance of accounts

5. The principal problem in clearing accounts remains the backlog of work and the need to accelerate clearance procedures.

Since on-the-spot checks covering the budget years 1974 and 1975 were completed in 1979, there was an opportunity in 1980 to discuss the Commission's findings with the Member States and to gather further evidence on matters in dispute.

This work took longer than expected and could not be terminated in 1980, so that final clearance decisions will not be issued until 1981.

On-the-spot checks concerning 1976 and 1977 were also completed, and it will be possible to discuss findings with the Member States in 1981.

E. Financial implementation of Community food aid

6. The procedures for financing food aid are similar to those employed in guarantee financing. The Commission made monthly advances totalling 320.8 million ECU, an increase of 17.3% over 1979.

Of this amount, 276.7 million ECU was spent mainly on aid programmes involving milk products (176.8 million ECU) and cereals and rice (92.2 million ECU). A further 37.2 million ECU were paid directly to recipient countries and to agencies carrying out food-aid operations.

SUMMARY

Page

INTRODUCTION

TITLE I : COMMUNITY FINANCING OF MARKETS

1. <u>Agricultural prices and adjustments to market mechanisms with financial consequences</u>	
1.1. Agricultural prices	1
1.2. Adjustments in certain sectors having financial consequences	2
2. <u>Analysis of the financing of markets</u>	
2.1. Comparison of initial appropriations and expenditure	7
2.2. Breakdown of expenditure by type	13
2.3. Public stocks	14
2.4. Corrections to be made to the breakdown of expenditure	15
2.5. Assessment of the total cost of the Guarantee Section	16
3. <u>Changes in rules governing the EAGGF Guarantee Section</u>	
3.1. Council legislation	17
3.2. Commission legislation	18

TITLE II : CASH POSITION AND FINANCIAL ADMINISTRATION

4. <u>The functioning of the system of advances</u>	20
5. <u>Advances to Member States</u>	
5.1. Decisions in advances taken in 1980	22
5.2. Funds available during the financial year	22
5.3. Rate of utilization of the funds available	24
5.4. Direct payments	24

	<u>Page</u>
6. <u>Administration of appropriations</u>	
6.1. Available appropriations	24
6.2. Transfers of appropriations	24
6.3. Expenditure	26
6.4. Carryovers of appropriations	28
6.5. Summary of the implementation of the 1980 budget	28
 <u>TITLE III : ENQUIRIES AND IRREGULARITIES</u> 	
7.1. Enquiries	30
7.2. Irregularities	31
 <u>TITLE IV : AUDIT AND CLEARANCE OF ACCOUNTS</u> 	
8.1. Accounts for financial years 1974 and 1975	39
8.2. Accounts for financial years 1976 and 1977	40
8.3. Accounts for financial years 1978 and 1979	40
8.4. Consequences of the judgments delivered by the Court of Justice	42
 <u>TITLE V : FINANCING OF COMMUNITY FOOD AID</u> 	
9.1. Main features of Community food aid programmes	43
9.2. Cash position	46
9.3. Administration of appropriations	47
9.4. Appropriations carried forward to 1981	50
9.5. Closure of accounts	51

SUMMARY LIST OF TABLES

	<u>Page</u>
<u>Guarantee Section</u>	
1. Receipts and expenditure under the milk co-responsibility schemes	3
2. Comparison between initial appropriations and expenditure	8
3. MCA levels applied in trade	12
4. Corrected expenditure by Member State	15
5. General development of Guarantee Section expenditure	16
6. Levies under the common agricultural policy	16
7. Funds available to and expenditure by the Member States	23
8. Average rate of use of Community funds for 1980	25
9. Transfers of appropriations	27
10. Expenditure by Member State and by type of financing	29
11. Dates of submission of the declarations of expenditure (1978 and 1979)	41
<u>Food Aid</u>	
12. Food aid supplied in 1980	45
13. Breakdown and utilization of monthly advances	46
14. Breakdown of direct payments by recipient	48
15. Transfers of appropriations	50

TITLE 1

COMMUNITY FINANCING OF MARKETS

Expenditure by the EAGGF Guarantee Section in 1980 totalled 11,315.2 m ECU¹, an increase of 8.4 % over 1979. In 1979 the increase over 1978 was 20 %. Expenditure in 1980 included an amount of 203.5 m ECU representing expenditure incurred by the Member States in 1979².

Since the initial appropriations amounted to 11,507.5 m ECU, it was not necessary to request a supplementary budget and 190 m ECU of available appropriations were saved.

Although expenditure by the Guarantee Section depends on a large number of factors, most of which are still not known when the budget estimates are produced³, this result is due not only to the favourable economic situation but also to improved monitoring of the use of appropriations during 1980 and to closer cooperation between the departments responsible for managing the markets and the EAGGF Guarantee Section.

1. Agricultural prices and adjustments to market mechanisms with financial consequences

Expenditure was influenced by the adjustments to the agricultural prices for the 1980/81 marketing year and the various changes made in the common market organizations. These were decided on either at the same time as prices in connection with the related measures or in the course of 1980.

1.1. Agricultural prices

As regards the adjustment of prices, it was agreed to increase them by an average of 4.8 % for 1980/81. The increase was limited to 4 % in the case of products of which there is a surplus, i.e. milk, beef and veal and sugar. The compromise worked out, which takes account not only of this adjustment but also of the adjustment of monetary compensatory amounts

¹Including fisheries

²As explained in Title II of the Ninth Financial Report, this amount of 203.5 m ECU had to be charged to the 1980 financial year although the payments were made by Member States at the end of 1979. If this amount is assigned to 1979, in order to obtain a picture of the trend in expenditure, the increase in 1980 over 1979 is only 4.4 % instead of 8.4 %.

³See Ninth Financial Report, page 1.

(MCAs) and of the related measures adopted, is based on three necessities : to safeguard farm incomes without encouraging inflation, to improve the balance on some agricultural markets, in particular the milk market, and to remain within the limits set by budgetary constraints.

The related measures mainly concern the dairy sector (co-responsibility levy increased from 0.5 to 2 % of the guide price for milk, and investment aid limited), beef and veal (premium for suckler cows introduced) and wine (rules on the price guarantee extended).

In the agri-monetary sector the Council decided on 5 June 1980 to revalue the representative rate for the German mark by 1 percentage point and for the Benelux currencies by 0.2 point. This reduced the monetary gaps. However, because of movements in the market rate for the Lira, MCAs were reintroduced for Italy from 11 June 1980.

The Council decisions involved additional expenditure on agricultural prices of approximately 120 m ECU for 1980. However, the related measures connected with the decision on prices resulted in a saving of 124 m ECU for the same period.

1.2. Adjustments in certain sectors having financial consequences

These include adjustments agreed when the prices were fixed as well as those adopted during the year.

1.2.1. Dairy Sector

a) Co-responsibility levy and related measures

This measure, which represents the financial contribution of milk producers towards achieving an equilibrium on the market, was introduced by Regulation (EEC) No 1079/77 and applied from June 1978 to June 1980 at the rate of 0.5 % of the target price for milk. The rate was raised to 2 % for 1980/81 and will not be less than 1.5 % for the following two marketing years.

The receipts from this levy, which is regarded as an intervention measure, amounted to 223 m ECU for 1980. Since 1980/81 they have been used partly to finance measures to assist the disposal of milk and milk products, as shown in the table below. This is why the percentage for 1980 is only 49.1 %, the remainder of the receipts having been used to finance the whole of the milk sector.

Table 1 - Receipts from the co-responsibility levy on milk and allocation of proceeds among various schemes

Measure	million ECU					
	1977 (from 16.9)	1978	1979	1980	16.9.77 to 31.12.1980	
A. Receipts from co-responsibility levy (1)	24,0	156,1	94,2	222,9	497,2	
B. Total expenditure of which :	7,5	53,3	110,3	109,4	280,5	
a) School milk (Reg. 1080/77)	-	10,3	30,-	45,7	86,-	
b) Butter for the manufacture of ice-cream (Reg. 262/79)	7,5	28,2	25,9	24,-	85,6	
c) Concentrated butter for direct consumption (Reg. 649/78)	-	4,7	1,5	5,1	11,3	
d) Promotion, advertising and market research in the Community (Reg. 723/78))))	37,4	26,7	74,2
e) Market research outside the Community (Reg. 1993/78))	10,1))))
f) Improvement of the quality of milk (Reg. 1271/78 and 723/78)))	15,5	7,9	23,4)
Expenditure/revenue (%)	31 %	34 %	117,2 %	49,1 %	56,4 %	

(1) Excluding appropriations carried over from one year to the next.

b) Most of the measures to assist the marketing of milk products and to encourage their consumption were continued during 1980. They can be summarized as follows :

- butter

- . sale to the food industry
- . Christmas butter (not repeated at the end of 1980)
- . armed forces and welfare institutions
- . concentrated butter for cooking
- . social measures (welfare recipients)
- . consumption subsidy

- skimmed milk powder
 - . for feeding calves
- liquid skimmed milk
 - . for feeding calves
 - . for feeding pigs
 - . for processing into casein and caseinates

1.2.2. Beef and veal

Since the market situation made it difficult to ensure a fair income for producers specializing in high-quality meat, under Regulation (EEC) No 1357/80 of 5 June 1980¹ producers were granted a premium intended to ensure an adequate income for keeping suckler cows, so as to prevent them converting to milk production. This premium, which applied from 2 June 1980, involved expenditure of 42 m ECU for 1980.

The level of stocks continued to grow. Expressed in terms of carcasses, stocks rose from 310,000 tonnes at the end of 1979 to 350,000 tonnes at the end of 1980. The Commission therefore suspended intervention buying of beef forequarters from 10 November 1980 to 1 March 1981 by means of Regulation (EEC) No 2890/80².

As a result of the concern among consumers at the use of hormones in feeding veal calves and the ensuing market disturbance, aid for the private storage of veal carcasses and half-carcasses was granted under Regulation (EEC) No 2880/80 of 6 November 1980³, with the possibility of exporting the products during the storage period.

1.2.3. Pigmeat

Since pigmeat production increased more than consumption, producers sometimes had to sell at a loss. Falling prices caused the Commission to adopt a series of measures, in particular :

- a) the grant of private storage aid from 5 May to 3 October 1980;
- b) stricter application of the additional amounts charged on imports from non-member countries in cases where the offer prices (sluice-gate prices) have not been observed;
- c) increased export refunds.

¹ OJ No L 140 of 5.6.1980, p. 1

² OJ No L 299 of 8.11.1980, p. 7

³ OJ No L 298 of 7.11.1980, p. 22

1.2.4. Sheepmeat and goatmeat

A common organization of the market in this sector was set up on 27 June and took effect on 20 October 1980. In order to offset any loss in income resulting from the introduction of this organization, a premium will be granted to producers according to their production. Intervention will normally take the form of private storage aid. In the event of market difficulties public storage may be decided on or a variable slaughter premium may be fixed in regions where there is no public buying-in. Premiums in this sector accounted for 53.5 m ECU of expenditure in 1980; an appropriation of 201 m ECU is proposed for 1981.

1.2.5. Cereal-based spirituous beverages

On 2 December the Commission forwarded to the Council a proposal intended to facilitate the use of Community cereals in the manufacture of spirituous beverages, including whisky. In the absence of a common organization of the market in alcohol, the proposed measures form part of the rules concerning cereals and consist of the grant of export refunds on cereals used in the manufacture of spirituous beverages. This system, introduced on 28 April 1980 by Council Regulation (EEC) No 1188/81¹, provides for a retroactive effect in accordance with the treaty of accession of 1972. The annual cost, excluding the retroactive effect, would be approximately 30 m ECU.

1.2.6. Sugar

The Council was unable to reach agreement on the implementation of a new sugar policy for 1980-85 and Regulation (EEC) No 3330/74 therefore remains in force. Under the Commission proposal², producers would bear the cost of disposing of the quantities of sugar produced over and above the quantities necessary to cover Community requirements. The proposal also involves revision of the quotas for the French overseas departments and the measures to assist the latter (differential amount and refining subsidy), so as to mitigate the difficulties they experience in exporting their sugar to Europe.

¹O.J. No L 121 of 5.5.1981, p. 3

²Adopted on 30.6.1981 by Regulation (EEC) No 1785/81 - O.J. No L 177 of 1.7.1981,

1.2.7. Olive oil

A set of measures to promote consumption of this product was adopted on 22 July in Regulation (EEC) No 1970/80¹, i.e. information campaigns, measures to expand consumption, special sales at reduced prices to certain categories of consumer. These measures are financed by diverting a percentage (4,5 % in 1980) of the consumption aid (cost for 1980 : 0.2 m ECU).

1.2.8. Wine

In view of the large quantities of table wine of all types covered by storage contracts, Regulation (EEC) No 2335/80 of 8 September 1980² made it possible to carry out preventive distillation for the 1980/81 wine-growing year from 1 October 1980 to 31 July 1981.

The bad weather at the beginning of the wine-growing year made it necessary to enable the alcoholic strength of the wine to be increased. For this purpose, Regulation (EEC) No 2726/80 adopted on 24 October 1980³ granted aid for the use of concentrated must and rectified concentrated must in wine-making.

1.2.9. Flax and hemp

Since sales of flax products were threatened by difficulties caused by the technical progress of the textile industry and increased competition from other fibres the Council on 30 September 1980 adopted Regulation (EEC) No 2511/80⁴ introducing measures to encourage the use of flax fibres for the 1980/81 and 1981/82 marketing years, consisting of information campaigns and the search for new outlets and improved products. These measures are to be financed by diverting part of the production aid. There was no expenditure in 1980.

¹ OJ No L 192 of 26. 7.1980, p. 5

² OJ No L 236 of 9. 9.1980, p. 5

³ OJ No L 281 of 25.10.1980, p. 18

⁴ OJ No L 256 of 1.10.1980, p. 1

2. Analysis of the financing of markets

2.1. Comparison of initial appropriations and expenditure

Table 2 compares initial budget appropriations (11,507.5 m ECU) with expenditure effected by the end of the financial year, after adjustment of the funds available by a transfer of 2.3 m ECU to Chapter 83.

2.1.1. The agricultural sectors¹

The following observations can be made after detailed examination of the individual sectors :

a) Cereals

Because of a hard winter, the 1979 harvest was down on 1978. The 1980 harvest, on the other hand, was a record, with increases in the production of common wheat and barley in particular. The effect of this harvest, together with the competition of substitute products, meant that it was necessary to increase exports. This was reflected in an increase in expenditure on refunds in 1980. However, the favourable trend of prices on the world market made it possible to limit the rise in expenditure, which remained at 1,174.7 m ECU (estimates : 1,099 m ECU), i.e. the same level as in 1979.

The size of the harvest, on the other hand, led to buying-in on a large scale. At the end of 1980 intervention stocks of cereals amounted to 6,686,000 t, against 2,676,000 t at the end of 1979. For this reason, the resulting expenditure (201.7 m ECU) was in excess both of the estimates (177 m ECU) and of expenditure recorded in 1979 (88.9 m ECU). Expenditure on disposing of these quantities will mostly be incurred in 1981.

b) Milk and milk products sector

In this sector, which in 1980 accounted for 42 % of EAGGF Guarantee Section expenditure, for the first time for several years expenditure (4,752.0 m ECU) was less than the estimates (4,929.6 m ECU).

¹ For a comparison of expenditure with previous years, see Annex 3.

TABLE 2

COMPARISON BETWEEN THE INITIAL APPROPRIATIONS IN THE 1980 BUDGET AND EXPENDITURE

SECTOR	INITIAL APPROPRIATIONS 1980 (1)	EXPENDITURE IN 1980					DIFFERENCES BETWEEN INITIAL APPROPS AND EXPENDITURE 1980	
		Total	%	OF WHICH			m ECU	%
				REFUNDS	FIRST CAT. INTERV. (2)	2nd CATEG. INTERV. (3)		
a	b	c	d	e	f	g	h	i = h/b
CEREALS	1.616,4	1.669,3	14,8	1.174,7	292,9	201,7	+ 52,9	+ 3,3
- excluding durum wheat	1.488,4	1.540,4	13,6	1.174,7	164,0	201,7	+ 52,0	+ 3,5
- durum wheat	128,0	128,9	1,2	-	128,9	-	+ 0,9	+ 0,7
RICE	50,0	58,7	0,5	44,4	14,3	-	+ 8,7	+ 17,4
MILK AND MILK PRODUCTS	4.929,6	4.752,0	42,0	2.745,9	1.599,4	406,7	- 177,6	- 3,6
OILS AND FATS	787,0	687,3	6,1	3,7	654,1	29,5	- 99,7	- 12,7
- olive oils	467,0	317,9	2,8	-	297,4	20,5	- 149,1	- 31,9
- oilseeds	320,0	369,4	3,3	3,7	356,7	9,0	+ 49,4	+ 15,4
SUGAR	696,5	575,2	5,1	286,2	289,0	-	- 121,3	- 17,4
BEEF AND VEAL	1.178,0	1.362,3	12,0	715,5	182,4	465,4	+ 185,3	+ 15,7
PIGMEAT	100,0	115,6	1,0	91,6	24,0	-	+ 15,6	+ 15,6
SHEEPMEAT	50,0	53,5	0,5	-	53,5	-	+ 3,5	+ 7,0
EGGS AND POULTRYMEAT	94,0	85,5	0,8	85,5	-	-	- 8,5	- 9,0
FRUIT AND VEGETABLES	659,0	667,3	6,1	41,3	646,0	-	+ 28,3	+ 4,3
WINE	350,0	299,5	2,6	26,4	273,1	-	- 50,5	- 14,4
TOBACCO	282,0	309,3	2,7	4,5	275,3	29,5	+ 27,3	+ 9,7
FISHERY PRODUCTS	22,0	23,0	0,2	11,4	11,6	-	+ 1,0	+ 4,5
FLAX/HEMP	19,0	16,8	0,1	-	16,8	-	- 2,2	- 11,6
SEEDS	33,0	32,0	0,3	-	32,0	-	- 1,0	- 3,0
HOPS	6,0	6,2	0,1	-	6,2	-	+ 0,2	+ 3,3
SILKWORMS	1,0	0,3	-	-	0,3	-	- 0,7	- 70,0
DRIED FODDER	56,0	33,5	0,3	-	33,5	-	- 22,5	- 40,2
PEAS AND FIELD BEANS	26,0	27,0	0,2	-	27,0	-	+ 1,0	+ 3,8
NON-ANNEX II PRODUCTS	275,0	221,3	2,0	221,3	-	-	- 53,7	- 19,5
MONETARY COMPENSATORY AMOUNTS	276,0	298,5	2,6	242,6	55,9	-	+ 22,5	+ 8,2
TOTAL	11.507,5	11.315,2	100	5.695,0	4.487,3	1.132,8	- 192,3	- 1,7
%		100	100	50,3	39,7	10,0		

(1) Appropriations entered in OJ No L 242 of 15 September 1980

(2) Intervention for which unit amounts of expenditure are fixed by Community rules

(3) Intervention, consisting of buying-in, storage and disposal, for which EAGGF-financed expenditure is determined on the basis of annual accounts containing standard elements.

In addition, in spite of increased production, the sharp rise in expenditure recorded in previous years slackened in 1980 (1977 : 2,924 m ECU; 1978 : 4,015 m ECU; 1979 : 4,528 m ECU; 1980 : 4,752 m ECU).

This is explained by the fact that the increase in production was not used to manufacture products likely to go into public intervention, because of a rise in the consumption of drinking milk, cheese and butter on the internal market (butter in particular, as a result of the sales at reduced prices) and the growth in demand for some milk products on the world market.

This produced an improvement in the market situation which was reflected in expenditure.

Since exports are the least expensive means of disposing of surpluses in this sector the Community took advantage of the rise in demand on the world market to export additional quantities at lower refund levels. This explains why expenditure on commercial refunds (2,587.8 m ECU) exceeds the estimates (2,418 m ECU). Of this expenditure, 45 % was on butter, 12 % on skimmed milk powder and 43 % on other products.

The increase in the quantities exported reduced the pressure on the internal market, which was reflected in a reduction of intervention expenditure compared with the estimates and even, in certain cases, compared with expenditure in 1979.

As regards skimmed milk, intervention expenditure was 1,302.2 m ECU (estimates 1,867 m ECU; 1979 expenditure 1,671.3 m ECU). The fall in expenditure compared with the estimates is accounted for mainly by the reduction in some aid for disposal. The abolition of the aid for the disposal of skimmed milk powder for use as pig feed and the sharp reduction in public stocks are the main reasons for the drop in expenditure compared with 1979.

For butter, intervention expenditure (647.1 m ECU) was also below the estimates (707 m ECU) but it was in excess of 1979 expenditure (630.5 m ECU). The main reason was a reduction in expenditure on special measures to absorb surpluses of butterfat.

c) In the oils and fats sector, particularly in the case of olive oil, expenditure on production aid and consumption aid (237.9 and 52.3 m ECU respectively) was less than the estimates (323 and 118 m ECU respectively) and even below expenditure in 1979. In this sector the effects of the speed-up in payments caused by the introduction of a system of advances appear to have diminished. Also, the quantities eligible for consumption aid were lower than expected and far below those for which production aid was granted. For oilseeds, expenditure on production aid (340 m ECU) exceeded the estimates (287 m ECU) as a result of increased production, and in particular the 1980 harvest. The latter led to buying-in on a large scale (82,000 t in public stocks on 31 December 1980), resulting in high expenditure on public storage (9 m ECU instead of the 1 m ECU forecast).

d) Sugar sector

In this sector, because of rising prices on the world market, the exports needed as a result of the surplus production (which included imports of 1.3 m tonnes from the ACP countries) could be carried out at little cost.

Expenditure on refunds (286.2 m ECU) was thus less than the estimates (394 m ECU), which explains the reduction in expenditure in this sector compared with the estimates.

e) Beef and veal

Expenditure in this sector for 1980 (1,363.3 m ECU) far exceeded both the estimates (1,178 m ECU) and 1979 expenditure (748 m ECU).

This situation was the result, firstly, of an increase in production after the temporary fall in 1976-78 and, secondly, of stagnating consumption caused by the price relationship between beef and veal and other types of meat being unfavourable to the consumer. A surplus resulted, which led to pressure on the internal market. In order to reduce this and to avoid excessive intervention buying the emphasis was placed on exports, which resulted in an increase in the quantities exported. This was reflected in a sharp rise in expenditure on refunds, which increased from 270 m ECU in 1979 to 715.5 m ECU in 1980 (estimates 460 m ECU). The efforts made in the export field meant that, in spite of some increase in buying-in (330,000 t in 1979 and 410,000 t in 1980), expenditure for 1980 (465.4 m ECU) remained within the estimates (477 m ECU).

- f) In the fresh fruit and vegetables sector, expenditure matched the estimates. On the other hand, for processed fruit and vegetables, expenditure on processing premiums (484.1 m ECU) was more than estimated (443 m ECU).

Expenditure on these premiums in 1979 was 282 m ECU.

- g) In the wine sector, the exceptional harvest in 1979 meant that storage and distillation measures had to be employed on a large scale in order to support the market. As in other years with a big harvest, expenditure (299.5 m ECU), while less than the estimates (350 m ECU), was well up on the previous years.

- h) For the other sectors, expenditure was approximately equivalent to the appropriations. However, in the dried fodder sector, because prices on the world market were fairly high, the additional aid for Community production provided for in the rules was less than estimated.

The result was a reduction in expenditure (33.5 m ECU) compared with the estimates (56.0 m ECU). For non-Annex II products, the reduction of certain rates of refund on the basic products incorporated in them in 1980 resulted in a reduction in expenditure on refunds (221.3 m ECU) compared with the estimates (275 m ECU) and even in comparison with 1979 (252.1 m ECU).

2.1.2. Monetary compensatory amounts (MCAs)

Table 3 shows the difference between the hypotheses used in preparing the budget and the range of MCAs actually applied.

TABLE 3 - MCA levels applied in trade¹

CURRENCY	Rates referred to in the budget (17.12.1979)	Rates recorded in 1980	
		Minimum	Maximum
DM	+ 9,8	+ 8,8	+ 10,8
BFR/LFR/HFL	+ 1,9	+ 1,7	+ 2,4
FF	- 3,7	- 3,7	0
LIT	- 2,3	- 11,1	0
UKL	- 3,5	- 6,6	+ 12,1
IRL	0	0	0
DKR	0	0	0

In 1980 currencies were fairly stable within the European monetary system. There was no change in central rates. However, the lira was subject to downward fluctuations which were sometimes marked, while the pound sterling tended upwards with the result that positive MCAs were introduced for the United Kingdom from the end of March 1980.

With effect from 12 May the representative rates for the French franc and the lira were reduced to the level of the central rates : at the same time MCAs for France and Italy disappeared. However, as a result of movements in the market rate for the lira, MCAs were reintroduced for Italy on 11 June 1980 (- 1.0 at the end of October 1980).

The favourable currency situation was responsible for a considerable reduction in EAGGF Guarantee Section expenditure on MCAs, from 702.4 m ECU in 1979 to 298.5 m ECU in 1980.

¹ For the dairy sector the rates are slightly different from those shown in the table.

2.2. Breakdown of expenditure by type

The following conclusions can be drawn from the table in Annex 4 :

a) refunds

The Community continued its efforts to promote exports, principally of the main surplus products (milk products, sugar, cereals, beef) but also of products which are at present in abundant supply (pigmeat, eggs and poultrymeat). The milk sector accounted for the largest share of expenditure (48.2 %) as a result of efforts to restore stocks of skimmed milk powder and butter to normal levels.

In order to improve the monitoring of exports in this sector, the period of validity of export licences for milk powder was reduced from nine to six months in October 1979 and a period for reflection was introduced in 1980 in the case of advance fixing for the export of butter and milk powder.

In the sugar sector, high prices on the world market led to export levies being charged from May 1980. Therefore, in spite of the high level of exports, expenditure on refunds fell from 685 m ECU in 1979 to 286 m ECU in 1980.

Expenditure on refunds as a percentage of agricultural expenditure remained high (49.5 % against 48.6 % in 1979). It should fall in 1981 since the world market situation in many sectors enabled some rates of refund to be reduced substantially in 1980. Between the beginning and end of 1980 the following reductions were made : wheat -15 %; barley - 50 %; flour - 20 %; malt - 75 %; butter - 33 %; skimmed milk powder - 36 %; sugar : the refund was abolished¹ and replaced by an export levy protecting the consumer against price increases and bringing in substantial receipts for the budget; eggs - 29 %; poultrymeat - 40 %.

b) intervention measures

The major component of expenditure, i.e. the price support measures for the internal market, fell from 34 % in 1979 to 31 % in 1980. The reason for this sharp drop was the low expenditure on MCAs in respect of intra-Community trade (55.9 m ECU against 458.8 in 1979) in spite of the increase in aid for oilseeds (202.3 m ECU in 1979; 340.3 m ECU in 1980).

¹ It had to be reintroduced from April 1981.

The price support measures constitute an income supplement for the producer if they are paid to him directly and a guarantee for the disposal of this produce if they encourage the processing of basic products. Annex 7 gives a breakdown of these measures and shows that most of them benefit producers directly.

As regards expenditure on second category intervention, related to the purchase, storage and disposal of products by the intervention agencies, Annex 5 divides this into the technical costs of storage, interest charges and expenditure resulting from the difference between the buying-in price and the receipts from sales. The last type of expenditure represents the biggest percentage¹.

- c) Expenditure on monetary compensatory amounts continued to fall sharply (see 2.1.2.). It amounted to 298.5 m ECU (708.4 in 1979), representing 2.6 % of all expenditure by the Guarantee Section (10.2 % in 1978; 6.8 % in 1979). It was incurred mainly in respect of sales to non-member countries by some Member States with positive MCAs, including Germany (179.3 m ECU) and the Netherlands (41.6 m ECU). Most of the remaining expenditure (55.9 m ECU) was in respect of intra-Community trade.

2.3. Public stocks

The exceptional cereal harvest in 1980 meant that the major producing countries, i.e. France and Germany, placed large quantities in store. Stocks of wheat and barley (see Annex 6), which amounted to 2 million tonnes at the end of 1979, had risen to nearly 6 million tonnes by the end of 1980. At the year's end these products accounted for the largest proportion of the quantities in public storage, since stocks of skimmed milk and butter fell from around 500,000 t at the end of 1979 to 370,000 t at the end of 1980.

The total value of stocks, calculated on the basis of the capital immobilized, increased (2,583 m ECU against 2,143 m ECU).

¹ See Ninth Financial Report, point 2.2., p. 17.

2.4. Corrections to be made to the breakdown of expenditure by Member State on the basis of monetary compensatory amounts (MCAs)

The council agreed in April 1976, on the basis of Article 2a of Regulation (EEC) No 974/71 concerning the application of monetary compensatory amounts, that the MCAs payable in trade with the United Kingdom and Italy would be paid by the exporting country, as opposed to the importing country. This agreement has since been renewed.

Article 3 of Regulation (EEC) No 1172/76 of 17 May 1976 which set up a financing facility stipulates that, for the purposes of establishing net balances for Member States, the monetary compensatory amounts are to be attributed to the country which has made them necessary through changes in the exchange rates for its currency.

The following table shows the corrections, which result.

TABLE 4

Corrections to be made to the breakdown of expenditure by Member State

Member State	Expenditure not corrected	Corrections	m ECU		
			Corrected expenditure		
			Amount	% 1980	% 1979
Belgium	581,2	- 10,1	571,1	5,1	7,2
Denmark	636,2	- 20,5	615,8	5,4	6,0
Germany	2.482,8	- 29,8	2.452,9	21,7	22,5
France	2.888,7	- 59,0	2.829,7	25,0	21,8
Ireland	584,7	- 20,1	564,6	5,0	4,4
Italy(1)	1.709,8	+ 118,2	1.828,0	16,2	15,9
Luxembourg	11,6	-	11,6	0,1	0,1
Netherlands	1.573,3	- 29,9	1.543,3	13,6	13,2
United Kingdom(1)	833,9	+ 51,3	885,2	7,8	8,9
Community(2)	13,0	-	13,0	0,1	-
Total EEC	11.315,2	0	11.315,2	100,0	100,0

(1) The decrease in these corrections as compared with 1979 results from the reduction in the levels of MCAs applied. For the United Kingdom, following the introduction of positive MCAs, this system became inoperative during 1980.

(2) Direct payments to beneficiaries in the olive oil sector and as a result of the Court's judgments of 4 October 1979 (production refunds for cereals). See annex 2.

2.5. Assessment of the total cost of the Guarantee Section

2.5.1. General development of expenditure

TABLE 5

YEAR	Total expenditure m ECU	% increase from one year to the next
1975	4.522,5	
1976	5.587,1	23,5
1977	6.830,4	22,3
1978	8.672,7	27,0
1979	10.440,7	20,4
1980	11.315,2	8,4

Whereas from 1975 to 1979 the annual increase in expenditure was 23 % on average, it fell to 20 % for the period 1975 to 1980 because of the sharp reduction in the growth of expenditure (8.4 %) from 1979 to 1980. This development, which was in line with the wishes of the budgetary authorities, was the result of the favourable economic situation, the stepping-up of co-responsibility in the milk sector, strict management of the markets and closer coordination with those responsible for financial management.

2.5.2. Agricultural levies

The common agricultural policy, as well as generating expenditure, also constitutes a source of revenue for the Community budget in the form of agricultural levies and sugar production levies, which in 1980 brought in 2,002.3 m ECU.

TABLE 6

Levies under the common agricultural policy

Type of levy	m ECU					
	1975	1976	1977	1978	1979	1980
Import levies	534,0	1.040,1	1.816,9	1.872,7	1.678,6	1.535,4
Sugar production levies	86,0	133,2	320,8	410,6	464,9	466,9
TOTAL	620,0	1.173,3	2.137,7	2.283,3	2.143,5	2.002,3

Since 1978 the increase in these resources has lost momentum because of the relatively high level of world prices, the stabilization of imports and the import concessions made in favour of certain non-member countries.

As regards the sugar levies, Annex 9 shows the relationship between the levies charged and the refunds granted for storage costs for each sugar marketing year since 1968/69. It should be emphasized that the common organization of the market in sugar aims to establish a balance, on a multi-annual basis, between production levies and the reimbursement of storage costs.

2.5.3. Cost in relation to GDP

A comparison of total EAGGF Guarantee Section expenditure in 1980 with the most significant indicator of the general performance of the economy, the Community gross domestic product at market prices (GDP), shows that there has been a slackening of the growth in expenditure. Expenditure represented less than 0.5 % of GDP, which is a relatively small percentage.

3. Changes in the rules governing the EAGGF Guarantee Section

3.1. Council legislation

a) In November 1980 the Commission presented a proposal for a Regulation to the Council with a view to gathering in a single Regulation and consolidating all the detailed provisions on the financing of public storage of agricultural products by the EAGGF Guarantee Section. These provisions are at present contained in nine Council Regulations dating from 1969 to 1972 which have been amended on several occasions. Such consolidation is, moreover, provided for in Regulation (EEC) No 1883/78¹ laying down general rules for the financing of intervention.

Experience gained in recent years had suggested some adjustments to the existing legislation, especially as regards responsibility for good storage.

¹ OJ No L 216 of 5.8.1978, p. 1

- b) Those measures considered as intervention measures aimed at regulating the market and which thus qualify for financing by the Guarantee Section are listed in the Annex to Regulation (EEC) No 1883/78. This Regulation was updated by Regulation (EEC) No 249/80 of 5 February 1980¹ in order to take account of new measures and to delete those which no longer apply.

3.2. Commission legislation

- a) In connection with the cost of financing intervention consisting of the buying-in, storage and disposal of products stored by the intervention agencies, the EAGGF Guarantee Section finances at a standard rate the interest charges incurred by the agencies in respect of the funds they have to obtain for buying in goods.

Regulation (EEC) No 467/77 of 7 March 1977² lays down the method of calculating these charges. Two amendments were made with effect from 1 January 1981³ :

- So as to harmonize the buying-in conditions applied by the intervention agencies and at the same time take account of commercial practice, under the rules governing common market organizations provision may be made for payment for a product bought in by an intervention agency to be effected only after a certain period.

In such cases the EAGGF Guarantee Section bears the interest charges not from the date on which the goods entered into store but from the end of the period in question. For butter and skimmed milk powder, this period was fixed at two months on 5 November 1980 by Regulation (EEC) No 2863/80⁴. This will result in a saving of around 13 m ECU for 1981.

- The standard rate of interest to be applied in calculating the charges had been 8 % since 1974. In the light of the general trend of interest rates in the Community it was raised to 9 % for 1981.

¹ OJ No L 28 of 5.2.1980, p. 1

² OJ No L 62 of 8.3.1977, p. 9

³ Reg. (EEC) No 175/81 of 22.1.1981 (OJ No L 20 of 23.1.1981, p. 14)

⁴ OJ No L 297 of 6.11.1980

- b) The Commission updated the standard amounts which had applied since 31 October 1977 in respect of the physical operations resulting from the storage and processing of agricultural products bought into intervention. This adjustment, which took effect from 1 January 1980, was made by decision of the Commission dated 14 July 1980. It will mean an increase in expenditure of around 1.9 m ECU per year.
- c) Article 8 of Regulation (EEC) No 1883/78, in particular the first subparagraph, stipulates that intervention stocks at 31 December are to be valued at the average purchase price. Therefore, on 19 January 1981, the Commission adopted Regulation (EEC) No 145/81¹ fixing the price to be applied in calculating the value of agricultural products which were in intervention storage on 31 December 1980 and which would be carried forward to the 1981 financial year.

The same Regulation provided for part of the expenditure resulting from the Council decision at the end of 1980 that substantial quantities of products in intervention should be supplied at reduced prices to Poland to be borne by the Guarantee Section. This resulted in expenditure of around 62 m ECU in 1980.

TITLE II

CASH POSITION AND FINANCIAL ADMINISTRATION

4. The system of advances

- 4.1. Article 5(2) of Council Regulation (EEC) No 729/70 on the financing of the common agricultural policy¹ provided for the Community funds intended for making the payments financed by the EAGGF Guarantee Section to be made available to Member States.
- 4.2. Commission Regulation (EEC) No 380/78² laid down the rules for operating the advance system.

By the 20th day of each month the Member States submit to the Commission an application for an advance accompanied by :

- . a statement of the cash position at the end of the preceding month;
- . a statement of expenditure in the month preceding that in which the application is made and the expenditure estimate for the current month and the two following months.

On the basis of the applications received, the Commission decides, within one month and after consulting the EAGGF Committee, on the advances to be paid to Member States, calculated in such a way as to cover expenditure until the end of the quarter to which the estimates accompanying the applications relate.

Advances are paid, into the accounts opened for the purpose by each Member State with the Treasury or some other financial institution, in principle one week before the beginning of the last month covered by the estimates.

Where appropriate, the Member States distribute the Community funds thus received among the authorities they have empowered to make payments.

¹ OJ No L 94 of 28.4.1970, p. 13

² OJ No L 56 of 27.2.1978; replaces Regulation (EEC) No 2697/70, as amended by Regulation (EEC) No 1823/73.

If the funds made available to a Member State are likely to be exhausted before the date on which the next payment is due, a decision may be taken on a special advance.

In practice this system enables :

- the paying agencies to declare their expenditure during the previous month and to update their expenditure estimates by means of a sliding mechanism¹;
- the Commission to determine the advances and to charge the expenditure to the Community budget.

4.3. Expenditure is taken into account in accordance with Title VIII of the Financial Regulation applicable to the general budget of the European Communities².

Global commitments corresponding to the advances decided on by the Commission are entered into immediately. After examination and in principle within two months following receipt of the statements of payment forwarded, monthly expenditure is the subject of :

- commitments itemized according to the budget nomenclature and, at the same time and in respect of the same total, a global release,
- a charge for payment to the items concerned.

Before the close of the financial year those appropriations which remain committed globally, i.e. those which correspond to the advances granted for making payments in the financial year and not used for that purpose, are released and then recommitted globally for the following financial year. As a result, the advance is also transferred to the following year.

Thanks to this mechanism during the financial year, advances can be used regardless of the month for which they were granted and at the end of the year transfers of funds in the form of repayments by the paying agencies to the Member States and by the latter to the Commission are avoided.

¹ A final updating is provided for, in simplified form, before the EAGGF Committee is consulted, which avoids the proliferation of special advances.

² OJ No L 356 of 31.12.1977

4.4. In order to monitor global use of appropriations more effectively, separate advances are decided on to cover the payment of expenditure which is chargeable partly to the Guarantee Section and partly to the Guidance Section of the EAGGF (at present the premiums for the non-marketing of milk and milk products and for the conversion of dairy herds resulting from the application of Regulation (EEC) No 1078/77).

5. Advances to Member States¹

5.1. The Commission decided on 15 advances, including 3 special ones, for 1980. Two of these special advances were for one Member state while the other was for two Member States and was required because expenditure for December had been underestimated.

In respect of the expenditure referred to in point 4.4., which is financed by both the Guarantee Section (60 %) and the Guidance Section (40 %), the Commission adopted 14 decisions on advances, including 2 special ones, each of which was for one Member State and which were required because expenditure for September and December had been underestimated.

In this report this expenditure is shown in full with regard to the cash position and only at 60 % with regard to the budgetary aspects.

5.2. Funds available in the Member States during the financial year

Total funds available to the Member States for disbursements in 1980 amounted to 11,341.7 m ECU², of which 11,256.8 was for the Guarantee Section and 84.9 for the Guidance Section³. Of this amount 11,181 m ECU was spent, leaving a balance of 160.7 m ECU, including 158.1 for the Guarantee Section, on 31 December 1980.

¹ See Annexes 9 and 10

² Not including 203.5 m ECU paid in 1979 and direct payments of 13 m ECU

³ This expenditure represents the Guidance Section's share (40 %) of premiums for the non-marketing of milk and milk products and for conversion to beef production.

TABLE 7
FUNDS AVAILABLE TO AND EXPENDITURE BY THE MEMBER STATES FOR THE 1980 FINANCIAL YEAR
(Guarantee + milk premiums 100 %)
m ECU

Member State	Balance on 31.12.79	Advances for 1980 financial year (including exchange differences)	Total available for 1980 finan- cial year	Expenditure from 1.1.80 to 31.12.80	Funds available on 31.12.80	Use of advances
	(a)	(b)	(c)=(a)+(b)	(d)	(e)=(c)-(d)	(f)=(d)/(c).100
BELGIUM	- 10,7	603,-	592,3	566,9	25,4	95,7
DENMARK	- 13,6	651,8	638,2	621,6	16,6	97,4
GERMANY	- 43,4	2.571,9	2.528,5	2.495,7	32,8	98,7
FRANCE	- 59,1	2.936,-	2.876,9	2.860,5	16,4	99,4
IRELAND	- 17,8	599,5	581,7	569,3	12,4	97,9
ITALY	- 15,5	1.758,8	1.743,3	1.708,7	34,6	98,-
Luxembourg	- 0,2	11,9	11,7	11,7	P.M.	100,-
NETHERLANDS	- 28,8	1.552,4	1.523,6	1.501,5	22,1	98,5
UNITED KINGDOM	- 10,2	855,7	845,5	845,1	0,4	100,-
TOTAL	- 199,3	11.541,-	11.341,7	(1) 11.181,-	160,7	98,6
of which :						
Guarantee	- 203,5	11.460,3	11.256,8	11.098,7	158,1	98,6
Guidance	+ 4,2	80,7	84,9	82,3	2,6	96,9

(1) Not including 203.5 m ECU charged to 1980 and direct payments of 13 m ECU.

5.3. Rate of utilization of the funds available

The ratio between payments made in 1980 and the funds available to the Member States for this purpose shows that 98.6 % of these funds were used (Table 7, column f).

In addition, a comparison between the average of the funds available to cover expenditure in each month and the average of the balances available after payment indicates an average rate of utilization of 90.2 % (Table 8, column c).

This is a very definite improvement on the three previous financial years : 64 % in 1977 and 77 % in 1978 and 1979. It is due to an improvement in the implementation of the advance system by the Commission and the Member States combined.

5.4. Direct payments

During 1980 the sum of 3,965,497.14 ECU was paid directly by the Commission to beneficiaries, including 3,779,443.72 as a result of the judgements of the European Court of Justice of 4 October 1979 (production refunds for maize grits) and 186,053.42 for expenditure connected with the amount diverted from the consumption aid for olive oil.

In addition, the sum of 9 m ECU was committed in 1980 and paid in 1981.

6. Administration of appropriations

It should be remembered that as a result of the late adoption of the budget (9 July 1980) financing during the early months of the year was based on the system of provisional twelfths (article 8 of the Financial Regulation).

This system, which is essentially an interim method of financing until the adoption of the budget, led to certain difficulties in continuity for the financing of the Common Agricultural Policy as a result, on the one hand, of being applies for an extended period of 'time', and in the other hand, of the increases in expenditure.

However, the adoption of the budget on 9 July 1980 avoided the necessity for supplementary provisional twelfths.

TABLE 8
AVERAGE RATE OF USE OF COMMUNITY FUNDS
FOR 1980

(Guarantee + milk premiums 100 %)

			M ECU
Member State	Average Community funds available in the Member States for one month's expenditure (Annexes 11 and 12, Line C)	Average balance available after one month's expenditure (Annexes 11 and 12, Line E)	Average rate of utilization
	(a)	(b)	$(c) = \frac{(a) - (b)}{(a)} \cdot 100$
BELGIUM	58,2	10,9	81,3 %
DENMARK	58,7	6,9	88,2 %
GERMANY	235,4	27,5	88,3 %
FRANCE	266,1	27,8	89,6 %
IRELAND	54,2	6,7	87,6 %
ITALY	150,6	8,2	94,6 %
LUXEMBOURG	1,4	0,3	78,6 %
NETHERLANDS	144,8	19,8	86,3 %
UNITED KINGDOM	63,3	- 7,2	111,4 %
CEE	1.032,7	100,9	90,2 %

6.1. Available appropriations

Initial budget	11,507.5 m ECU
Transfer to Chapter 83	2.3 m ECU
	11,505.2 m ECU

6.2. Transfers of appropriations

The way in which expenditure was developing during the year led the Commission to propose, in two stages, transfers of appropriations between chapters within the EAGGF.

The Council approved the two Commission proposals on 17 December 1980 and 23 March 1981. The appropriations transferred between chapters (371 m ECU) represent about 3 % of all appropriations.

The sectors which had to receive more appropriations were as follows, in order : beef and veal, cereals, fruit and vegetables, tobacco, monetary compensatory amounts, pigmeat, rice and fisheries.

Lastly, a transfer of 2.3 m ECU to Chapter 83 (Guidance Section) was approved (see Table 9).

6.3. Expenditure

6.3.1. Expenditure entered in the accounts for 1980 amounts to 11,315,172,456.63 ECU. This includes, in addition to expenditure declared by the Member States as having been paid in 1980, 203.5 m ECU which could not be charged to 1979 for lack of appropriations and 13 m ECU of direct payments by the Commission.

A detailed analysis of expenditure by sector is given in the first part of this report in Table 2 and at Annex 1. Table 10 below gives the breakdown of expenditure by Member State.

This breakdown should be treated with caution because the time taken to make payments can vary considerably from one Member State to another and the expenditure made by the paying agencies in a given Member State cannot be considered as national expenditure since the Community is a unified economic area for agricultural products.

6.3.2. Budget operations

6.3.2.1. Commitments

TABLE 9
TRANSFERS OF APPROPRIATIONS

1000 Ecu

Sector	Chap.	Initial appropriations	Transfers of approps within Guarantee Section	Appropriations available	Expenditure in 1980
Cereals	60	1.616.398	+66.950	1.683.348	1.669.281
Rice	61	49.995	+15.000	64.995	58.737
Milk Products	62	4.929.646	-19.750	4.909.896	4.751.976
Oils and Fats	63	787.000	-99.000	688.000	687.288
Sugar	64	696.471	-119.700	576.771	575.202
Beef and veal	65	1.178.000	+192.950	1.370.950	1.363.311
Pigmeat	66	100.000	+15.700	115.700	115.638
Eggs, poultrymeat	67	94.000	-8.450	85.550	85.494
Fruit, vegetables	68	659.000	+28.550	687.550	687.318
Wine	69	350.000	-50.350	299.650	299.490
Tobacco	70	282.000	+27.900	309.900	309.321
Other sectors	73	191.000	-21.450	169.550	169.334
Non-Annex II	74	275.000	-53.700	221.300	221.256
Accession CAs	75	1.000	-950	50	44
MCAs	78	276.000	+23.000	299.000	298.523
Fisheries	88	22.000	+1.000	23.000	22.959
TOTAL		11.507.510	(*) -2.300	11.505.210	11.315.172

(*) This amount was transferred to Item 8312 : non-marketing premiums, Guidance Section part.

	<u>ECU</u>
- Global provisional commitments corresponding to the advances paid to Member States in respect of 1980	11,460,306,915.98
- Commitments for direct payments	12,965,497.14
	<hr/>
	11,473,272,413.12
- Commitments itemized in accordance with budget nomenclature	11,315,172,456.63
	<hr/>
- Balance of global commitments cancelled in respect of 1980 and recommitted for 1981	158,099,956.49
	=====

6.3.2.2. Charges for payments

With the exception of a sum of 9 m ECU committed for direct payments by the Commission following the judgments of the Court of Justice, the amounts charged for payment, which totalled 11,306,172,456.63, corresponded to the specific commitments by budget item.

6.4. Carryovers of appropriations

6.4.1. There was no carryover of appropriations from 1979 to 1980.

6.4.2. The appropriation of 9,000,000 ECU committed in 1980 for direct payments by the Commission was carried over automatically to 1981.

6.5. Summary of the implementation of the 1980 budget

Implementation of the EAGGF Guarantee Section part of the 1980 budget can be summarized as follows :

Initial budget	ECU 11,507,510,000.00
Transfer to Chap. 83	ECU 2,300,000.00
	<hr/>
	ECU 11,505,210,000.00
Charges for payments	ECU 11,306,172,456.63
	<hr/>
	ECU 199,037,543.37
Appropriations committed and carried over to 1981	ECU 9,000,000.00
	<hr/>
Lapsed unused appropriations	ECU 190,037,543.37
	=====

TABLE 10

Breakdown of 1980 expenditure by Member State
and by type of financing¹

Member State	Refunds m ECU	Intervention m ECU	Totals 1980		1979 %
			m ECU	%	
BELGIUM	450.5	130.7	581.2	5.14	7.53
DENMARK	453.3	182.9	636.2	5.63	7.25
GERMANY	1,091.4	1,391.4	2,482.8	21.97	23.85
FRANCE	1,559.0	1,329.7	2,888.7	25.56	23.74
IRELAND	357.2	227.5	584.7	5.17	5.49
ITALY	250.0	1,459.8	1,709.8	15.13	12.64
LUXEMBOURG	8.1	3.5	11.6	0.10	0.13
NETHERLANDS	1,187.9	385.4	1,573.3	13.92	14.31
UNITED KINGDOM	338.9	495.0	833.9	7.38	5.06
TOTAL ²	5,696.3	5,605.9	11,302.2	100 %	100 %

¹ This takes no account of corrections to the breakdown of expenditure by Member State when the exporting Member State pays the MCAs instead of the importing Member State (see Table 4) or of the transfers of receipts between intervention agencies when agricultural products are transferred at "nil" prices.

² Not including 13 m ECU for direct payments (see 5.4.).

TITLE III

7. INVESTIGATIONS, IRREGULARITIES AND RELATED ACTIVITIES

7.1. Investigations

7.1.1. Powers

The administrations in the Member States are responsible for giving effect to Community rules and thus have the primary responsibility for ensuring the factual and procedural correctness of the operations financed by the Fund.

Additional national checks, in the form of inspection visits or investigations, are sometimes initiated by the Commission¹ when it considers them necessary. Wherever possible, Commission officials take part.

The Commission staff also carry out a wide range of checks¹, which are coordinated by an interdepartmental working group.

In the verification of expenditure financed by the Guarantee Section, leaving aside the checks made in connection with the clearance of the accounts, a distinction is made between investigations into suspicious cases and "selective" checks. The checks generally cover all the Member States and are intended to examine problems encountered in a particular sector or sphere.

7.1.2. Selective checks undertaken

In 1980 a selective check was made in all the Member States with regard to the co-responsibility levy and the measures to expand outlets for milk and milk products. Member States have received a copy of the parts of the report which concern them. Certain matters under dispute will be settled in connection with the clearance of the accounts.

¹ Legal basis : Reg. 729/70 and Reg. 283/72.

7.1.3. Investigations undertaken

In 1980 the Commission made use of its power to initiate investigations by the Member States in 14 cases, 7 of which related to dairy products, a sector which remains sensitive because of its financial significance and complexity. The other investigations related to cereals, fruit and vegetables, beef and veal, oils and fats, pigmeat, sheepmeat and sugar.

These investigations related to one or more Member States, as follows :

	B	DK	D	F	IRL	IT	LUX	NL	UK	TOTAL
	1	0	3	1	1	3	0	2	3	14

In 3 cases the suspicion of irregularity proved to be unfounded. Three investigations uncovered irregularities within the meaning of Article 3 of Regulation 283/72. Three unfinished investigations will have financial consequences still to be determined. Five investigations were still in progress at the end of 1980.

In addition, 15 investigations commenced earlier were still pending; 5 investigations will have financial consequences to be dealt with in connection with the clearance of the accounts.

7.2. Irregularities

It is the responsibility of the Member States to take the necessary action to prevent and deal with irregularities and to recover sums lost. However, where recovery proves impossible, the Community bears the financial consequences, provided that the loss is not attributable to the Member State's administration. This joint responsibility required a system of notification and coordination, which was introduced by Regulation (EEC) No 283/72.

7.2.1. Cooperation and prompt notification

The Member States and the Commission have established a system of active cooperation which takes the form of :

- the prompt exchange of information concerning irregularities liable to have rapid effects beyond the Member State concerned and irregularities involving a new fraudulent practice;
- meetings of the EAGGF Irregularities Group at which experts from the national authorities and the Commission review all the information exchanged.

Notifications under the rapid information system were as follows :

	B	DK	D	F	IRL	IT	LUX	NL	UK	COM	TOTAL
TOTAL 1972-1979	10	0	9	11	11	1	0	2	49	10	103
TOTAL 1980	3	0	1	1	0	0	0	0	1	1	7

annual average : 12

The information exchanged related mainly to milk products. Some investigations are in progress (see above). The total of 7 notifications for 1980 seems low compared with the average but this figure should not necessarily be interpreted as implying a general slackening of vigilance or cooperation since 8 notifications have already been made during the first quarter of 1981.

7.2.2. Irregularities detected

The 1979 financial report mentioned the imbalance between Member States as regards the number of cases of irregularity notified. The EAGGF began an inquiry into this situation in 1979 which was still not completed in 1980. Leaving aside Germany, in 1980 this imbalance was slightly reduced :

B	DK	D	FR	IRL	IT	LUX	NL	UK
4	11	93	37	1	21	-	25	54

Germany, Denmark and the United Kingdom make the most systematic checks of the commercial documents of beneficiaries (see 7.2.5.).

The Member States are required to notify the Commission quarterly of the irregularities detected and the progress made in the recovery of over-payments. Details can be found in Annex 16. It is apparent from this table that the number of cases of irregularity reported in 1980 was much greater than in previous years :

	1973	1974	1975	1976	1977	1978	1979	1980
m ECU	1.3	4.3	3.0	5.6	9.0	2.9	2.0	21.5 ¹
Of which recovered	0.7	1.0	1.3	2.4	2.2	1.0	1.3	1.6
Number of cases	- annual average : 120 -							246

a) The surprising increase in the number of cases, 246 in 1980 compared with an annual average of 120, calls for some comment. It is accounted for by :

- 59 cases involving the premium for the non-marketing of milk (60 % chargeable to the Guarantee Section and 40 % chargeable to the Guidance Section).

Financing of this measure by the Guarantee Section is a fairly recent innovation and it should be pointed out that the financial significance of these cases is very slight. In most cases the sums have already been recovered.

It should be noted that the rules provide for payment in instalments and that before the payment of each instalment the national authorities must ensure that the farmers are continuing to abide by their obligations. In a number of cases the beneficiaries themselves have informed the competent authority of their intention to leave the scheme and have repaid premiums received. The EAGGF is examining whether such cases should in future be left out of the statistics on irregularities in this report.

¹ Following a recent legal decision in a specific case this sum will probably be reduced to 17.0 m ECU (see 7.1.2.b, first indent).

- 41 cases involving aid for skimmed milk for use in compound feeding-stuffs, of which 30 were due mainly to an important case discovered in one Member State where a number of undertakings and in one case the intervention agency itself bought a "skimmed milk powder" which was essentially an artificial product resembling natural milk powder as regards its content of proteins and other constituents. This product was manufactured and marketed by two dairies and partly sold by a single importer.

Regulation 1725/79 considerably reinforced the provisions concerning checks on the incorporation of skimmed milk into compound feeding-stuffs and new methods of analysis were introduced as a result of detailed scientific research carried out by a number of laboratories throughout the Community. These methods will be amalgamated after a running in period.

The Commission hopes that these measures will help to prevent irregular operations in this sphere.

- 19 cases, with minimal financial impact, involving olive oil. In addition, since the advances paid to producer groups had appeared high in certain cases, at the instigation of the Commission the Italian authorities carried out additional checks in 1981 before continuing payments.
- 11 recent cases involving apples withdrawn from the market for animal feed and sold to processing factories.

The EAGGF Irregularities Group is currently studying the information available. This may result in the rules on intervention being submitted to the Management Committee for Fruit and Vegetables for amendment.

b) The financial impact of irregularities

In 1980 the sum of undue expenditure as a result of irregularities - which diverged considerably from the annual average - included certain cases with a high financial impact¹ :

- The "ships' supplies" case (1972 to 1978)

National investigations involved a sum of 5 m ECU but in all fairness it must be added that this was recently reduced to 480,000 ECU. The EAGGF is examining the situation.

This case was made possible by weaknesses in the administration of expenditure by the paying agency of the Member State concerned. Moreover, this fraud closely resembles another perpetrated at the expense of the same paying agency. The Member State concerned has now adopted stricter control measures and the Commission will monitor their effectiveness.

- The "milk powder" case (1978 to 1979)

The 30 individual cases involved a total of 7.4 m ECU. The nature of this irregularity is explained above in the section on the number of irregularities. The extent of its financial impact is explained by the fact that about 30 undertakings used the product, adding it, sometimes in small quantities, to their production of compound feedingstuffs. Thus the minimum skimmed milk powder content was less than the 60 % laid down in the rules. The Member State therefore requested reimbursement of all the aid, including the aid for the natural powder used in the products. The firms involved continue to assert their good faith and almost all have started legal proceedings.

¹ These cases, although discovered and notified in 1980, in fact relate to earlier years.

- Exports of maize meal (1978 to 1979)

These involved a total of 1.7 m ECU. The rate of refund depends on the meal's fat content, so in order to obtain a better rate a lower fat content was declared. This type of irregularity should be easily detected if Directive 77/435 is scrupulously applied (see 7.2.5.).

- Aid for processing citrus fruit (1974 to 1978)

This irregularity involved 1 m ECU. The possibility of amending the rules was considered but rejected since new measures would disturb the normal markets and this would probably entail additional expenditure for the EAGGF. Member States will therefore have to step up their controls in respect of these measures.

7.2.3. Recovery of amounts unduly paid

The general situation as regards amounts recovered is shown in Annex 17.

7.2.4. Training of EAGGF monitoring officials

Because of the advantage to the Community of seminars to improve the training of national officials responsible for surveillance of operations financed by the EAGGF, in 1980 the Commission :

- helped to organize a training seminar in Berlin for German inspectors in the wine sector;
- organized in-service training courses for national officials with the relevant authority in another Member State, to enlarge their experience of operations connected with the Guarantee Section financing system. There was a final seminar in Brussels for the officials who took part in these exchanges, so that they could discuss what they had learned.

7.2.5. Audit of commercial documents

Article 11 of Council Directive 77/435/EEC stipulates that "Member States shall bring into force the provisions needed in order to comply with this Directive not later than 1 July 1979, and shall forthwith inform the Commission thereof". Since five Member States had not met their obligations in spite of two reminders, the Commission sent a letter to the governments concerned. Two governments then notified the Commission of the national rules they had adopted. The three other Member States have committed an infringement : a reasoned opinion was addressed to them in April 1981.

To facilitate the implementation of the Directive the Commission staff clarified the following points in working documents :

- field of application of the Directive, and special cases;
- special chapter on the application of the Directive to be included in the annual report provided for in Article 4(3) of Regulation (EEC) No 729/70;
- distinction between the Community's own resources and the Guarantee Section financing system.

A meeting between national experts responsible for the application of the Directive and Commission officials gave rise to an exchange of views on the possibility of including the checks provided for in specific Community regulations (e.g. Regulation (EEC) No 1725/79 on skimmed milk powder) in the checks under the Directive.

TITLE IV

8. CLEARANCE OF ACCOUNTS

The main problem with the clearance of accounts remains the need to reduce the backlog and speed up clearance procedures. By streamlining the work process and reorganizing audit methods, it is hoped to reduce the delay between the year in which expenditure is incurred and the date of the Commission's decision clearing the accounts in question, and so improve the present unsatisfactory situation.

If delays continue there is a danger that Member States which are disregarding the rules will continue to do so for several years before they are refused payment, thus magnifying the effect of their action. Sound financial management is anyway all the more necessary today because the budget funds allotted to the EAGGF Guarantee Section are getting larger every year.

Budget constraints and limits on staffing have made it impossible for the Commission so far to devote adequate resources to the operation.

8.1. 1974 and 1975 accounts

The results of the checks were communicated to the Member States in official letters sent out in October 1979. Most of the replies with Member States' comments were not received at the Commission until the end of the first quarter and during the second quarter of 1980, considerably slowing down the dialogue procedure, which continued with bilateral meetings with each of the national delegations in the course of the third quarter. The EAGGF was led to change its initial position in a number of cases after close re-examination of matters in dispute, as a result of additional information and supporting documents provided by Member States. Conclusions incorporating the results of the dialogue procedure were included in a summary report dated 23 December 1980, although on a number of matters the EAGGF still did not have enough information by the end of 1980, in spite of several reminders, to be able to determine the amount of eligible expenditure. By this date, too, the Court of Justice had still not given a judgment in Cases 819/79 and 1251/79 concerning two disputes from 1973 (see 8.4.). The final conclusions and consultation of the EAGGF Committee cannot therefore follow until mid-1981.

While the clearance of accounts operation may therefore appear particularly long, it will nonetheless have had the merit of making it apparent that two distinct phases are involved :

- (a) Documentary verifications and inspection visits, ending with letters to the Member States informing them of the EAGGF's findings;
- (b) A dialogue between the EAGGF and the Member States, giving the latter an opportunity to comment on the findings and to further justify and elucidate their expenditure; the financial implications are also worked out. The second phase attempts to resolve disputes as far as possible, and ends with the production of a summary report in which the EAGGF draws the conclusions from its checking operation and indicates the financial impact; this document is then the basis for clearance decisions.

While the time taken for the first phase is entirely the Commission's responsibility, this is not true of the consultation phase. In respect of the length of the dialogue procedure, the EAGGF is dependent on the time taken by the Member States to provide the additional supporting evidence and data needed for the final corrections. The time required is therefore determined by the complexity and size of the difficulties encountered.

8.2. 1976 and 1977 accounts

The checks on the accounts for 1976 and 1977 were completed at the end of 1980 and the dialogue stage is to commence during the first half of 1981.

Since most of the problems encountered had already arisen in the course of the clearance operation for 1974 and 1975, it should be possible to shorten the dialogue procedures considerably in view of the fact that the Commission will be adopting its decisions on 1974 and 1975 around the middle of 1981.

The clearance operation for 1976 and 1977 should therefore be completed during the first half of 1982.

8.3. 1978 and 1979 accounts

8.3.1. Receipt of declarations

Declarations relating to 1978 were to have been received by 1 October 1979 of the following year as is normal practice. The table below shows that only three Member States were able to meet this deadline.

TABLE 11

Member State	Date declarations were sent (date of main declaration)	
	1978	1979
Belgium	22.10.1979	12.08.1980
Denmark	29.08.1979	27.06.1980
Germany	12.09.1979	14.07.1980
France	06.02.1980	31.07.1980
Ireland	12.02.1980	21.11.1980
Italy	26.10.1979	01.09.1980
Luxembourg	28.09.1979	18.08.1980
Netherlands	30.01.1980	22.08.1980
United Kingdom	29.04.1980	15.09.1980

In November 1979, the Commission proposed a different timetable for the communication of declarations for the 1979 and subsequent financial years, so as to ensure that continuing delays in sending declarations did not become a serious handicap to auditing work and hold up clearance operations from 1980 onwards. It was agreed at the EAGGF Committee meeting on 11 January 1980, on the basis of this proposed timetable, that as from the 1979 financial year clearance declarations would be submitted by July of the following year at the latest so that they could be examined after filing and distribution, from September onwards. If the documents could not be sent in final official form by that date, they would be submitted unofficially and the official declaration made by 1 September. Although only three Member States managed to keep the first deadline, most of them met the second; this represented a marked improvement (see Table 11).

8.3.2. Verification

Documentary verifications and inspection visits began at the end of 1980 for the two years together and, in view of the work still to be done on clearances for previous years, will continue throughout 1981.

8.4. Consequences of judgments given by the Court of Justice

In judgments delivered on 25 November 1980, 14 January 1981 and 17 January 1981 in Cases 820/79, 819/79 and 1251/79¹, the Court endorsed the Commission's position in the 1973 clearance operation that "freight prepaid" bills of lading could not be accepted as proof of arrival in the case of differentiated refunds, that control agencies should have prior notice of skimmed milk powder denaturing, and that storage contracts must conform to Community rules in order to confer entitlement to aid for the long-term storage and relocation of table wine. Since these issues were similar to several raised in connection with the 1974 and 1975 clearances, the Commission will apply to these the same principles as in 1973.

¹ See Ninth Financial Report, point 8.1.4.

TITLE V

FINANCING OF COMMUNITY FOOD AID FOR PRODUCTS
FALLING UNDER COMMON ORGANIZATIONS

9.1. Main features of Community food aid programmes

9.1.1. Introduction

The Community's 1980 food aid programmes, adopted at the end of May 1980, made available to recipient countries and organizations a total of 150,000 tonnes of skimmed milk powder, 45,000 t of butteroil, 720,500 t of cereals and 7,200 t of sugar.

To relieve specific emergencies in a number of non-member countries it was decided to provide further food aid in the form of 2,498.28 t of pigmeat, 6,131.196 t of red kidney beans and 2,835 t of colza oil.

On 31 December 1980, there were still some 300,000 t of cereals, 127,000 t of skimmed milk powder, 33,961 t of butteroil and 7,200 t of sugar remaining from the 1980 and earlier programmes.

Apart from Community food aid proper, mention should be made of the Member State's annual contributions for 1980 under the 1971 Food Aid Convention, amounting to some 568,500 t of cereals (national aid commitments), to which should be added various amounts of non-Convention aid.

All of this aid was financed in whole or in part by the Community. Amounts, equal to the export refunds, were charged to the EAGGF Guarantee budget, the equivalent of the aid in terms of world prices being charged either to Chapter 92 (Community aid) or to national budgets (national aid both under and outside the Convention).

This section only deals with expenditure under Chapter 92 of the budget of the European Communities, with the exception of Items 9250 (expenditure under the Convention between the Community and UNRWA), 9260 (exceptional implementing measures) and 9261 (quality control of products provided as food aid), these being items administered by another department (the Directorate-General for Development).

The financial data also do not take account of 15 direct payments totalling 22,285,000 ECU provisionally made from Chapter 92 (Food Aid) by Council Decision of May 1980 in order to meet an immediate financial aid requirement for Kampuchea and Zimbabwe.

Chapter 92's initial allocation was made up again on 17 September 1980 by a transfer from Chapter 95, which thus became the ultimate source of the payments in question.

9.1.2. Mobilization procedure

Products to be supplied under food aid programmes are normally obtained from common organization resources.

As a rule, mobilization takes the form of a tendering procedure, whether the products come from public intervention stocks or are bought on the Community market. In the former case the call for tenders applies to transportation and any processing required, in the latter to the value of the goods plus the other costs mentioned.

In very rare cases, mobilization consists of purchasing the products on the Community or world market by private contract (emergencies, non-availability on the Community market, etc.). The stage to which Community financing extends is either f.o.b., c.i.f. or free at destination within the recipient country, depending on the terms laid down by the Council when adopting annual programmes or individual schemes.

9.1.3. Food aid supplied

The table below gives approximate figures for the food aid supplied in 1980.

TABLE 12

Products	1980 Programme	Earlier Programmes	Various	TOTAL
Cereals (wheat equivalent)	402,750	254,900	-	657,650
Butteroil	17,800	26,600	-	44,400
Skimmed milk powder	54,200	89,800	-	144,000
Sugar	-	6,086	-	6,086
Pigmeat	-	-	2,498	2,498
Red kidney beans	-	-	6,131	6,131
Colza oil	-	-	2,835	2,835

9.1.4. Payments

Payments for food aid are made by the intervention agencies on presentation of the required documents by the successful tenderer. In the case of products bought on the world market, however, payments were made direct by the Commission. The necessary funds under Chapter 92 are made available to Member States on the monthly advance system, following a procedure similar to used for Guarantee Section funds.

9.2. Cash position

9.2.1. Advances

The monthly advances requested by Member States and approved by the Commission totalled 288,698,949.11 ECU in the 1980 financial year (see Annex 19, column (b)).

The table below gives a breakdown among the Member States of the advances approved, the expenditure incurred and the rate of utilization of the advances.

TABLE 13

Breakdown and utilization of monthly advances in 1980

Member State	Advances in ECU ¹	Expenditure to 31.12.80 (2)	Utilization rate (%)
Belgium	44,207,094.41	45,813,273.30	104
Denmark	- 5,057,827.57	- 5,274,361.91	104
Germany	126,333,826.80	93,976,570.36	74
France	78,544,559.81	78,928,853.84	101
Ireland	5,378,664.36	3,321,112.57	62
Italy	29,433,659.59	28,362,266.05	96
Luxembourg	5,924,609.71	5,037,716.75	85
Netherlands	10,607,002.56	12,672,100.21	120
United Kingdom	25,451,044.98	13,830,303.06	54
EEC TOTAL	320,822,634.65	276,667,834.23	86

¹ Incl. balance remaining on 31 December 1979 as given in Ninth Financial Report (year 1979, p. 82, Table A II, col. (e)), totalling 32,123,685.54 ECU (ECU conversion rates on 20 November 1979)

² Expenditure declared by the Member States

A comparison of these figures with those for the previous year shows a roughly 14.5 % increase in food aid expenditure. The rate of utilization only differs by two points from the 1979 figure (88 %).

9.2.2. Changes in the cash position

Annex 19 shows the cash position at 31 December 1980. The sum available comes to 44,154,800.42 ECU for the Community as a whole (non-adjusted and given in a breakdown by Member State). These advances that had not been used by the Member States by 31 December 1980 have been adjusted to reflect the ECU conversion rates applicable to advances in January 1981 (Annex 19, column (e)).

This book-keeping operation has no effect on the balance of the food aid accounts which are kept in national currencies by the Member States.

9.3. Administration of appropriations

9.3.1. Total appropriations available in 1980

The appropriations available (see Annex 21) were, in ECU :

- carried forward from 1979 because of deferred implementation of some food aid schemes	137,099,239.40
- new appropriations in 1980 budget	<u>389,844,000.00</u>
TOTAL appropriations available and committed	<u>526,943,239.40</u> =====

9.3.2. Payments

(a) Expenditure declared by the Member States

Table 13 and Annexes 19, 20 and 21 give expenditure as declared by the Member States, totalling 276,667,834.23 ECU¹.

The amounts charged to the budget in 1980 will not necessarily be the same as those in the final accounts to be shown subsequently in the Commission's clearance decisions.

The differences between the advances approved and actual expenditure represent the balances remaining on 31 December 1980.

These balances are considered as advances for 1981 and Member States may accordingly use them to meet expenditure incurred in 1981.

(b) Direct payments

Apart from the advances paid to intervention agencies in the Member States, the Commission has - as in the past - made a number of direct payments to certain recipient countries and agencies as contributions towards the cost of transporting and distributing food aid supplies.

A number of contracts were also concluded through the Commission for purchases of food on the world market and the EAGGF Guarantee Section made the relevant payments.

¹ The 0.01 ECU difference between the totals in the tables is due to rounding.

Total direct payments in 1980 came to 37,151,343.22 ECU (see Annex 21).

The table below gives the breakdown among recipients.

TABLE 14

Recipients	Direct payments in ECU
India	2,697,423.14
Chad	24,666.98
Ethiopia	523,696.47
Nicaragua	7,596,110.11
Somalia	536,209.97
Jamaica	684.56
UNHCR (various)	314,183.82
Bangladesh	3,544,355.87
WFP (various)	17,247,402.04
Sudan	124,377.53
Catholic Committee (Kampuchea)	354,384.47
Zambia	775,027.68
Tanzania	48,799.08
El Salvador	18,230.48
CICR (Kampuchea)	55,240.00
NGO (various)	2,438,828.51
LICROSS (various)	39,340.00
UNRWA (various)	812,382.51
TOTAL	37,151,343.22

9.3.3. Charging to the budget

The amounts of expenditure declared by the Member States are, in principle, charged as a global sum to the budget every month, while direct expenditure by the Commission is charged on a case-by-case basis.

The 1980 budget contained a separate heading (Items 9240 and 9241) for transport costs beyond the f.o.b. stage (this being an innovation compared with previous budgets).

The Commission staff separated costs to the f.o.b. stage from maritime freight charges on the basis of information in their possession.

As from the 1981 financial year, the Member States will distinguish between the two amounts themselves in their monthly expenditure declarations.

9.3.4. Transfers

During the 1980 financial year, it was necessary to transfer funds within Chapter 92 to adjust the amounts available under each item to requirements as they emerged from the Member States' monthly expenditure declarations, from payments in respect of aid for which the relevant item only contained a token entry, or from estimates of the implementation of 1980 and earlier programmes in 1981.

The table below summarizes the transfers effected :

TABLE 15 : TRANSFERS

ECU			
Item	Budget appropriation	Transferred amounts	Reason
9200	4,997,000	+ 10,993,833.74	Expenditure by Member States (1980)
9201	81,282,000	+ 7,006,166.26	Estimated expenditure 1981
9202	149,000	+ 3,918,066.35	Expenditure by Member States (October, November, December 1980)
9212	9,700,000	+ 293,237.62	Expenditure by Member States (December 1980)
9213	67,835,000	+ 6,006,762.38	Estimated expenditure 1981
9220	p.m.	+ 2,250,000.00	Expenditure by Member States (1980)
9221	1,779,000	+ 350,000.00	Extra shipment of sugar (1,000 tonnes)
9230	p.m.	+ 400,000.00	Algeria - chickpeas
		+ 230,000.00	Malta - pigmeat
		+ 3,900,000.00	Nicaragua - beans
		+ 130,059.83	Expenditure by Member States (December 1980)
9203	29,780,000	- 3,918,066.35	
9210	24,718,000	- 350,000.00	
9211	109,955,000	- 910,059.83	
9241	52,164,000	- 30,300,000.00	
		- 0 -	

9.4. Appropriations carried forward to 1981

Under the 1977 Financial Regulation, the 1980 budget appropriations were committed as soon as the programmes were adopted by the Council. Accordingly, appropriations committed in 1980 which did not lead to payments were automatically carried over to 1981. The amount involved was 213,077,505.86 ECU.

9.5. Closure of accounts

9.5.1. Verification

A detailed statement of expenditure is drawn up for each food aid measure by the intervention agency concerned in the form prescribed by the Financial Regulations.

These documents are thoroughly checked on receipt against information in the possession of the Commission, in particular in respect of intervention prices, tender prices and the amounts of refunds.

This scrutiny is followed by visits to the paying agencies.

9.5.2. Clearance of accounts

The Commission staff continued in the course of the 1980 financial year with their efforts to complete earlier clearance operations. EAGGF officials spent 66 days verifying expenditure on the spot at the Luxembourg, Belgian, French, Netherlands and Italian intervention agencies in respect of 1976 and 1977 and at the Irish, United Kingdom and Danish agencies in respect of 1977, 1978 and 1979.

By taking two financial years at a time it is hoped to make good the present delay (about five years) in clearing accounts over the next few years (see page 38).

(52)

ANNEXES

LIST OF ANNEXES

	<u>Page</u>
<u>Guarantee Section</u>	
1. Summary of implementation for the 1980 financial year	53
2. Expenditure charged to the 1980 financial year	54 - 64
3. EAGGF expenditure by sector (1975-1979)	65 - 66
4. Breakdown of expenditure by sector and economic category	67 - 68
5. Breakdown of intervention in respect of storage costs	69
6. Quantity and value of products in public storage	70
7. Breakdown of expenditure on price compensation aids	71
8. Overall cost of the Guarantee Section in relation to GDP	72
9. Equalization of storage costs for sugar	73
10. Guarantee Section advances and funds available in Member States	74
11. Advances and funds available for milk premiums	75
12. Guarantee Section funds available to Member States by month	76
13. Milk premiums funds available to Member States by month	77
14. Exchange rates 1980	78
15. Exchange differences 1980	79
16. Cases of irregularity (1980) and amounts recovered	80
17. Cases of irregularity (1971-80) and amounts recovered	81
 <u>Food Aid</u>	
18. Summary of implementation for the 1980 financial year	82
19. Cash position at 31.12.1980	83
20. Expenditure declared by the Member States	84
21. Budget appropriations 1980	85
22. 1979 appropriations carried over to 1980	86
23. Summary table of appropriations	87

ANNEX I

SUMMARY OF IMPLEMENTATION FOR THE 1980 FINANCIAL YEAR

Appropriations	m ECU	Implementation	m ECU
<u>A. 1980 appropriations</u>		<u>C. Commitments</u>	
1. Initial appropriations	11,507.5	1. Appropriations available	11,505.2
2. Transfer ¹	- 2.3	2. Sum not committed	31.9
3. Appropriations available	11,505.2	3. Total commitments	11,473.3
		4. Remainder from total commitments (released)	158.1
		5. Commitments allocated	11,315.2
<u>B. 1979 appropriations</u>	0	<u>D. Payments</u>	
		1. Total sum allocated	11,315.2
		2. Payments	11,306.2
		3. Automatic carryover	9.0
		4. Appropriations lapsed	190.0
TOTAL	11,505.2	TOTAL	11,505.2

¹ Transferred to Item 8312

ANNEX 2

ITEM	Expenditure charged for the 1980 financial year										m ECU
	Belgium	Denmark	Germany	France	Ireland	Italy	Luxem- bourg	Netherlands	United Kingdom	Commu- nity	EEC Total
CEREALS	119,347	56,118	328,998	737,396	1,563	184,383	0,355	91,477	136,865	12,779	1,669,202
REFUNDS	107,097	51,763	158,556	632,135	1,172	64,479	0,054	53,989	105,454		1,174,697
General refunds	105,698	51,763	158,556	612,299	1,172	60,086	0,054	53,435	105,454		1,148,515
Refunds on food aid, 1980				15,313		1,334		0,006			16,653
Refunds on food aid under preceding programmes	1,399			4,522		3,059		0,549			9,529
INTERVENTION, VARIOUS	7,947	2,777	27,224	39,962	0,133	135,061		35,484	20,411	12,779	281,778
Premiums for incorporation of cereals in animal feed			-0,011						-0,003		-0,013
Production refunds for potato starch		2,575	6,743	7,090				21,887			38,296
Other production refunds	7,839	0,201	20,328	25,334	0,040	11,197		13,597	18,767	12,779	110,082
Production aid for durum wheat				5,410		123,536					128,946
Other intervention	0,108		0,164	2,128	0,093	0,328			1,647		4,467
STORAGE INTERVENTION	4,304	1,579	143,218	65,300	0,258	-15,157	0,301	2,004	11,001		212,807
Carryover payments	2,486	0,334	7,139	-0,001	0,255		0,113	0,789	0,005		11,121
Costs of financing public storage	0,452	1,425	25,148	13,619	0,001	3,748	0,110	0,220	1,872		46,594
Technical costs of public storage	0,609	1,827	41,499	21,440	0,002	16,393	0,096	0,394	4,295		86,554
Other costs of public storage	0,758	-2,008	69,439	30,242	0,001	-35,298	-0,017	0,601	4,828		68,546
Special intervention measures			-0,008								-0,008
Other intervention measures											
RICE	0,404	0,019	0,438	0,387		56,909		0,140	0,040		58,737

ANNEX 2

ITEM	Expenditure charged for the 1980 financial year										m ECU
	Belgium	Denmark	Germany	France	Ireland	Italy	Luxem- bourg	Netherlands	United Kingdom	Commu- nity	EEC Total
REFUNDS	0,051	0,019	0,396	-0,018		43,809		0,097	0,040		44,394
General refunds	0,051	0,019	0,396	-0,018		34,714		0,097	0,040		35,300
Refunds on food aid, 1980						0,803					0,803
Refunds on food aid under pre- ceding programmes						8,292					8,292
INTERVENTION/RICE	0,753		0,041	0,405		13,100		0,043			14,342
 MILK AND MILK PRODUCTS	 305,667	 365,564	 1299,238	 992,355	 304,288	 -1,123	 10,970	 1079,792	 395,225	 -	 4,751,975
Refunds	246,020	254,278	429,470	555,833	212,612	19,053	7,846	878,332	142,497		2,745,942
General refunds	217,008	244,950	351,530	534,170	211,779	19,053	3,154	872,726	133,462		2,587,832
Refunds on food aid for skimmed milk powder, 1980	2,373		6,167	0,288	0,073		0,450	0,077			9,427
Refunds on food aid for butter oil, 1980			2,870	2,857			0,294				6,021
Refunds on food aid for skimmed milk powder under preceding programmes	9,160	0,035	36,297	2,485	0,896		0,317	1,822	1,709		52,721
Refunds on food aid for butter oil under preceding programmes	17,479	9,293	32,605	16,033	-0,135		3,632	3,708	7,326		89,941
INTERVENTION/SKIMMED MILK	45,028	84,443	507,832	399,807	68,918	-51,513	0,820	169,083	77,827		1,302,245
Aid for skimmed milk powder for calves	19,405	8,231	246,156	309,837	12,030	1,505	0,940	112,572	14,376		725,052
Aid for skimmed milk powder for ani- mals other than calves			0,070	0,698	0,046			2,909	1,147		4,869
Aid for liquid skimmed milk for calves	9,507	37,849	51,434	2,969	0,376	0,239	0,052	1,395	0,994		104,815
Aid for liquid skimmed milk feed for animals other than calves	15,727	28,421	87,481	2,716	21,828	3,983	0,034	3,971	52,503		216,665
Aid for processing into casein		9,950	46,717	81,402	35,194			46,289	8,642		230,194

ANNEX 2

ITEM	Expenditure charged for the 1980 financial year										m ECU
	Belgium	Denmark	Germany	France	Ireland	Italy	Luxem- bourg	Netherlands	United Kingdom	Commu- nity	
Private storage	0,583		15,594	0,403	0,061		0,051		0,170		16,863
Costs of financing public storage	0,211		4,722	0,178	0,026	0,721	0,017		0,065		5,938
Technical costs of public storage	-0,406	-0,009	55,658	1,603	-0,642	-57,962	-0,274	-0,052	-0,068		-2,152
Other costs of public storage and special disposal measures											
Other intervention											
INTERVENTION/BUTTER AND CREAM	15,214	21,188	316,690	54,959	26,599	15,494	2,653	48,205	146,053		647,056
Private storage	4,475	0,550	14,359	13,296	5,173	0,150	0,233	12,209	2,952		53,397
Costs of financing public storage	1,109	0,124	40,301	1,949	0,258	0,002	0,119	1,957	6,311		52,730
Technical costs of public storage	1,229	0,094	26,413	1,329	0,183	0,001	0,092	1,444	4,472		35,257
Other costs of public storage and special measures	2,326	1,799	224,691	8,457	-1,149	0,640	1,347	30,787	29,208		298,107
Absorption of butterfat surplus											
Other intervention	5,474	18,622	10,927	29,928	22,134	14,702	0,861	1,807	103,110		207,565
INTERVENTION/OTHER MILK PRODUCTS	0,620	0,842	6,929	8,528	0,162	17,981	0,009	0,997	10,731		46,798
Storage of cheese											
Distribution of school milk	0,620	0,842	6,929	6,225	0,162	17,721	0,009	0,997	10,731		23,946
Other intervention				2,303		0,261	0,009				22,853
Other measures in the milk and milk products sector	1,135	13,380	52,027	16,163	4,990		0,190	7,004	28,538		123,427
Non-marketing premiums (Guarantee Section Share)	1,135	13,380	52,027	16,163	4,990		0,190	7,004	28,538		123,427
Other measures											
Financial participation by milk producers	-7,985	-11,548	-58,170	-53,377	-12,168	-11,499	-0,565	-29,234	-38,348		-222,895
Expenditure to promote the expansion of the market in milk and milk products	5,635	2,981	44,459	10,443	3,175	9,359	0,018	5,405	27,927		109,402
Market development	1,013	1,212	5,977	5,735	0,970	4,977		0,943	5,830		26,658
Distribution of school milk	1,240	1,684	13,858	4,605	0,324	0,521	0,018	1,996	21,462		45,707

ANNEX 2

ITEM	Expenditure charged for the 1980 financial year										m ECU
	Belgium	Denmark	Germany	France	Ireland	Italy	Luxem- bourg	Netherlands	United Kingdom	Commu- nity	
Disposal of butter fat	3,174	0,065	23,132		0,095			2,456	0,156		29,097
Improvement of milk quality											
Other measures	0,209		1,493	0,102	1,787	3,861		0,009	0,479		7,939
<hr/>											
OILS AND FATS	4,039	5,066	139,397	135,737		333,866		8,838	60,160	0,186	687,289
<hr/>											
Refunds/Olive oil				0,011		0,002			0,006		0,024
<hr/>											
Intervention/Olive Oil	-0,001			2,056		315,433			0,202	0,186	317,876
<hr/>											
Production aid				0,731		237,123					237,854
Consumption aid	-0,002			0,721		51,400			0,212		52,332
Special consumer schemes (aid set aside)											
Special consumer schemes (spending)				-0,034		-3,526			-0,010		-3,570
Storage										0,186	0,186
Other intervention											
	0,001			0,637		20,512					20,512
						9,923					10,561
<hr/>											
REFUNDS/COLZA; RAPE AND SUNFLOWER SEEDS			-0,004	3,434				0,313			3,744
<hr/>											
INTERVENTION/COLZA; RAPE AND SUNFLOWER SEEDS	2,602	5,061	139,400	116,508		18,221		7,652	59,952		349,396
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Production aid	2,604	1,502	139,356	111,440		18,221		7,524	59,794		340,440
Storage	-0,002	3,559	0,045	5,068				0,129	0,158		8,955
Other intervention											
	1,438	0,005		13,728		0,211		0,873			16,255
<hr/>											
Intervention/other seeds (CCT 12.01)											
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Aid for cotton seed						0,179					0,179
Aid for soya seed				6,259		0,008					6,267
Aid for flax seed	1,438	0,005		7,469				0,873			9,785

ANNEX 2

ITEM	Expenditure charged for the 1980 financial year										m ECU
	Belgium	Denmark	Germany	France	Ireland	Italy	Luxem- bourg	Netherlands	United Kingdom	Communi- ty	
Aid for other oilseeds						0,024					0,024
Aid for degerming maize											
SUGAR	63,418	16,630	132,838	244,824	6,770	35,604		40,732	34,385		575,202
REFUNDS/SUGAR, ISOGLUCOSE	45,797	6,071	59,719	148,787	3,222			19,468	3,161		286,226
General refunds	45,797	6,071	59,719	148,787	3,222			19,468	3,161		286,226
Refunds on food aid, 1980											
Refunds on food aid under preceding programmes											
INTERVENTION/SUGAR	17,621	10,559	73,119	96,037	3,547	35,604		21,264	31,224		286,976
Denaturing premiums			1,665	1,158	0,018			0,221	0,061		3,124
Refunds for use in chemical industry											
Reimbursement of storage costs	0,014	0,121	0,635	0,462		0,072		0,644	0,682		2,629
Public storage											
Measures for sugar produced in French overseas departments	17,607	10,438	70,819	84,501	3,529	35,533		20,399	29,764		272,589
Sugar import subsidy				9,917					0,717		10,634
Other intervention											
BEEF AND VEAL	16,542	59,417	319,616	290,675	232,624	202,725		127,895	113,816		1,363,311
REFUNDS	13,774	44,074	211,938	134,553	121,815	46,902		103,967	38,524		715,548
General refunds	13,774	44,074	211,938	134,553	121,815	46,902		103,967	38,524		715,548

ANNEX 2

ITEM	Expenditure charged for the 1980 financial year										m ECU
	Belgium	Denmark	Germany	France	Ireland	Italy	Luxem- bourg	Netherlands	United Kingdom	Commu- nity	
Refunds on food aid, 1980											
Intervention/Storage	2,768	15,056	107,636	133,349	110,808	78,120		23,900	32,432		508,069
Private storage	2,777	0,925	10,946	8,691	2,549	6,377		1,151	5,163		38,580
Costs of financing public storage		1,964	11,346	10,813	13,040	6,270		2,161	3,328		48,922
Technical costs of public storage		3,807	18,260	20,086	26,531	10,120		4,093	6,931		89,829
Other costs of public storage	-0,009	8,359	67,084	93,759	68,687	55,352		16,495	17,010		326,738
Other intervention		0,287	0,042	22,773		77,704		0,029	42,860		143,694
Aid for social security recipients											
Premiums for orderly marketing and slaughter of adult cattle			-0,074						23,696		23,622
Calving premiums						77,704					77,704
Suckler cow premiums											
Other intervention		0,287	0,116	22,773				0,029	19,164		42,368
PIGMEAT	5,751	63,337	10,772	5,892	0,536	11,243		16,050	2,057		115,638
REFUNDS	1,895	61,310	6,988	3,867	0,511	2,589		12,681	1,730		91,570
INTERVENTION	3,856	2,027	3,784	2,026	0,025	8,653		3,370	0,327		24,068
EGGS/POULTRYMEAT	2,483	8,147	12,909	40,886	0,041	0,160		17,268	3,601		85,494
REFUNDS ON EGGS	0,626	0,329	4,878	1,089		0,143		9,762	0,679		17,507

ANNEX 2

ITEM	Expenditure charged for the 1980 financial year										
	Belgium	Denmark	Germany	France	Ireland	Italy	Luxem- bourg	Netherlands	United Kingdom	Commu- nity	EEC Total m ECU
REFUNDS ON POULTRYMEAT	1,857	7,818	6,030	39,796	0,041	0,018		7,506	2,922		67,988
FRUIT/VEGETABLES	8,755	0,710	26,774	97,097	0,105	539,367		12,680	1,831		687,318
REFUNDS	0,091	0,522	0,402	9,832	0,010	28,773		1,070	0,576		41,276
Refunds on fresh fruit and veg.	0,070	0,465	0,370	9,514		27,964		0,961			39,344
Refunds on products processed from fruit and vegetables	0,021	0,057	0,032	0,318	0,010	0,810		0,109	0,576		1,932
INTERVENTION/Fresh fruit and vege- tables	6,530		13,302	16,512	0,095	108,703		9,280	1,255		155,676
Withdrawal and buying-in	6,530		9,357	16,204	0,095	48,614		9,280	1,255		91,335
Processing and distribution			3,944	0,008							3,952
Promotion of citrus fruits				0,300		10,407					10,707
Processing of citrus fruits											
Other intervention						49,682					49,682
INTERVENTION/PROCESSED PRODUCTS	2,134	0,188	13,070	70,753		401,891		2,330			490,366
Aid for tinned pineapple				6,250							6,250
Premiums for the processing of fruit and vegetables	2,134	0,188	13,070	64,503		401,891		2,330			484,116
Other intervention											
WINE	0,003		0,245	163,025		136,218					299,491
REFUNDS	0,003		0,083	4,661		21,629					26,376

ANNEX 2

ITEM	Expenditure charged for the 1980 financial year										m ECU
	Belgium	Denmark	Germany	France	Ireland	Italy	Luxem- bourg	Netherlands	United Kingdom	Communi- ty	EEC Total
INTERVENTION			0,162	154,311		114,589					273,062
Private storage aid			0,104	53,386		17,917					71,406
Aid for re-storage of table wines											
Distillation			0,005	4,217		0,725					4,948
Aid for wine musts			0,053	100,720		93,693					194,466
Other intervention				-0,064		1,757					1,693
Other expenditure				0,052		0,497					0,549
				0,053							0,053
TOBACCO	4,159	0,014	21,627	91,642		191,868		0,011			309,321
REFUNDS		0,014	0,294			4,141		0,011			4,460
INTERVENTION	4,159		21,334	91,642		187,727					304,861
Premiums	4,159		21,334	91,642		157,737					274,871
Storage						29,487					29,487
Other intervention						0,504					0,504
ALCOOL											
REFUNDS											
INTERVENTION											
OTHER COMMON ORGANIZATIONS	7,149	12,260	12,088	43,047	0,207	10,258	0,024	20,303	63,399		169,334
INTERVENTION FIBRE FLAX AND HEMP	1,530		0,005	13,399		0,676		1,074	0,149		16,834
Production aid/Fibre flax	1,567		0,005	11,517		0,655		1,103	0,149		14,995

ANNEX 2

	Expenditure charged for the 1980 financial year										m ECU
	Belgium	Denmark	Germany	France	Ireland	Italy	Luxem- bourg	Netherlands	United Kingdom	Commu- nity	EEC Total
Aid set aside for publicity	-0,036							-0,029			-0,065
Production aid for hemp											
Storage of fibre flax and hemp				1,882		0,022					1,904
SEEDS	0,769	7,928	1,902	7,456	0,086	2,847	0,022	5,076	5,961		32,048
HOPS	0,186		4,437	0,179	0,014				1,364		6,180
SILKWORMS				0,011		0,322					0,333
DRIED FOODER	0,164	4,184	2,852	17,935	0,106	4,264		2,634	1,314		33,453
POTATOES											
SHEEPMEAT									53,470		53,470
PEAS AND FIELD BEANS	4,499	0,748	2,893	4,065		2,149	0,002	11,518	1,143		27,016
OTHER											
REFUNDS ON GOODS OBTAINED FROM PROCESSING AGRICULTURAL PRODUCTS	15,154	26,615	30,068	24,799	17,522	18,300	0,058	53,677	35,062		221,256
ALL SECTORS	553,271	614,496	2335,007	2867,762	563,655	1719,778	11,407	1468,643	846,442	12,965	10,993,647
MCAs paid on intra-community trade	0,007			-0,005	0,023	0,021					0,044

ANNEX 2

Expenditure charged for the 1980 financial year

m ECU

ITEM	Belgium	Denmark	Germany	France	Ireland	Italy	Luxem- bourg	Netherlands	United Kingdom	Commu- nity	EEC Total
MCA's on agric. trade	27,323	20,466	144,687	18,811	20,007	-14,063	0,237	98,204	-17,150		298,523
Intra-community MCAs	9,987	20,466	-34,575	18,808	20,007	-14,226	0,097	56,614	-21,225		55,955
MCA's on imports paid or levied by importing Member States	-18,073		-286,029	21,983	0,026	0,373	-0,347	-22,584	-32,948		-337,601
MCA's on imports paid by exporting Member States for importing Member States	10,141	20,466	29,803	59,004	20,124		0,033	29,910	1,412		170,893
MCA's on exports paid or levied by exporting Member States	17,920		221,651	-62,179	-0,142	-14,598	0,411	49,288	10,312		222,663
MCA's on EXTRA-COMMUNITY TRADE	17,336		179,262	0,002		0,163	0,140	41,590	4,075		242,567
PORTION OF MCAS PAID ON IMPORTS OVER AND ABOVE LEVY				0,002		0,163			4,075		4,240
MCAs PAID ON EXPORTS	17,336		179,262				0,140	41,590			238,328
SUB-TOTAL MCAS	27,330	20,466	144,687	18,805	20,030	-14,042	0,237	98,204	-17,150		298,567
ALL SECTORS PLUS MCAS	580,601	634,962	2479,693	2886,567	583,685	1705,736	11,644	1567,067	829,292	12,965	11.292,213
FISHERIES	0,602	1,255	3,062	2,120	1,030	4,057		6,178	4,656		22,959

ANNEX 2

ITEM	Expenditure charged for the 1980 financial year										m ECU
	Belgium	Denmark	Germany	France	Ireland	Italy	Luxem- bourg	Netherlands	United Kingdom	Commu- nity	EEC Total
REFUNDS	0,106	0,447	1,213	0,085	0,220			5,441	3,885		11,397
INTERVENTION	0,495	0,808	1,849	2,034	0,810	4,057		0,737	0,771		11,561
Withdrawals and buying-in	0,495	0,808	1,849	2,034	0,810	4,057		0,737	0,771		11,561
Private storage aid											
Other intervention											
GRAND TOTAL	581,203	636,217	2482,755	2888,687	584,714	1709,793	11,644	1573,245	833,948	12,965	11.315,172
CORRECTED GRAND TOTAL ¹	571,1	615,8	2452,9	2829,7	564,6	1828,0	11,6	1543,3	885,2	13,0	11.315,2

¹ Under the provisions of article 2 bis of Regulation (EEC) N° 974/71 (see § 2.4)

ANNEX 3 : EAGGF GUARANTEE EXPENDITURE BY SECTOR

(1)

m ECU

TYPE OF EXPENDITURE	1975	1976	1977	1978	1979	1980
CEREALS	589,3	655,9	629,9	1.112,5	1.563,7	1.669,3
Refunds	329,9	403,3	365,6	831,9	1.184,7	1.174,7
Intervention, of which :	259,4	252,6	264,3	280,6	379,1	494,6
- production refunds	90,6	51,2	76,6	117,0	143,3	148,4
- aid for durum wheat	103,1	82,8	134,8	89,0	115,4	129,0
- storage	65,0	118,2	52,4	72,3	88,9	212,8
RICE	3,4	18,4	13,5	17,9	42,9	58,7
Refunds	2,8	18,2	13,3	16,8	41,7	44,4
Intervention	0,6	0,2	0,2	1,1	1,2	14,3
MILK AND MILK PRODUCTS	1.193,7	2.277,7	2.924,1	4.014,6	4.527,5	4.752,0
Refunds	331,4	765,6	1.417,4	1.565,0	2.087,9	2.745,9
Intervention of which :	862,3	1.512,1	1.506,7	2.449,6	2.439,6	2.006,1
- aid for skimmed milk	606,8	755,5	853,1	1.131,7	1.310,2	1.281,6
- storage of skimmed milk	55,9	520,4	310,0	682,1	361,1	20,6
- storage of butter	151,2	215,1	274,3	506,1	475,6	439,5
- disposal of butter	38,6	31,0	81,5	112,8	154,9	207,6
- financial participation by milk producers	-	-	- 24,1	- 156,1	- 94,2	- 222,9
- expansion of the markets	-	-	-	49,9	110,3	109,4
OILS AND FATS	187,8	247,1	268,5	324,8	606,0	687,3
Refunds	0,5	10,3	1,0	0,1	1,2	3,7
Intervention, of which :	187,3	236,8	267,5	324,7	604,8	683,4
- aid for olive oil	157,7	128,7	161,4	143,6	357,8	290,2
- aid for colza, rape and sunflower seeds	28,3	92,8	84,9	131,0	202,3	340,4
SUGAR	271,2	229,3	598,4	878,0	939,8	575,2
Refunds	27,8	62,0	409,1	640,4	685,1	286,2
Intervention, of which :	243,4	167,3	189,3	237,6	254,7	289,0
- reimbursement of storage costs	94,7	147,7	177,8	227,9	240,0	272,6
BEEF AND VEAL	923,3	615,9	467,7	638,7	748,2	1.363,3
Refunds	145,9	133,6	132,1	145,4	270,2	715,5
Intervention, of which :	777,4	482,3	335,6	493,3	478,0	647,8
- public and private storage	407,4	347,7	290,5	413,0	417,2	504,1
- re-stocking premium	88,1	46,6	41,1	76,9	60,3	77,7
SHEEPMEAT	-	-	-	-	-	53,5
Intervention	-	-	-	-	-	53,5

PIGMEAT	56,9	29,0	37,3	45,0	104,9	115,6
Refunds	40,7	26,7	29,3	32,2	78,4	91,6
Intervention	16,2	4,3	8,0	12,8	26,5	24,0
EGGS AND POULTRYMEAT (Refunds)	9,4	15,1	25,6	38,1	79,5	85,5
FRUIT AND VEGETABLES	72,6	185,1	178,2	100,7	442,9	687,3
Refunds	28,6	43,8	50,0	47,8	34,5	41,3
Intervention, of which :	44,0	141,3	128,2	52,9	408,4	646,0
- fresh fruit and vegetables	44,0	141,3	124,6	49,1	123,4	155,7
- processed fruit and vegetables	-	-	3,6	3,8	284,9	490,3
WINE	141,3	133,8	89,9	63,7	61,9	299,5
Refunds	0,2	1,5	1,1	1,6	4,6	26,4
Intervention, of which :	140,9	129,7	81,3	52,3	57,3	273,1
- private storage aid	36,5	38,7	35,6	35,3	22,5	71,4
- distillation	104,4	88,6	44,5	10,9	14,5	194,5
Obligatory distillation of by-products of wine-making	0,2	2,6	7,5	9,8	8,9	0,1
TOBACCO	200,5	185,4	205,2	216,1	225,4	309,3
Refunds	1,3	1,7	4,3	2,7	3,7	4,5
Intervention	199,2	183,7	200,9	213,4	221,7	304,8
FISHERIES	10,0	11,0	8,8	15,4	17,0	23,0
OTHER PRODUCTS (Intervention)	58,8	76,2	56,6	91,2	120,2	115,8
Intervention, of which :						
- flax and hemp	14,4	20,3	14,5	15,4	17,6	16,8
- seeds	24,6	24,1	18,1	20,3	30,1	32,0
- hops	7,8	16,0	9,9	11,1	10,1	6,2
- peas and field beans	-	-	-	-	15,3	27,0
- dried fodder	11,4	15,4	13,8	42,6	46,6	33,5
- refunds for non-annex II processed products	23,9	67,0	136,3	208,5	252,1	221,3
TOTAL AGRICULTURAL EXPENDITURE	3.742,1	4.746,9	5.640,0	7.765,2	9.732,0	11.016,7
Accession compensatory amounts	444,8	402,0	201,1	27,2	1,1	-
Monetary compensatory amounts	335,6	433,2	989,3	880,3	708,4	298,5
TOTAL EXPENDITURE EAGGF GUARANTEE SECTION	4.522,5	5.587,1	6.830,4	8.672,7	10.440,7	11.315,2

(1) The expenditure is taken from the statements by the Member States under the system of advances and charged to each financial year in accordance with Article 109 of the Financial Regulation.

BREAKDOWN OF EXPENDITURE BY SECTOR AND ECONOMIC CATEGORY - 1980 FINANCIAL YEAR (a)

ANNEX 4

m ECU

SECTOR	TOTAL EXPENDITURE	BREAKDOWN ACCORDING TO ECONOMIC CATEGORY OF OPERATIONS					
		EXPORT REFUNDS	INTERVENTION				TOTAL
			STORAGE (1)	WITHDRAWAL AND SIMILAR OPERATIONS	PRICE COMPENSATORY MEASURES	GUIDANCE PREMIUMS	
a	b	c	d	e	f	g	h= d+e+f+g
Cereals	1.669,3	1.174,7	201,7	-	292,9 (2)	-	494,6
Rice	58,7	44,4	-	-	14,3	-	14,3
Milk products, of which :	4.752,0	2.745,9	484,0	-	1.398,7 (3)	123,4 (4)	2.006,1
- skimmed milk	1.612,7	(10) 310,5	20,6	-	1.281,6	-	1.302,2
- butter	1.811,6	1.164,5	439,5	-	207,6	-	647,1
Oils and fats, of which :	687,3	3,7	29,5	-	654,1	-	683,6
- olive oil	317,9	-	20,5	-	297,4	-	317,9
- colza, rape and sunflower seeds	353,0	3,7	9,0	-	340,3	-	349,3
Sugar	575,2	286,2	272,6 (5)	-	16,4	-	289,0
Beef and veal	1.363,3	715,5	504,1	-	66,0	77,7 (6)	647,8
Pigmeat	115,6	91,6	24,1	-	-	-	24,0
Sheepmeat	53,5	-	-	-	53,5	-	53,5
Eggs and poultrymeat	85,5	85,5	-	-	-	-	-
Fruit and vegetables	687,3	41,3	-	91,3	554,7 (7)	-	646,0
Wine	299,5	26,4	71,4	195,1 (8)	6,6 (9)	-	273,1
Tobacco	309,3	4,5	29,5	-	275,3	-	304,8
Fisheries	23,0	11,4	-	11,6	-	-	11,6
Flax and hemp	16,8	-	-	-	16,8	-	16,8
Seeds	32,0	-	-	-	32,0	-	32,0
Hops	6,2	-	-	-	6,2	-	6,2
Silkworms	0,3	-	-	-	0,3	-	0,3
Dried fodder	33,5	-	-	-	33,5	-	33,5
Peas and field beans	27,0	-	-	-	27,0	-	27,0
Non-Annex II products	221,3	221,3	-	-	-	-	-
TOTAL A	11.016,7	5.452,4	1.616,9	298,0	3.448,3	201,1	5.564,3
%	100	49,5	14,7	2,7	31,3	1,8	50,5
MONETARY COMPENSATORY AMOUNTS	298,5	242,6	-	-	55,9	-	55,9
GRAND TOTAL %	11.315,2	5.695,0	1.616,9	298,0	3.504,2	201,1	5.620,2
	100	50,3	14,3	2,6	31,0	1,8	49,7

- 67 -

(a) For footnotes see next page

Footnotes to Annex 4

- (1) Private and public storage. Details of expenditure on storage are given in Annex 5.
- (2) Including production refunds (148.4 m ECU) & aid for durum wheat (128.9 m ECU).
- (3) This amount takes account of the co-responsibility levy charged (222.9 m ECU).
- (4) Premiums for the non-marketing of milk and for the conversion of dairy herds to beef and veal production.
- (5) Reimbursement of private storage costs.
- (6) Calving premiums to promote the restocking of herds.
- (7) Promotion of Community citrus fruit (10.7 m ECU) + processing of Community citrus fruit (49.7 m ECU) + intervention in respect of processed products (490.4 m ECU).
- (8) Including obligatory distillation of the by-products of wine-making (0.1 m ECU) + distillation (194.5 m ECU).
- (9) Aid for the re-storage of table wines (4.9 m ECU) and aid for concentrated wine musts (1.7 m ECU).
- (10) Skimmed milk powder.

ANNEX 5.

BREAKDOWN OF INTERVENTION IN RESPECT OF STORAGE COSTS IN THE 1980 FINANCIAL YEAR

m ECU

Sector	Private storage	Public storage	of which		
			Technical costs	Financial costs	Difference between buying-in and selling prices
Cereals	-	201,7	86,6	46,6	68,5
Milk and milk prod.	(1) 77,3	406,7	41,2	69,6	(2) 295,9
Oils and fats	-	29,5	14,0	9,1	6,4
Sugar	272,6	-	-	-	-
Beef and veal	38,6	465,5	89,8	48,9	326,8
Pigmeat	24,1	-	-	-	-
Wine	71,4	-	-	-	-
Tobacco	-	29,5	3,6	5,9	20,0
TOTAL	484,0	1.132,9	235,2	180,1	717,6

(1) of which storage of cheese : 23.9 m ECU.

(2) Mainly special measures for the marketing of milk products on the internal market under Articles 6 and 12 of Regulation No. 804/68 (welfare beneficiaries, armed forces, non-profit organizations, Christmas butter) and outside the Community.

ANNEX 6

Quantity and value of products in public storage⁽¹⁾

Product	Situation at 31.12.1979		Situation at 31.12.1980	
	Quantity (tonnes)	Value (m ECU)	Quantity (tonnes) (2)	Value (m ECU)
Common wheat	1.877.919	322,653	4.930.290	830,070
Barley	73.567	12,224	1.081.885	181,275
Rye	581.956	108,748	516.657	93,602
Durum wheat	142.727	27,783	157.473	29,838
Skimmed-milk powder	214.859	230,774	230.609	253,633
Butter	293.285	723,325	147.289	331,817
Olive oil	53.401	62,468	73.808	95,926
Colza	10.236	3,526	81.631	22,734
Beef (carcasses)	203.415	383,084	208.537	414,595
Boned beef	84.469	206,232	105.267	267,546
Preserved beef	2.770	5,714	-	-
Tobacco	28.092	55,980	28.783	62,312
TOTAL		2142,511		2583,348

(1) The figures in ECU were calculated by applying to the amounts given in national currency the budgetary rates which applied for the purposes of converting into ECU the expenditure for December.

(2) Incl. quantities offered to Poland.

ANNEX 7

Breakdown of intervention expenditure in the form of
price compensation aids

m ECU

Sector	Production aid	Processing aid	Total
Cereals	292,9	-	292,9
Rice	14,3	-	14,3
Milk products, of which :	438,6	960,1	1.398,7
- skimmed milk	(1) 321,5	(2) 960,1	960,1
- butter	207,6	-	207,6
- co-resp., expend. on enlarging market	- 113,5	-	- 113,5
Oils and fats, of which :	654,1	-	654,1
- olive oil	297,4	-	297,4
- colza, rape and sunflower seeds	340,3	-	340,3
Sugar	13,8	2,6 (3)	16,4
Beef and veal	66,0 (4)	-	66,0
Pigmeat	24,0	-	24,0
Sheepmeat	53,5	-	53,5
Eggs and poultrymeat	-	-	-
Fruit and vegetables	10,7	544,0 (5)	554,7
Wine	6,6	-	6,6
Tobacco	275,4	-	275,4
Other products, of which :	55,3	60,5	115,8
- flax and hemp	16,8	-	16,8
- seeds	32,0	-	32,0
- dried fodder	-	33,5	33,5
- peas and field beans	-	27,0	27,0
- hops	6,2	-	6,2
- silkworms	0,3	-	0,3
SUB-TOTAL	1.881,1	1.567,2	3.448,3
MCA's on intra-Community trade	55,9	-	55,9
Grand total	1.937,0	1.567,2	3.504,2

(1) Aid in respect of liquid skimmed milk for animal feed (calves and other animals).

(2) Aid in respect of skimmed milk powder for animal feed (calves and other animals) and aid in respect of skimmed milk processed into casein.

(3) Refund for the use of sugar in the chemical industry.

(4) Premiums for orderly marketing and slaughtering of adult cattle and for suckler cows.

(5) Processing and distribution of fruit and vegetables withdrawn from the market, financial compensation for the processing of citrus fruit, aid for tinned pineapple and premiums for the processing of fruit and vegetables.

ANNEX 8

Overall cost of the Guarantee Section in relation to gross domestic product (GDP)

Year	EAGGF Guarantee expenditure ('000 m ECU)		Community gross domestic product as market prices ('000 m ECU)	EAGGF Guarantee expenditure as % of Community GDP	
	Gross	Minus agricultural levies		Gross	Net
a	b	c	d	e = 100 b/d	f = 100 c/d
1975	4,523	3,903	1.107,6	0,41	0,35
1976	5,587	4,414	1.265,6	0,44	0,35
1977	6,830	4,692	1.405,0	0,49	0,33
1978	8,673	6,390	1.553,2	0,56	0,41
1979	10,440	8,297	1.742,0	0,60	0,48
1980	11,315	9,313	1.990,0	0,57	0,47

ANNEX 9 - EQUALIZATION OF STORAGE COSTS FOR SUGAR

A. COMMUNITY SUGAR

Situation at 15.4.1981

Sugar year	Total levies (ECU)	Total reimbursement (ECU)	Annual balance		Cumulative balance		Duration of storage (months)
			absolute (ECU)	% (a)	absolute (ECU)	% (a)	
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	104.267.686,01	97.932.192,29	+ 6.335.493,72	+ 6,08	+ 20.459.987,88	+ 3,45	4,64
1975/76	109.434.955,76	160.507.251,46	- 51.072.295,70	- 46,67	- 30.612.307,82	- 4,36	6,23
1976/77	201.167.701,35	184.993.625,49	+ 16.174.075,86	+ 8,04	- 14.438.231,96	- 1,60	5,99
1977/78	233.020.516,42	230.585.451,16	+ 2.435.065,26	+ 1,05	- 12.003.166,70	- 1,06	5,84
1978/79	248.916.337,29	239.254.119,29	+ 9.662.218,00	+ 3,88	- 2.340.948,70	- 0,17	6,34
1979/80	239.151.961,34	251.017.773,55	- 11.865.812,21	- 4,96	- 14.206.760,91	- 0,87	6,17

- 73 -

B. PREFERENTIAL SUGAR

1977/78	10.160.109,06	9.681.379,28	+ 478.729,78	+ 4,71	+ 478.729,78	+ 4,71	2,26
1978/79	10.010.546,90	7.425.328,27	+ 2.585.218,63	+ 25,82	+ 3.063.948,41	+ 15,19	1,61
1979/80	7.165.060,66	6.910.087,07	+ 254.973,59	+ 3,56	+ 3.318.922,00	+ 12,14	1,54

(a) % of levies

ANNEX 10

GUARANTEE SECTION ADVANCES AND FUNDS AVAILABLE IN MEMBER STATES FOR 1980

Date of decision	BELGIUM BFR	DENMARK DKR	GERMANY DM	FRANCE FF	IRELAND IRL	ITALY LIT	LUXEMBOURG LFR	NETHERLANDS HFL	UNITED KINGDOM URL	EEC TOTAL ECU
05.12.79	3.383.000.000,-	692.944.485,88	791.000.000,-	2.404.000.000,-	61.500.000,-	71.000.000.000,-	25.000.000,-	564.000.000,-	38.700.000,-	
17.01.80	2.100.000.000,-	268.000.000,-	322.000.000,-	1.123.000.000,-	10.000.000,-	200.000.000.000,-	63.000.000,-	274.000.000,-	30.000.000,-	
18.02.80	2.200.000.000,-	440.000.000,-	545.000.000,-	1.600.000.000,-	23.500.000,-	210.000.000.000,-	41.000.000,-	250.000.000,-	16.000.000,-	
18.03.80	1.480.000.000,-	381.000.000,-	467.000.000,-	1.076.000.000,-	18.200.000,-	218.000.000.000,-	16.000.000,-	358.000.000,-	28.000.000,-	
02.04.80	420.000.000,-	110.000.000,-	135.000.000,-	309.000.000,-	5.300.000,-	62.000.000.000,-	3.000.000,-	102.000.000,-	8.000.000,-	
24.04.80	1.526.000.000,-	336.000.000,-	443.000.000,-	1.090.000.000,-	30.200.000,-	268.000.000.000,-	-	325.000.000,-	24.100.000,-	
20.05.80	1.400.000.000,-	421.000.000,-	402.000.000,-	1.248.000.000,-	40.700.000,-	151.000.000.000,-	128.000.000,-	287.000.000,-	45.800.000,-	
18.06.80	1.360.000.000,-	320.000.000,-	401.000.000,-	1.291.000.000,-	33.900.000,-	151.000.000.000,-	58.000.000,-	366.000.000,-	36.300.000,-	
16.07.80	2.536.000.000,-	436.000.000,-	690.000.000,-	1.549.000.000,-	53.000.000,-	100.000.000.000,-	23.000.000,-	473.300.000,-	45.500.000,-	
25.07.80	2.000.000.000,-	370.000.000,-	495.000.000,-	1.210.000.000,-	34.500.000,-	250.000.000.000,-	32.000.000,-	465.000.000,-	32.000.000,-	
17.09.80	1.800.000.000,-	470.000.000,-	633.000.000,-	1.407.000.000,-	29.500.000,-	156.000.000.000,-	6.000.000,-	221.000.000,-	36.000.000,-	
17.10.80	2.647.000.000,-	373.000.000,-	371.000.000,-	1.214.000.000,-	25.500.000,-	155.000.000.000,-	52.000.000,-	365.000.000,-	55.000.000,-	
18.11.80	1.450.000.000,-	238.000.000,-	586.000.000,-	1.390.000.000,-	32.500.000,-	50.000.000.000,-	11.000.000,-	192.000.000,-	80.000.000,-	
28.11.80	-	-	-	-	-	30.000.000.000,-	-	-	-	
15.12.80	-	-	-	90.000.000,-	-	-	7.000.000,-	-	-	
22.12.80	-	-	-	-	-	-	-	-	12.000.000,-	
Total advances	24.302.000.000,-	4.855.944.485,88	6.281.000.000,-	7.001.000.000,-	398.300.000,-	2.072.000.000.000,-	465.000.000,-	4.242.300.000,-	487.400.000,-	
Balance on 01.01.80	-417.194.992,-	-89.990.475,86	-146.381.949,81	-340.213.299,73	-11.803.008,21	-17.813.556.779,-	-5.206.977,-	-75.967.090,29	-6.058.047,08	
Total funds available	23.884.805.008,-	4.765.954.010,02	6.134.618.050,19	6.660.786.700,27	386.496.991,79	2.054.186.443.221,-	459.793.023,-	4.166.332.909,71	481.341.952,92	
Total in ECU (1)	590.453.283,68	613.935.717,25	2.441.361.470,18	2.848.045.618,41	573.751.852,49	1.743.273.051,94	11.365.978,69	1.512.512.663,90	794.735.940,72	11.129.435.577,20

(1) Including exchange differences

Milk premiums (100 %) : Advances and funds available in Member States for 1980¹

Date of decision	BELGIUM BFR	DENMARK DKR	GERMANY DM	FRANCE FF	IRELAND IRL	ITALY LIT	LUXEMBOURG LFR	NETHERLANDS HFL	UNITED KINGDOM UKL	EEC TOTAL ECU
05.12.79	20.000.000,-	32.000.000,-	53.000.000,-	36.000.000,-	340.000,-	-	500.000,-	2.160.000,-	3.250.000,-	
17.01.80	5.000.000,-	7.000.000,-	-	23.000.000,-	260.000,-	-	2.800.000,-	3.200.000,-	1.500.000,-	
18.02.80	13.000.000,-	12.000.000,-	-	21.000.000,-	190.000,-	-	1.100.000,-	1.600.000,-	1.800.000,-	
18.03.80	-	13.000.000,-	-	19.500.000,-	220.000,-	-	900.000,-	1.500.000,-	200.000,-	
24.04.80	5.000.000,-	15.000.000,-	-	-	1.935.000,-	-	2.700.000,-	4.200.000,-	2.250.000,-	
20.05.80	5.000.000,-	15.000.000,-	-	-	-	-	2.000.000,-	1.500.000,-	2.100.000,-	
18.06.80	8.000.000,-	30.000.000,-	18.100.000,-	5.000.000,-	105.000,-	-	-	1.700.000,-	2.200.000,-	
16.07.80	10.000.000,-	13.000.000,-	10.800.000,-	-	300.000,-	-	3.600.000,-	5.300.000,-	2.000.000,-	
25.07.80	2.500.000,-	15.000.000,-	20.000.000,-	12.000.000,-	245.000,-	-	2.500.000,-	1.700.000,-	2.000.000,-	
05.09.80	-	-	-	-	-	-	-	3.100.000,-	-	
17.09.80	7.500.000,-	22.000.000,-	13.400.000,-	22.600.000,-	1.000.000,-	-	500.000,-	2.100.000,-	3.300.000,-	
17.10.80	5.000.000,-	9.000.000,-	20.100.000,-	20.000.000,-	480.000,-	-	-	4.000.000,-	3.100.000,-	
18.11.80	8.000.000,-	14.000.000,-	29.000.000,-	15.500.000,-	380.000,-	-	1.700.000,-	2.100.000,-	7.500.000,-	
08.12.80	-	-	17.000.000,-	-	-	-	-	-	-	
Total advances	89.000.000,-	197.000.000,-	181.400.000,-	174.600.000,-	5.455.000,-	-	18.300.000,-	34.160.000,-	31.200.000,-	
Balance on 01.01.80	-11.995.768,-	-8.611.274,93	38.027.616,23	-5.395.835,81	-99.477,46	-	-2.021.239,-	-3.625.633,70	-519.173,54	
Total funds available	77.004.232,-	188.388.725,07	219.427.616,23	169.204.164,19	5.355.522,54	-	16.278.761,-	30.534.366,30	30.680.826,46	
Total in ECU (2)	1.903.526,31	24.231.533,53	87.128.132,53	28.908.837,53	7.945.303,47	-	400.911,79	11.083.174,35	50.711.690,63	212.313.110,14

- 75 -

- (1) Premiums for the non-marketing of milk and for the conversion of dairy herds financed 60 % by the Guarantee Section and 40 % by the Guidance Section.
(2) Including exchange differences.

ANNEX 12

FUNDS AVAILABLE IN MEMBER STATES FOR 1980 GUARANTEE SECTION (EXCLUDING PREMIUMS)

Member State		Jan	Feb	Mar	April	May	June	Jul	Aug	Sept	Oct	Nov	Dec	Average
BELGIUM	A	-10,3	15,3	19,9	21,1	18,8	19,1	12,1	-18,3	-5,2	5,2	-8,-	25,5	7,9
	B	84,1	52,1	54,4	46,8	37,6	34,6	33,7	63,-	49,6	44,4	65,2	35,5	50,1
	C	73,8	67,4	74,3	67,9	56,4	53,7	45,8	44,7	44,4	49,6	57,2	61,-	58,-
	D	58,4	47,4	53,2	49,1	37,4	41,6	64,1	49,9	39,2	57,6	31,6	35,6	47,1
	E	15,4	20,-	21,1	18,8	19,-	12,1	-18,3	-5,2	5,2	-8,-	25,5	25,4	10,9
DENMARK	A	-12,3	22,6	2,1	-6,4	-4,7	-8,7	0,7	-13,7	1,-	7,5	26,7	31,-	3,8
	B	94,6	34,8	56,5	63,1	42,8	53,7	40,8	55,8	47,5	60,1	47,6	30,3	52,3
	C	82,3	57,4	58,6	56,7	38,1	45,-	41,5	42,1	48,5	67,6	74,3	61,3	56,1
	D	58,5	55,3	65,-	61,5	46,8	44,3	55,1	41,1	41,-	40,8	43,2	46,7	49,9
	E	23,8	2,1	-6,4	-4,8	-8,7	0,7	-13,6	1,-	7,5	26,8	31,1	14,6	6,2
GERMANY	A	-59,-	75,3	-14,1	5,6	65,7	34,2	-14,7	-65,6	-27,4	5,5	62,4	56,6	10,4
	B	318,6	129,7	218,7	241,-	176,4	159,9	159,6	274,1	196,8	250,2	146,6	229,5	208,4
	C	259,6	205,-	204,6	246,6	242,1	194,1	144,9	208,5	169,4	255,7	209,-	286,1	218,8
	D	184,3	219,2	199,-	180,5	207,9	208,8	210,6	235,9	163,8	193,3	151,9	253,7	200,7
	E	75,3	-14,2	5,6	66,1	34,2	-14,7	-65,7	-27,4	5,6	62,4	57,1	32,4	18,1
FRANCE	A	-58,4	50,4	33,1	34,3	56,7	32,1	6,9	-50,8	1,1	17,3	38,8	58,1	18,3
	B	412,7	193,5	274,2	236,7	186,-	213,6	220,3	265,3	207,-	240,1	206,3	251,3	242,2
	C	354,3	243,9	307,3	271,-	242,7	245,7	227,2	214,5	208,1	257,4	245,1	309,4	260,5
	D	304,1	210,6	272,9	214,2	210,6	238,8	277,9	213,4	190,7	218,5	186,9	295,-	236,1
	E	50,2	33,3	34,4	56,8	32,1	6,9	-50,7	1,1	17,4	38,9	58,2	14,4	24,4
IRELAND	A	-17,5	37,5	22,2	1,4	-3,7	-13,1	-5,5	-34,2	16,9	26,4	14,9	6,-	4,3
	B	91,5	14,9	34,9	34,9	44,5	60,5	50,3	78,8	51,5	44,1	38,-	47,7	49,3
	C	74,-	52,4	57,1	36,3	40,8	47,4	44,8	44,6	68,4	70,5	52,9	53,7	53,6
	D	36,5	30,2	55,7	40,-	53,8	52,9	78,9	27,8	42,-	55,5	46,8	40,9	46,8
	E	37,5	22,2	1,4	-3,7	-13,-	-5,5	-34,1	16,8	26,4	15,-	6,1	12,8	6,8
ITALY	A	-15,4	-48,9	-59,9	-41,7	9,4	31,8	17,5	-18,3	-51,5	45,-	97,6	81,7	4,-
	B	61,3	172,6	180,5	242,1	229,-	127,9	127,8	84,1	208,8	130,1	129,1	66,1	146,5
	C	45,9	123,7	120,6	200,4	238,4	159,7	145,3	65,8	157,3	175,1	226,7	147,8	150,6
	D	94,8	183,9	162,-	190,9	206,3	142,2	163,7	117,6	112,3	77,4	144,4	113,2	142,4
	E	-48,9	-60,2	-41,4	9,5	32,1	17,5	-18,4	-51,8	45,-	97,7	82,3	34,6	8,2
LUXEMBOURG	A	-0,1	-0,2	0,8	0,6	0,5	-0,4	1,7	-0,1	P.M.	0,7	-P.M.	0,4	0,3
	B	0,6	1,5	1,-	0,5	-	3,2	1,4	0,6	0,8	0,1	1,3	0,5	1,-
	C	0,5	1,3	1,8	1,1	0,5	2,8	3,1	0,5	0,8	0,8	1,3	0,9	1,3
	D	0,7	0,5	1,2	0,6	0,9	1,1	3,2	0,5	0,1	0,8	0,9	0,9	1,-
	E	-0,2	0,8	0,6	0,5	-0,4	1,7	-0,1	P.M.	0,7	-P.M.	0,4	-P.M.	0,3
NETHERLANDS	A	-27,4	59,8	11,6	-29,9	16,2	3,4	-18,6	-42,2	37,5	97,2	35,6	51,9	16,2
	B	203,4	100,2	91,-	167,3	118,1	103,9	132,5	171,7	169,-	80,3	132,7	69,4	128,3
	C	176,-	160,-	102,6	137,4	134,3	107,3	113,9	129,5	206,5	177,5	168,3	121,3	144,5
	D	117,-	148,3	132,5	121,2	130,9	125,9	156,-	92,1	109,2	142,-	116,1	98,6	124,1
	E	59,-	11,7	-29,9	16,2	3,4	-18,6	-42,1	37,4	97,3	35,5	52,2	22,7	20,4
UNITED KINGDOM	A	-9,4	20,6	21,7	-7,7	-4,8	-23,3	-15,3	-21,1	4,8	-16,6	-23,6	-11,5	-7,2
	B	59,7	46,1	25,3	57,3	39,4	75,1	59,6	74,7	52,6	60,5	93,2	161,3	67,1
	C	50,3	66,7	47,-	49,6	34,6	51,8	44,3	53,6	57,4	43,9	69,6	149,8	59,9
	D	29,7	45,5	54,7	54,2	57,8	67,1	65,4	48,8	73,7	67,3	80,7	152,6	66,5
	E	20,6	21,2	-7,7	-4,6	-23,2	-15,3	-21,1	4,8	-16,3	-23,4	-11,1	-2,8	-6,6
EEC TOTAL	A	-209,8	232,4	37,4	-22,7	154,1	75,1	-15,2	-264,3	-22,8	188,2	244,4	299,7	58,-
	B	1326,5	745,4	936,5	1089,7	873,8	832,4	826,-	1068,1	983,6	909,9	860,-	891,6	945,3
	C	1116,7	977,8	973,9	1067,-	1027,9	907,5	810,8	803,8	960,8	1098,1	1104,4	1191,3	1003,3
	D	884,-	940,9	996,2	912,2	952,4	922,7	1074,9	827,1	772,-	853,2	802,5	1037,2	914,6
	E	232,7	36,9	-22,3	154,8	75,5	-15,2	-264,1	-23,3	188,8	244,9	301,9	154,1	88,7

- A = Balance at the beginning of the month at that month's rate
- B = Advances for the month
- C = Total available for the month
- D = Expenditure for the month
- E = Balance still available

The balance still remaining available at the end of the month represents the difference between the amount available at the beginning of each month and the expenditure declared for that month to the Commission, without taking into account sums paid after the 20th of the month in respect of the following month. This procedure explains why negative balances are shown at the end of the month for some Member States.

FUNDS AVAILABLE IN MEMBER STATES FOR 1980, PREMIUM FOR THE NON-MARKETING OF MILK AND MILK PRODUCTS AND PREMIUM FOR THE CONVERSION OF DAIRY HERDS (100 %)

Member State		m ECU												Average
		Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	
BELGIUM	A	-0,30	P.M.	P.M.	0,20	P.M.	P.M.	0,01	P.M.	P.M.	P.M.	P.M.	P.M.	-0,01
	B	0,49	0,13	0,32	-	0,12	0,12	0,20	0,25	0,06	0,19	0,12	0,20	0,19
	C	0,19	0,13	0,32	0,20	0,12	0,12	0,21	0,25	0,06	0,19	0,12	0,20	0,18
	D	0,19	0,13	0,12	0,20	0,12	0,11	0,21	0,25	0,06	0,19	0,12	0,19	0,16
	E	P.M.	P.M.	0,20	P.M.	P.M.	0,01	P.M.	P.M.	P.M.	P.M.	P.M.	0,01	0,02
DENMARK	A	-1,17	1,01	0,01	0,03	0,10	-0,24	-0,38	0,67	0,44	1,13	2,20	1,68	0,46
	B	4,37	0,91	1,54	1,67	1,91	1,91	3,83	1,66	1,93	2,81	1,15	1,78	2,12
	C	3,20	1,92	1,55	1,70	2,01	1,67	3,45	2,33	2,37	3,94	3,35	3,46	2,58
	D	2,13	1,91	1,52	1,60	2,25	2,05	2,79	1,89	1,23	1,73	1,67	1,53	1,86
	E	1,07	0,01	0,03	0,10	-0,24	-0,38	0,66	0,44	1,14	2,21	1,68	1,93	0,72
GERMANY	A	15,31	33,63	25,74	19,08	14,29	7,49	3,21	3,96	2,63	3,35	-0,03	-1,20	10,62
	B	21,35	-	-	-	-	-	7,20	4,29	7,95	5,30	7,94	18,02	6,01
	C	36,66	33,63	25,74	19,08	14,29	7,49	10,41	8,25	10,58	8,65	7,91	16,82	16,63
	D	3,03	7,80	6,61	4,71	6,79	4,28	6,45	5,62	7,21	8,68	9,13	16,40	7,23
	E	33,63	25,83	19,13	14,37	7,50	3,21	3,96	2,63	3,37	-0,03	-1,22	0,42	9,40
FRANCE	A	-0,93	3,20	3,98	5,57	7,72	6,42	4,76	2,41	-0,77	-0,22	1,90	3,33	3,11
	B	6,18	3,96	3,60	3,33	-	-	0,86	-	2,05	3,86	3,40	2,63	2,49
	C	5,25	7,16	7,58	8,90	7,72	6,42	5,62	2,41	1,28	3,64	5,30	5,96	5,60
	D	2,07	3,15	2,-	1,17	1,32	1,64	3,22	3,18	1,50	1,73	1,97	3,99	2,24
	E	3,18	4,01	5,58	7,73	6,40	4,78	2,40	-0,77	-0,22	1,91	3,33	1,97	3,36
IRELAND	A	-0,15	0,08	0,13	-0,38	-1,06	0,74	0,38	-0,35	-0,43	-0,71	0,06	0,32	-0,11
	B	0,51	0,38	0,28	0,33	2,86	-	0,15	0,45	0,37	1,49	0,71	0,56	0,67
	C	0,36	0,46	0,41	-0,05	1,80	0,74	0,53	0,10	-0,06	0,78	0,77	0,88	0,56
	D	0,28	0,33	0,79	1,02	1,07	0,36	0,88	0,53	0,65	0,72	0,44	1,25	0,69
	E	0,08	0,13	-0,38	-1,07	0,73	0,38	-0,35	-0,43	-0,71	0,06	0,33	-0,37	-0,13
ITALY		NOT APPLICABLE												
LUXEMBOURG	A	-0,05	-0,05	P.M.	0,03	0,05	0,07	0,03	-0,01	0,06	0,12	0,12	0,12	0,04
	B	0,01	0,07	0,03	0,02	0,07	0,05	-	0,09	0,06	0,01	-	0,04	0,04
	C	-0,04	0,02	0,03	0,05	0,12	0,12	0,03	0,08	0,12	0,13	0,12	0,16	0,08
	D	0,01	0,02	-	-P.M.	0,05	0,09	0,04	0,02	-	0,01	P.M.	0,08	0,03
	E	-0,05	P.M.	0,03	0,05	0,07	0,03	-0,01	0,06	0,12	0,12	0,12	0,08	0,05
NETHERLANDS	A	-1,30	-0,69	-0,37	-0,63	-0,71	-0,33	-0,40	-2,31	-1,08	-0,14	-0,53	0,36	-0,68
	B	0,78	1,17	0,58	0,55	1,52	0,55	0,61	1,92	1,75	0,76	1,45	0,76	1,03
	C	-0,52	0,48	0,21	-0,08	0,81	0,22	0,21	-0,39	0,67	0,62	0,92	1,12	0,35
	D	0,16	0,85	0,84	0,63	1,14	0,62	2,51	0,69	0,81	1,15	0,56	1,71	0,97
	E	-0,68	-0,37	-0,63	-0,71	-0,33	-0,40	-2,30	-1,08	-0,14	-0,53	0,36	-0,59	-0,62
UNITED KINGDOM	A	-0,80	1,02	1,22	1,34	-1,57	-0,43	-0,29	-0,55	-1,02	-2,40	-3,64	-4,03	-0,93
	B	5,01	2,31	2,84	0,32	3,67	3,44	3,61	3,28	3,29	5,55	5,26	13,15	4,31
	C	4,21	3,33	4,06	1,66	2,10	3,01	3,32	2,73	2,27	3,15	1,62	9,12	3,38
	D	3,18	2,15	2,73	3,19	2,53	3,30	3,87	3,75	4,62	6,76	5,51	5,97	3,96
	E	1,03	1,18	1,33	-1,53	-0,43	-0,29	-0,55	-1,02	-2,35	-3,61	-3,89	3,15	-0,58
TOTAL EEC	A	10,61	38,20	30,71	25,24	18,82	13,72	7,32	3,82	-0,17	1,13	0,08	0,58	12,50
	B	38,70	8,93	9,19	6,22	10,15	6,07	16,46	11,94	17,46	19,97	20,03	37,14	16,86
	C	49,31	47,13	39,90	31,46	28,97	19,79	23,78	15,76	17,29	21,10	20,11	37,72	29,36
	D	11,05	16,34	14,61	12,52	15,27	12,45	19,97	15,93	16,08	20,97	19,40	31,12	17,14
	E	38,26	30,79	25,29	18,94	13,70	7,34	3,81	-0,17	1,21	0,13	0,71	6,60	12,22

A = Balance at the beginning of the month at that month's rate
 B = Advances for the month
 C = Total available for the month
 D = Expenditure for the month
 E = Balance still available

The balances remaining available at the end of the month represent the difference between the amount available at the beginning of each month and the expenditure declared for that month to the Commission, without taking into account sums paid after the 20th of the month in respect of the following month. This procedure explains why negative balances are shown at the end of the month for some Member States.

ANNEX 14
EXCHANGE RATES - 1980

1) Conversion of monthly expenditure into ECU - budget rates

Expenditure paid in	Rate on :	OJ :	BFR	DKR	DM	FF	IRL	IT	LUX	PB	RU
JANUARY	21.11.79	- C 292/79	40,2186	7,32632	2,48296	5,82554	0,671729	1158,58	40,2186	2,77273	0,648399
FEBRUARY	20.12.79	- C 320/79	40,3374	7,69948	2,48268	5,80432	0,671951	1158,72	40,3374	2,73570	0,680433
MARCH	18.01.80	- C 15/80	40,4706	7,78552	2,49183	5,83571	0,672894	1163,17	40,4706	2,74636	0,633243
APRIL	20.02.80	- C 44/80	40,5489	7,77223	2,49787	5,85206	0,674032	1156,75	40,5489	2,74989	0,628205
MAY	20.03.80	- C 70/80	40,5910	7,84473	2,51185	5,85829	0,677835	1170,71	40,5910	2,75205	0,612223
JUNE	18.04.80	- C 96/80	40,4632	7,84615	2,51376	5,84370	0,672303	1180,15	40,4632	2,76228	0,610087
JULY	20.05.80	- C 122/80	40,3411	7,84940	2,51287	5,85918	0,674596	1181,17	40,3411	2,76165	0,609141
AUGUST	20.06.80	- C 153/80	40,2635	7,81217	2,51686	5,83814	0,672292	1189,12	40,2635	2,75625	0,609656
SEPTEMBER	18.07.80	- C 181/80	40,2774	7,78998	2,51571	5,84483	0,669912	1197,68	40,2774	2,75106	0,607779
OCTOBER	20.08.80	- C 214/80	40,4842	7,82133	2,53002	5,86036	0,670114	1198,92	40,4842	2,75381	0,594795
NOVEMBER	19.09.80	- C 242/80	40,6077	7,84378	2,53040	5,88336	0,672336	1200,65	40,6077	2,74993	0,590026
DECEMBER	20.10.80	- C 272/80	40,8545	7,85692	2,55291	5,89027	0,680356	1210,00	40,8545	2,76669	0,570290

2) average rates = $\frac{\text{Total expenditure in national currency}}{\text{Total expenditure in ECU}}$

	Belgium	Denmark	Germany	France	Ireland	Italy	Luxembourg	Netherlands	Un. Kingd.
Average rate in ECU	40,4335	7,76066	2,51225	5,84970	0,673477	1177,71	40,4548	2,75439	0,605540

ANNEX 15

EXCHANGE DIFFERENCES - 1980 FINANCIAL YEAR(1)

ECU

Member State	Guarantee	Premiums (2)	Total
Belgium	- 237.217,12	+ 78,89	- 237.138,23
Denmark	- 1.256.788,77	- 51.586,16	- 1.308.374,93
Germany	- 1.060.544,68	- 169.073,50	- 1.229.618,18
France	- 793.182,99	- 35.630,15	- 828.813,14
Ireland	- 203.883,08	+ 5.332,48	- 198.550,60
Italy	- 591.032,25	-	- 591.032,25
Luxembourg	- 5.617,30	- 1.366,72	- 6.984,02
Netherlands	+ 479.976,34	- 10.207,78	+ 469.768,56
United Kingdom	- 623.169,28	- 215.892,89	- 839.062,17
TOTAL	- 4.291.459,13	(3) - 478.345,83	- 4.769.804,96

(1) For each Member State there is a difference between the balance at the end of each month as converted into ECU at that month's rate and the same balance as converted into ECU at the following month's rate. This table shows the total exchange differences recorded for each Member State for the whole of 1980.

(2) Premiums for the non-marketing of milk and premiums for the conversion of dairy herds (Regulation (EEC) No 1078/77

(3) of which : 60 % financed by the Guarantee Section = - 287,007.50

40 % financed by the Guidance Section = - 191,338.33

EAGGF GUARANTEE SECTION - 1980
CASES OF IRREGULARITY REPORTED AND AMOUNTS RECOVERED

(amounts in ECU)

SECTOR	Belgium		Denmark		Germany		France		Ireland		Italy		Luxembourg		Netherlands		United Kingdom		TOTAL EEC		
	No of cases	Amount	No of cases	Amount	No of cases	Amount	No of cases	Amount	No of cases	Amount	No of cases	Amount	No of cases	Amount	No of cases	Amount	No of cases	Amount	No of cases	Amount	
Cereals	(1) R				6	4.319.358	3	113.914			1	16.189							9	4.433.302	
	(2) I				4	339.013													5	355.202	
	Tot.				10	4.658.401													14	4.788.504	
Milk and milk products	R				8	500.653	1	32.678					1	4.795					10	538.131	
	I	1	1.403	6	54.588	46	6.346.210	21	117.169				2	99.060			30	263.562	106	7.381.992	
	Tot.				54	7.346.868	22	149.847					3	103.855					116	7.920.123	
Pigmeat	R	2	5.044.188	1	1.474	1	3.712			1	?								4	5.049.374	
	I					4	21.576												5	21.576	
	Tot.					5	25.288												9	5.070.950	
Eggs	R																				
Poultrymeat	R																				
Beef and veal	R							2	5.930									1	2.149	3	8.079
	I					8	240.588	3	18.528										11	259.116	
	Tot.							5	24.458										14	267.195	
Oils and fats	R											19	584.505						19	584.505	
	I																				
	Tot.																				
Fruit and vegetables	R											1	986.474			11	?			15	1.137.431
	I	1	33.100			2	117.857														
	Tot.																				
Sugar	R																				
	I																				
	Tot.																				
Non-Annex II products	R			1	1.309	1	1.433												2	2.742	
	I																				
	Tot.																				
Other sectors	R					1	4.898	4	104.430										5	109.328	
	I					1	4.172								1	108.685			2	112.857	
	Tot.					2	9.070												7	222.185	
MCAs	R																				
	I			3	35.411	11	548.562	3	29.110							10	377.207	23	498.329	50	1.488.619
	Tot.																				
Total M.S.	R	2	5.044.188	2	2.783	17	4.830.089	10	256.952	1	?	21	1.587.168			1	4.795	1	2.149	33	10.140.956
	I	2	34.503	6	54.588	65	7.569.416	24	135.627						14	207.745	30	263.562	163	9.852.679	
	Tot.	4	5.078.691	11	92.782	93	12.948.067	37	421.759	1	?	21	1.587.168			25	589.747	54	764.040	246	21.482.254
of which:																					
	1. amounts recovered or expenditure justified		176.524		3.256	48	910.102	19	172.000			17	20.945			6	250.386	13	78.275	103	1.611.488
2. amounts for which the recovery procedure is in progress		4.902.167	11	89.526	45	12.037.965	18	249.759	1	?	4	1.566.223			19	339.361	41	685.765	143	19.870.766	

(1) Refunds = R

(2) Intervention = I

EAGGF GUARANTEE SECTION
CASES OF IRREGULARITY REPORTED AND RECOVERY OF OVERPAYMENTS

(amounts in ECU)

M.S.	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	TOTAL E.M.
B			6 8.422		1 5.146	3 12.379	4 1.536.932		1 22.245	4 5.078.691		19 6.663.815
			2 8.422		1 5.146	2 4.099	99.511			176.524		5 293.702
D	4 11.913.833	15 1.048.614	31 245.920	63 1.357.773	69 1.875.836	86 2.216.472	49 2.562.397	47 934.671	36 565.651	93 12.948.067		493 35.669.234
	3 11.783.741	15 1.048.614	30 243.970	54 375.567	64 687.253	73 1.004.278	38 1.179.485	40 773.012	31 393.229	48 910.102		396 18.399.251
DK			1 6.692	7 593.260	26 362.684	1 2.714	13 320.835	11 133.298	11 59.056	11 92.782		81 1.571.321
			1 6.692	6 290.324	26 362.684	1 2.714	11 206.080	10 96.568	7 25.219	3.256		62 993.537
FR		5 1.279.565	7 897.439	5 2.108.336	7 133.244	4 469.955	8 812.174	9 171.253	32 232.005	37 421.759		114 6.525.730
		1 2.402	4 383.075	2 9.007	3 60.667	2 11.200	2 13.054	7 35.895	24 186.437	19 172.000		64 873.737
IRL			1 8.952	1 184.912	2 182.490	9 561.621	5 209.137	1 1.459	1 6.192	1 ?		21 1.154.763
			1 8.952	1 184.912	1 182.490	5 328.116	3 204.461	1 1.459	1 6.192			13 916.582
IT			3 135.358	6 8.651	14 46.259	2 1.107	5 618.170		2 128.100	21 1.587.168		53 2.524.813
			1 1.939	3 3.840	2 2.490				17 20.945			22 29.214
LUX												
NL	4 23.299		1 4.130	6 105.566	7 58.683	2 5.092	9 989.054	3 7.533	6 672.239	25 589.747		63 2.455.343
	4 23.299		1 4.130	6 105.566	7 58.683	2 5.092	8 15.656	3 7.533	6 672.239	6 250.386		43 1.142.584
UK			1 635		4 233.848	118 2.386.621	55 2.089.148	37 1.625.922	23 407.405	54 764.040		292 7.507.619
			1 635		1 11.815	46 1.090.451	7 537.504	6 212.810	5 41.019	13 78.275		79 1.972.509
EEC	8 11.937.132	20 2.328.179	51 1.307.548	88 4.358.498	130 2.898.190	225 5.655.961	148 9.137.847	108 2.874.136	112 2.092.893	246 21.482.254		1136 64.072.638
	7 11.807.040	16 1.051.016	40 657.815	72 969.216	105 1.371.228	131 2.445.950	69 2.255.751	67 1.127.277	74 1.324.335	103 1.611.488		684 24.621.116

NOTES

First line : Number of cases reported and amount

Second line : Number of cases where over payments were recovered, with amount recovered.

ANNEX 18

SUMMARY OF IMPLEMENTATION FOR THE 1980 FINANCIAL YEAR

(Chapter 92 - Community food aid)

Appropriations available	m ECU	Implementation	m ECU	% utilization
A. APPROPRIATIONS FOR THE FINANCIAL YEAR		C. COMMITMENTS		
1. Initial appropriations	389,84	1. Total commitments a)	389,84	100 %
2. Supp. appropriations	-	2. Automatic carryovers to 1981	213,07	
3. Transfers	-	3. Sums not committed b)	-	0 %
TOTAL x	389,84	TOTAL x = a + b	389,84	100 %
B. APPROPRIATIONS FOR THE PREVIOUS FINANCIAL YEAR		D. PAYMENTS		
- automatic carryovers from 1979	137,10	1. Application of carryovers from 1979		
- non-automatic carryovers	-	- payments (a) from automatic carryovers	137,05	
		(b) from non-automatic carryovers	-	
TOTAL y	137,10	- lapsed	0,05	
		TOTAL CARRYOVERS FROM 1979 y =	137,10	26 %
		2. Application of 1980 appropriations		
		(a) payments	176,77	33,6 %
		(b) carryovers to 1981		
		- automatic	213,07	
		- non-automatic	-	
		TOTAL CARRYOVERS FROM 1980 TO 1981	213,07	40,4 %
		3. Appropriations lapsed		
		- out of 1980 allocation	-	
		- out of 1979 carryovers	0,05	
		TOTAL APPROPRIATIONS LAPSED	0,05	
TOTAL APPROPRIATIONS AVAILABLE x + y = z	z 526,94	TOTAL x + y = z	z 526,94	100 %

ANNEX 19

COMMUNITY FOOD AID - CHAPTER 92
CASH POSITION AT 31 DECEMBER 1980

MEMBER STATE		a	b	c	d = (a + b) - c	e
		Amount available at 1 January 1980	Advances granted from 1 January '80 to 31 December '80	Expenditure from 1 January 1980 to 31 December 1980	Amount available at 31 Dec. 1980	Adjusted availab- ility at 31/12/80 (1)
BELGIUM	BFR	187 519 633	1 603 500 000	1 854 315 101	-63 295 468	-63 295 468
	ECU	4 662 510,20	39 544 584,21	45 813 273,30	- 1 606 178,89	- 1 540 223,09
DENMARK	DKR	19 181 505,14	-60 138 030,54	-40 956 525,40	-0-	-0-
	ECU	2 618 163,70	- 7 675 991,27	- 5 274 361,91	216 534,34	-0-
GERMANY	DM	28 063 575,28	289 900 000	236 263 506,57	81 700 068,71	81 700 068,71
	ECU	11 302 467,73	115 031 359,07	93 976 570,36	32 357 256,44	31 973 415,01
France	FF	28 172 199,56	431 300 000	461 875 387,46	- 2 403 187,90	- 2 403 187,90
	ECU	4 835 980,79	73 708 579,02	78 928 853,84	- 384 294,03	- 405 420,01
IRELAND	IRL	586 355,31	3 030 000	2 234 025,09	1 382 330,22	1 382 330,22
	ECU	872 904,56	4 505 759,80	3 321 112,57	2 057 551,79	2 016 354,86
ITALY	LIT	8 739 227 680	25 960 000 000	33 585 300 204	1 113 927 476	1 113 927 476
	ECU	7 543 050,69	21 890 608,90	28 362 266,05	1 071 393,54	917 620,85
Luxembourg	FLUX	18 509	242 200 000	204 213 894	38 004 615	38 004 615
	ECU	460,20	5 924 149,51	5 037 716,75	886 892,96	924 799,00
NETHERLANDS	HFL	75 890,58	29 160 000	34 944 911,99	- 5 709 021,41	- 5 709 021,41
	ECU	27 370,34	10 579 632,22	12 672 100,21	- 2 065 097,65	- 2 059 531,53
UNITED KING.	UKL	169 087,76	15 130 000	8 326 597,54	6 972 490,22	6 972 490,22
	ECU	260 777,33	25 190 267,65	13 830 303,06	11 620 741,92	12 434 688,09
Total	CEE/ECU	32 123 685,54	288 698 949,11	276 667 834,23	44 154 800,42	44 261 703,18

N.B. : The negative balances for some Member States correspond to payments made by them in December 1980 from funds available to them as advances for January 1981, which is perfectly compatible with the budget appropriations available on 31 December 1980 (some 213.07 m ECU)

(1) Based on conversion rate valid for advances in January 1981

ANNEX 20

EXPENDITURE DECLARED BY THE MEMBER STATES

MEMBER STATES	in ECU							
	Cereals and rice		Milk products		Sugar, pigmeat and other expenditure		TOTALS	
Belgium	6 824 521,09	7,4 %	35 467 612,72	20 %	3 521 139,49	46,3 %	45 813 273,30	16,6 %
Denmark	-	-	-9 365 719,88	-5,3 %	4 091 357,97	53,7 %	-5 274 361,91 ⁽¹⁾	-2 %
Germany	314 873,62	0,3 %	93 661 696,74	53 %	-	-	93 976 570,36	34 %
France	54 571 254,62	59,2 %	24 357 599,22	13,8 %	-	-	78 928 853,84	28,5 %
Ireland	-	-	3 321 112,57	1,9 %	-	-	3 321 112,57	1,2 %
Italy	28 362 266,05	30,7 %	-	-	-	-	28 362 266,05	10,3 %
Luxembourg	-	-	5 037 716,75	2,8 %	-	-	5 037 716,75	1,8 %
Netherlands	2 173 367,77	2,4 %	10 498 732,44	6 %	-	-	12 672 100,21	4,6 %
United King.	-	-	13 830 303,06	7,8 %	-	-	13 830 303,06	5 %
EEC	92 246 283,15	100 %	176 809 053,62	100 %	7 612 497,46	100 %	276 667 834,23	100 %
		33,3 %		64 %		2,7 %		100 %

¹⁾ This "negative expenditure" results from repayments by Denmark in respect of food aid refunds incorrectly declared in 1979 as expenditure under Chapter 92 instead of Title 6.

BUDGET APPROPRIATIONS, 1980 (IN ECU); POSITION AT 31 DECEMBER 1980

(b) 1980 appropriations

Articles	Programmes	Amounts available			Appropriations committed	Expenditure declared by Member States	Expenditure by Commission	Total Expenditure	Automatic carryovers Art.6(1)(c) Fin. Regul.	Lapsed appropriations.
		Entered in 1980	Transfers	Total						
92	Food aid									
920	CEREALS									
9200	Before 1980	4 997 000	10 993 833,74	15 990 883,74	15 990 833,74	15 851 744,28	15 990 833,74	-0-	-	
9201	Rice before 1980	81 282 000	7 006 166,26	88 288 166,26	88 288 166,26	46 087 923,17	47 705 501,26	40 582 665,00	-	
9202	Rice 1980	149 000	3 918 066,35	4 067 066,35	4 067 066,35	4 067 066,35	4 067 066,35	-0-	-	
9203	Rice 1980	29 780 000	-3 918 066,35	25 861 933,65	25 861 933,65	1 792 246,11	9 293 918,75	16 568 014,90	-	
921	Milk products									
9210	Skimmed milk p. before 1980	24 718 000	- 350 000,00	24 368 000,00	24 368 000,00	23 516 200,24	23 643 544,55	724 455,45	-	
9211	Skimmed milk powder 1980	109 955 000	- 910 059,83	109 044 940,17	109 044 940,17	31 764 153,50	34 202 982,01	74 841 958,16	-	
9212	Butteroil before 1980	9 700 000	293 237,62	9 993 237,62	9 993 237,62	9 882 755,44	9 993 237,62	-0-	-	
9213	Butteroil 1980	67 835 000	6 006 762,38	73 841 762,38	73 841 762,38	14 915 758,08	14 915 758,08	58 926 004,30	-	
922	SUGAR									
9220	Before 1980	p.m.	2 250 000,00	2 250 000,00	2 250 000,00	2 073 139,49	2 073 139,49	176 860,51	-	
9221	1980	1 779 000	350 000,00	2 129 000,00	2 129 000,00	-	-0-	2 129 000,00	-	
923	Other products									
9230	1980	p.m.	4 660 059,83	4 660 059,83	4 660 059,83	464 424,83	4 260 059,83	400.000,00	-	
924	Transport costs									
9240	Before 1980	7 485 000	-	7 485 000,00	7 485 000,00	2 206 218,08	2 655 701,41	4 829 298,59	-	
9241	1980	52 164 000	-30 300 000,00	21 864 000,00	21 864 000,00	4 566 998,29	7 964 751,05	13 899 248,95	-	
	TOTAL	389 844 000	-0-	389 844 000,00	389 844 000,00	157 188 627,86	176 766 494,14	213 077 505,86	-	

ANNEX 22

BUDGET APPROPRIATIONS 1980 (in ECU); POSITION AT 31 DECEMBER 1980

(a) Appropriations carried over

Chapter	Article	Item	Programme	Amounts available	Expenditure declared by Member States	Expenditure by Commission	Total expenditure	Lapsed appropriations
				1979 appropriations carried over to 1980				
92	920	9200	Food aid	-0-	-	-	-0-	-
		9201	CEREALS Before 1979 1979	31 799 963,49	20 636 764,28	11 163 199,21	31 799 963,49	-
	921	9210	Milk products	-0-	-	-	-0-	-
		9211	Skimmed milk p. (bef. 79)	60 294 089,96	57 580 437,24	2 713 652,72	60 294 089,96	-
		9212	Skim. milk p. 1979	-0-	-	-	-0-	-
		9213	Butteroil bef. 1979 butteroil 1979	37 687 870,40	36 092 384,65	1 595 485,75	37 687 870,40	-
	922	9220	SUGAR	-0-	-	-	-0-	-
		9221	Before 1979 1979	1 448 000,00	1 448 000,00	-	1 448 000,00	-
	923	9230	Other products 1979	5 429 076,78	3 626 933,14	1 802 143,64	5 429 076,78	-
	924		Other expenditure 1979	440 238,77	94 687,07	298 995,62	393 682,69	46 556,08
			TOTAL	137 099 239,40	119 479 206,38	17 573 476,94	137 052 683,32	46 556,08

ANNEX 23

Summary of 1980 appropriations and carryovers

(in ECU)

ECU

	Total budget funds available - Appropriations committed	Expenditure declared by Member States	Expenditure by Commission	Total expenditure
<u>Food aid</u>				
Cereals & rice	166 007 963,49	88 435 744,19	20 421 539,40	108 857 283,59
Milk products	315 229 900,53	173 751 689,15	6 985 793,47	180 737 482,62
Sugar	5 827 000,00	3 521 139,49	-	3 521 139,49
Other products	10 089 136,61	4 091 357,97	5 597 778,64	9 689 136,61
Other expenditures and transport	29 789 238,77	6 867 903,44	4 146 231,71	11 014 135,15
TOTAL	526 943 239,40	276 667 834,24	37 151 343,22	313 819 177,46