



COMMISSION OF THE EUROPEAN COMMUNITIES

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**36th FINANCIAL REPORT FROM THE COMMISSION
TO THE EUROPEAN PARLIAMENT AND THE COUNCIL**

**on the EUROPEAN AGRICULTURAL GUIDANCE AND GUARANTEE FUND,
Guarantee section
– 2006 FINANCIAL YEAR –**

{SEC(2007) 1246}

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Note: A detailed Commission working document accompanies this report. The full text of this working document (in English) and the annexed tables (in English) will be available on DG Agriculture's website.

1. BUDGET PROCEDURE

1.1. Preliminary draft budget 2006

The 2006 Preliminary Draft Budget was adopted by the Commission and proposed to the Budgetary Authority in April 2005. The commitment appropriations proposed for the EAGGF-Guarantee section totalled EUR 51 412.3 million, i.e. EUR 43 641.3 million for subheading 1a and EUR 7 771.0 million for subheading 1b for which the payment appropriations totalled EUR 7 711.3 million due to the inclusion of the Transitional Instrument for the new Member States which is implemented on the basis of differentiated appropriations.

1.2. Draft budget 2006

The Council adopted the 2006 Draft Budget in July 2005. The appropriations in subheading 1a were reduced by EUR 150.0 million as compared to the PDB while the ones for subheading 1b were maintained at the level of the PDB.

1.3. Letter of amendment for 2006

At the end of October 2005 the Commission adopted Letter of Amendment No 2 to the 2006 PDB setting appropriation requirements for subheading 1a at EUR 43 279.7 million which was lower by EUR 361.6 million compared to the corresponding amount in the Preliminary Draft Budget. The proposed appropriation requirements for subheading 1b did not change.

1.4. Adoption of the 2006 Budget

In December 2005, the 2006 Budget was adopted as per the amounts proposed in the Amending Letter No 2. The appropriations for subheading 1a amounted, then, to EUR 43 279.7 million and for subheading 1b to EUR 7 771.0 million. For details, please see Annex 1.

1.5. Amending budget BR 6/2006

In December 2006, the Commission proposed and the Budgetary Authority accepted an adjustment, through BR 6/2006, of the 2006 budget's commitment appropriations, by cancelling an amount of EUR 860.0 million for subheading 1a, which, then, amounted to EUR 42 419.7 million. In detail, the Amending budget involved a reduction of appropriations for chapter 05 02 "interventions in agricultural markets" by EUR 360.0 million and for chapter 05 03 "direct aids" by EUR 654.2 million while it increased total appropriations for chapter 05 07 "audit of agriculture expenditure" by EUR 154.2 million.

The part of the final EAGGF-Guarantee budget (commitment appropriations) in the total EU Budget for the period 2002–2006 appears in Annex 2.

2. CASH POSITION AND MANAGEMENT OF APPROPRIATIONS

A. MANAGEMENT OF APPROPRIATIONS

2.1. Appropriations available for exercise 2006

The appropriations finally available for EAGGF Guarantee for the financial year amount to EUR 50 190 720 000. The budget authority approved a non-automatic carryover from 2005 to 2006 of EUR 43 400 000.

2.2. Utilisation of appropriations available for exercise 2006

2.2.1. Budget operations

The table below details the budget operations carried out in 2006:

	<i>EUR</i>
1. Appropriations available	
– normal appropriations	50 190 720 000.00
– non-automatic carryovers	43 400 000.00
2. Detailed commitments	
– for Member States' expenditure against normal appropriations	47 434 305 141.54
– for expenditure against non-automatic carryovers	43 400 000.00
– for direct payments	291 500 128.65
– for Member States' expenditure – RDFI EU 10	2 096 000 000.00
Total commitments	49 865 205 270.19
3. Amounts charged	
– for Member States' expenditure against normal appropriations	47 434 305 141.54
– for expenditure against non-automatic carryovers	43 400 000.00
– for direct payments	22 745 564.88
– for Member States' expenditure – RDFI EU 10	500 956 905.00
Total charged	48 001 407 611.42
4. Automatic carryovers	
– for Member States' expenditure – RDFI EU 10	1 595 043 095.00
– for Member States' expenditure against non-automatic carryovers	0.00
– for direct payments	268 754 563.77
Total automatic carryovers	1 863 797 658.77
5. Non-automatic carryovers	0.00
6. Appropriations lapsing (= 1 – 2 – 5)	368 914 729.81

2.2.2. Automatic carryovers

The automatic carryovers represent the difference between commitments and amounts charged. For this exercise, an amount of EUR 1 863.8 million is concerned corresponding to the appropriations committed by the Commission for expenditure carried out by itself and for which no payments have been made by the end of the exercise.

2.3. Automatic carryovers from exercise 2005 to 2006

The table below gives an overview of the utilisation of these carryovers in 2006 at the global level:

	<i>EUR</i>
1. Commitments carried over	
– for Member States' expenditure – RDFI EU 10	1 614 735 317.00
– for direct payments	242 096 606.20
Total commitments	1 856 831 923.20
2. Decommitments from carryovers	
– for Member States' expenditure	—
– for direct payments	(17 651 622.31)
Total decommitments	(17 651 622.31)
3. Payments	
– for Member States' expenditure – RDFI EU 10	1 608 989 764.00
– for direct payments	182 586 614.06
Total of the amounts charged	1 791 576 378.06
4. Appropriations lapsing (= 1 + 2 – 3)	
– for Member States' expenditure	0.00
– for direct payments	41 858 369.83
Total carryovers cancelled	41 858 369.83
5. Automatic carryovers	
– for Member States' expenditure – RDFI EU 10	5 745 553.00

2.4. Non-automatic carryovers from 2005

Under Articles 9 and 149 of the Financial Regulation (Council Regulation (EC) No 1605/2002 of 25 June 2002), the Commission decided non-automatic carryovers from exercise 2005 to 2006 for a total amount of EUR 43.4 million for the item 05 04 01 05 « Early retirement – New system ».

B. ADVANCES

2.5. Advances to Member States

2.5.1. Monthly advances on the provision for expenditure

The Council Regulation (EC) No 1258/1999 of 17 May 1999 on the financing of the Common Agricultural Policy¹ states in Article 7 that the Commission shall decide on « monthly advances on the provisions for expenditure affected by the accredited paying agencies ». Advances are paid to the Member State at the beginning of the second month following that in which the expenditure was affected by the paying agency.

¹ OJ L 160 of 26.6.1999, p. 103.

In the strict meaning of the term, it is not a payment of advances, but a reimbursement of expenditure which has been already carried out. The expression « advance » underlines the provisional character of these payments: advances are made available on the basis of the monthly declarations forwarded by the Member States²; the monthly booking of expenditure is subject to checks and corrections on the basis of the detailed declaration.³ Moreover, they will become final after the verification during the following exercises in the light of the clearance of accounts decisions.

Payments made by the Member States from 16.10.2005 to 15.10.2006 are covered by the system for advance payments. For the remaining payments, the Commission carries out direct payments for a limited number of measures and in shared management regarding RDTI-EU 10 (Rural Development Transitional Instrument for the new Member States).

For exercise 2006, the total net amount of advances paid was EUR 47 477 705 141.5.

2.5.2. *Decisions on advances for 2006*

For exercise 2006, the Commission adopted twelve decisions on monthly advances. An additional advance, adjusting those already granted for the total expenditure chargeable to the year, was adopted in December 2006.

3. EXECUTION OF THE 2006 BUDGET

The initially available credit appropriations of EAGGF-Guarantee for the 2006 budget year amounted to EUR 51 050.7 million in commitment appropriations. An amount of EUR 43 279.7 million was allocated to sub-heading 1a and the rest EUR 7 771.0 million to sub-heading 1b. The total amount for the 2006 budget as well as the amount for rural development were increased to EUR 51 094.1 million and to EUR 7 814.4 million following the carry over from 2005 to 2006 of approximately EUR 43.4 million for the early retirement scheme included in the rural development programmes.

The implementation of the budget for heading 1 amounted to EUR 49 865.2 million, i.e. to approximately 97.6 % of the initial credit appropriations, of which the expenditure for sub-heading 1a amounted to EUR 42 175.3 million and for sub-heading 1b to EUR 7 689.9 million including the amount carried over.

Concerning in particular sub-heading 1a, the budget's implementation resulted to an under-spending of EUR 1 104.4 million. In order to reduce the Member States contributions to the community budget, the Commission proposed, via the Amending Budget no 6/2006, to cancel an amount of EUR 860.0 million out of EAGGF-Guarantee's initial credit appropriations. Thus, the finally available appropriations for sub-heading 1a amounted to EUR 42 419.7 million and the resulting under-implementation was reduced to EUR 244.4 million. The appropriations for sub-heading 1b stayed at the level of the initial budget.

The execution of the 2006 budget with the differences between this execution and the appropriations included in the initial budget and in the amending budget No 6/2006 are

² These payments are transmitted monthly by the Member States by fax of the 10th.

³ The detailed declaration is transmitted monthly by the Member States by table 104.

presented in the Annex 3. The expenditure incurred by Member State and by measure is presented in Annex 4.

4. COMMENTS ON THE EXECUTION OF THE BUDGET

The 2006 agricultural year was marked by a decrease in crop production and in the production of animal products accompanied with very favourable prices for animal products and higher prices for crops. These developments in agricultural markets as well as other factors affected the level of EAGGF-Guarantee expenditure in certain areas of the budget and led to a significant non-utilisation of its credit appropriations.

4.1. Sub-heading 1a

The budget's appropriations were under-implemented both for interventions in agricultural markets, with the exception of the sugar and milk sectors, and for direct aids. The annexed table 3 presents the implementation details for the various articles of the budget. The main reasons for the implementation pattern of certain articles of the budget compared to the budget's initial appropriations are briefly presented below.

4.1.1. Cereals

This sector's under-implementation of appropriations was due to both the lower quantities of cereals held into public storage following the lower 2005/06 EU-25 total harvest and to the lower expenditure incurred for export refunds following the increase in world prices of cereals as from the spring of 2006.

4.1.2. Refunds on Non-Annex I products

The under-implementation of this sector's appropriations resulted both from the overall reduction in export refund rates as well as from the reduction in the exported quantities of processed agricultural products.

4.1.3. Sugar

The over-implementation of this sector's appropriations was exclusively due to the significantly higher quantities of free market sugar exported with refunds as opposed to the quantity retained in the 2006 budget.

4.1.4. Fruits and vegetables

This sector's under-implementation of appropriations was due to the lower expenditure incurred by Member States both for the operational funds for producer organisations because the expected increases in the approved producer organisations' programmes did not materialise and for the processing aid for tomatoes because of the smaller quantity of tomatoes eligible for this aid.

4.1.5. Milk and milk products

The over-implementation of this sector's appropriations was due to the effect of the change in the timing of the milk levy payments by the Member States whereby the levy for the quota year 2005/06 will be paid in the 2007 budget year instead of the 2006

budget year as it was assumed when the 2006 budget was adopted. Up to the 2005 budget, milk levy payments constituted a receipt for the budget and they reduced the corresponding expenditure for the milk sector. Therefore, the effect of this timing change in the 2006 budget's appropriations was that the corresponding expenditure for milk and milk products increased, thus, leading to an over-implementation of these appropriations.

4.1.6. Beef and veal

The under-implementation of this sector's appropriations resulted both from the lower quantities of exported meat and live animals as well as by the lower number of animals aided under the exceptional market support scheme.

4.1.7. Decoupled direct aids

The under-implementation of this sector's appropriations resulted mainly from the single payment scheme where a number of Member States, invoking administrative difficulties in establishing the entitlements and in liquidating and paying aid files, did not use the totality of their corresponding budgetary envelope.

4.1.8. Other direct aids

The 2006 budget's appropriations were under-implemented, mainly, for the tobacco premiums because of the reduction in the production of tobacco compared to the quantity retained in the 2006 budget and for the compensatory aid for bananas because favourable market conditions led to an increase in market prices and a consequent decrease in the compensatory rate of aid.

4.1.9. Audit of agricultural expenditure

The under-implementation of this sector's appropriations resulted from the lower amounts clawed back from the Member States both from the accounting and from the conformity clearance procedures. These claw backs constitute a receipt for the budget and they reduce overall budgetary expenditure.

4.2. Sub-heading 1b

4.2.1. Rural Development (EU-15)

The EAGGF Guarantee Section, on the basis of sub-heading 1b appropriations, co-finances (Regulation (EC) No 1257/1999) the 89 rural development programmes of the EU-15 which were adopted for the period 2000–2006. The 2006 budget allocation for these programmes amounting to EUR 5 020.0 million was increased by the amount of compulsory modulation of EUR 655.0 million and by EUR 43.4 million carried over from 2005 into 2006. The actual expenditure for these 89 programmes was EUR 5 623.3 million or 98.3% of these appropriations. The under-implementation of these appropriations involved mainly the forestry and the agro-environmental measures.

4.2.2. Transitional Instrument for the financing of rural development for the new Member States

The EAGGF Guarantee Section under this instrument co-finances (Regulation (EC) No 1257/1999), on the basis of differentiated appropriations, the rural development

programmes adopted in 2004 for the 10 new Member States for the period 2004–2006. All the amounts foreseen in the budget were committed while payments amounted to EUR 2 115.7 million, i.e.: higher by EUR 79.5 million compared to the 2006 budget's payment appropriations.

4.3. Breakdown sub-heading 1a expenditure by category

The EAGGF Guarantee Section expenditure for subheading 1a can be broken down into the following principal categories. Hereafter, the corresponding expenditure involved along with the percentage that this expenditure represents in the total EAGGF-Guarantee section expenditure for 2006 are given:

4.3.1 Export refunds

Spending on export refunds amounted to EUR 2 493.6 million, i.e.: 5.0% of the total.

4.3.2 Direct aids

Expenditure under this heading amounted to EUR 34 051.3 million, i.e. 68.3% of the total. The expenditure that counts as direct aid is defined in the Annex to Council Regulation (EC) No 1782/2003 of 29 September 2003 (OJ L 270, p. 1).

4.3.3 Storage

Expenditure for storage amounted to EUR 756.9 million, i.e.: 1.5% of the total. The main products involved were cereals, sugar, wine and milk products.

4.3.4 Others

Other intervention expenditure amounted to EUR 4 873.4 million, i.e. 9.8% of the year's total. This heading covers expenditure not falling into the above categories.

The evolution of this breakdown of expenditure for the period 2002 to 2006 is presented in Annex 5.

ANNEX 1

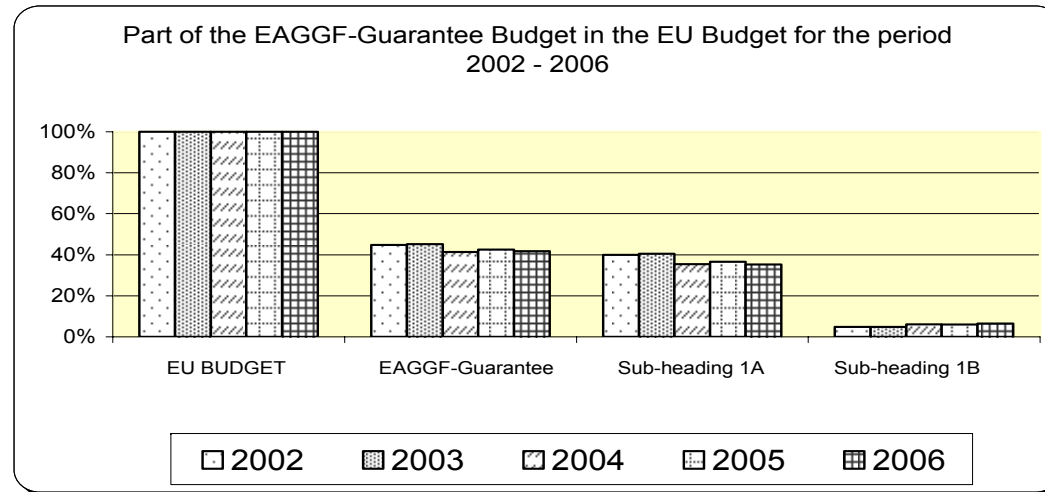
BUDGETARY PROCEDURE FOR 2006 - EAGGF - Guarantee

Title	Chapter	Article	mio euros											
			PDB		DB		DB		Letter		Council		Budget	
			CA	PA	CA	PA	CA	PA	CA	PA	CA	PA	CA	PA
05			POLICY AREA 05 : AGRICULTURE AND RURAL DEVELOPMENT											
05 01			Management and support expenditure of DG AGRI											
05 01 04			3,5	3,5	3,5	3,5	3,1	3,1	4,0	4,0	4,0	4,0	4,0	4,0
			3,5	3,5	3,5	3,5	3,1	3,1	4,0	4,0	4,0	4,0	4,0	4,0
05 02			Interventions in agricultural markets											
05 02 01			8.858,6	8.858,6	8.808,9	8.808,9	8.872,4	8.872,4	8.508,6	8.508,6	8.508,6	8.508,6	8.508,6	8.508,6
05 02 02			836,0	836,0	831,3	831,3	836,0	836,0	700,0	700,0	700,0	700,0	700,0	700,0
05 02 03			26,0	26,0	26,0	26,0	26,0	26,0	4,0	4,0	4,0	4,0	4,0	4,0
05 02 04			415,0	415,0	412,7	412,7	415,0	415,0	415,0	415,0	415,0	415,0	415,0	415,0
05 02 05			220,0	220,0	218,8	218,8	234,0	234,0	268,0	268,0	268,0	268,0	268,0	268,0
05 02 06			1.498,0	1.498,0	1.489,9	1.489,9	1.498,0	1.498,0	1.376,0	1.376,0	1.376,0	1.376,0	1.376,0	1.376,0
05 02 07			35,0	35,0	35,0	35,0	35,0	35,0	35,0	35,0	35,0	35,0	35,0	35,0
05 02 08			997,0	997,0	991,5	991,5	997,0	997,0	969,0	969,0	969,0	969,0	969,0	969,0
05 02 09			1.434,0	1.434,0	1.426,4	1.426,4	1.434,0	1.434,0	1.544,0	1.544,0	1.544,0	1.544,0	1.544,0	1.544,0
05 02 10			1.329,0	1.329,0	1.321,8	1.321,8	1.326,8	1.326,8	1.494,0	1.494,0	1.494,0	1.494,0	1.494,0	1.494,0
05 02 11			52,0	52,0	52,0	52,0	52,0	52,0	52,0	52,0	52,0	52,0	52,0	52,0
05 02 12			297,6	297,6	296,0	296,0	297,6	297,6	297,6	297,6	297,6	297,6	297,6	297,6
05 02 13			1.143,0	1.143,0	1.134,5	1.134,5	1.143,0	1.143,0	858,0	858,0	858,0	858,0	858,0	858,0
05 02 14			468,0	468,0	465,4	465,4	468,0	468,0	388,0	388,0	388,0	388,0	388,0	388,0
05 02 15			0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
05 02 99			164,0	164,0	163,5	163,5	166,0	166,0	164,0	164,0	164,0	164,0	164,0	164,0
			-56,0	-56,0	-56,0	-56,0	-56,0	-56,0	-56,0	-56,0	-56,0	-56,0	-56,0	-56,0
05 03			Direct aids											
05 03 01			34.829,0	34.829,0	34.728,7	34.728,7	34.853,3	34.853,3	34.816,9	34.816,9	34.816,9	34.816,9	34.816,9	34.816,9
05 03 02			16.375,0	16.375,0	16.375,0	16.375,0	16.375,0	16.375,0	16.375,0	16.375,0	16.375,0	16.375,0	16.375,0	16.375,0
05 03 03			18.118,0	18.118,0	18.017,7	18.017,7	18.142,3	18.142,3	18.105,9	18.105,9	18.105,9	18.105,9	18.105,9	18.105,9
05 03 04			347,0	347,0	347,0	347,0	347,0	347,0	347,0	347,0	347,0	347,0	347,0	347,0
05 03 99			0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
			-11,0	-11,0	-11,0	-11,0	-11,0	-11,0	-11,0	-11,0	-11,0	-11,0	-11,0	-11,0
05 07			Audit of agricultural expenditure											
05 07 01			-390,6	-390,6	-390,6	-390,6	-390,3	-390,3	-390,6	-390,6	-390,6	-390,6	-390,6	-390,6
05 07 02			0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
05 08			Policy strategy and coordination											
05 08 06			6,5	6,5	6,5	6,5	6,5	6,5	6,5	6,5	6,5	6,5	6,5	6,5
			6,5	6,5	6,5	6,5	6,5	6,5	6,5	6,5	6,5	6,5	6,5	6,5
Sub-Total 1a - CAP excluding rural development			43.307,0	43.307,0	43.157,0	43.157,0	43.345,1	43.345,1	42.945,4	42.945,4	42.945,4	42.945,4	42.945,4	42.945,4
Fish (Policy area 11)			33,2	33,2	33,2	33,2	33,2	33,2	33,2	33,2	33,2	33,2	33,2	33,2
Veterinary, Phytosanitary & Public health (Policy area 17)			301,2	301,2	301,2	301,2	301,2	301,2	301,2	301,2	301,2	301,2	301,2	301,2
TOTAL 1a			43.641,3	43.641,3	43.491,3	43.491,3	43.679,5	43.679,5	43.279,7	43.279,7	43.279,7	43.279,7	43.279,7	43.279,7
05 04 01			5.675,0	5.675,0	5.675,0	5.675,0	5.675,0	5.675,0	5.675,0	5.675,0	5.675,0	5.675,0	5.675,0	5.675,0
05 04 04			2.096,0	2.036,3	2.096,0	2.036,3	2.096,0	2.036,3	2.096,0	2.036,3	2.096,0	2.036,3	2.096,0	2.036,3
TOTAL 1b			7.771,0	7.711,3	7.771,0	7.711,3	7.771,0	7.711,3	7.771,0	7.711,3	7.771,0	7.711,3	7.771,0	7.711,3
TOTAL EAGGF- Guarantee			51.412,3	51.352,6	51.262,3	51.202,6	51.450,5	51.390,8	51.050,7	50.991,0	51.050,7	50.991,0	51.050,7	50.991,0

ANNEX 2

**PART OF THE EAGGF-GUARANTEE BUDGET IN THE EU BUDGET
FOR THE PERIOD 2002-2006**

BUDGET YEAR		2002	2003	2004	2005	2006
		%	%	%	%	%
EU BUDGET		100%	100%	100%	100%	100%
EAGGF - Guarantee		44,7%	45,2%	41,4%	42,5%	41,8%
of which	1A	40,0%	40,4%	35,4%	36,5%	35,3%
of which	1B	4,7%	4,8%	6,0%	6,0%	6,5%



ANNEX 3

ANALYSIS OF 2006 BUDGETARY EXECUTION

F P H	T	C	A	HEADING	INITIAL BUDGET	AB n° 6/2006	EXECUTION 2006	DIFF EXE. -	DIFF EXE. -
					2006		(10/2006) final	INITIAL BUDGET	AB n° 6/2006
					(0)	(1)	(2)	(3) = (2) - (0)	(4) = (2) - (1)
05 AGRICULTURE - Total (1a)					42.945.370.000	42.085.370.000	41.880.866.567	-1.064.503.433	-204.503.433
05 01 ADMINISTRATIVE EXPENDITURE					3.975.000	3.975.000	2.261.765	-1.713.235	-1.713.235
1.1	05	01	04	Support expenditure for operations of Policy Area Agriculture	3.975.000	3.975.000	2.261.765	-1.713.235	-1.713.235
05 02 INTERVENTIONS IN AGRICULTURAL MARKETS					8.508.600.000	8.148.600.000	8.066.747.920	-441.852.080	-81.852.080
1.1	05	02	01	Cereals	700.000.000	700.000.000	562.782.518	-137.217.482	-137.217.482
1.1	05	02	02	Rice	4.000.000	4.000.000	-2.261.664	-6.261.664	-6.261.664
1.1	05	02	03	Refunds on non-Annex I products	415.000.000	320.000.000	274.137.791	-140.862.209	-45.862.209
1.1	05	02	04	Food programmes	268.000.000	268.000.000	228.834.097	-39.165.903	-39.165.903
1.1	05	02	05	Sugar	1.376.000.000	1.376.000.000	1.520.738.557	144.738.557	144.738.557
1.1	05	02	06	Olive oil	35.000.000	35.000.000	29.506.655	-5.493.345	-5.493.345
1.1	05	02	07	Textile plants	969.000.000	944.000.000	935.098.523	-33.901.477	-8.901.477
1.1	05	02	08	Fruit and vegetables	1.544.000.000	1.414.000.000	1.371.646.815	-172.353.185	-42.353.185
1.1	05	02	09	Products of wine-growing sector	1.494.000.000	1.494.000.000	1.487.056.934	-6.943.066	-6.943.066
1.1	05	02	10	Promotion	52.000.000	52.000.000	38.897.869	-13.102.131	-13.102.131
1.1	05	02	11	Other plant products/measures	297.600.000	297.600.000	311.017.426	13.417.426	13.417.426
1.1	05	02	12	Milk and Milk products	858.000.000	858.000.000	1.009.595.078	151.595.078	151.595.078
1.1	05	02	13	Beef and Veal	388.000.000	278.000.000	252.913.380	-135.086.620	-25.086.620
1.1	05	02	14	Sheepmeat and goatmeat	0	0	0	0	0
1.1	05	02	15	Pigmeat, eggs and poultry, bee-keeping and other animal products	164.000.000	164.000.000	101.059.253	-62.940.747	-62.940.747
1.1	05	02	99	Recoveries	-56.000.000	-56.000.000	-54.275.313	1.724.687	1.724.687
05 03 DIRECT AIDS					34.816.895.000	34.162.745.000	34.051.330.746	-765.564.254	-111.414.254
1.1	05	03	01	Decoupled Direct aids	16.375.000.000	15.975.000.000	15.947.504.043	-427.495.957	-27.495.957
1.1	05	03	02	Other Direct aids	18.105.895.000	17.893.745.000	17.825.632.165	-280.262.835	-68.112.835
1.1	05	03	03	Additional amounts of aid	347.000.000	332.000.000	315.796.846	-31.203.154	-16.203.154
1.1	05	03	04	Ancillary Direct aids (reliquats, small producers, agrimonetary aids, etc.)	0	0	1.239.012	1.239.012	1.239.012
1.1	05	03	99	Recoveries	-11.000.000	-38.000.000	-38.841.321	-27.841.321	-841.321
05 07 AUDIT OF AGRICULTURAL EXPENDITURE					-390.600.000	-236.450.000	-245.830.611	144.769.389	-9.380.611
1.1	05	07	01	Control of agricultural expenditure. EAGGF Guarantee (1a)	-390.600.000	-242.600.000	-251.963.022	138.636.978	-9.363.022
1.1	05	07	02	Settlement of disputes	0	6.150.000	6.132.411	6.132.411	-17.589
05 08 POLICY STRATEGY AND COORDINATION					6.500.000	6.500.000	6.356.748	-143.252	-143.252
1.1	05	08	06	Enhancing public awareness of the CAP	6.500.000	6.500.000	6.356.748	-143.252	-143.252
11 Fisheries					33.200.000	33.200.000	25.793.085	-7.406.915	-7.406.915
11 02 FISHERIES MARKETS - EAGGF Guarantee Section					33.200.000	33.200.000	25.793.085	-7.406.915	-7.406.915
1.1	11	02	01	Intervention in fishery products	18.200.000	18.200.000	12.653.404	-5.546.596	-5.546.596
1.1	11	02	02	Other measures	0	0	-52.490	-52.490	-52.490
1.1	11	02	03	Fisheries programme for the outermost regions	15.000.000	15.000.000	13.192.171	-1.807.829	-1.807.829
17 Veterinary expenditure - EAGGF Guarantee Section					301.150.000	301.150.000	268.614.719	-32.535.281	-32.535.281
17 01 ADMINISTRATIVE EXPENDITURE					8.050.000	8.050.000	6.743.011	-1.306.990	-1.306.990
1.1	17	01	04	Support expenditure for operations of Policy Area Health & consumer protection	8.050.000	8.050.000	6.743.011	-1.306.990	-1.306.990
17 03 PUBLIC HEALTH					14.600.000	14.600.000	14.600.000	0	0
1.1	17	03	02	Community tobacco fund, Direct payments by the European Union	14.600.000	14.600.000	14.600.000	0	0
17 04 FOOD SAFETY, ANIMAL HEALTH, ANIMAL WELFARE & PLANT HEALTH					278.500.000	278.500.000	247.271.709	-31.228.291	-31.228.291
1.1	17	04	01	Animal disease eradication & monit. prog. & monit. of physical conditions of animals that could pose a public-health risk linked to an external factor	209.500.000	209.500.000	194.907.941	-14.592.059	-14.592.059
1.1	17	04	02	Other measures in the veterinary, animal welfare and public-health field	10.000.000	10.000.000	18.970.124	8.970.124	8.970.124
1.1	17	04	03	Emergency fund for veterinary complaints and other animal contaminations which are a risk to public health	48.000.000	48.000.000	17.018.120	-30.981.880	-30.981.880
1.1	17	04	04	Plant-health measures	2.500.000	2.500.000	9.440.576	6.940.576	6.940.576
1.1	17	04	05	Other measures	0	0	0	0	0
1.1	17	04	07	Feed and food safety and related activities	8.500.000	8.500.000	6.934.946	-1.565.054	-1.565.054
TOTAL Heading 1a (Titles 05, 11, 17)					43.279.720.000	42.419.720.000	42.175.274.371	-1.104.445.629	-244.445.629
05 AGRICULTURE - Total (1b)					7.814.400.000	7.814.400.000	7.689.930.899	-124.469.101	-124.469.101
05 04 RURAL DEVELOPMENT EXPENDITURE in EAGGF Guarantee S.					7.814.400.000	7.814.400.000	7.719.332.841	-95.067.159	-95.067.159
1.2	05	04	01	Rural development in the EAGGF Guarantee Section (*)	5.718.400.000	5.718.400.000	5.623.332.841	-95.067.159	-95.067.159
1.2	05	04	04	Transitional Instrument for the financing of RD by the EAGGF Guarantee Section for the new M.	2.096.000.000	2.096.000.000	2.096.000.000	0	0
05 07 Audit of agricultural expenditure					0	0	-29.401.942	-29.401.942	-29.401.942
1.2	05	07	01	Control of agricultural expenditure. EAGGF Guarantee (1b)	0	0	-29.401.942	-29.401.942	-29.401.942
TOTAL Heading 1b (Title 05)					7.814.400.000	7.814.400.000	7.689.930.899	-124.469.101	-124.469.101
TOTAL EAGGF (1a + 1b)					51.094.120.000	50.234.120.000	49.865.205.270	-1.228.914.730	-368.914.730

Columns (0) (1) (2) , 0 = pm

(*) Item 05 04 01 05 : An amount of EUR 43.400.000 was carried over from budget year 2005 and was committed in budget year 2006.

ANNEX 5

EVOLUTION OF THE BREAKDOWN OF EAGGF-GUARANTEE EXPENDITURE
FOR THE PERIOD 2002 - 2006 (in EUR million)

EXERCISE	BUDGET EXECUTION (1)		STORAGE	EXPORT REFUNDS	DIRECT AIDS	OTHERS MEASURES	RURAL DEVELOPMENT
	1a	1b					
2002	38.864,8	4.349,4	1.163,1	3.432,3	28.800,8	5.468,7	4.349,4
2003	39.781,6	4.679,6	928,1	3.729,6	29.692,4	5.431,5	4.679,6
2004	38.298,5	6.462,0	322,4	3.384,2	29.824,6	4.767,4	6.462,0
2005	42.100,8	6.827,4	851,5	3.051,9	33.700,8	4.496,6	6.827,4
2006	42.175,3	7.689,9	756,9	2.493,6	34.051,3	4.873,4	7.689,9

(1) Non-automatic carryovers included

