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TWENTIETH FINANCIAL REPORT

on

THE EUROPEAN AGRICULTURAL GUIDANCE AND GUARANTEE FUND EAGGF

- 1990 -

GUARANTEE SECTION and FOOD AID AND ACCOUNTS CLEARANCE

(presented by the Commission)

Average conversion rates used for 1990

(cf. Annex 18)

EUROPEAN COMMUNITY	1 ECU = (budgetary) (*)
Belgium	42,6474 BFR
Denmark	7,89567 DKR
Germany	2,05417 DM
Greece	191,656 DRA
Spain	129,246 PTA
France	6,93527 FF
Ireland	0,770096 IRL
Italy	1509,83 LIT
Luxembourg	42,5409 LFR
Netherlands	2,31351 HFL
Portugal	178,880 ESC
United Kingdom	0,709946 UKL

(*) The ecu is the unit of account used for the Communities' budget; all receipts and expenditure, agricultural and non-agricultural, are expressed in ecus. Conversion into national currencies is generally at market rates or "budget rates".

The common agricultural policy, to operate efficiently, requires that exchange rates between national currencies remain fairly stable. In order therefore to lessen the effect on agricultural prices of any adjustments to the rates of exchange, conversion into national currencies of agricultural prices expressed in ecus is not effected at the real exchange rates of the ecu but at specific rates called "green rates". Hence the amount calculated in ecu under agricultural regulations is referred to as "ECU(A)".

However, for the charging to the budget of the financial consequences of agricultural regulations, conversion into ecus of national currencies is not at the green rate but at the market or budget rate; hence, the amount in ecu to be entered in the accounts is referred to as "ECU(B)".

INTRODUCTORY NOTE

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

This Report covers the operations of the EAGGF Guarantee Section and the clearance of accounts in respect of Community food aid for 1990.

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

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

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N.B. : This report was completed on 20 September 1991

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- (1) *Financial year 1987 : expenditure here covers a period of ten months, from 1 January 1987 to end October 1987.*
- (2) *Financial year 1988 : expenditure here covers a period of eleven and a half months from beginning November 1987 to 15 October 1988.*
- (3) *Financial year 1989 and seq. : expenditure here covers a period of twelve months from 16 October to 15 October.*

SUMMARY OF THE TWENTIETH FINANCIAL REPORT
EAGGF - GUARANTEE SECTION

A. Community expenditure on markets

1. The appropriations available for the Guarantee Section of the EAGGF for 1990 amounted to ECU 28,024 million, including the set-aside of land from agricultural production (ECU 70 million), the Fisheries Guarantee Fund (ECU 32 million), repayments to Member States of expenditure on the depreciation of agricultural stocks and the special disposal of butter from public stocks (ECU 1.470 million), and, finally, ECU 21 million entered in Chapter 100 for fraud prevention.

Allowing for a reduction in expenditure resulting from the clearance of the accounts for 1987 of ECU 377.9 million, the financial contribution of cereal producers (ECU 656.2 million) and milk producers (ECU 348.3 million), total agricultural expenditure chargeable to the Guarantee Section for 1990 stood at ECU 26,453.5 million.

2. An examination of the breakdown of agricultural expenditure by economic category shows that, on the basis of total expenditure taken into consideration for the 1990 budget excluding the consequences of the clearance of accounts (ECU - 378 million) and miscellaneous payments (ECU 304 million), i.e. ECU 26,528 million, export refunds amounted to ECU 7,722 million (29.1 %) and market intervention measures to ECU 18,806 million (79.9 %).

In the case of refunds, 57 % of total expenditure was taken up by cereals and milk products alone, followed by beef and veal (14.4 %).

The product areas mainly responsible for expenditure on intervention were oilseeds (18.5 %) and milk products (16.1 %), followed by beef and veal (9.2 %), sheepmeat and goatmeat (7.7 %) and cereals and rice (7.5 %). Price compensatory measures accounted for ECU 12,957 million whilst storage aid amounted to ECU 5,458 million (65.4 % and 27.6 % of total intervention respectively).

3. During 1990 the book value of public stocks fell from ECU 1,612 million on 30 September 1989 to ECU 1,384 million on 30 September 1990, a fall of ECU 228 million (14 %).

This encouraging development is chiefly the result of the depreciation measures taken during the 1989 and 1990 financial years. The appropriations made available to cover the costs of the depreciation exercise amounted for 1990 to some ECU 3,800 million of which ECU 3,759 million were used. In that year the depreciation measures were used in the following sectors : cereals, milk products, tobacco, beef, oils and fats and alcohol.

As regard the quantities in stock, during 1990 there was :

- an increase for cereals and rice, tobacco, milk products and beef;
- a fall for oils and fats and alcohol.

B. Cash position and management of appropriations

The 1990 budget was adopted in December 1989 and was implemented without any particular difficulties.

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

The budget adopted covered all the expenditure and unused appropriations of the order of ECU 1 071 million resulted. It should be pointed out that ECU 44.5 million were charged finally to Article 998 - aid for East European countries. Delays in the execution of payments by some Member States (ECU 405.5 million) and the emergency aid for the USSR, Romania and Bulgaria decided on by the European Council on 15 December 1990 (ECU 280 million) also led the Commission to ask the budget authority for non-automatic carryovers of ECU 685.5 million.

As a result of the improvement in its monitoring of appropriations (early warning system), the Commission was able on three occasions to effect transfers between chapters before the appropriations were used up.

An under-estimate of requirements by some Member States made a final end-of-year transfer necessary for cereals.

C. Investigations and Irregularities

Throughout the year the Commission continued and stepped up its fraud prevention efforts, adopting or having the Council adopt a series of legal instruments permitting a reinforcement of the means of national controls with the aid of Community financing and, parallel to this, an increase in the number of checks and improvement of their quality.

To prevent frauds from being caused by over-complicated rules, the Commission also undertook a review of agricultural legislation aimed at simplifying it and embarked on reducing the number of lines in the combined nomenclature serving as a basis for the payment of refunds.

The Commission also began looking into modern control methods that could be used, in particular for checking crop areas, conducting a first experiment using remote sensing to survey areas under durum wheat.

At the same time, it stepped up its investigations on the ground, opening 54 new files relating to cereals, beef, pigmeat, dried grapes, tobacco, etc.

The number of irregularities reported by the Member States under Articles 3 and 5 of Regulation (EEC) No.283/72 was 819 in 1990, as against 729 in 1989. On the other hand, the amount of undue expenditure was less. It is worth noting that just 80 cases involving over ECU 100 000 accounted for 91% of the total amount and were confirmed as frauds. The Commission will pay particular attention to such cases in 1991.

D. Clearance of accounts

In November 1990 the Commission formally approved Member States' expenditure chargeable to the EAGGF Guarantee Section for 1988. This expenditure totalled ECU 27 700 million.

The systems audit method was again used for checking expenditure for 1988. The method is clearly explained in an EAGGF Guarantee Section audit manual. The financial benefit to the Community budget for 1991 was ECU 580 million.

Five Member States (Germany, Greece, France, Italy and the Netherlands) brought proceedings in the Court of Justice against Commission clearance decisions for 1988.

In 1990 the Court delivered several judgments in cases brought by Member States relating to old clearance decisions. The Commission took note of these where appropriate and adapted its decisions.

The memorandum used by Member States to standardize their annual claims, with all its technical explanations, was also amended in 1990 to accommodate, in particular, changes in the breakdown of the budget and in the rules governing the common agricultural policy.

E. Accounts clearance in respect of Community food aid

Commission Regulation (EEC) No 2200/87 laying down general rules for the mobilization in the Community of products to be supplied as Community food aid took effect on 1 July 1987 and is the basis for the reform of the system of financing Community food aid.

The reform means that financing for successful tenderers for aid schemes is provided directly by the Commission and not by the Member States.

Financing for 1990 was therefore carried out directly by the Commission.

Presentation of data relating to the quantity supplied in tonnes and the expenditure incurred by the Commission is now the responsibility of the Directorate-General for Development.

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

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TITLE I

COMMUNITY EXPENDITURE ON MARKETS

1. GENERAL

The year 1990 will, no doubt, be considered as a year of transition, a year marking a turning point for European agriculture.

The efforts undertaken since the mid-eighties to reduce the increasing volume of agricultural expenditure seem to have borne their fruits, albeit not without rural populations feeling the pinch at times. The events, however, which have punctuated 1990, may well jeopardize the financial equilibrium labouriously achieved.

The opening up of the countries of Eastern Europe with, as corollaries, the aid operations in support of Poland, Romania and the Soviet Union, the integration of the former German Democratic Republic into the Community as a result of German unification, the consequences of the deadlock at the GATT ministerial conference due to differences between the EEC and the United States on agricultural subsidies, the first effects of the reorientation and reform of the common agricultural policy with a view to adjusting it to the requirements of the year 2000, these factors together with the need to find a solution to the problems caused by the less competitive farms in certain regions and the heightened concern for the protection of the environment stand as landmarks in 1990 which, to a greater or lesser degree, are liable to have a financial impact on the years to come.

The thirty years which have elapsed, witnessing the birth, infancy and adolescence of the CAP, now belong to the history books. The CAP, now in adulthood, should adopt a new look and, without repudiating its past or calling into question the principles guiding it since the Treaty of Rome, learn to reconcile and harmonize the aspirations of producers and consumers while taking into account the economic and political demands of the world of today and of tomorrow.

1.1. 1990 Budget

The budget for 1990⁽¹⁾ was finally adopted on 13 December 1989 following the triilogue meeting between the Council, Parliament and the Commission on 11 December.

For the EAGGF Guarantee Section, this budget provided for appropriations totalling ECU 28,024 million, broken down as follows :

O R I G I N A L B U D G E T 1 9 9 0	
	ECU
European Agricultural Guidance and Guarantee Fund, Guarantee Section (Titles 1 and 2)	26.452.000.000
Set-aside of land from agricultural production (Article 390). Part financed by the Guarantee Section	70.000.000
Guarantee Funds for fisheries (Chapter 40)	32.000.000
Repayments to Member States of expenditure on the depreciation of agricultural stocks and the special disposal of public stocks of butter (Chapter 81)	1.470.000.000
Total for Guarantee Section	28.024.000.000

The figure of ECU 26,452 million includes a provisional appropriation of ECU 21 million to finance anti-fraud measures in the EAGGF Guarantee Section (Chapter 100).

To the ECU 26,452 million can be added supplementary funds totalling ECU 1,000 million from the monetary reserve entered in Chapter 102. The appropriations in this chapter are to cover any additional expenditure arising from major and unforeseeable fluctuations in the exchange rate between the US dollar and the ECU compared with the rate used in the budget and which exceed a margin of ECU 400 million; they may also be increased by transfers from Titles 1 and 2 if the US dollar/ECU parity evolves favourably, as was the case in 1989. In 1990 recourse to the monetary reserve was not necessary.

It should be pointed out that the reserve of ECU 1,000 million does not count against the agricultural guideline.

(1) OJ N^o L 24, 29.1.1990

The agricultural guideline, fixed for maximum agricultural expenditure, covers only Titles 1 and 2 and the the share (50 %) of the set-aside financed by the Guarantee Section. For 1990 the guideline was fixed at ECU 30,630 million which therefore leaves a margin of ECU 4,108 million in relation to the initial budget appropriations.

Finally, in 1990 there were three supplementary and amending budgets to the original 1990 budget. These budgets, adopted by Parliament on 16 February, 11 July and 13 December 1990 respectively, have no effect on EAGGF Guarantee Section appropriations.

1.2. Transfers of appropriations and appropriations available

Greatly dependent on external factors (weather, monetary situation, trends in international trade, size of harvests in non-member countries, general economic conditions), agricultural expenditure often does not coincide with initial forecasts; these, indeed, are outlined some twelve months before the beginning of the budget year in question.

However, with the recent introduction of the early warning system (cf. 18th Report, page 4), the Commission can now monitor more closely the trend of agricultural expenditure, chapter by chapter, act accordingly and thus ensure compliance with the budget. In view of the rate of utilization of the appropriations, however, some adjustments proved necessary.

Consequently, the budget authority decided to make a number of transfers, details of which are given in Table 1 (see above). Most of these transfers were made within Titles 1 and 2, except one transfer of ECU 3 million from Chapter 100 (fraud prevention). As a result, the total amount of appropriations available for the EAGGF for 1990 remained unchanged at ECU 28 024 million.

1.3. Agricultural expenditure

Taking into account, firstly, the reduction in expenditure of ECU 377.9 million by virtue of the clearance of accounts for 1987 and, secondly, the financial contribution of cereal producers (ECU 656.2 million) and of milk producers (ECU 348.3 million), the total agricultural expenditure chargeable to the EAGGF Guarantee Section for 1990 and to the budget for that year amounted to ECU 26,453.5 million. A detailed analysis of the financing of the different sectors is given below (cf. points 2.1. et seq.).

**EAGGF Guarantee Section expenditure⁽¹⁾
in relation to EC expenditure⁽²⁾**

Year	Total EC expenditure in ECU million	EAGGF Guarantee Section expenditure in ECU million	%
1986	34.863,3	22.119,4	63,4 %
1987	35.469,2	22.950,3 (*)	64,7 %
1988	41.120,9	26.400,4 (**)	64,2 %
1989	40.850,0	24.403,0	59,7 %
1990	43.549,5 (***)	25.733,5 (***)	59,1 %

(1) Expenditure in payment appropriations under Titles 1 and 2 (Chapters 10 to 29) exclusively, including carryovers to the following year, i.e. excluding :
 - guarantee funds for fisheries (Chapter 40);
 - repayment to the Member States of expenditure for depreciation of stocks of agricultural products and under specific measures for the disposal of butter from public stocks (Chapter 81);
 - set-aside (Chapter 39) - Guarantee Section.

(2) Total expenditure in appropriations for payments, including carry overs to the following year.

(*) Expenditure covering a period of 10 months.

(**) Expenditure covering a period of 11 and a half months.

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

1.4. Fixing of farm prices and related measures for 1990/91

After the favourable opinion delivered by the Economic and Social Committee on 1 March and by Parliament on 15 March and 5 April, the Ministers of Agriculture, after a three-day session reached a political agreement on 27 April on the proposals for farm prices for 1990/91; these proposals were formally finalised by the Council on 7 and 14 May.

This agreement(*) reflects the continued application of the guidelines as regards prices, linked to a reinforcement of measures to assist family holdings, and this in compliance with the rules of budgetary discipline. In relation to the previous marketing year, the Council decisions resulted in an average reduction in support prices, expressed in ECU, of 1.1 % but, owing to the agrimonetary adjustments, when expressed in national currencies, to an average increase of 0.3 %. The monetary compensatory amounts (MCAs) will have to be progressively eliminated until they are totally abolished in 1992.

As regards the related measures, emphasis was especially on those designed to lessen the difficulties of structurally weaker holdings or holdings in less-favoured regions. The measures include :

- a premium per hectare (up to 10 hectares) of ECU 50 for certain cereals (canary grass, millet and buckwheat);
- an optional aid scheme per hectare for small field crop producers (up to 10 hectares) as a substitute for the present scheme in force for cereals;
- extending the suckler cow premium to holdings with a milk quota of less than 60 tonnes, for a maximum of 10 cows;
- the possibility of buying back milk quotas and reallocating them to small producers;
- supplementing by ECU 4 the premium for sheep and goat farmers in less-favoured or mountain areas;
- aid per hectare of ECU 250/hectare for three marketing years, from 1989/90 to 1991/92 for small cotton producers (less than 2.5 hectares).

(*) The details of this agreement are contained in a special edition of "Green Europe" (4/90) featuring the decisions of the Council on farm prices for 1990/91.

1.5. Emergency operations in support of Poland and Romania

The upheavals which took place in Central Europe throughout 1989 have been but the forerunners of a general movement which rapidly spread to all the countries of the area concerned.

Following the Paris summit held on 14-16 July 1989, the "General Affairs" Council had adopted the guidelines proposed by the Commission concerning the substance of the operations envisaged which included the supply of food products to Poland. The decision to grant this aid was finalised on 24 July (Regulation (EEC) No 2247/89⁽¹⁾) and the aid was partially renewed in February 1990 (Regulation (EEC) No 457/90⁽²⁾) for the supply of 300,000 tonnes of cereals.

As a result of the incidents in Romania at the very end of 1989, the Council decided to introduce a similar aid measure on 23 January 1990 in response to the urgency of the needs and the scarcity of basic foodstuffs in that country (Regulation (EEC) No 282/90⁽³⁾). A second tranche of aid was approved by the Council in February (Regulation (EEC) No 456/90⁽²⁾).

The Commission subsequently adopted the various implementing regulations covering the invitations to tender for the sectors concerned between February and April 1990.

For the purposes of implementing these measures, the Community has put up for sale at a fixed price products from intervention stocks and products to be disposed of following buying-in operations.

(1) OJ No L 216, 27.07.1989

(2) OJ No L 48, 24.02.1990

(3) OJ No L 31, 02.02.1990

Under these Regulations, the total quantities to be supplied from 1989 to the two countries concerned are as follows :

EMERGENCY OPERATIONS IN SUPPORT OF POLAND AND ROMANIA

Quantities supplied

(tonnes)

Product	POLAND		ROMANIA	
	1st tranche	2nd tranche	1st tranche	2nd tranche
Common wheat	800.000	300.000	--	--
Barley	200.000	--	--	--
Rye	--	--	62.500	62.500
Malze	100.000	--	62.500	62.500
Beef/veal	10.000	--	10.000	10.000
Butter	--	--	2.500	2.500
Olive oil	5.000	--	2.500	2.500
Citrus fruits	20.000	--	--	--

The cost of the operations for the Community budget up to 15 October 1990 amounted to ECU 190/676 million (ECU 7.37 million charged against the 1989 Budget and ECU 183.30 million against the 1990 budget). This sum represented the value of the products plus supply costs including transport and, in some cases, market preparation.

The table below shows the costs of the expenditure incurred up to the end of 1990 :

(ECU million)

Product	POLAND		ROMANIA	
	1st tranche	2nd tranche	1st tranche	2nd tranche
Common wheat	75,1	26,9	--	--
Barley	15,1	--	--	--
Rye	--	--	3,6	3,7
Maize	6,4	--	3,6	3,6
Beef/veal	10,1	--	9,6	7,1
Butter	--	--	2,8	--
Olive oil	8,6	--	3,2	3,3
Citrus fruits	8,0	--	--	--
T O T A L	123,3	26,9	22,8	17,7
	150,2		40,5	

The total budgetary cost (ECU 190.7 million) was not, however, borne entirely by the Guarantee Section of the EAGGF, ECU 44.6 million, making up the second tranches for POLAND and ROMANIA, having been financed in advance by the EAGGF and finally, after reallocation, charged to Title 9 : "Cooperation with developing and third countries".

The products in question were sold on the local market, thereby creating counterpart funds in local currency. These funds will be used for projects to restructure local agriculture in liaison with the PHARE programme.

1.6. German unification

The events which took place in Central Europe from 1989 and the consequences for the countries concerned have caused a tremendous upheaval in Germany; the division of this country following the Second World War into two states came to an end on 3 October 1990, when Germany was reunited.

The enlargement of the Community led the Commission to propose a series of transitional measures for the rapid integration of the territories of the former German Democratic Republic into the Community.

In principle the transitional period is applicable until the end of 1992. The financial consequences of German unification for the EAGGF Guarantee Section can be considered to be negligible for 1990, unification having come about a few days only before the end of that financial year. However, the estimated additional expenditure in 1991 as a result of integration, incorporated in letter of amendment No. 1 to the 1991 preliminary draft budget amounts to ECU 1 315 million.

1.7. Set-aside measures

In order to stabilize production by limiting supply and to ensure compliance with budgetary discipline, the European Council in February 1988 agreed, in its conclusions, to introduce set-aside measures for agricultural land as a supplement to the stabiliser mechanisms and other market policy measures.

The set-aside programme and other structural provisions (extensification and diversification), was defined in Council Regulation (EEC) No 1094/88 of 25 April 1988⁽¹⁾, which incorporates these structural measures into Regulation (EEC) No 797/85 of 12 March 1985 on improving the efficiency of agricultural structures⁽²⁾. The detailed rules for aid arrangements to encourage the set-aside of arable land are laid down in Regulation (EEC) No 1272/88⁽³⁾, enabling Member States to apply set-aside from 1988/89 onwards.

A breakdown by Member State of the figures for the first two years is given in the table below.

(1) OJ No L 106, 27.04.1988
(2) OJ No L 93, 30.03.1985
(3) OJ No L 121, 11.05.1988

SET-ASIDE OF ARABLE LAND

Member State	Hectares set-aside		Total
	1988/89	1989/90	
United Kingdom	51.587	50.321	101.888
Germany	165.125	57.259	222.384
Netherlands	2.582	6.155	8.737
Belgium	339	151	490
France	14.220	39.702	53.922
Ireland	1.141	486	1.627
Spain	34.229	13.858	48.087
Greece	--	250	250
Italy	91.617	266.336 (1)	357.953
Luxembourg	6	31	37
Denmark	--	--	--
TOTAL	360.828	434.549	795.375

(1) Provisional figure on the basis of the 1988/89 results. It could be reduced to about 160,000 hectares.

1.8. Situation of intervention stocks in the Community

The systematic depreciation of stocks of agricultural products sold into public intervention continued in 1990. Initially, a total of ECU 2,685 million was specifically allocated to headings under Titles 1 and 2 for depreciation. These appropriations were topped up by a transfer (23/90), the purpose of which was to finance an additional depreciation (ECU 480 million), bringing the value of stocks to the level of world prices, which were particularly low at the end of 1990.

To enable the depreciation of existing stocks of agricultural products as in the previous year, the 1990 budget provided for an appropriation of ECU 1,470 million under Chapter 81, i.e. outside the agricultural guideline. This appropriation is to cover, on the one hand, the depreciation of existing agricultural stocks (ECU 670 million) and, on the other hand, the reimbursement of expenditure arising from the special disposal of butter in 1987 and 1988 which was financed in advance by the Member States (ECU 800 million).

Within the framework of these appropriations, the Commission carried out the following depreciations during 1990 :

a) on the basis of Titles 1 and 2 of the budget

(ECU million)

PRODUCTS	EXPENDITURE
Cereals and rice	1.280,241
Butter	414,994
Beef	881,676
Tobacco	64,463
Olive oil	1,688
Oil seeds	2,647
Skimmed milk powder	390,269
Alcohol (public)	33,409
Alcohol (mixed) (*)	125,436
T O T A L	3.194,823
(*) Part-payment of disposal costs (Art.37(2) of Regulation 822/87)	

b) on the basis of Article 810

(ECU million)

PRODUCTS	EXPENDITURE
Cereals and rice	289,847
Butter	39,748
Beef	85,783
Tobacco	26,590
Olive oil	79,680
Oil seeds	1,876
Skimmed milk powder	5,559
Alcohol (public)	9,586
Alcohol (mixed) (*)	25,666
T O T A L	564,335
(*) Part-payment of disposal costs (Art.37(2) of Regulation 822/87)	

Thus, allowing for the reduction in the quantities in storage, in three years there was a large reduction in the value of public intervention stocks which fell from ECU 10,000 million at the end of 1987 financial year to ECU 1,3 milliard at the end of 1990.

Potential losses have therefore finally been absorbed and the disposal of the quantities now in storage will involve no additional expenditure from the Community budget. The quantities and values of stocks at the end of the 1990 financial year are given in Annex 11.

TABLE 1
Original appropriations in the 1990 budget and
appropriations available following transfers and expenditure

(ECU million)

BUDGET CHAPTERS PRODUCTS	Original appropriations 1990 (*)	Transfers (***)	Approps. avail- able following transfers	Expenditure from 16.10.89 to 15.10.90	% of expenditure in relation to original appropriations (e) = (d)/(a)	Difference between original appropriations and expenditure	
						ECU million (f)=(d)-(a)	% (g)=(f)/(a)
	(a)	(b)	(c)	(d)			
10 Cereals and rice	4.479	- 585	3.894	3.884,6	86,7 %	- 594,4	- 13,3 %
11 Sugar	2.125	- 735	1.390	1.388,3	65,3 %	- 736,7	- 34,7 %
12 Oils and fats	5.014	- 240	4.774	4.645,2	92,6 %	- 368,8	- 7,4 %
13 Protein plants	703	+ 140	843	834,8	118,7 %	+ 131,8	+ 18,7 %
14 Fibre plants	660	- 75	585	580,3	87,9 %	- 79,7	- 12,1 %
15 Fruit and vegetables	1.296	- 40	1.256	1.253,0	96,7 %	- 43,0	- 3,3 %
16 Wine	1.389	- 376	1.013	745,2	53,6 %	- 643,8	- 46,4 %
17 Tobacco	1.055	+ 200	1.255	1.232,1	116,8 %	+ 177,1	+ 16,8 %
18 Other products	81	+ 290	371	84,5	104,3 %	+ 3,5	+ 4,3 %
20 Milk products	4.340	+ 636	4.976	4.955,9	114,2 %	+ 615,9	+ 14,2 %
21 Beef / veal	2.187	+ 690	2.877	2.833,2	129,5 %	+ 646,2	+ 29,5 %
22 Sheepmeat and goatmeat	1.358	+ 165	1.523	1.452,3	106,9 %	+ 94,3	+ 6,9 %
23 Pigmeat	185	+ 85	270	246,9	133,5 %	+ 61,9	+ 33,5 %
24 Eggs and poultry	213	- 20	193	178,5	83,8 %	- 34,5	- 16,2 %
25 Non-Annex II products	693	- 180	513	511,5	73,8 %	- 181,5	- 26,2 %
SUB-TOTAL 1	25.778	- 45	25.733	24.826,3	96,3 %	- 951,7	- 3,7 %
27 ACAs	35	+ 5	40	36,6	104,6 %	+ 1,6	+ 4,8 %
28 MCAs	136	+ 155	291	270,9	199,2 %	+ 134,9	+ 99,2 %
29 Other expenditure	482	- 112	370	85,8	17,8 %	- 567,8	- 117,8 %
SUB-TOTAL 2	26.431	+ 3	26.434	25.048,0	94,8 %	- 1.383,0	- 5,2 %
39 Set-aside (**)	70	0	70	21,2	30,2 %	- 48,8	- 69,8 %
40 Fisheries	32	0	32	23,6	73,7 %	- 8,4	- 26,3 %
81 Depreciat. + disposal	1.470	0	1.470	1.360,7	92,6 %	- 109,3	- 7,4 %
TOTAL	28.003	3	28.006	26.453,5	94,5 %	- 1.549,6	- 5,5 %

(*) Appropriations entered in the 1990 budget (OJ No L 24, 29.01.1990) excluding ECU 21 million entered in Chapter 100 in respect of anti-fraud operations in the EAGGF Guarantee Section.

(**) Devolving exclusively upon the EAGGF Guarantee Section.

(***) Including a transfer of ECU 3 million from Chapter 100 (anti-fraud campaign).

2. FINANCING OF THE MARKETS

2.1. Comparison between original appropriations and expenditure in 1990

Table 1 above gives a comparison between the original appropriations entered in the 1990 budget, appropriations available following transfers and expenditure against the 1990 budget, broken down by product group.

From total original appropriations of ECU 26,431 million for Titles 1 and 2, agricultural expenditure for the 1990 budget year amounted to ECU 25,048.0 million.

The difference between the original appropriations and actual expenditure is therefore ECU 1,383.0 million; this figure is, however, increased to a balance of ECU 1,386.0 million after transfers.

It should be emphasized that agricultural expenditure depends greatly throughout the year on external factors (weather conditions, size of harvests in non-member countries, effect of these two factors on stocks of Community agricultural products; trends in international trade, movements in the US dollar/ECU exchange rate, general economic conditions) and, therefore, does not coincide with the initial forecasts.

These differences between original appropriations and expenditure, which can now be detected more quickly using the early warning system set up in April 1988 following the European Council meeting in February 1988, made it necessary to make adjustments to the appropriations between chapters throughout the budget year.

The differences between the original appropriations and expenditure relating to Titles 1 and 2 result from two types of factor, which are analysed in detail in the table below, which distinguishes between positive and negative factors. These are : :

- A) "non-market" factors, which represent the impact of variations in the US dollar/ECU exchange rate (+ ECU 370 million) and the result of the clearance of accounts for previous years (- ECU 377.9 million),
- B) "market" factors, which represent the impact of factors affecting the markets, including monetary movements within the EMS.

The pattern of gaps between the two types of factors is as follows :

CHAPTER	GAP	NON-MARKET FACTORS	MARKET FACTORS
10. Cereals	- 594,4	+ 142*	- 736,4
11. Sugar	- 736,7	-	- 736,7
12. Oils and fats	- 368,8	+ 76*	- 444,8
13. Protein plants	+ 131,8	+ 25*	+ 106,8
14. Fibre plants	- 79,7	+ 17*	- 96,7
15. Fruit and vegetables	- 43,0	-	- 43,0
16. Wine	- 643,8	-	- 643,8
17. Tobacco	+ 177,1	-	+ 177,1
18. Other sectors	+ 3,5	-	+ 3,5
20. Milk products	+ 615,9	+ 72*	+ 543,9
21. Beef/veal	+ 646,2	+ 15*	+ 631,2
22. Sheepmeat and goatmeat	+ 94,3	-	+ 94,3
23. Pigmeat	+ 61,9	+ 10*	+ 51,9
24. Eggs and poultry	- 34,5	+ 13*	- 47,5
25. Non-Annex II products	- 181,5	-	- 181,5
Subtotal	+ 1.730,7 - 2.682,4	+ 370 - 0	+ 1.608,7 - 2.930,4
27. ACA's	+ 1,6	-	+ 1,6
28. MCA's	+ 134,9	-	+ 134,9
29. Other expenditure	- 567,8	- 377,9**	- 189,9
TOTAL	+ 1.867,2 - 3.250,2	+ 370,0 - 377,9	+ 1.745,2 - 3.120,3

* Impact of US dollar

** Clearance of accounts

A) "Non-market" factors

The "non-market" factors have the following two components :

A1) **Impact of variations in the US dollar/ECU exchange rate**
(+ ECU 370 million)

During the reference period (1 August 1989 - 31 July 1990), the US Dollar followed a downward trend and its average parity proved to be lower than the conventional parity adopted in the 1990 budget. The depreciation of the US dollar therefore meant an increase in expenditure chargeable to the EAGGF Guarantee Section estimated at ECU 370 million.

As this amount is lower than the "franchise" of ECU 400 million, the threshold beyond which the monetary reserve comes into play, no transfer had to be made from that monetary reserve to the Guarantee Section of the EAGGF⁽¹⁾.

A2) **Result of the clearance of accounts for the preceding years**
(- ECU 377,9 million)

The Commission decisions on the clearance of accounts for 1987 resulted in the sums recovered from the Member States, ECU 377.9 million, being set off against budget year 1990. This sum appears in its entirety in the end-of-year surplus.

B) "Market" factors

With respect to the original budget, "market" factors resulted in an appropriation surplus totalling ECU 1,375 million; this sum represents the difference between the surpluses or deficits of the various budget chapters concerned.

(1) Cf. report on the impact on EAGGF Guarantee Section expenditure of the movement of the dollar/ECU exchange rate : SEC(90)1956final, 19.10.1990.

Deficit chapters		Surplus chapters	
13. Protein crops	+ 106,8	10. Cereals	- 736,4
17. Tobacco	+ 177,1	11. Sugar	- 736,7
18. Other products	+ 3,5	12. Oils and fats	- 444,8
20. Milk products	+ 543,9	14. Fibre plants	- 96,7
21. Beef/veal	+ 631,2	15. Fruit & vegetabl.	- 43,0
22. Sheepmeat and goatmeat	+ 94,3	16. Wine	- 643,8
23. Pigmeat	+ 51,9	24. Eggs & poultry	- 47,5
27. ACAs	+ 1,6	25. Non-Ann. II prod.	- 181,5
28. MCAs	+ 134,9	29. Other expenditure	- 189,9
	+ 1.745,2		- 3.120,3
Total : - ECU 1,375.1 million			

B1) Deficit chapters

13. Protein crops : + ECU 107 million

For peas and field beans the original appropriations were exceeded as a result of the 1989 harvest having been underestimated at the time the abatement was fixed under the stabilization mechanisms and on account of an acceleration of applications for aid payments for the 1990/91 marketing year.

For dried fodder, the quantities receiving production proved to be larger than predicted at the time the 1990 budget was drawn up and are therefore responsible for the overrun recorded.

17. Tobacco : + ECU 177 million

The additional appropriation requirements which became apparent and necessitated an increase in the original appropriation are due to the large 1989/90 harvest notified by the Member States, which exceeded the budget estimates; this state of affairs is mainly due to the marked expansion of the Badischer Geudertheimer variety in Italy.

20. Milk products : + ECU 544 million

The insufficiency of the original appropriations earmarked for this sector and their subsequent topping up were due to the concurrence of a number of factors :

- milk production was more than expected, following the high prices obtained by producers in 1989,
- quotas were increased by the Council by 1 %,
- demand fell on both internal and external markets. In 1990, there were fewer export opportunities than in previous years, particularly for butter; also, from the autumn of 1989, world prices fell sharply and this trend was reinforced by the depreciation of the US dollar. As regards the internal market, consumption of butter, both non-subsidized and subsidized, continued to fall and this was accompanied by a sharp drop in the quantities of skimmed milk used for casein - caused by imports from eastern European countries - and a reduction in the quantities of skimmed milk and skimmed-milk powder used for animal feed.

All these factors meant that more butter and skimmed-milk powder had to be taken into public intervention, and the initial budget forecast was exceeded by a large amount.

21. Beef/veal : + ECU 631 million

More appropriations were used in this sector than initially forecast in the budget on account of the large quantities taken into intervention.

This situation is due to the concurrence of a number of factors :

- the sharp fall in internal demand resulting principally from the epizootic which struck British cattle and the effect of low-priced imports from eastern European countries,
- a worsening of the situation on external markets as a result in particular of the loss of certain outlets brought about by the Gulf crisis,
- an increase in production of 3 % due in particular to high market prices at the end of 1989.

All these factors led to a fall in market prices in the last months of 1990 and to huge quantities being offered to intervention.

22. Sheepmeat and goatmeat : + ECU 94 million

The increase in Community production, in excess of the budget forecast, the seasonal and unusually marked fall in consumption in a number of regions and the duty-free imports from New Zealand were the factors which led to a substantial fall in internal prices in this sector.

In order to soften the blow for the farmers affected by this crisis situation, the Commission authorized the payment of a second advance on the ewe premium for the 1990 marketing year to be brought forward to the end of September. This was chiefly responsible for the overrun of the original appropriations in this sector.

23. Pigmeat : + ECU 52 million

Belgium, in particular, was struck by a serious swine fever epidemic in 1990. Controlling it entailed substantial additional expenditure chargeable to the EAGGF Guarantee Section which was the cause of the recorded overrun of the original appropriations.

28. MCAs : + ECU 135 million

The overutilization of appropriations is primarily the result of the depreciation, at the beginning of the year, of the pound sterling, and of the Greek drachma.

B2) Surplus chapters

10. Cereals and rice : - ECU 736 million

The under-utilization of appropriations is mainly due to smaller quantities having been bought into intervention than were forecast at the time the budget estimates were drawn up, the harvest for the 1989/90 marketing year having been less good than expected.

11. Sugar : - ECU 737 million

The quantity of sugar exported with refunds proved to be below the level forecast. On account also of the stability of world prices during the 1989/90 marketing year, the refunds were fixed at a relatively low level thereby further accentuating the trend toward an under-utilization of appropriations in this sector.

12. Oils and fats : - ECU 445 million

The slowing down of payments of production aid for olive oil in Italy, a consequence of reinforced controls, led to under-utilization of appropriations. For oilseeds, on the other hand, as a result of a level of production above the budget forecast, the volume of payment of the aids proved to be in excess of the level used in the budget; the level of the aid for oilseeds, however, remained fairly low owing to the stability of world prices.

14. Fibre plants : - ECU 97 million

The surplus recorded is due to the stability of world prices. Production aid could thus be maintained at a level below that used in the budget estimates.

15. Fruit and vegetables : - ECU 43 million

The original appropriations were not utilized in their entirety owing to a lessening of expenditure which was for the most part due to a reduction in processing aids and the fact that production levels were below those specified for the thresholds and quotas.

16. Wine : - ECU 644 million

The poor harvest for table wines in 1989, directly affecting the level of the quantities submitted for distillation and the resulting quantities of alcohol to be taken over, and the very slow rate at which grubbing premiums were paid following the delays caused by changes in the financing arrangements were the main causes for the under-utilization of appropriations recorded in this sector.

24. Eggs and poultry : - ECU 48 million

In spite of the large volume of exports, the very low level of refunds compared with the budget levels forecast allowed savings to be made in this sector.

25. Non-Annex II products : - ECU 182 million

The stability of market prices recorded in the sugar and cereals sectors during most of the budget year led to expenditure falling short of the original forecasts.

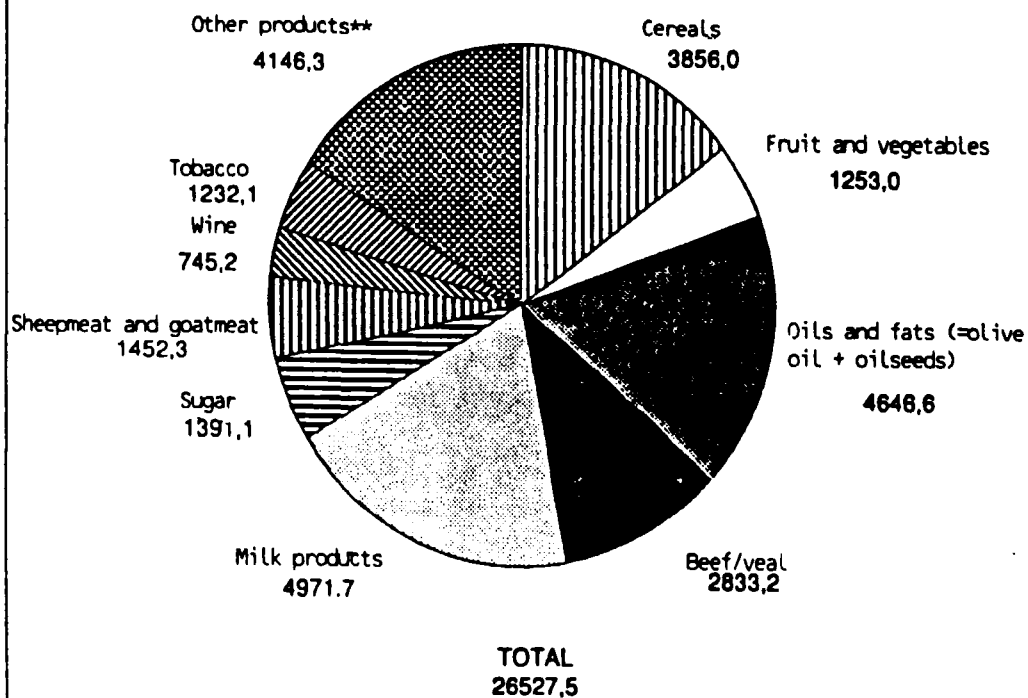
29. Other expenditure : - ECU 190 million

The under-utilization is due to the delay recorded in the carrying out of the food aid programme.

In conclusion, taking into account the share (50 %) attributable to the EAGGF Guarantee Section in the payments made in respect of the set-aside of land from agricultural production (ECU 21 million), the expenditure covered by the agricultural guideline amounts to only ECU 25,069 million, i.e. ECU 5,561 million below the ceiling set for the 1990 budget year (ECU 30,630 million).

Table 2

**BREAKDOWN OF GUARANTEE EXPENDITURE BY PRODUCT GROUP
(ECU million for 1990 financial year*)**



* Expenditure against the 1990 budget
** Including depreciation and disposal of public butter stocks

2.2. The agri-monetary situation

When adopting its decision on prices and related measures for 1990/91, the Council took the following steps as regards dismantling the real monetary gaps (RMGs) :

a) Negative gaps

- France, Ireland, Italy : total elimination of the existing real monetary gaps
- U.K. :
 - for beef/veal, dismantling of 50 % of the real monetary gap; for pigmeat, complete dismantling of the MCAs applied
 - dismantling by 10.754 points for plant products, by 11.105 points for sheepmeat and by 6.758 points for the other animal products
- Greece : for pigmeat, dismantling to a real monetary gap of - 1.5 points and, for the other sectors, dismantling by between 3.783 and 4.081 points, depending on the sector

b) Positive gaps

- Netherlands and Germany : dismantling of the real monetary gap for all products, except cereals. For Germany the new green rate for sugar enters into force on 1 October 1990
- Spain :
 - no dismantling for cereals, cotton, rice, oil-seeds, fruit and vegetables or beef/veal
 - dismantling of 1/3 of the real monetary gaps existing at the time for wine, olive oil, dried fodder, flax and hemp and silk
 - dismantling of 1/6 of the real monetary gaps for pigmeat, sheepmeat, eggs and poultry and the other plant products
 - the new green rate for sugar enters into force on 1 October 1990

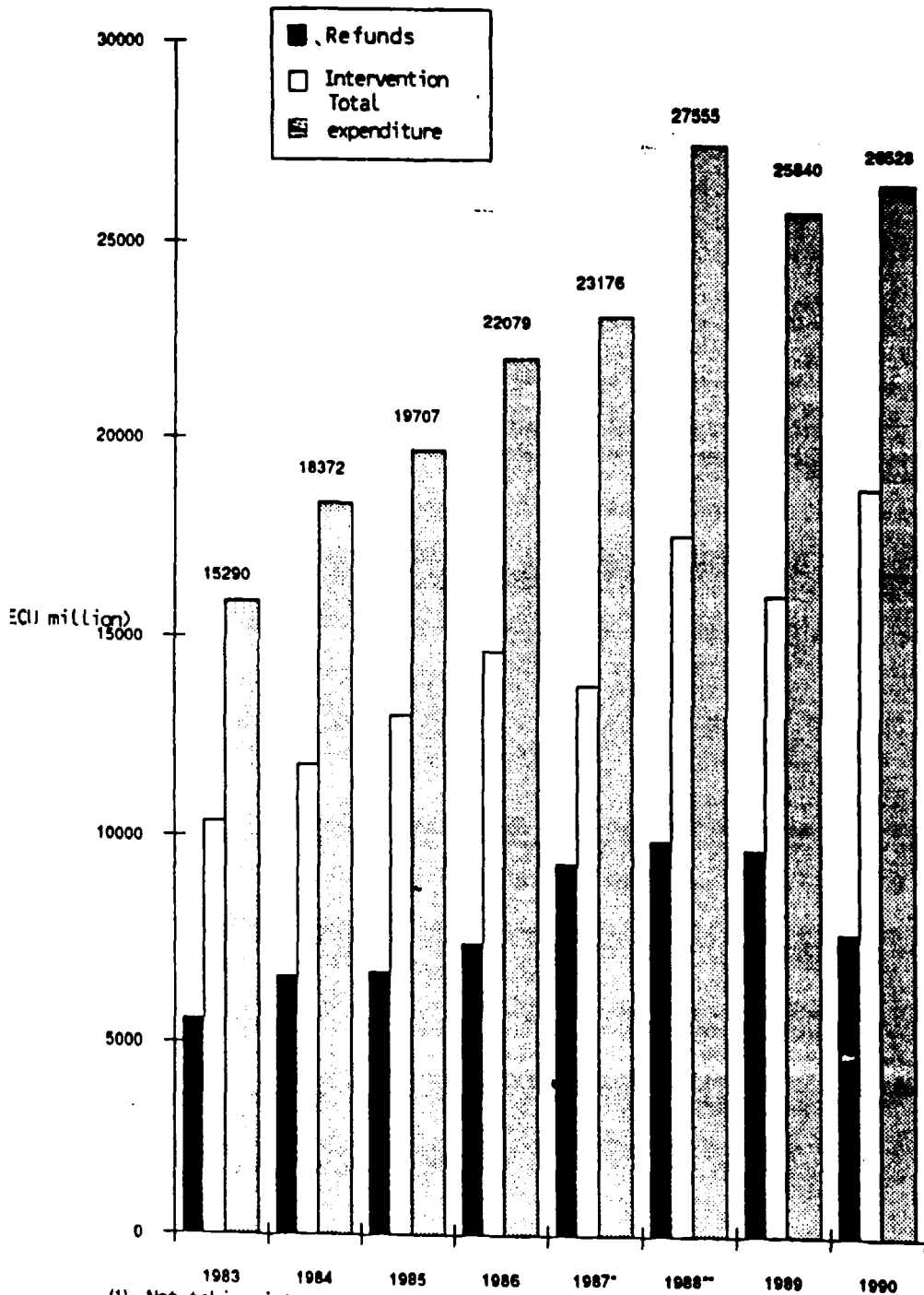
In October 1990, the pound sterling joined the EMS with a margin of fluctuation around the central rate of 6 %.

TABLE 3 : MCAs APPLIED TO TRADE

CURRENCY	PRODUCT	RATE REFERRED TO FOR THE 1990 BUDGET (OCTOBER 1989)		RATES RECORDED RELATING TO 1990	
		FROM TO	15.08.89 14.08.90	MINIMA	MAXIMA
DM	Milk Cereals Other		0 0 0	0 0 0	0 0 0
BFR/LFR	All products		0	0	0
HFL	Milk Cereals Other		0 0 0	0 0 0	0 0 0
FF	Milk Pigmeat Eggs and poultry Other animal products Wine Other plant products		0 0 0 0 0 0	0 0 0 0 0 0	0 0 0 0 0 0
LIT	Pigmeat Eggs and poultry Cereals Wine Olive oil Other products		0 0 0 0 0 0	0 0 - 1,6 0 0 - 1,0	0 0 0 0 0 0
UKL	Milk Beef Pigmeat Eggs and poultry Olive oil Wine Other plant products		- 1,8 0 0 0 0 0 - 2,6	- 18,3 - 14,5 - 10,9 - 15,7 - 10,7 - - 19,2	- 3,1 0 0 0 0 - - 1,0
IRL	Milk Beef Pigmeat Eggs and poultry Olive oil Wine Other plant products		0 0 0 0 0 0 0	0 0 0 0 0 - 0	0 0 0 0 0 - 0
DKR	Pigmeat Eggs and poultry Other animal products Wine Other plant products		0 0 0 0 0	0 0 0 0 0	0 0 0 0 0
DRA	Pigmeat Eggs and poultry Other animal products Wine Olive oil Other plant products		0 0 - 18,3 0 0 - 2,0	- 3,2 - 7,8 - 26,6 - 7,8 - 13,8 - 11,3	0 0 - 13,7 0 0 - 1,0
PTA	Pigmeat Eggs and poultry Other animal products Wine Other		0 + 1,2 + 5,6 + 1,2 + 4,7	0 0 + 1,6 0 0	0 + 1,5 + 5,3 + 1,0 + 5,0
ESC	Sugar		0	- 3,3	0

Table 4

EAGGF guarantee expenditure by economic type, (1)



(1) Not taking into account the consequences of the clearance of accounts, Community compensation measures and miscellaneous measures

* Expenditure against the 1987 budget (10 months)

** Expenditure against the 1988 budget (11 1/2 months)

TABLE 5

Breakdown of agricultural expenditure by economic type (1)

(ECU million)

CHAPTER	Export refunds		Storage (2)		Price compen- sating aids	Other Intervention		Gross total	Co- respon- sibility levy	Budget expendi- ture (4)
		of which food aid		of which depreca- tion (3)			of which guidance premiums			
	a	a'	b	b'	c	d	d'	e=a+b+c+d	f	g=e-f
10 Cereals and rice	2.538,2	65,6	1.576,9	1.570,1	781,2	-	-	4.896,3	- 656,2	4.240,1
11 Sugar	928,7	2,8	383,3	-	79,1	-	-	1.391,1	-	1.391,1
120 Olive oil	136,3	1,4	53,9	81,3	1.059,0	-	-	1.249,2	-	1.249,2
125 Oilseeds	1,0	-	3,8	4,5	3.474,1	-	-	3.478,9	-	3.478,9
13 Protein crops	-	-	-	-	834,8	-	-	834,8	-	834,8
14 Fibre plants	-	-	-	-	580,3	-	-	580,3	-	580,3
15 Fruit and vegetables										
- fresh	67,0	-	-	-	264,2	339,2	34,5	670,4	-	670,4
- processed	13,6	-	1,8	-	567,2	-	-	582,6	-	582,6
16 Wine / alcohol	54,7	-	241,8	194,1	122,6	361,3	25,7	780,4	-	780,4
17 Tobacco	61,9	-	116,0	91,1	1.080,8	-	-	1.258,7	-	1.258,7
18 Other products	-	-	-	-	84,5	-	-	84,5	-	84,5
20 Milk products	1.946,6	15,8	1.923,3	1647,0(5)	1.637,3	854,5	654,5	6.161,7	- 348,3	5.813,4
21 Beef / veal	1.110,0	-	1.083,5	967,5	693,5	32,0	32,0	2.919,0	-	2.919,0
22 Sheepmeat and goatmeat	-	-	-	-	1.452,3	-	-	1.452,3	-	1.452,3
23 Pigmeat	174,0	-	72,9	-	-	-	-	246,9	-	246,9
24 Eggs and poultry	178,5	-	-	-	-	-	-	178,5	-	178,5
25 Non-Annex II products	511,5	-	-	-	-	-	-	511,5	-	511,5
40 Fisheries	-	-	0,6	-	15,0	8,0	-	23,6	-	23,6
27 ACAs	-	-	-	-	36,6	-	-	36,6	-	36,6
28 MCAs	0,1	-	-	-	194,8	-	-	194,7	-	194,7
TOTAL	7.721,9	85,6	5.457,8	4.555,6	12.957,3	1.395,0	746,7	27.532,0	- 1.004,5	26.527,5
%	28,0 %	0,3 %	19,8 %	16,6 %	47,1 %	5,1 %	2,7 %	100 %	- 3,6 %	96,4 %

(1) Expenditure against the 1990 budget.

(2) Including aid to Poland and Romania (Cereals : ECU 101,1 million, olive oil : ECU 11,8 million, butter : ECU 2,8 million, beef : ECU 15,1 million).

(3) Including depreciation on the basis of Article 810 (ECU 584,3 million : cereals ECU 289,9 million, olive oil ECU 79,6 million, oilseeds ECU 1,9 million, alcohol ECU 35,2 million, tobacco ECU 26,6 million, butter ECU 39,7 million, milk powder ECU 5,6 million and beef ECU 85,8 million).

(4) Before clearance of the accounts and not including "Interest following changes in the method of financing", "Distribution free of charge", "Set-aside", "Anti-fraud campaign" and "Portion of MCAs granted on imports (item 2810)".

(5) Of which ECU 796,4 million represents the 2nd tranche of reimbursements to Member States for expenditure incurred on the disposal of public butter stocks.

2.3. Breakdown of expenditure by economic type

On the basis of total expenditure against the 1990 budget, i.e. ECU 26,528 million^(*), expenditure on export refunds amounted to ECU 7,722 million (29.1 %) and on intervention to ECU 18,806 million (70.9 %) (see Annexes 4 to 10). Last year, set against the 1989 budget, out of a total expenditure of ECU 25,840 million, expenditure on refunds amounted to ECU 9,714 million (37.6 %) and on intervention to ECU 16,126 million (62.4 %).

2.3.1. Refunds

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

SECTORS	Exercice 1989	Exercice 1990
- Cereals/rice	27,2 %	32,0 %
- Milk products	29,5 %	25,0 %
- Beef/veal	13,8 %	14,4 %
- Sugar	14,9 %	12,0 %
- Non-Annex II products	5,7 %	6,6 %

2.3.2. Intervention

On the basis of expenditure against the 1990 budget, expenditure on intervention related mainly to the following product groups :

SECTORS	1989	1990
- Oilseeds	16,5 %	18,5 %
- Milk products	13,1 %	16,1 %
- Beef/veal	6,7 %	9,2 %
- Sheepmeat and goatmeat	9,0 %	7,7 %
- Cereals/rice	3,8 %	7,5 %
- Tobacco	6,7 %	6,2 %
- Fruit and vegetables	5,8 %	6,2 %
- Olive oil	8,5 %	5,5 %
- Protein crops	4,0 %	4,4 %
- Wine	6,8 %	3,7 %

(*) Excluding the clearance of accounts for 1987 (- ECU 378 million) and the items covering interest payments following changes in the method used for financing EAGGF expenditure (+ ECU 67 million), distribution free of charge to the less well-off (+ ECU 137 million), set-aside (+ ECU 21 million), anti-fraud measures (+ ECU 3 million) and the portion of MCAs granted on imports - item 2810 (+ ECU 76 million).

Intervention, broken down by the economic nature of the scheme concerned, consists of aid to public or private storage, withdrawals and similar operations, price compensating aids (which are in fact aids for the internal market) and guidance premiums.

Compared with the total for intervention (ECU 19,810 million), not taking into account co-responsibility levies for cereals (ECU 656 million) and milk producers' contributions (ECU 348 million), price compensating aids came to ECU 12,957 million (65.4 %), aids to storage to ECU 5,458 million (27.6 %), guidance premiums to ECU 747 million (3.7 %) and withdrawals and similar operations to ECU 648 million (3.3 %).

2.3.2.1. Price compensating aids remain the most important type of intervention. This heading groups aids granted on the internal Community market so that the consumer price is lower than the producer price and is competitive with products imported from non-member countries (for example production and consumption aid for olive oil, aids for skimmed milk, production aids for processed fruit and vegetable products, etc.).

This type of aid accounts for 65.4 % of total intervention (1989 : 66.2 %) and 48.8 % of total expenditure against the 1990 budget, excluding clearance of accounts and miscellaneous expenditure (1989 : 45.7 %).

For 1990, the product groups benefiting most from price compensating aids were the following :

SECTORS	1989 (ECU million)	1990 (ECU million)
Oilseeds	2.672	3.474
Milk products	1.661	1.637
Sheepmeat and goatmeat	1.453	1.452
Tobacco	972	1.081
Olive oil	1.317	1.059
Protein crops	643	835
Fruit and vegetables	654	831
Cereals/rice	842	781

Annex 10, which gives the breakdown of those aids, shows that production aids are mainly granted for oilseeds (rape and sunflower), sheepmeat and goatmeat, tobacco, protein crops and beef. However, aids for processing and final consumption are concentrated on milk products, fruit and vegetables and olive oil.

- 2.3.2.2. Storage intervention, ECU 5,458 million, covers both private and public storage costs. It accounts for 27.6 % of all intervention (1989 : 23.8 %) and 20.6 % of all expenditure against the 1990 budget, excluding clearance and miscellaneous expenditure (1989 : 16.4 %).

Details of this kind of expenditure are given in Annex 9. Based on a total of ECU 4,530.7 million, that is excluding reimbursements to Member States for expenditure incurred in disposing of public butter stocks (ECU 796.4 million) and aid to Poland (ECU 116 million) and Romania (ECU 23 million), private storage costs came to ECU 750.7 million and public storage costs were ECU 3,780.0 million.

The cost of private storage may be mainly put down to sugar storage (ECU 383 million) but this is covered by the collection of storage levies from sugar manufacturers (see Annex 14); then come storage costs for milk products (ECU 165 million), beef (ECU 87 million) and pigmeat (ECU 73 million).

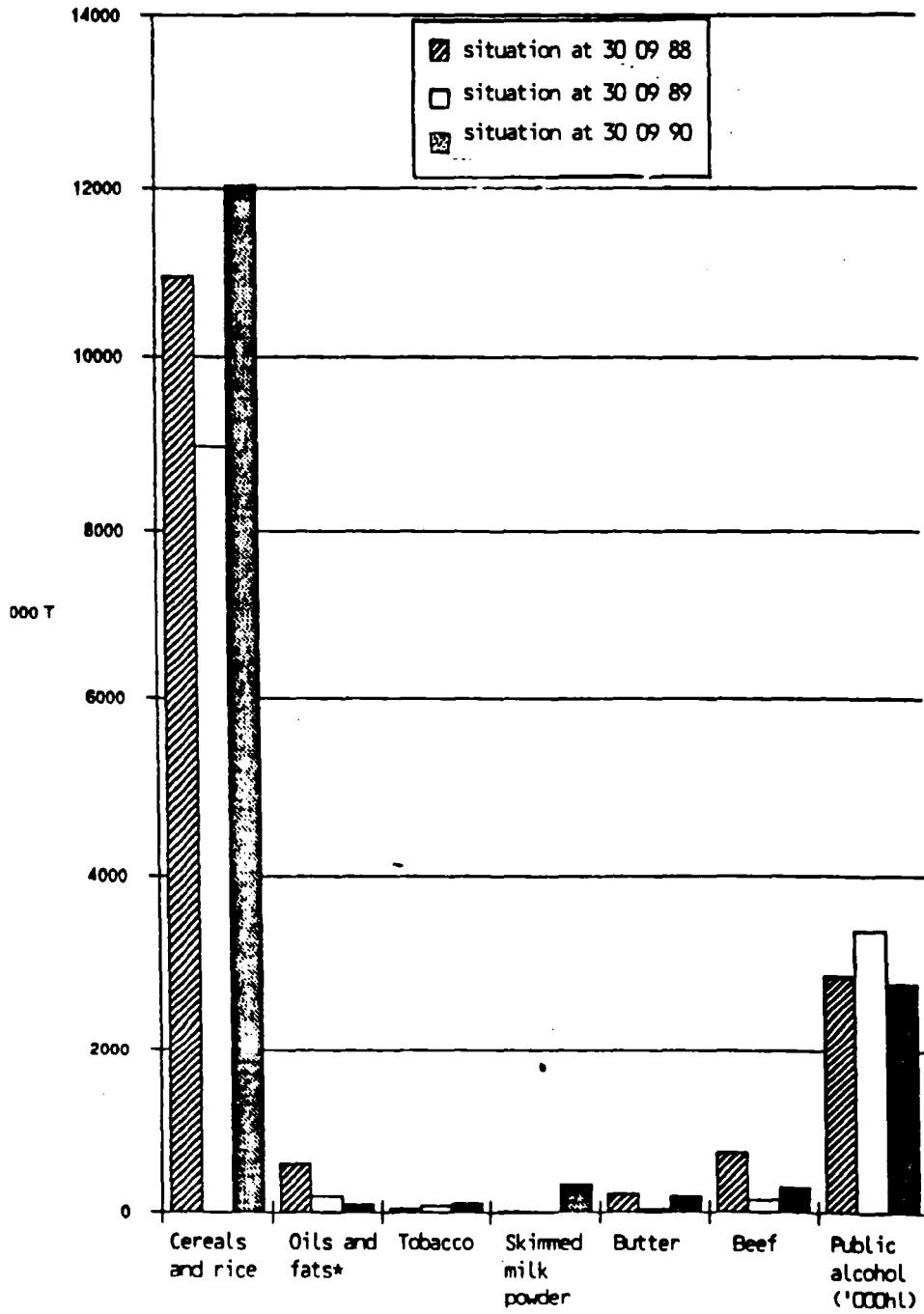
A detailed analysis of public storage is given in 2.4. and in Annex 11.

- 2.3.2.3. Withdrawals and similar operations affect only a limited number of sectors. They account for 3.3 % of total intervention booked to the 1990 budget and 2.4 % of total expenditure, clearance and miscellaneous expenditure excluded, compared with 4.5 % and 3.1 % respectively for 1989.
- 2.3.2.4. Guidance premiums are granted only in the fruit and vegetables, wine, milk and beef sectors. They account for 3.7 % of total intervention and 2.8 % of total expenditure booked to the 1990 budget, clearance and miscellaneous expenditure excluded.

In the fruit and vegetables sector, premiums make up the Community's contribution to the financing of schemes for developing and improving the consumption and use of nuts and/or locust-beans. In the wine sector premiums are granted for permanent abandonment of land under vines, in the milk sector they are granted for permanent abandonment of milk production and as compensation for temporary suspension of milk quotas; in the beef sector, a calf premium is granted.

Table 6a

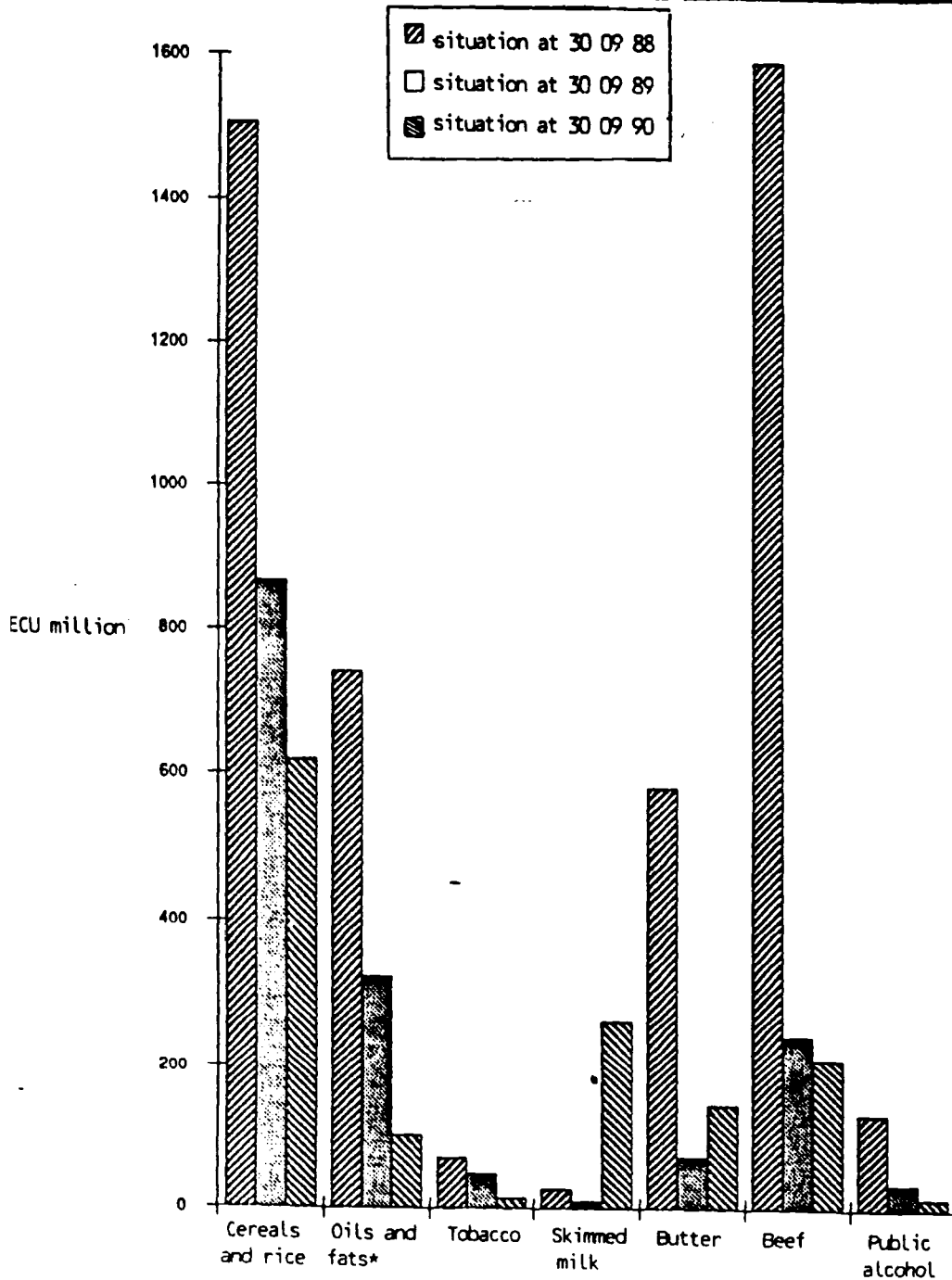
Quantity of products in public storage ('000 tonnes)



* Olive oil + rape and sunflower seed

Table 6b

Book value of public stocks with intervention agencies (ECU million)



* Olive oil + rape and sunflower seed

2.4. Trend of public stocks (see Annexes 9 and 11)

Between 30 September 1989 and 30 September 1990, the date on which public storage accounts were closed, the book value of public stocks declined from ECU 1,612 million in 1989 to ECU 1,384 million in 1990, a drop of ECU 228 million (14 %). This development is the result of the depreciation exercise undertaken in 1989 and 1990. In 1990, to cover the costs of such an exercise, the sum of ECU 3,800 million was available and of this ECU 3,759 million were utilized (against ECU 1,836 million and ECU 1,825 million in 1989 respectively).

An initial scrutiny shows that the proportion of total book value of stocks accounted for by each of the most important products changed between 1988 and 1990 : beef fell from 34.2 % in 1988 to 15.3 % in 1989, subsequently rising slightly to 15.5 % in 1990, cereals and rice rose from 32.4 % in 1988 to 53.8 % in 1989, subsequently falling to 44.7 % in 1990; similarly oils and fats rose from 15.9 % in 1988 to 20.3 % in 1989, subsequently falling to 7.5 % in 1990, while milk products fell from 13.1 % in 1988 to 5.2 % in 1989, subsequently rising sharply to 30.0 % in 1990.

More detailed analysis of the 1989 and 1990 figures shows the following :

a) Cereals and rice

- an overall rise in stocks of 34 % (1989 : 8,962,900 tonnes, 1990 : 12,029,900 tonnes). The increase was particularly large for common wheat and sorghum, less so for barley and rye; by contrast, stocks of non-breadmaking common wheat, durum wheat and maize fell; rice began to build up (96,000 tonnes)
- a drop in the book value of cereals stocks of 29 % (1989 : ECU 868 million, 1990 : ECU 619 million), particularly in the case of durum wheat (51 %). In 1990, the depreciation exercise reduced the value of cereals and rice stocks by ECU 1,570 million.

b) Oils and fats

- a 53 % drop in stocks (1989 : 199,100 tonnes, 1990 : 94,500 tonnes) affected mainly olive oil (- 114,800 tonnes) but was counterbalanced by an increase in stocks of sunflower seed (+ 10,300 tonnes)
- the book value of these products likewise fell sharply between 1989 and 1990, by 68 % from ECU 327 million to ECU 104 million; the decrease relates exclusively to the olive oil sector. For 1990, the depreciation amounts to ECU 86 million.

c) Tobacco

- total stocks rose by 33 % from 77,600 tonnes in 1989 to 103,400 tonnes in 1990. Leaf tobacco, processed tobacco and baled tobacco all account for the increase, with baled tobacco in the lead (79,000 tonnes in stock)
- total book value fell, however, by ECU 34 million to only ECU 15 million in 1990. The fall applied mainly to baled tobacco (1989 : ECU 46 million, 1990 : ECU 12 million) and, to a much lesser extent, leaf tobacco; by contrast, the book value of processed tobacco doubled between 1989 and 1990, culminating at almost ECU 3 million. The financial depreciation of tobacco stocks amounted to some ECU 91 million in 1990.

d) Milk products

- stocks, which had fallen substantially in recent years, rose extremely sharply in 1990, from 37,000 tonnes in 1989 to 528,000 tonnes in 1990; this increase applied to butter and skimmed milk powder, with the latter accounting for most of the rise (1989 : 5,000 tonnes, 1990 : 340,000 tonnes)
- the book value of stocks of these two products likewise rose considerably, from ECU 85 million in 1989 to ECU 415 million in 1990. The increase is very marked in the case of skimmed milk powder (1989 : ECU 10 million, 1990 : ECU 267 million). In 1990, the financial depreciation for these two products amounted to almost ECU 851 million.

e) Beef

- quantities in stock also rose sharply in 1990 (102 %), from 151,000 tonnes in 1989 to 305,000 tonnes in 1990. The increase applied more to boned meat than to meat in quarters
- total book value of these stocks fell slightly by contrast between 1989 and 1990 (1989 : ECU 247 million, 1990 : ECU 216 million). The fall was marked for meat in quarters (1989 : ECU 194 million, 1990 : ECU 89 million) but it was counterbalanced by a rise in the book value of boned meat (1989 : ECU 53 million, 1990 : ECU 127 million). The amount written off in 1990 as depreciation was ECU 967 million.

f) Alcohol

- stocks of public alcohol fell by 17 % between 1989 and 1990 (from 3,382,000 hectolitres in 1989 to 2,805,000 hectolitres in 1990)
- the book value dropped very sharply (1989 : ECU 37 million, 1990 : ECU 16 million). The amount written off in 1990 as depreciation came to ECU 43 million for public alcohol.

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

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

TABLE 7
Breakdown of expenditure by Member State, allowing for the impact of the arrangement whereby exporting Member States may pay intra-Community MCAs for importing Member States

(Article 10 of Regulation (EEC) No 1677/85)

MEMBER STATES	DECLARED EXPENDITURE (1)	IMPACT OF ARTICLE 10 OF REG. (EEC) No 1677/85	EXPENDITURE AFTER APPLICATION OF ARTICLE 10
Belgium	873,74	- 8,10	865,64
Denmark	1.113,68	- 33,96	1.079,72
Germany	4.365,56	- 21,56	4.344,00
Greece	1.949,73	- 0,02	1.949,71
Spain	2.120,81	0,00	2.120,81
France	5.142,65	- 62,60	5.080,05
Ireland	1.668,47	- 30,18	1.638,29
Italy	4.157,10	19,02	4.176,12
Luxembourg	5,20	0,00	5,20
Netherlands	2.869,03	- 0,42	2.868,61
Portugal	214,19	0,00	214,19
United Kingdom	1.978,96	137,82	2.116,78
TOTAL MEMBER STATES	26.459,12	0,00	26.459,12
COMMUNITY (2)	15,48	0,00	15,48
TOTAL EEC	26.474,60	0,00	26.474,60
<p>(1) Expenditure for 1990 including impact of clearance of the accounts for 1987 and the cost to the EAGGF Guidance Section of the set-aside of arable land (ECU 21.2 million).</p> <p>(2) Direct payments to recipients for information and promotion schemes relating to olive oil, flax and hemp, and milk products.</p>			

2.6. Overall cost of Guarantee Section

2.6.1. Overall trend of expenditure

TABLE 8
OVERALL TREND OF EAGGF (GUARANTEE SECTION) EXPENDITURE

YEAR	TOTAL EXPENDITURE ECU million	ANNUAL GROWTH RATE %
1986	22.137,4	12,1
1987 (1)	22.967,7	3,8
1988 (2)		
- Expenditure financed within the guideline (3) (ECU 27,500 million)	[28.400,4]	[14,9]
- Total expenditure	27.687,3	20,5
1989		
- Expenditure financed within the guideline (ECU 28,624 million)	[24.406,0]	[-7,6] (4)
- Total expenditure	25.872,9	-6,6 (5)
1990		
- Expenditure financed within the guideline (ECU 30,630 million)	[25.089,2]	[2,7] (4)
- Total expenditure	26.453,5	2,3 (5)
<p>* Including impact of clearance of accounts</p> <p>(1) Budget year 1987 (10 months)</p> <p>(2) Budget year 1988 (11 1/2 months)</p> <p>(3) The guideline includes all agricultural expenditure charged to the EAGGF Guarantee Section, minus expenditure under Chapter 40 (common organization of the market in fishery products) and Chapter 81 (depreciation of stocks and disposal of butter)</p> <p>(4) In relation to expenditure financed within the previous year's guideline</p> <p>(5) In relation to total expenditure</p>		

2.6.2. Revenue of agricultural origin

The common agricultural policy is also a source of revenue arising from charges made under the market organizations. These charges, which count as own resources of the Community, consist of :

- levies which are variable charges on imports of agricultural products covered by market organizations from non-member countries; these charges are intended to offset the difference between world market prices and the price levels agreed for the Community;
- levies imposed under the sugar market organization; these levies consist of sugar and isoglucose production levies, sugar storage levies, sugar and isoglucose elimination levies and an additional elimination levy; they provide a means whereby farmers and sugar manufacturers finance the cost of disposing of Community produce which is surplus to internal consumption requirements.

Other receipts of agricultural origin are classed as intervention to stabilize agricultural markets and are accordingly directly deducted from expenditure for the year in the sector concerned.

These receipts arise in the milk and milk products and cereals market organizations, producers making a financial contribution termed "co-responsibility levy" and, if milk production quotas or maximum guaranteed quantities for cereals are overrun, paying an additional levy. These receipts, which do not count as own resources of the Community, are considered a form of intervention to stabilize the agricultural markets and are charged within the budget chapter in which the expenditure has occurred. These funds help reduce the cost of disposing of surpluses and are also used, in the case of milk products, for financing specific measures. In 1990, these producers' contributions amounted to ECU 348 million in the milk sector (ECU 890 million in 1989) and ECU 715 million in the cereals sector or ECU 656 million if the reimbursement of the additional co-responsibility levy is taken into account (ECU 799 million and ECU 721 million respectively in 1989).

TABLE 9

REVENUE UNDER THE COMMON AGRICULTURAL POLICY
ACCRUING AS OWN RESOURCES OF THE COMMUNITY

(ECU million)

NATURE OF THE CHARGE	1986	1987	1988	1989	1990
Import levies	1.175,5	1.626,1	1.504,6	1.282,7	1.173,4
Sugar levies, of which :	1.111,5	1.471,7	1.390,7	1.381,6	910,6
- production (1)	612,3	924,6	845,9	912,4	504,6
- storage costs	499,2	547,1	544,8	469,2	406,0
T O T A L	2.287,0	3.097,8	2.895,3	2.664,3	2.084,0
(1) Including the elimination levy (ECU 65,3 million in 1986, ECU 87 million in 1987, ECU 94,1 million in 1988, ECU 89,3 million in 1989 and ECU 84,9 million in 1990) and special elimination levy (ECU 234,2 million in 1987, ECU 110,8 million in 1988, ECU 175,5 million in 1989 and (-) ECU 19,9 million in 1990).					

Import levies, which mainly affect cereals, after rising in 1987 began to fall steadily until they reached their 1986 level. This situation reflects the continued downward trend of cereal imports.

The sugar levies fell steadily from 1987 and then more sharply in 1990. This was due to the reduction in production levies, a result of a situation on international markets favourable to the Community, which was reflected in the high level of world prices. It was also because storage levies were reduced as a result of a shortening of average storage time.

2.6.3. Guarantee costs compared with GDP

In a wider economic context, comparison of the overall cost of guarantee expenditure with the most significant economic indicator, viz. the Community's gross domestic product at market prices (GDP), shows (Annex 12) that, with due account taken of the relative durations of the 1987 and 1988 financial years, the gross cost of the Guarantee Section amounted to 0.56 % of GDP in 1990 against 0.59 % in 1989 and 0.69 % in 1988.

3. ADJUSTMENTS TO LEGISLATION GOVERNING THE EAGGF GUARANTEE SECTION

During 1990, a number of adjustments and routine management measures were adopted in connection with legislation directly concerning the EAGGF Guarantee Section :

- a) Council Regulation (EEC) No. 386/90 of 12 February 1990 on the monitoring carried out at the time of export of agricultural products receiving refunds or other amounts⁽¹⁾.

Given the importance of agricultural refunds within the Community budget and the shortcomings detected as regards physical checks on products for which refunds or other amounts are granted at the time of export, the above-mentioned Regulation establishes Community framework arrangements designed to increase the number of physical checks in order to ensure that the operations in question have actually been carried out and executed properly.

- b) Commission Regulation (EEC) No 618/90 of 14 March 1990 laying down rules for drawing up the annual inventory of agricultural products in public storage⁽²⁾.

The purpose of this Regulation is to lay down rules for the drawing up of annual inventories, which have become compulsory for products in public intervention storage, while taking into account any special requirements for particular products.

It was adopted pursuant to Article 2(1a) of Council Regulation (EEC) No 3247/81⁽³⁾ which provides that for the purposes of sound management of intervention operations involving the buying-in, storage and sale of agricultural products by intervention agencies the latter are to draw up, in each financial year, an inventory for each product which has been the subject of Community intervention, compare the results of this inventory with the accounting data and make the necessary adjustments.

- c) Commission Regulation (EEC) No 772/90 of 29 March 1990 amending Regulation (EEC) No 2775/88 laying down detailed rules for the application of Article 5a of Council Regulation (EEC) No 729/70⁽⁴⁾.

Since the re-examination of the existing situation in the Community as far as interest rates are concerned revealed an upward trend, an adjustment of the rate and coefficient laid down by Commission Regulation (EEC) No 2775/88⁽⁵⁾ had to be made. This Regulation makes provision, in particular, for the Community being responsible for the financial costs incurred by some Member States (Greece, Spain, Ireland and Portugal) as a result of the introduction in 1987 of the new system for financing the expenditure provided for in the rules on market organizations.

- d) Commission Regulation (EEC) No 775/90 of 29 March 1990 amending Regulation (EEC) No 2776/88 on data to be sent by the Member States with a view to the booking of expenditure financed under the Guarantee Section of the Agricultural Guidance and Guarantee Fund (EAGGF)⁽⁴⁾.

Since experience showed that changes needed to be made to some of the provisions laid down in Regulation (EEC) No 2776/88⁽⁵⁾ relating to the data to be sent to the Commission by the Member States, Regulation (EEC) No 775/90 consequently proceeded to amend the dates for the forwarding of accounting data and make provision for the notification of information explaining payment trends which obviously diverge from the forecasts.

(1) OJ No L 42, 16.02.1990
(2) OJ No L 67, 15.03.1990
(3) OJ No L 327, 14.11.1981
(4) OJ No L 83, 30.03.1990
(5) OJ No L 249, 08.09.1988
(4) OJ No L 83, 30.03.1990
(5) OJ No L 249, 08.09.1988

- e) Commission Regulation (EEC) No 890/90 of 6 April 1990 amending Regulation (EEC) No 2964/89 and fixing depreciation percentages to be applied when agricultural products are bought in as regards paddy rice⁽¹⁾.

Article 8 of Council Regulation (EEC) No 1883/89 laying down general rules for the financing of interventions by the EAGGF Guarantee Section⁽²⁾ lays down the rules for the systematic depreciation of agricultural products as soon as they are bought in. The Commission, in Regulation (EEC) No 2964/89⁽³⁾, determined the depreciation percentage corresponding at most to the difference between the buying-in price and the foreseeable disposal price for the product concerned. As the trend in the situation for rice suggested that quantities of rice would be bought in by the intervention agencies, a depreciation coefficient to be applied on buying-in had consequently to be fixed for that product.

- f) Commission Regulation (EEC) No 1863/90 of 29 June 1990 laying down detailed rules for the application of Council Regulation (EEC) No 4045/89 on scrutiny by Member States of transactions forming part of the system of financing by the Guarantee Section of the European Agricultural Guidance and Guarantee Fund and repealing Directive 77/435/EEC⁽⁴⁾.

Regulation (EEC) No 4045/89 of 21 December 1989⁽⁵⁾ replaced Directive 77/435/EEC⁽⁶⁾ which provided for the same type of scrutiny; it forms part of the initiatives taken by the Commission in the context of measures to combat fraud and irregularities prejudicial to the Community budget and involves scrutiny, following payment, of the commercial documents of entities receiving payments from the EAGGF Guarantee Section or making payments to it.

The purpose of Regulation (EEC) No 1863/90 is to lay down detailed rules for the application of Regulation (EEC) No 4045/89 as regards a Community contribution towards the expenditure incurred by Member States in engaging extra staff, training staff and providing equipment.

- g) Commission Regulation (EEC) No 2030/90 laying down detailed rules for the application of Council Regulation (EEC) No 386/90 as regards physical checks carried out at the time of export of agricultural products attracting refunds or other amounts⁽⁷⁾.

This Regulation specifies which operations are subject to the monitoring rules in question and which may be exempted, having regard, on the one hand, to the monitoring systems already in existence for such operations and, on the other hand, to the limited quantity of certain exports.

- h) Commission Regulation (EEC) No 2103/90 of 23 July 1990 laying down the conditions for taking over sorting and packing costs relating to the free distribution of apples and citrus fruit⁽⁸⁾.

Council Regulation (EEC) No 1035/72 of 18 May 1972 on the common organization of the market in fruit and vegetables⁽⁹⁾ provides, in particular, for special measures to encourage the free distribution of apples and citrus fruit withdrawn from the market and also the taking over by the Community of the costs of sorting and packing such products. Regulation (EEC) No 2103/90 lays down the detailed rules for the application of these measures.

(1) OJ No L 92, 07.04.1990
(2) OJ No L 216, 05.08.1978
(3) OJ No L 281, 30.09.1989
(4) OJ No L 170, 03.07.1990
(5) OJ No L 388, 30.12.1989
(6) OJ No L 172, 12.07.1977
(7) OJ No L 186, 18.07.1990
(8) OJ No L 191, 24.07.1990
(9) OJ No L 118, 20.05.1972

- i) Commission Regulation (EEC) No 2572/90 of 5 September 1990 setting the amount of the payment on account of the cost of disposal of certain distillation products⁽¹⁾.

Council Regulation (EEC) No 822/87 of 16 March 1987 on the common organization of the market in wine⁽²⁾ provided inter alia that, as regards alcohol from distillation as referred to in Articles 35 and 36, the EAGGF is to bear only the costs arising from its disposal.

The purpose of Regulation (EEC) No 2572/90 is to set, for the 1991 financial year, the amount of a payment on account which allows stocks to be depreciated as soon as the products in question are bought in.

- j) Commission Regulation (EEC) No 2587/90 of 6 September 1990 fixing depreciation percentages to be applied when agricultural products are bought in, for the 1991 financial year⁽³⁾.

Under Council Regulation (EEC) No 1823/78 of 2 August 1978 laying down the general rules for the financing of interventions by the European Agricultural Guidance and Guarantee Fund, Guarantee Section⁽⁴⁾, systematic depreciation of public intervention agricultural products must take place when they are bought in; depreciation may be in two stages.

The purpose of Regulation (EEC) No 2587/90 is to determine, for a number of products taken into public intervention, the level of the first stage corresponding to about 75 % of the difference in value between the buying-in price and the foreseeable selling price.

- k) Commission Regulation (EEC) No 2887/90 of 5 October 1990 on the rate of interest to be used for calculating the costs of financing intervention measures comprising buying-in, storage and disposal⁽⁵⁾.

The purpose of this Regulation is to fix, before the beginning of the 1991 accounting year, the uniform interest rate for the financing of public storage; this rate is 10.5 % as against 9.1 % for the previous accounting year. In view, however, of the trend of interest costs in some Member States, specific interest rates were fixed for them. The rate for Germany is 9.6 % instead of 8.1 %, for the Netherlands 9.0 % instead of 7.2 %, for France 9.8 % instead of 8.7 % and for Ireland 8.9 %.

- l) Council Regulation (EEC) No 3151/90 of 29 October 1990 on stepping up checks in Portugal on expenditure charged to the Guarantee Section of the European Agricultural Guidance and Guarantee Fund⁽⁶⁾.

Since 1 January 1991, financing by the Guarantee Section of the EAGGF has extended in Portugal to products subject to transition by stages, and the tasks incumbent on the departments responsible for controls and authorized to pay expenditure in that Member State have increased considerably as a result.

(1) OJ No L 243, 06.09.1990
(2) OJ No L 84, 27.03.1987
(3) OJ No L 244, 07.09.1990
(4) OJ No L 216, 05.08.1978
(5) OJ No L 276, 06.10.1990
(6) OJ No L 302, 31.10.1990

The departments in question, in this case mainly the INGA, did not have the necessary data-processing infrastructure to ensure the optimum collection, processing, checking and transmission to the Commission of all data on expenditure financed by the EAGGF Guarantee Section.

As this situation was liable to interfere with sound management, checks and the prevention of irregularities and fraud, it became necessary, via Regulation (EEC) No 3151/90, to grant Community financial assistance - up to ECU 4 million - to Portugal for the setting up of a data-processing system in the INGA providing links with other paying and monitoring agencies.

- m) Council Regulation (EEC) No 3492/90 of 27 November 1990 laying down the factors to be taken into consideration in the annual accounts for the financing of intervention measures in the form of public storage by the European Agricultural Guidance and Guarantee Fund, Guarantee Section⁽¹⁾.

Regulation (EEC) No 3247/81 of 9 November 1981 on the financing by the European Agricultural Guidance and Guarantee Fund, Guarantee Section of certain intervention measures, particularly those involving the buying-in, storage and sale of agricultural products by intervention agencies⁽²⁾ laid down the rules and conditions governing the annual accounts which enabled the expenditure to be financed by the EAGGF, Guarantee Section, for the intervention measures concerning public storage to be established. In the light of experience it became necessary to simplify the existing procedure and to adapt the rules on intervention financing. Regulation (EEC) No 3247/81 was therefore repealed and replaced by Regulation (EEC) No 3492/90.

- n) Commission Regulation (EEC) No 3597/90 of 12 December 1990 on the accounting rules for intervention measures involving the buying-in, storage and sale of agricultural products by intervention agencies⁽³⁾.

Pursuant to Regulation (EEC) No 3492/90 laying down the principles of eligibility for the various items of expenditure and revenue to be taken into consideration in the accounts (see m), Regulation (EEC) No 3597/90 lays down the technical accounting details.

(1) OJ No L 337, 04.12.1990
(2) OJ No L 327, 14.11.1981
(3) OJ No L 350, 14.12.1990

TITLE II

CASH POSITION AND MANAGEMENT OF APPROPRIATIONS

4. System of advance payments and adjustment thereof

Council Regulation (EEC) No. 2048/88⁽¹⁾ of 24 June 1988 amending Regulation (EEC) No. 729/70⁽²⁾ made permanent the system of monthly advances on entry of expenditure in the accounts and altered the cut-off date for the expenditure booked to each financial year.

As a result the 1990 budget covered the payments entered in the accounts as made to recipients during the period 16 October 1989 to 15 October 1990. It covers expenditure over 12 months.

The system of advances covered Titles 1 and 2 of the budget concerning the Guarantee Section of the EAGGF (apart from certain expenditure under Article 164 "Permanent abandonment premiums in respect of areas under vines" paid directly by the Commission), Chapter 39 (income aids and the aid for set-aside) concerning the Guidance Section, Chapter 40 concerning Fisheries and Chapter 81 (reimbursement of expenditure for the specific disposal of butter and the extraordinary depreciation at the beginning of the financial year).

5. Advance payments to the Member States

5.1. Decisions on advance payments in respect of 1990

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

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

Besides EAGGF Guarantee Section expenditure and the part of the aids granted for the set-aside of arable land to be financed by the appropriations of the Guidance Section (Chapter 39), the advances granted in respect of 1990 were intended, as a temporary measure, to cover expenditure for the supply of food to Poland and Rumania (Regulations (EEC) No. 456/90 and No. 457/90).

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

Funds placed at the disposal of the Member States for expenditure charged to 1990 amounted to ECU 26,503.7 million: ECU 26,437.9 million for the Guarantee Section, ECU 21.2 million for the Guidance Section (Chapter 39) and, as a temporary measure, ECU 44.5 million for the emergency operation to assist Poland and Rumania.

The expenditure committed in respect of the EAGGF amounted to ECU 26,519 million. The amount of ECU 44.5 million was definitively charged against Article 998 - aid for the countries of Eastern Europe.

(1) OJ No L 185 of 15.07.88, p.1

(2) OJ No L 94 of 28.04.70, p.13

6. Management of appropriations

The 1990 budget was adopted in December 1989 and was implemented without any significant problems.

6.1. Appropriations available (ECU million)

The appropriations available for 1990 amounted to ECU 28,231.0 million, including ECU 225 million under Chapter 39 for the Guidance Section, ECU 1,470 million under Chapter 81 to cover losses resulting from the disposal of previously formed stock and ECU 32 million for the fisheries sector.

The sum of ECU 3 million, forming part of the provisional appropriations in Chapter 100, was used for the anti-fraud campaign.

Appropriations available

Titles 1 and 2	26,431,000,000.-
Chapter 39	295,000,000.-
Fisheries (Chapter 40)	32,000,000.-
Chapter 81	1,470,000,000.-

Total	28,228,000,000.-

Transfers outside the EAGGF

From Chapter 100 (anti-fraud campaign)	3,000,000.-

Total appropriations available	28,231,000,000.-

6.2. Transfers of appropriations

6.2.1 Transfers of appropriations to cover expenditure incurred in 1990

Pursuant to the conclusions of the European Council of 11 and 13 February 1988 the Commission, anxious wherever possible to adjust appropriations before exhaustion of one or more chapters, proposed on three occasions, in February, July and October 1990, that appropriations be transferred from chapter to chapter so that appropriations would be available before payment of advances against entry in the accounts.

In order to take account of substantial price variations on the world market and not to transfer potential losses, resulting from disposals of intervention stock, to future years, the Commission felt that in the third request for a transfer these new factors should be included with a view to the end-of-year depreciation exercise.

A final transfer of appropriations in November 1990 was made necessary, however, as a result of some Member States' expenditure having exceeded the estimates forwarded for the first fortnight in October.

Transfers totalling ECU 2,335 million were made within Titles 1 and 2 to cover expenditure incurred during the 1990 financial year.

In fine, a transfer of ECU 3 million was made to Article 296 (anti-fraud campaign) from Chapter 100 (provisional appropriations) with a view to the EAGGF's financial contribution to the programme for setting up scrutiny of expenditure in Portugal.

Significant additional amounts were required for the dairy products, tobacco, beef and veal, protein crops and sheepmeat sectors.

6.2.2 Transfers of appropriations with a view to covering expenditure arising from emergency aid to the countries of Eastern Europe in respect of which a carryover of appropriations was proposed to the budgetary authority

The European Council of 15 December 1990 had decided on an emergency action with a view to supplying food products to the USSR, Rumania and Bulgaria. The cost of the operation was to be covered by the EAGGF Guarantee Section, but since no such appropriations had been provided for in the 1991 budget, the Commission proposed that the budgetary authority carry over the un-utilized appropriations from the 1990 financial year.

Given that it was not possible for the products to be determined beforehand and in order that optimum use be made of the appropriations, a proposal for a transfer of ECU 350 million regrouping on a single line the appropriations required for the operation was submitted to the budgetary authority, which reduced the final amount to ECU 280 million, thus bringing the total for transfers between chapters during 1990 to ECU 2 618 million.

6.3. Expenditure

A total of ECU 26,474.6 million was charged to 1990 (of which ECU 21.2 million were charged to the Guidance Section under Chapter 39).

This sum breaks down as follows:

- expenditure claimed by the Member States (including ECU 1,360.7 million for the extraordinary depreciation at the beginning of the financial year and the specific disposal of butter)	26,837.-
- impact of clearance of accounts for 1987 and earlier years	- 377.9
- direct payments	15.5

	<u>26,474.6</u>

The breakdown in Table 10 below can in no circumstances be treated as a reliable indication of the actual shares of the Member States, since payment deadlines can vary widely from one Member State to another and since expenditure paid by paying agencies in any given Member State is not necessarily attributable to that State, the Community being a unified economic area for agricultural products. Thus, for example, certain export refunds for products from one Member State are in fact paid by another Member State.

6.4. Direct payments

In certain cases the Commission makes direct payments to operators in connection with certain schemes that are not conventional market measures but are intended to increase the scope for disposal of products, particularly in the olive oil, fibre flax, nuts, grape juice and dairy products sectors and, via specific operations, in the wine sector. Some of these measures are financed by withholding a proportion of the aid to be paid to producers.

Thus in 1990 the Commission paid directly to operators:

- a) ECU 4,489,861.25 from appropriations carried over from 1989;
- b) ECU 4,454,920.04 from appropriations for 1990. In addition, the sum of ECU 11,025,993.81 was committed in 1990 and carried over to 1991.

Annex 19 gives for the various schemes an overall picture of the amounts withheld from aid in relation to expenditure.

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

6.5. Budget operations

6.5.1 Commitments

- Global provisional commitments corresponding to advance payments made to Member States in respect of 1990 ⁽¹⁾	26,503,349,485.06
- Commitments for the abandonment premium (wine) (Guarantee Section share borne according to the financing rules of the Guidance Section)	325,813.69
- Commitments for direct payments	15,480,913.85

	26,519,156,212.60

(1) Including the impact of the clearance of the accounts for 1987.

6.5.2 Sums charged as payments

The sums charged as payments totalled ECU 26,463,577.23. The difference of ECU 55,578,884.37 vis-à-vis itemized commitments corresponds, on the one hand, to the appropriations committed to direct expenditure by the Commission that had not yet occurred by the end of the year and, on the other hand, to the amount relating to the second tranche of the aid to Poland and Rumania, charged against Article 998 (measures to assist the countries of Eastern Europe).

6.6. Carryover of appropriations

6.6.1 Automatic carryovers

The following appropriations committed for the 1990 financial year were automatically carried over to 1991.

Item 1221 (olive oil)	1,035,382.23
Item 1401 (fibre flax)	3,360,999.70
Item 1507 (fruit and vegetables)	376,000.00
Item 1650 (wine)	17,405.18
Item 2062 (milk products)	3,236,206.70
Item 2980 (anti-fraud campaign)	3,000,000.00

	11,025,993.81

The 1989 appropriations carried over automatically to 1990 concern :

a) direct payments to an amount of ECU 6,191,785.44 of which ECU 4,489,861.25 were used.

The balance of ECU 1,701,924.19 lapsed.

a) Additional milk co-responsibility levies (1989/90 milk year) amounting to - ECU 57,417,827.94 of which 100% was used.

6.6.2 Non-automatic carryovers

In 1990 some expenditure could not be paid before 15 October 1990, either because scrutiny had been stepped up in a Member State and payment had thereby been delayed or because the rules had been changed in the course of the year causing a transfer of powers among the paying agencies.

On 15 December 1990 the European Council also adopted an emergency measure for the supply of foodstuffs to the USSR, Rumania and Bulgaria to be financed, among other things, by EAGGF Guarantee Section appropriations.

No provision had been made in the 1991 budget for this expenditure but since the unused appropriations of 1990 could cover it, requests were made to the budget authority for carryovers totalling ECU 715.5 million. The budget authority accepted a figure of ECU 685.5 million.

The chapters involved are as follows :

Chapter 12	olive oil	ECU 127,000,000
Chapter 13	protein crops	ECU 1,000,000
Chapter 15	fruit and vegetables	ECU 1,500,000
Chapter 16	wine	ECU 236,000,000
Chapter 18	other sectors	ECU 280,000,000
Chapter 20	milk products	ECU 16,000,000
Chapter 21	beef/veal	ECU 15,000,000
Chapter 29	other expenditure	ECU 9,000,000

		ECU 685,500,000

6.7. Summary of execution of 1990 budget

The 1990 financial year closed with a balance of ECU 1,070,896,677.96 of unused appropriations.

Three factors need to be considered :

- 1) Part of the unused appropriations should have been used in 1990 (particularly olive oil production aid and vine grubbing premiums) but could not be owing to exceptional circumstances. The Commission accordingly proposed a carryover of appropriations of ECU 365.5 million.
- 2) The budgetary impact of the clearance of the accounts.
- 3) The limited implementation of food aid programmes.

Original budget	28,228,000,000.00
Transfers outside the EAGGF	+ 3,000,000.00

Appropriations available	28,231,000,000.00
Less sums charged as payments	26,463,577,328.23

	1,767,422,671.77
Appropriations automatically carried forward to 1991	11,025,993.81

	1,756,396,677.96
Appropriations not automatically carried over	685,500,000.00

Appropriations lapsed	1,070,896,677.96

TABLE 10

FUNDS AVAILABLE TO AND EXPENDITURE INCURRED BY MEMBER STATES FOR 1990

(In ECU)

Member State	Advance payments for 1990	Exchange differences (1)	Total available for 1990	Expenditure charged to 1990
	(a)	(b)	(c) = (a) + (b)	(d)
Belgium	873.739.496	- 484	873.739.012	873.739.012
Denmark	1.117.329.560	- 118	1.117.329.442	1.117.329.442
Germany	4.396.930.998	549	4.396.931.547	4.396.931.547
Greece	1.949.692.241	39.167	1.949.731.409	1.949.731.409
Spain	2.124.073.103	33.650	2.124.106.753	2.124.106.753
France	5.146.223.394	- 823	5.146.222.570	5.146.222.570
Ireland	1.670.803.085	1.864	1.670.804.949	1.670.804.949
Italy	4.157.115.748	- 18.551	4.157.097.197	4.157.097.197
Luxembourg	5.203.673	- 2	5.203.671	5.203.671
Netherlands	2.869.028.562	150	2.869.028.712	2.869.028.712
Portugal	214.179.652	14.158	214.193.810	214.193.810
United Kingdom	1.978.959.884	529	1.978.960.413	1.978.960.413
TOTAL EEC	26.503.279.396	70.089	26.503.349.485	26.503.349.485 (2)

- (1) For each Member State there is a discrepancy between the balance at the end of each month as converted into ecus at that month's rate and the same balance as converted into ecus at the following month's rate. This table shows the sum of the exchange differences recorded for each Member State for the whole of 1990.
- (2) Not including direct payment of ECU 15.480.914,0, or the payment of ECU 325.814,0 as permanent abandonment premiums in respect of areas under vines (Germany and Luxembourg). This amount does, on the other hand, include ECU 44,5 million for aid to Poland and Romania provisionally charged to the EAGGF Guarantee Section and then reallocated to Article 996 after the adoption of Supplementary and Amending Budget No. 2/90, which made the appropriations available under this article.

TABLE 11
EXPENDITURE RECORDED IN THE MEMBER STATES AGAINST THE 1990
BUDGET BY TYPE OF FINANCING

MEMBER STATE	REFUNDS	INTERVENTION	TOTAL 1990	
			ECU million	%
Belgium	221,49	651,34	872,83	3,25
Denmark	672,51	449,22	1.121,73	4,18
Germany	1.139,62	3.426,66	4.566,28	17,01
Greece	86,84	1.875,55	1.962,38	7,31
Spain	353,62	1.792,98	2.146,60	7,99
France	1.767,73	3.414,99	5.182,73	19,30
Ireland	389,26	1.279,76	1.669,02	6,22
Italy	593,08	3.642,08	4.235,16	15,77
Luxembourg	0,84	4,37	5,21	0,02
Netherlands	1.861,14	1.013,46	2.874,59	10,71
Portugal	10,86	203,62	214,48	0,80
United Kingdom	700,91	1.285,09	1.986,00	7,40
TOTAL MEMBER STATE	7.797,89	19.039,10	26.836,99	99,95
DIRECT PAYMENTS	0,00	12,48 (4)	12,48 (4)	0,05
TOTAL EEC	7.797,89 (1)	19.051,59 (2)	26.849,47 (3)	100,00

(1) Including ECU 76,17 million concerning MCAs granted on imports - item 2810
(2) Including "interest accrued as a result of the reform of the financing method (ECU 66,56 million), "free distribution of intervention products" (ECU 136,94 million) and "set-aside (Guidance and Guarantee Section" (ECU 42,30 million).
(3) This does not take into account the financial impact of the clearance of the clearance of accounts for 1987 and previous years (- ECU 377,87 million) but includes the Guidance Section share in set-aside (ECU 21 million).
(4) Not including ECU 3,0 million (fraud prevention measures)

TITEL III

INVESTIGATIONS, IRREGULARITIES AND RELATED WORK⁽¹⁾

7.1. General remarks

The application of Community rules is primarily the responsibility of national administrations. It is their task to check that operations financed by the EAGGF Guarantee Section did actually take place and in accordance with requirements, and to forestall and pursue irregularities and recover sums wrongly paid out.

The Commission's role is to encourage, coordinate and monitor. It supplements the control work of the national administrations on the basis of legal instruments that, apart from checks for clearance of accounts purposes, allow it to ask Member States to open administrative inquiries, in which it may participate, to undertake verifications itself, and to organize selective checks (these generally cover all Member States and are connected with the problems of a particular sector).

Member States inform the Commission of irregularities uncovered by their national agencies, of the financial implications and of the progress of national procedures for recovery.

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

7.2. Legislative measures adopted during the reporting period to step up fraud prevention

During the past financial year, the Commission has continued its work to step up the fight against fraud and irregularities involving EAGGF funds by adopting a set of legal instruments constituting a three-pronged approach.

7.2.1. Reinforcing the means, in terms of technical facilities and personnel of the national inspection services with the aid of a Community financial contribution provided for by various regulations :

- Acting on an earlier proposal from the Commission, the Council, on 4 February 1991, adopted Regulation (EEC) No 307/91⁽²⁾ on reinforcing the monitoring of certain expenditure chargeable to the EAGGF Guarantee Section.

This Regulation is designed to encourage the Member States rapidly to step up checks and improve the detection of fraud and irregularities involving refunds on exports to non-Community countries and intervention to regulate certain markets, due account being taken of their individual administrative structures.

(1) The information given here is in addition to that contained in the annual report on work done and progress achieved in 1990 in the fight against fraud (doc. SEC(91)456 final of 20 March 1991)

(2) OJ No L 37, 09.02.1991, p. 5

It provides for a degressive financial contribution from the Community budget, at the request of the Member State concerned, towards certain costs, over a period of five years (ECU 20 million a year maximum).

- Council Regulation (EEC) No 3151/90⁽¹⁾ of 29 October 1990 on stepping up checks in Portugal on expenditure charged to the EAGGF Guarantee Section provides for a Community contribution towards the cost of computerizing INGA (the main Portuguese paying agency), including the external inspection services. The data-processing system must permit more effective management and control of EAGGF expenditure and help to prevent fraud and irregularities.

The total cost amounts to about ECU 5.5 million, 70 % of which is to be borne by the Community.

- Commission Regulation (EEC) No 1863/90⁽²⁾ of 29 June 1990 lays down rules for the application of the system of Community financing provided for by Regulation (EEC) No 4045/89. The additional expenditure resulting from the increase in checks after payment on the commercial documents of those receiving payments from or making payments to the EAGGF Guarantee Section is eligible for a degressive Community contribution over a period of five years (1990-1994).

7.2.2. Increase in the number of checks and improvement of their quality

- Council Regulation (EEC) No 386/90⁽³⁾ of 12 February 1990, in conjunction with the Commission Implementing Regulation (EEC) No 2030/90⁽⁴⁾ of 17 July 1990, lays down that a minimum number of physical checks must be carried out on exports of agricultural products eligible for a refund or other amounts.

It harmonizes the control measures in the individual Member States by introducing the criterion of minimum control based on export declarations.

- Acting on an earlier proposal from the Commission, the Council, on 4 March 1991, adopted Regulation (EEC) No 595/91⁽⁵⁾ concerning irregularities and the recovery of sums wrongly paid in connection with the financing of the common agricultural policy and the organization of an information system in this field. The new system, which is designed to improve fraud prevention and the detection of irregularities in connection with EAGGF Guarantee Section expenditure, replaces Regulation (EEC) No 283/72.

The new provisions include the following :

- * the Commission is to be provided with more detailed information about cases of irregularities;
- * the Commission is to be given fuller information about the recovery procedures instituted by the Member States and the results thereof, and about judicial and administrative procedures and any action to apply sanctions;

(1) OJ No L 302, 31.10.1990, p. 52

(2) OJ No L 170, 03.07.1990, p. 23

(3) OJ No L 42, 16.02.1990, p. 6

(4) OJ No L 186, 18.07.1990, p. 6

(5) OJ No L 67, 14.03.1991, p. 11

- * an incentive to investigate irregularities and recover undue payments, in the form of a Community financial contribution. The Member States may retain 20 % of the amounts recovered and a contribution towards the costs of legal proceedings is possible where the Commission requests a Member State to bring or continue judicial proceedings;
- * an increase in the minimum threshold (to ECU 4,000) above which irregularities must automatically be reported; this increase is intended to eliminate the communication of cases of minor importance in the prevention of irregularities.

It also specifies the powers of the Commission agents taking part in national investigations and contains provisions for guaranteeing the confidentiality of the information exchanged between the Member States and the Commission and between Member States.

7.2.3. Revision, simplification and coordination of agricultural legislation

To prevent fraud from being caused by over-complicated rules or rules which are difficult to implement, the Commission undertook a review of agricultural legislation and on 28 March 1990 charged a group of high-level experts with looking at this legislation and proposing appropriate simplifications and changes. Parallel to this, on 30 April 1990, it adopted new rules on internal procedures applicable to all new agricultural regulations relating to the EAGGF, placing emphasis on the prior examination of the measures envisaged from the point of view of the means of control to be implemented, the practical applicability of the measures and thus of fraud prevention.

At the same time, the document "Annex II" which served as proof of the release of agricultural products for consumption in non-Community countries and which had proved very susceptible to fraud (forgery, unwarranted issue, etc.) was abolished by Commission Regulation (EEC) No 354/90⁽¹⁾ of 9 February 1990.

The Commission also embarked on reducing the number of lines of the combined nomenclature serving as a basis for the payment of refunds; the first results were achieved in the sectors beef (a one-third reduction) and fruit and vegetables.

Similar action will have to be taken for other agricultural product groups.

7.3. Special checks and investigations

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

- a) Article 9 of Regulation (EEC) No 729/70 enabling it to make any checks that it deems necessary, including on-the-spot checks. Officials of the Member State concerned may take part in these checks;

(1) OJ No L 38, 10.02.1990, p. 34

- b) Article 6 of Regulation (EEC) No 283/72⁽¹⁾ enabling it to request the Member State to investigate a specific matter if it considers that irregularities may have or have in fact occurred in the course of operations financed by the EAGGF Guarantee Section. Commission officials may participate in the investigation.

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

7.3.1. Checks and investigations (new cases)

In 1990, 54 new files were opened concerning irregularities detected or presumed and investigations carried out in various countries by Commission staff.

The main cases observed concern :

- export refunds on beef, concerning which three investigations were carried out to ensure that the beef was actually released for consumption in the country for which the refund had been requested :

- * In Romania meetings were held with the Romanian authorities to verify the information that the beef exported had been re-exported to other non-member countries.

- * In Mauritius an investigation revealed that meat exported with a refund had not been released for consumption but placed by a Mauritian firm under a customs system suspending duties to be re-exported after processing (amount of refunds involved : ECU 1.5 million).

- * In Zaire and Zimbabwe :

- . In Zimbabwe it was confirmed that fifteen consignments of beef exported with refunds had not been released for consumption in South Africa (country of destination) but had been imported into Zimbabwe and that this fraud had been perpetrated by presenting false certificates of release for consumption in South Africa. The amount of the undue refunds was ECU 380,000. Recovery procedures are under way in Germany.

- . In Zaire it was found that in most cases the merchandise had actually arrived at its destination and that the Commission's suspicions based on the presentation of Annex II documents bearing what were thought to be forged stamps were unfounded.

It was nonetheless established that eight consignments loaded on a boat had never reached Zaire, and eight others could not be traced in the records of the local customs authorities.

(1) Replaced by Regulation (EEC) No. 595/91 of 4 March 1991 (OJ No. L 67, 14.03.1991).

The German investigative services are making further checks concerning these operations.

- The withdrawal of pigmeat from the market as a result of the swine fever outbreak in Belgium.

A number of anomalies emerged from a series of checks carried out by the Commission in slaughterhouses, cutting plants and cold stores concerning the origin, quantity and quality of products.

The conclusions of this investigation are being prepared.

- The storage of dried grapes in Greece.

The on-the-spot check revealed a number of shortcomings in the application of the Community rules by the Greek authorities. The possible financial consequences for storage aids and financial compensation will be dealt with in the clearance of the 1989 accounts.

- Check on the minimum price paid to cotton producers on the basis of quality and quantity.

The Commission had been alerted by the increase in expenditure in this sector; investigations were carried out in Spain and Greece to check the quality of unginned cotton arriving at ginning plants. No fraud was detected.

- Tobacco :

The Commission had noted a marked increase in expenditure on the variety Badischer Geudertheimer hybrid, indicating the possibility of fraud. An investigation was undertaken in Italy into the payment of premiums for this variety, involving a complete review of the verification procedure and a study of the movements of products.

It appears that the system of premiums for raw tobacco harvested encourages growers to produce very large quantities of tobacco for which there are no real market outlets. Recommendations were made to the Italian authorities on how to obtain a better overview of production data. The Italian authorities are in the process of taking the necessary measures.

It should be noted that the Commission has submitted to the Council the broad outline of an in-depth reform of the tobacco sector.

- The quality of cereals (durum wheat, common wheat) placed in intervention.

In order to examine the quality of the cereals in intervention storage, the Commission carried out checks in Germany and Italy and had samples examined by various laboratories. As soon as the results are known, the Commission will inform the Member States concerned of its conclusions. It will continue this scheme in 1991.

Some of these files and investigations have been completed; the others will continue to be dealt with in 1991.

7.3.2. Old files

Some files and inquiries dating from before 1990 were closed.

The main cases are the following :

- Aid for the production of durum wheat :

This aid, calculated on the basis of the area cultivated, was the subject of applications for areas not actually under durum wheat.

The checks carried out in Italy in 1987 and in Greece in 1989 showed a certain percentage of areas declared but not sown with durum wheat.

Financial adjustments were decided on for Italy in connection with the clearance of the accounts for 1988. These corrections relate to 1987 and 1988 and involve a total amount of about ECU 44 million. Italy appealed against this decision. Any financial consequences for Greece will be determined when the 1989 accounts are cleared.

A first attempt at a survey using remote sensing of areas under durum wheat was also undertaken in 1990.

- Export of Greek durum wheat declared to be destined for Madeira diverted to Portugal.

Substantial quantities of durum wheat had been exported from Greece to Madeira in 1983. On the basis of forged documentary evidence, the durum wheat had received very high refunds for the declared destination. On-the-spot checks brought this fraud to light.

The Greek authorities have instituted legal proceedings to recover the sums paid unduly.

- Quality of the tobacco in Intervention stocks in Greece and Italy.

Visits were paid to Greece and Italy to check the quality of tobacco in Community intervention stocks.

It emerged from these quality checks that some of the tobacco bought in did not meet the minimum quality characteristics laid down by Community legislation (Regulation (EEC) No 1727/70, Annex III). Parallel to this check, representative samples were taken. Analyses of these samples confirmed the results of the on-the-spot checks. Sums were recovered following adjustments made in connection with the relevant accounts clearance.

The two Member States concerned appealed to the Court of Justice.

- Inward processing arrangements : durum wheat

This investigation, which began in Italy at the end of 1989, showed that, apart from the possible fraud aspect, which required more detailed checks, the legislation on inward processing was not appropriate to this product. The Commission put forward a proposal⁽¹⁾ amending the rules (change in the standard rate of yield for meal and obligation to use the quantitative scale method to calculate duties on by-products). This text is currently being considered in the Council.

Parallel to this, the Commission looked into the fraud question. A request for an appropriate investigation was made to Italy on the basis of Regulations (EEC) Nos 283/72 (Article 6) and 1552/89 (Article 18(2)). This investigation began in 1990 and will continue in 1991. It relates not only to the inward processing aspect but also to the refund aspect.

- Fruit and vegetables

The investigation in the citrus fruit sector carried out in 1989 will lead the Commission to consider possible financial adjustments for Italy in the following three fields :

- . non-recognition of certain producers' organizations on account of non-compliance with rules on their operation;
- . payments of national processing aids contrary to Community legislation;
- . failure to meet quality standards resulting in an increase in the quantities withdrawn from the market.

The possible financial implications will be decided in connection with the clearance of the 1989 accounts.

- Check on the quantity of olive oil in intervention store

The findings dating from 1988 and 1989 and those of an earlier inquiry led the Commission to refuse to finance the measure. The financial adjustments for the period 1985-1988 total about ECU 39 million for Italy in connection with the clearance of the 1988 accounts. For 1989, the expenditure declared by the Member State in question was reduced, as a result of the inquiry, by some ECU 11 million, and for future years Italy was requested no longer to include in the expenditure declarations the costs relating to oil rejected for intervention.

Italy appealed against the Commission decision to the Court of Justice.

- Private storage of beef

The inquiry was carried out in the three Member States most involved in this scheme, i.e. Germany, France and Ireland;

(1) See document COM(90) 448, 8.11.1990

The inquiry now completed brought to light irregularities in Germany and Ireland which will be the subject of recovery measures.

- Public storage of beef

The inquiry concerns three countries : Germany, Ireland and Italy. Irregularities were discovered in Ireland. The inquiry in Italy is still under way.

- Variable slaughter premium for sheep and goats (clawback) in the United Kingdom

The inquiry revealed shortcomings in the system of checks.

- Placing of butter in intervention storage (NIZO)

The inquiry, which related to two Member States - France and the Netherlands - has been completed. Some of the butter entering intervention in the Netherlands and France appeared to be ineligible. The financial consequences are being considered.

- Ewe premium

Following the inquiries in Spain and Greece in 1989, further checks were undertaken in two other Member States (the United Kingdom and Portugal) in 1990. More irregularities of the same type as those discovered in 1989 occurred in 1990 :

. inflated applications :

some producers applied for aids for 10 to 40 % more animals than they had in their flocks;

. duplication of applications for one and the same flock;

. applications for non-existent flocks.

These inquiries indicated that national checks were possibly inadequate and even non-existent in some cases.

These inquiries are continuing.

7.4. Irregularities detected

These are notified quarterly to the Commission pursuant to Articles 3 and 5 of Regulation (EEC) No 283/72. Details of notifications in 1990 are given in Annex 20.

7.4.1. Irregularities detected and notified

	1971-79	1980-85	1986	1987	1988	1989	1990
ECU million	16,296	110,483	29,866	89,593	152,291	152,533	137,731
of which recovered	6,110	25,242	4,519	3,382	4,353	14,364	9,850

7.4.2. Attention is also drawn to the fact that the sums involved in individual cases notified by the Member States vary very widely and it is therefore necessary to break them down by category. Some 9.9 % of the cases accounted for 91.5 % of the amounts wrongly paid, whereas a large number (75.2 %) accounted for only 6.7 %. This variance arises from the fact that communications pursuant to Article 3 of Regulation (EEC) No 283/72 cover all irregularities, ranging from simple cases with no financial implications, or involving an amount already recovered at the time of notification, to fraud on a massive scale. The figures are broken down in the table in Annex 22.

7.4.3. For 1990, the breakdown by Member State of irregularity cases affecting EAGGF funds is :

Member State	Number of cases	Total amount (ECU million)	Average/case (ECU million)
Belgium	1	-	-
Germany	132	27,021	0,204
Denmark	29	3,051	0,105
Greece	12	0,548	0,046
Spain	57	1,766	0,031
France	115	2,657	0,023
Ireland	3	-	-
Italy	95	92,652	0,975
Luxembourg	-	-	-
Netherlands	133	6,894	0,051
Portugal	54	1,142	0,021
United Kingd.	188	2,000	0,011
Total	819	137,731	0,168

A preliminary critical analysis of the reliability of the figures provided by each Member State can be made by comparing the number of irregularities notified by them and the amounts involved. It is unlikely that the differences in the figures notified by the Member States reflect the actual situation as regards fraud and irregularities. The EAGGF constantly pays particular attention to this problem to try to get as near to the truth as possible.

- 7.4.4. In 1990, the number of irregularity cases increased considerably compared with 1989, although the amount paid out wrongly decreased.

During 1989, 80 cases each involving more than ECU 100,000 were notified, accounting for 91 % (ECU 125.8 million) of the total sum involved in all notified cases together. Since most of these cases unmistakably involve fraud, it is on them that the Commission will concentrate in 1991.

The detailed breakdown is given in the table in Annex 22.

7.5. Recovery of amounts wrongly paid out

As shown in Annex 20, by the end of the 1990 financial year there had been recoveries in 396 cases, 48 % of the total number notified during the year. The amount of ECU 9,850,000 recovered was only 7 % of the total amount to be recovered for the year. The reason for this is that, where the sums involved are large, operators normally explore all legal defences and the recovery procedure is generally suspended pending the outcome.

Annex 21 gives, for 1971-1990 inclusive, a breakdown of wrongly incurred expenditure and recoveries effected.

7.6. Mutual information system

This arrangement, used by the Member States and Commission officials, has two aspects.

Under Article 4 of Regulation (EEC) No 283/72 information is rapidly circulated on irregularity cases where there is likely to be an effect outside the Member State of discovery or where a new fraudulent practice has appeared.

Regulation (EEC) No 1468/81 makes provision for mutual assistance between the administrative authorities of the Member States and cooperation between the latter and the Commission to ensure correct application of the customs and agricultural rules.

The notification of cases of irregularity between Member States and between the latter and the Commission as provided for in Article 4 of Regulation (EEC) No 283/72 is supplemented by information transmitted on the basis of Regulation (EEC) No 1468/81.

The breakdown of cases from 1972 to 1989 is as follows :

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

7.7. Meetings of the EAGGF Irregularities Group

These meetings, held pursuant to Article 7 of Regulation (EEC) No 283/72, bring together, with an EAGGF official in the chair, Commission officials and Member States' representatives responsible for control and investigation work relating to irregularities. In 1990 three plenary meetings were held at which numerous presumed or known irregularity cases were discussed and the action to be taken in each case was considered.

There were also 17 restricted meetings at which many specific cases were examined.

7.8. Control agencies for olive oil

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

During the 1989/90 marketing year, the progress of the agencies varied according to their state of development, which differed from country to country.

Following the adoption of Council Regulation (EEC) No 200/90⁽³⁾ and the request of the Commission, the agencies are now entrusted, in addition to checks relating to production aid, with checks relating to consumption aid and to the buying-in and storage of olive oil by the intervention agencies. The agencies in Greece, Spain and Portugal are to carry out the new checks from 1990/91 onwards, whereas the Italian agency has been doing so since 1988/89.

The agencies set up in Italy and Greece continued their supervisory activities in accordance with the provisions of the activity programmes and the budget for 1989/90, approved by the authorities of the Member States and the Commission.

(1) OJ No L 208, 03.08.1984

(2) OJ No L 4, 05.01.1985

(3) OJ No L 22, 27.01.1990

The agencies in Spain and Portugal also stepped up their checks and submitted complete check programmes to the Commission for 1989/90 despite not having reached full strength.

In Italy the agency continued to carry out checks during the 1989/90 marketing year.

As regards its checks relating to production aid, since beginning operations it has carried out checks on 2,380 mills (out of nearly 7,000), all six associations of recognized producers' organizations (out of a total of 189) and more than 27,000 olive growers (out of a total of 1,300,000). It took part in determining the yields in 781 homogeneous production zones (out of 4,000)(1).

The agency continued to carry out checks relating to consumption aid, which it started during 1988/89 : it made a total of 845 checks on packaging undertakings (total number : 626)(1).

Since beginning operations, the agency has proposed the withdrawal of approval from 349 mills (15 % of the mills checked), made three recommendations for penalties to be imposed on recognized producers' organizations, made over 8,800 proposals with financial implications for olive growers (33 % of the olive growers checked) and 15 proposals for the withdrawal of approval from packaging undertakings (2 % of the total).

In Greece the agency continued its work during the 1989/90 marketing year.

Since beginning operations it has carried out over 1,244 checks on mills (total 3,000), inspected the only association of producers' organizations on three occasions, carried out 228 checks on recognized producers' organizations (total 77) and over 80,000 checks (including 1,100 in the field) concerning olive growers (total number 520,000). It took part in the determining of yields in 248 of the 220 homogenous production zones.

The agency also put forward 197 proposals for the withdrawal of approval of mills (15 % of the mills checked), proposals for penalties against six producers' associations and a number of producers belonging to organizations.

In Portugal the agency maintained its checking potential at the same level as in 1989/90. It currently employs 35 people, 23 of them directly involved in the checking operations.

(1) Statistics compiled since the agency began operations and taking the multiple checks into account.

Since beginning its activities, the agency has carried out 151 checks on mills (total number of approved mills : 77) and 139 checks on recognized producers' organizations (total number : 49). It has carried out on-site checks on nearly 1,200 olive growers (out of a total of 44,200), some of them members of producers' organizations, others not. The checks revealed inaccuracies in the declarations by a number of growers : the agency transmitted its reports (concerning over 600 olive growers) to INA, which will have to make the necessary adjustments when paying out the production aid for subsequent marketing years. It also took part in fixing the yields in two out of the 24 homogeneous production zones(1).

In Spain : During 1989/90 the agency continued to establish itself, organizing its premises, recruiting personnel and training the staff recruited. It now employs a staff of 57, 32 of whom are directly involved in checking operations; it has permanent premises and has acquired the equipment it needs to carry out its checking tasks : office equipment, means of transport. The data-processing equipment project submitted to the Commission earlier is being implemented.

It developed its checking operations which it had begun the previous year, extending them to all the appropriate sectors.

Since commencing operations it has carried out checks on 178 mills (out of over 2,000), the single association of organizations on two occasions, 97 checks on recognized producers' organizations (total number : 76) and on-site checks on 1,600 olive growers (out of a total of 270,000), most of them not belonging to recognized producers' organizations; these checks have brought irregularities to light concerning 280 growers. It was directly involved in determining yields in 75 homogeneous production zones out of 133(1).

7.9. Regulation (EEC) No 4045/89

1990 was the first year of application of this Regulation on scrutiny by Member States of transactions forming part of the system of financing by the EAGGF, adopted on 21 December 1989. The first scrutiny programmes were presented by the Member States in May 1990 and implemented after being sent to the Commission staff for their observations.

After consultations at two working meetings, the Commission proposed a standardization of scrutiny programmes, which should come into effect for 1991/92.

In accordance with the financial provisions of the Regulation providing for a Community contribution towards expenditure on the remuneration of additional staff, training and data-processing equipment, the Commission has already paid the Member States applying for them advances of ECU 2,430,277 for 1990.

7.10. Modernization of controls

In order to facilitate checks and make them more effective, a first experiment involving verification of cultivated areas by remote sensing was undertaken by the Commission in 1990, concerning durum wheat.

(1) Statistics compiled since the agency began operations and taking the multiple checks into account.

This first experiment was not designed to give access to the individual data of producers, held by the Member States, but was above all a statistical exercise at regional level. The aim was to identify the areas in which there were the greatest discrepancies between producers' declarations and objective observations.

The Commission staff consider the results promising and feel that the experience will be valuable in developing a real individual check, which should combine the data obtained from remote sensing with data from the aid application files held by the Member States.

An experimental remote sensing programme is thus being implemented for 1991 with this in mind. It was negotiated with the Member States concerned and aims to combine, in the areas selected, checks on aids for durum wheat, cotton, set-aside and the grubbing of vines. Following an invitation to tender published in the Official Journal on 28 November 1990, four firms specializing in this type of work were selected to carry out the project in 1991.

TITEL IV

ACCOUNTS CLEARANCE

8.1. Verification of EAGGF Guarantee Section expenditure and clearance procedure - 1988

8.1.1. The Commission, as provided for in Article 5(2)(b) of Commission Regulation (EEC) No 729/70, after consulting the EAGGF Committee, cleared the accounts for 1988 (Decision 90/844/EEC of 30 November 1990). For that year an amount of ECU 578 million will be deducted from 1991 expenditure.

This clearance covered claimed expenditure of ECU 27,697,000. The following table shows how this amount breaks down by Member State.

EAGGF Guarantee Section : expenditure claimed (1988)

[Excluding premiums for non-marketing of milk and milk products and conversion of dairy herds (Regulation (EEC) No 1078/77)]

MEMBER STATE	IN NATIONAL CURRENCY	IN ECUS
Belgium	31.242.058.323	736.788.867
Denmark	9.726.589.690,69	1.239.212.294
Germany	10.152.712.681,85	4.919.903.412
Greece	217.122.444.928	1.076.371.575
Spain	258.919.719.589	2.043.726.573
France	43.548.342.550,09	6.285.982.311
Ireland	829.429.582,40	1.077.760.747
Italy	6.714.737.597.462	4.435.507.641
Luxembourg	129.368.606	3.050.931
Netherlands	8.894.749.689,45	3.828.745.320
Portugal	26.595.095.149	146.776.098
United Kingdom	1.348.124.078,79	1.902.963.549
E.E.C.	-	27.696.789.318

- 8.1.2. The 1988 financial year was the third to which the systems audit method applied in accordance with the methods described in the EAGGF Guarantee Section audit manual.

The progressive introduction of the systems audit method requires an additional check on selected individual operations to ensure that Community law is being properly applied. This makes for a heavy workload, particularly in view of the time limits laid down for clearance of accounts, which do not make allowance for the time it takes to carry out the operations.

The results of the verifications made are indicated in the summary report on 1988, which also sets out the main results of the dialogue with the Member States, and the financial implications for the Member States.

The EAGGF adopted its final position on the basis of the information it received up to 30 June 1990, the deadline set by the Commission.

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

The financial corrections were carried out in accordance with the Commission Decision of 20 December 1985 on the criteria to be applied. The adjustments concern cases of formal and substantive failure to observe Community law, the granting of illegal national aids and infringements with regard to clearance of accounts. The figures for 1988 are set out in detail in Annex 23 to this report.

8.2. 1989

The clearance for 1989 relates to expenditure claimed amounting to ECU 25,704,000. The dates on which the figures for 1989 were communicated to the Commission staff are given in Table 12. Several Member States always fail to meet the deadlines for forwarding claims, often providing further information several months later. This has complicated the work considerably and serious delayed completion.

TABLE No 12

MEMBER STATE	SUBMISSION OF FIRST CLEARANCE CLAIMS	
	DATE (Deadline : 31.3.90) under Community law	1989
		AMOUNT (National currency)
Belgium	10.04.1990	26.869.091.015,--
Denmark	21.03.1990	8.191.279.058,66
Germany	18.04.1990	8.797.162.588,90
Greece	07.05.1990	226.837.177.603,--
Spain	02.05.1990	251.032.307.503,--
France	08.07.1990	34.106.618.286,19
Ireland	11.05.1990	966.050.573,89
Italy	18.06.1990	7.114.399.261.337,--
Luxembourg	29.03.1990	143.578.963,--
Netherlands	16.05.1990	8.786.998.364,52
Portugal	23.04.1990	29.981.671.709,--
United Kingdom	10.04.1990	1.227.754.254,51

8.3. Verification procedure

The EAGGF verified the Member States' declarations of expenditure using the procedures laid down in its audit manual, which it had developed in 1986 in collaboration with an international audit firm.

The manual specifies five audit programmes :

- Programme 1 : Analytical review of the annual declaration
- Programme 2 : Review of reports relating to the declared expenditure
- Programme 3 : Reconciliation of the annual declaration with the paying agencies' books of account
- Programme 4 : Audit of the paying agency's systems
- Programme 5 : Substantive test of selected payments

The EAGGF aims to apply the procedures of programmes 1, 2 and 3 to all items of declared expenditure. These programmes are comparatively simple, and can largely be carried out in Brussels. Programmes 4 and 5 represent in effect a full systems audit. They are considerably more complex and time-consuming, and it is neither practicable nor economic to apply them to all expenditure items. The EAGGF's policy is to give priority in scheduling systems audits to those measures where there is the greatest risk of material error, i.e. those measures for which the EAGGF considers, after a careful review of the situation, that Member States are most likely to have made payments in breach of Community rules. The EAGGF accepts that it is impossible to effect a systems audit of all significant measures every year. However, it plans to cover all important measures over an introductory period of several years, which started in 1987.

In 1990, a number of measures were subjected to a systems audit for the first time. The full list is given in Table 13. In addition, in respect of export refunds, the EAGGF continued its examination of the systems of the customs authorities relating to the certification of the quantity and composition of goods exported; it examined these systems in Belgium, Ireland and the United Kingdom.

Finally, in a departure from previous practice, the EAGGF made use of private firms for the audit of paying agencies. Four audit firms, selected after a limited call for tenders, took part, each undertaking, in collaboration with the EAGGF, the systems audit of a paying agency.

TABLE No 13

<u>Measures which were subject to a systems audit for the first time in 1990</u>		
<u>Budget Article</u>	<u>Measure</u>	<u>Member States</u>
1011-4	Public storage : cereals	Italy
1022	Cereals : other production refunds	Germany, Netherlands
1110	Sugar : storage costs	France, Netherlands
1113	Sugar : disposal	Portugal
1119	Sugar : other measures	Portugal
1511	Tomatoes : production aid	Spain
1210	Olive oil : production aid	Spain
1220	Olive oil : consumption aid	Greece
1260	Sunflower seed : production aid	Spain
1630	Aid for use of grape must	Greece, Spain, France Italy
1710	Tobacco : premiums	Belgium, Italy
1720	Tobacco : public storage	Germany, Italy
2020	Skimmed milk powder for calves	Belgium
2024	Casein aid	Germany
2030	Butter : private storage	Belgium
2049	Pastry butter	Germany, Netherlands
2070	Linear levy : milk	Belgium, Denmark, Spain Ireland, Italy, Luxem- bourg, United Kingdom
2120	Suckler cow premium	Greece, Spain
2121	Beef : special premium	Greece, Spain
2122	Calf premium	Italy, United Kingdom
2210	Sheepmeat premium	Italy
4010	Fisheries : intervention	Portugal

8.4. Memorandum

The memorandum on the uniform presentation of expenditure claims by the Member States has been amended annually since its consolidation in 1983 to take account of the budget and decisions on the introduction of and changes in measures under the common agricultural policy. The Member States should thus have the data they need to prepare the annual claim relating to EAGGF guarantee expenditure. Since 1989, the memorandum has been divided into two parts, Part I covering solely annual claims for first category intervention (direct aids, etc.) and Part II covering monthly and annual claims for second category intervention (public storage).

8.5. Appeals against accounts clearance decisions

In 1990, the Court of Justice handed down seven judgments in cases filed by Member States against clearance decisions.

As regards the clearance of accounts for 1983, on 10 July 1990 the Court handed down a judgment in case C-259/87, in the case of the principal application cancelling the Commission decision as a whole and in the case of the subsidiary application cancelling the Commission decision on an amount of ECU 3 964 307 relating to the sale of two lots of common wheat by the Greek intervention agency. The Court upheld the subsidiary application by consequently cancelling the clearance decision. For the rest, the appeal was rejected.

On 10 July 1990, the Court of Justice also handed down a judgment in Case C-334/87 concerning the clearance of the accounts for 1984. The total amount in question was some ECU 2 680 218, resulting from the effects on EAGGF expenditure of a national aid granted for exports of agricultural products, failure to observe the deadline for payment of monetary compensatory amounts, payment of export refunds on two lots of common wheat flour sent to Sudan and Iraq, payment of consumption aids for olive oil and storage costs for one lot of edible oil in Greece. The Court of Justice cancelled the Commission decision as regards the last point and rejected all the other points of the appeal.

As regards the clearance of the accounts for 1985, the Court of Justice delivered two judgments, the first, on 27 March 1990, in Case C-10/88 and the second, on 10 July 1990, in Case C-335/87. In Case C-10/88, relating to an amount of ECU 12 447 260, the issue was observation of time limits for payment of calving premiums in Italy. The Court of Justice cancelled the Commission decision. Case C-335/87, in which the total amount involved was ECU 5 038 709, concerned the granting of a national aid for the export of agricultural products, failure to observe the time limit for the payment of consumption aids in the olive oil sector, storage costs for olive oil and the costs of financing and storage of dried grapes in Greece. The Court of Justice rejected the appeal on all counts.

On 12 June 1990 the Court of Justice handed down a judgment in Case C-8/88, concerning the clearance of the accounts relating to 1984 and 1985. The appeal by Germany related to expenditure of around ECU 865 810 on premiums for sheepmeat producers and premiums for suckler herds. The Court of Justice cancelled the disputed decision insofar as it had not recognized as being chargeable to the EAGGF expenditure relating to the premium for suckler cows in Baden-Württemberg.

In two judgments handed down on 11 October and 13 December 1990, the Court of Justice ruled on appeals against the accounts clearance for 1986. The first of the two judgments, in Case C-34/89, related to a total amount of ECU 6 803 513 concerning the payment, during the years 1978 to 1984, of advances on production aids for olive oil in Italy. The second judgment concerned Case C-22/89 relating to expenditure of ECU 701 755 on the storage of intervention butter in the Netherlands. The Court of Justice rejected the appeals in both cases.

8.6. Illegal national aids and "upstream" infringements

The general lines of the Commission's approach to the scrutiny of incompatible national aids or infringements, from the point of view of any impact that they may have on agricultural expenditure, were described in point 8.3. of the 1985 Financial Report. That approach continued to be followed when the 1988 accounts were cleared.

T A B L E 13 a

SITUATION AT 1 JULY 1991 AS REGARDS APPEALS FILED AGAINST THE 1988 CLEARANCE OF ACCOUNTS DECISION

CASE NUMBER	MEMBER STATE	EXPENDITURE CONCERNED	REFERENCE IN SUMMARY REPORT Document VI/220/90-Final of 23.11.1990	AMOUNT IN QUESTION (In national currency)
				1988
C-48/91	NL	1. Cereals - co-responsibility levy not charged	4.2. 2.2.	708.540,--
C-53/91	NL	1. Refunds - insufficient physical checks	4.1.13.	125.403.941,--
C-54/91	Germany	1. Export refunds		
		- insufficient physical checks	4.1.13.	27.510.204,--
		- export declarations submitted late	4.1. 3.3.	18.037.338,--
		- lack of customs control on initiation of financing procedures	4.1. 3.6.	7.295.236,38
		- quantitative losses	4.1. 3.4.	584,43
		- acceptance of export declarations by customs after goods loaded	4.1. 3.5.	262.248,64
		- quantity exported charged on basis of tolerance margin not authorized	4.1. 3.2.	104.909,63
		- goods not qualifying for refund	4.1. 3.1.	27.321,71
		2. Production refunds for starch		
		Non observance of checking procedures	4.2. 4.1.	5.807.619,24
		3. Refunds for the use of sugar in the chemical industry - non-observance of checking procedures	4.5. 1.4.	392.741,52

T A B L E 13 a (continued 1)

CASE NUMBER	MEMBER STATE	EXPENDITURE CONCERNED	REFERENCE IN SUMMARY REPORT Document VI/220/90- Final of 23.11.1990	AMOUNT IN QUESTION (in national currency)
				1988
C-55/91	Italy	1. Non-payment of supplementary milk levy	4.3.10.3.	46.253.180.000,--
		2. Premiums for sheepmeat and goatmeat producers - absence of supporting documents	4.6. 7.5.	53.438.771.788,--
		3. Public storage of tobacco - tobacco not meeting minimum quality characteristics - revision of buying-in price	4.9. 2.1.	719.977.199,--
			4.9. 2.3.	1.554.528.324,--
		4. Olive oil in intervention not corresponding to required quality characteristics	5.1.	60.808.737.217,--
		5. Aid for soya processing - insufficient checks	5.3.	38.034.266.760,--
6. Aid for the production of durum wheat - insufficient checks	5.4.	67.501.305.800,--		

T A B L E 13 a (continued 2)

CASE NUMBER	MEMBER STATE	EXPENDITURE CONCERNED	REFERENCE IN SUMMARY REPORT Document VI/220/90- Final of 23.11.1990	AMOUNT IN QUESTION (in national currency)
				1988
C-56/91	Greece	1. Refunds cereals sector - illegal national aid	4.1. 4.1.	869.296.279,--
		2. Co-responsibility levy on cereals not collected	4.2. 2.2.	215.156.000,--
		3. Public storage of beef	4.6. 2.9.	245.233,--
		4. Milk sector - security not obtained	4.3. 7.2.	316.980,--
		5. Public storage of tobacco - Revision of buying-in price	4.9. 2.2.	511.862.586,--
		- Tobacco not meeting minimum quality characteristics	4.9. 2.4.	528.931.426,--
		6. Contesting of financial consequences of Court judgments in Cases 259/87 and 334/87	6.1.	p.m.
C-59/91	France	1. Refunds - insufficient quantitative physical checks	4.1.13.	547.383.456,--
		2. Non-payment of supplementary milk levy for direct sales	4.3.10.2.	446.472.537,--

TITLE V

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

9.1. Reform of the system of financing Community food aid

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

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

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

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

9.2. Accounts clearance

Preparatory work on the clearance for 1984, 1985, 1986 and 1987 continued in 1990. The Commission should take the decision relating to the clearance of these accounts by the end of 1991.

Also, a number of reservations were made when the accounts of previous years were cleared in 1984. They are given in annexes to the decisions published in the Official Journal of the European Communities. The opportunity is taken in this Report of listing below the reservations still outstanding after clearance of the 1983 accounts.

(1) OJ No L 204 of 25.07.1987

(2) OJ No L 370 of 30.12.1986

TABLE No. 14

List of reservations still outstanding after the clearance
of the 1983 accounts

MEMBER STATE	YEAR	AMOUNT
<u>Belgium</u> R. 2269/76 - Zambia R. 2494/79 - Egypt R. 2936/81 - China R. 2936/81 - China R. 93/82 - Djibouti R. 3611/81 - ICRC R. 2600/81 - Somalia	1978 1980 1982 1982 1982 1982 1983	BFR 15.809.835 DM 16.532 BFR 6.374.970 BFR 7.685.613 BFR 14.080.665 BFR 1.667.050 BFR 1.269.659
<u>Germany</u> R. 588/81 - Ethiopia R. 1644/81 - Guinea R. 812/82 - Burundi R. 2831/83 - ICRC/UNRWA consignments K, Q, R and S	1981 1981 1982 1983	security security DM 132.720,48 securities provided for in Art.26(5) of R. 1354/83
<u>France</u> -- R. 2186/82 - Zaire R. 298/83 - Guinea Bissau R. 1530/83 - WFP/Morocco R. 2433/83 - Tunisia R. 2434/83 - Tunisia R. 1630/82 - UNHCR R. 2779/83 - Egypt R. 1611/83 - Mozambique	1982 1982 1983 1983 1983 1983 1983 1983	Butteroil - general re- servation for comparis- on of intervention with the Guarantee Section DM 181.308,18 FF 31.535 investigation investigation investigation FF 743.476,80 FF 447.866,88 problem of general quality
<u>Italy</u> Dec. 76/748 rice/Nigeria	1976.	case before the court
<u>United Kingdom</u> R. 30/83 - Nicaragua R. 516/83 - ICRC/Nicaragua	1983 1983	expenditure claimed idem

These reservations will be the subject of scrutiny in connection with future accounts clearances and will be withdrawn as far as possible.

ANNEX 1
SUMMARY OF IMPLEMENTATION FOR 1990

A. 1989 APPROPRIATIONS

APPROPRIATIONS	ECU million	IMPLEMENTATION	ECU million
1. Original appropriations under Titles 1 and 2	26.431,000	<u>COMMITMENTS</u> 1. Appropriations available 2. Sum not committed (= 1-5) 3. Total EAGGF Guarantee Commitments 4. Sum committed under Title 9 5. Montant engagé au titre du FEOGA-Gar.	28.231,000
2. Original appropriations under Chapter 40	32,000		1.756,397
3. Original appropriations under Chapter 81	1.470,000		1.756,397
4. Original appropriations under Chpt.39 (Guarantee Section)	70,000		26.519,156
5. Transfer of appropriations	3,000		- 44,553
Total appropriations for Guarantee Section	28.006,000		26.474,603
6. Original appropriations under Chpt.39 (Guidance Section according to Guarantee Section financing rules)	225,000	<u>PAYMENTS</u> 1. Sums committed in detail 2. Payments on commitments detailed 3. Amount committed to be carried over automatically 4. Appropriations to be carried over (non-automatic) 5. Appropriations lapsed	26.474,603 26.463,577 11,026 685,500 1.070,897
TOTAL OF 1989 APPROPRIATIONS	28.231,000		

B. APPROPRIATIONS CARRIED OVER

APPROPRIATIONS	ECU million	IMPLEMENTATION	ECU million
Appropriations carried over automatically	- 51,226	1. Commitments carried over from the previous financial year 2. Payments on commitments carried over	- 51,226 - 52,928
		3. Lapsed appropriations carried over	+ 1,702

ANNEX 2

LEESA GARANTIE

EXPENDITURE CHARGED AGAINST THE 1990 BUDGET (ECU million)

1.

	BELGIË	DANMARK	DÉUTSCHLAND	ESPANA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDELAND	PORTUGAL	UNITED KINGDOM	TOTAAL
901-1000	REFUNDS ON COMMON WHEAT GRAIN AND FLOUR	33,734	70,395	51,926	1,781	12,313	654,389	0,008	33,311	174,678	170,951	1,202,887
901-1001	REFUNDS ON BARLEY GRAIN AND MALT	58,227	54,946	69,362	---	95,625	197,808	1,440	0,010	115,613	156,173	739,194
901-1002	REFUNDS ON DURUM WHEAT AND ON DURUM WHEAT FLOUR, GROATS AND MEAL	---	---	1,616	10,120	29,656	32,517	---	139,056	0,001	0,002	212,945
901-1003	REFUNDS ON OTHER CEREALS	11,483	10,295	49,380	---	5,543	117,305	0,313	30,031	61,308	2,950	288,408
901-100	REFUNDS ON CEREALS	103,434	125,636	172,281	11,501	142,717	1,002,019	1,761	202,408	351,600	330,077	2,643,433
901-1011	TECHNICAL COSTS OF PUBLIC STORAGE	1,160	8,703	90,933	---	21,269	85,881	0,359	29,436	0,016	0,125	8,048
901-1012	FINANCIAL COSTS OF PUBLIC STORAGE	0,092	1,516	21,314	---	6,087	7,305	---	8,059	0,005	0,004	2,969
901-1013	OTHER PUBLIC INTERVENTION STORAGE COSTS	-0,632	4,745	38,863	---	-23,684	-165,835	-0,077	-123,686	---	-0,293	-15,747
901-1014	DEPRECIATION OF STOCKS	15,817	63,301	466,675	---	89,835	485,321	2,202	113,556	0,026	7,140	1,245,211
901-1019	OTHER INTERVENTION STORAGE	---	---	---	---	---	---	---	---	---	---	---
901-102	INTERVENTION STORAGE OF CEREALS	16,437	78,265	637,785	---	93,506	412,672	2,384	27,364	0,048	1,174	-0,581
901-1020	PRODUCTION AID FOR DURUM WHEAT	---	---	---	81,612	10,785	21,294	---	305,785	---	---	419,476
901-1021	PRODUCTION REFUNDS FOR POTATO STARCH	0,436	2,405	6,893	---	0,004	4,831	---	1,694	---	37,649	59,108

FECSA GUARANTEE

EXPENDITURE CHARGED AGAINST THE 1990 BUDGET (ECU million)

2.

	BELGIQUE	DANMARK	DEUTSCH- LAND	ELLES	ESPAÑA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNITED COMMUNAUTÉ KINGDOM	TOTAUX	
B01-1022	OTHER PRODUCTION REFUNDS	7,350	10,322	56,325	0,658	13,822	67,043	3,389	15,943	---	17,931	---	216,736	
B01-1029	OTHER INTERVENTION	---	---	-0,768	---	---	---	---	---	-0,001	---	---	-0,768	
B01-102	INTERVENTION, OTHER THAN STORAGE, OF CEREALS	7,786	12,727	64,451	82,269	24,611	93,168	3,389	323,623	---	55,580	---	694,531	
B01-1030	CORRESPONSIBILITY LEVY	-11,576	-29,308	-87,143	-13,617	-80,204	-273,314	-7,382	-60,661	-0,352	-7,929	---	-672,940	
B01-1031	AID TO SMALL PRODUCERS	2,371	7,191	20,633	---	---	29,248	1,594	---	0,211	1,727	---	66,341	
B01-1032	ADDITIONAL CORRESPONSIBILITY LEVY	-0,026	-0,007	-0,266	4,428	---	-0,387	-0,158	---	---	-0,022	---	-42,150	
B01-1033	REIMBURSEMENT OF THE ADDITIONAL CORRESPONSIBILITY LEVY	0,001	---	0,167	---	8,063	---	0,144	13,988	---	---	---	58,897	
B01-103	CORRESPONSIBILITY LEVY AND AID TO SMALL PRODUCERS	-9,230	-22,124	-66,609	-9,189	-72,141	-244,453	-5,803	-46,673	-0,141	-6,223	---	-589,852	
B01-1040	REFUNDS ON RICE	---	0,055	0,198	0,205	1,620	0,447	---	26,367	---	0,201	---	29,142	
B01-1041	INTERVENTION FOR RICE	0,051	---	---	0,826	7,718	4,325	---	43,008	---	0,001	0,026	55,954	
B01-104	RICE	0,051	0,055	0,198	1,031	9,338	4,772	---	69,375	---	0,202	0,026	85,098	
B01-10	CEREALS AND RICE	118,478	194,558	788,106	85,612	198,032	1,268,178	1,532	575,898	-0,093	402,333	-0,476	252,439	3,884,596

TECA GRANITE

EXPENDITURE CHARGED AGAINST THE 1990 BUDGET (ECU million)

3.

	BELGIQUE	DANMARK	DEUTSCHLAND	ELIAS	ESPAÑA	FRANCE	IRLANDA	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNITED KINGDOM	UNITED KINGDOM	TOTAL
BOI-110	REFUNDS ON SUGAR AND ISCOGLUCOSE	26,610	45,896	281,942	0,102	65,868	128,269	0,102	40,248	146,172	0,047	56,950	---	925,895
BOI-111	REIMBURSEMENT OF STORAGE COSTS	23,505	13,089	71,701	10,429	24,159	127,275	6,884	56,330	28,048	0,159	29,766	---	303,375
BOI-1111	PUBLIC STORAGE	---	---	---	---	---	---	---	---	---	---	---	---	---
BOI-1112	REFUNDS ON SUGAR USED IN THE CHEMICAL INDUSTRY	0,803	2,283	6,390	0,280	6,726	10,786	0,668	1,953	6,810	0,198	5,985	---	42,862
BOI-1113	MEASURES TO AID THE DISPOSAL OF RAW SUGAR	---	---	---	---	---	10,667	---	---	---	0,085	0,195	---	10,947
BOI-1119	OTHER INTERVENTION	---	---	---	---	---	8,871	---	---	---	4,250	12,137	---	25,258
BOI-111	INTERVENTION FOR SUGAR	24,308	15,352	84,091	10,689	30,885	143,599	7,352	58,482	34,858	4,672	48,083	---	462,392
BOI-11	SUGAR	50,918	61,248	270,032	10,791	76,753	251,868	7,460	98,350	470,900	4,734	85,033	---	1,388,207

FEDGA GARANTIE

EXPENDITURE CHARGED AGAINST THE 1990 BUDGET (ECU million)

5.

		BELGIQUE	DANMARK	DEUTSCH- LAND	ELLAS	ESPANA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNITED KINGDOM	TOTAL
B01-124	OTHER INTERVENTION FOR OLIVE OIL	0,003	0,037	---	0,341	4,163	1,904	---	41,290	---	---	3,409	---	50,746
B01-125	REFUNDS ON OIL SEEDS	---	---	---	---	0,194	0,259	---	---	---	0,014	---	---	0,977
B01-1260	PRODUCTION AID FOR COLZA AND RAPE SEED	174,944	116,834	638,009	---	0,129	327,570	0,009	14,427	---	74,712	---	267,232	1.613,865
B01-1261	PRODUCTION AID FOR SUNFLOWER SEED	61,749	---	133,561	14,040	192,366	426,648	---	140,022	---	125,232	105,347	21,378	1.240,344
B01-1262	PRODUCTION AID FOR SOYA BEANS	---	---	1,454	7,533	-0,001	90,564	---	481,642	---	---	0,094	---	581,265
B01-1263	PRODUCTION AID FOR FLAX SEED	4,507	0,440	0,737	---	---	19,609	0,062	0,070	---	2,786	---	9,393	37,605
B01-1269	OTHER AID	---	---	---	---	---	1,020	---	---	---	---	---	---	1,020
B01-126	PRODUCTION AID FOR OIL SEEDS	241,200	117,274	773,760	21,573	192,494	865,390	0,071	656,160	---	202,731	105,441	298,003	3.474,099
B01-1270	TECHNICAL COSTS OF PUBLIC STORAGE	---	---	---	---	0,161	---	---	---	---	---	---	---	0,161
B01-1271	FINANCIAL COSTS OF PUBLIC STORAGE	---	---	---	---	0,107	---	---	---	---	---	---	---	0,107
B01-1272	OTHER PUBLIC STORAGE COSTS	---	---	---	---	-0,981	---	---	---	---	---	---	---	-0,980
B01-1273	DEPRECIATION OF STOCKS	---	---	---	---	2,647	---	---	---	---	---	---	---	2,647
B01-127	STORAGE MEASURES FOR OIL SEEDS	---	---	---	---	1,933	---	---	---	---	---	---	---	1,933

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FOGA GARANTIE

EXPENDITURE CHARGED AGAINST THE 1990 BUDGET (ECU million)

6.

	BEIGIJE	DANMARK	DUTSCHLAND	ELIAS	ESPAÑA	FRANCE	IRLAND	ITALIA	LUXEMBURG	REINLAND	PORTUGAL	UNITED KINGDOM	TOTAUX
801-12	117,915	176,146	286,176	315,290	889,223	0,071	1,948,427	202,882	115,236	300,164	4,676	4,645,203	

EECA CAPABITIE													
EXPENDITURE CHARGED AGAINST THE 1990 BUDGET (ECU million)													
										7.			
	BEIGIE	DANMARK	DEUTSCHLAND	ELIAS	ESPAÑA	FRANCE	IRLANDA	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNITED KINGDOM	TOTAL
801-130	39,827	30,357	84,823	0,247	8,415	271,260	3,247	4,322	0,135	98,426	0,132	44,864	334,407
801-131	0,833	26,287	25,443	1,243	49,927	109,633	0,353	44,028	---	24,322	0,024	7,121	297,949
801-132	---	---	5,069	---	---	0,407	---	---	---	---	---	---	0,417
801-13	40,680	69,694	102,377	1,490	58,344	330,800	3,600	50,350	0,135	122,748	0,167	51,985	834,793

FEDERATION GARANTIE

EXPENDITURE CHARGED AGAINST THE 1990 BUDGET (ECU million)

8.

	BELGIQUE	DANMARK	DEUTSCH- LAND	ELLAS	ESPAÑA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	MEDELANO	PORTUGAL	UNITED KINGDOM	TOTAL
801-1400 PRODUCTION AID FOR FIBRE FLAX	4,021	0,120	0,774	---	---	28,427	0,012	---	---	1,972	---	0,013	35,208
801-1401 SPECIFIC MEASURES	---	---	---	---	---	---	---	---	---	---	---	3,921	3,921
801-1402 PRODUCTION AID FOR HEMP	---	---	---	---	0,807	1,059	---	---	---	---	---	---	1,866
801-140 FIBRE FLAX AND HEMP	4,021	0,120	0,774	---	0,807	29,486	0,012	---	---	1,972	---	0,013	40,273
801-141 COTTON	---	---	---	410,073	129,758	---	---	0,016	---	---	---	---	539,847
801-142 SILKWORMS	---	---	---	0,130	---	0,008	---	---	---	---	---	---	0,138
801-14 TEXTILE PLANTS AND SILKWORMS	4,021	0,120	0,774	410,226	129,763	29,493	0,012	0,016	---	1,972	---	0,013	500,200

FEODA COMMITTEE

EXPENDITURE CHARGED AGAINST THE 1990 BUDGET (ECU million)

9.

	BEIGIUM	DANMARK	DEUTSCH- LAND	ELLAS	ESPAÑA	FRANCE	IRELAND	ITALIA	LUXEMBURG	NEDERLAND	PORTUGAL	UNITED KINGDOM	TOTAL
801-1500	8,253	0,189	1,048	30,929	5,348	5,078	---	22,441	---	3,340	---	0,104	67,010
801-1501	1,257	---	2,902	137,179	13,530	26,758	0,178	314,099	---	1,994	---	4,479	504,377
801-1502	---	---	---	20,548	---	---	---	13,790	---	---	---	---	34,346
801-1503	---	---	---	22,927	30,078	0,139	---	179,761	---	---	0,930	---	229,013
801-1507	---	---	---	---	34,161	---	---	---	---	---	---	0,376	34,537
801-1509	---	---	0,294	---	---	---	---	---	---	---	---	---	0,294
801-150	1,510	0,189	4,263	211,584	81,137	31,995	0,178	328,099	---	3,355	0,930	4,583	670,379
801-1510	0,141	1,439	0,362	5,405	1,228	1,358	0,087	1,083	---	0,819	0,106	1,139	13,587
801-1511	---	---	---	55,013	29,943	21,940	---	221,565	---	---	25,835	---	354,378
801-1512	---	---	-0,005	135,702	14,895	23,088	---	25,513	---	8,018	0,874	---	200,087
801-1513	---	---	---	---	---	6,134	---	---	---	---	---	---	6,134
801-1514	---	---	---	---	7,933	0,927	---	---	---	---	0,035	---	8,496
801-1519	---	---	---	---	---	---	---	---	---	---	---	---	---
801-151	0,141	1,439	0,537	194,123	54,020	53,868	0,087	248,164	---	8,837	26,830	1,139	582,443

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04

FEDCA GARANTIE															
EXPENDITURE CHARGED AGAINST THE 1990 BUDGET (ECU million)															
									10.						
	BELGIQUE	DANMARK	DEUTSCH- LAND	ELLAS	ESPAÑA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNITED KINGDOM	UNITED COMMUNITIE	TOTAL	
301-15	FRUIT AND VEGETABLES	1.651	1.878	4.820	407.707	135.138	85.063	0.265	576.264	---	6.392	27.761	5.741	0.376	1.255,025

FEDERA GARANTIE

EXPENDITURE CHARGED AGAINST THE 1990 BUDGET (FCU million)

11.

	BELGIË	DANMARK	DEUTSCH- LAND	ELZAS	ESPAÑA	FRANCE	IRLAND	ITALIA	LUXEMBURG	NEDERLAND	PORTUGAL	UNITED COMMUNAUTÉ RÉUNION	TOTAL
B01-160	RETURNS ON PRODUCTS OF THE WINE-GROWING SECTOR	0,034	---	0,268	1,771	31,307	9,298	---	4,011	---	0,004	---	56,655
B01-1610	INTERVENTION STORAGE OF WINE AND GRAPE MUST (R. 822/87)	---	---	0,960	2,591	4,842	13,064	---	18,941	---	---	---	39,897
B01-1611	DISTILLATION OF WINE (REG. 822/87)	---	---	2,090	3,394	87,594	24,349	---	147,932	---	---	---	267,359
B01-1612	COMPULSORY DISTILLATION OF THE BY-PRODUCTS OF WINE-MAKING (ART.35 822/87)	---	---	---	0,141	37,722	51,448	---	18,977	---	---	---	68,289
B01-161	INTERVENTION FOR PRODUCTS OF THE WINE-GROWING SECTOR	---	---	2,150	6,526	110,158	70,861	---	185,850	---	---	---	375,545
B01-1620	TECHNICAL COSTS OF PUBLIC STORAGE (ART.40)	---	---	---	---	2,340	1,568	---	4,019	---	---	---	7,928
B01-1621	FINANCIAL COSTS OF PUBLIC STORAGE (ART.40)	---	---	---	---	0,790	0,550	---	1,430	---	---	---	2,970
B01-1622	OTHER PUBLIC STORAGE COSTS	---	---	---	---	0,850	0,274	---	-4,181	---	---	---	-3,054
B01-1623	DEPRECIATION OF STOCKS	---	---	---	---	47,255	53,623	---	57,949	---	---	---	158,847
B01-162	BLENDING-IN OF ALCOHOL FROM COMPULSORY DISTILLATION (ARTS.37 AND 40 OF R.822/87)	---	---	---	---	51,235	54,017	---	59,437	---	---	---	164,690
B01-1630	AID FOR THE USE OF MUST	---	---	0,065	9,359	3,134	24,271	---	78,406	---	---	0,175	117,409
B01-163	AID FOR THE USE OF MUST	---	---	0,065	9,359	3,134	24,271	---	78,406	---	---	0,175	117,409

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FEDCA GARANTIE

EXPENDITURE CHARGED AGAINST THE 1990 BUDGET (ECU million)

12.

	BELGIQUE	DANMARK	DEUTSCH- LAND	ELLAS	ESPANA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNITED KINGDOM COMMUNAUTE	TOTAUX	
B01-164 PERMANENT ABANDONMENT PREMIUMS IN RESPECT OF AREAS UNDER VINES	---	---	0,324	---	---	25,395	---	---	0,001	---	---	---	25,728	
B01-1650	0,022	---	1,791	0,024	1,464	1,575	---	0,154	---	---	---	0,042	0,090	5,161
B01-165 OTHER INTERVENTION	0,022	---	1,791	0,024	1,464	1,575	---	0,154	---	---	---	0,042	0,090	5,161
B01-16 PRODUCTS OF THE WINE-GROWING SECTOR	0,054	---	4,690	17,630	203,290	189,324	---	329,857	0,001	0,806	---	0,217	0,090	745,180

FEDGA GARANTIE

EXPENDITURE CHARGED AGAINST THE 1990 BUDGET (ECU million)

13.

	BELGIQUE	DANMARK	DEUTSCH- LAND	ELLAS	ESPANA	FFRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNITED COMMUNAUTE KINGDOM	TOTAL		
B01-170	REFUNDS ON TOBACCO	2,351	---	1,607	22,449	1,435	0,256	---	32,037	---	0,040	1,455	---	---	61,869
B01-1710		8,455	---	41,638	338,419	104,428	69,741	---	506,872	---	---	11,287	---	---	1,080,840
B01-171	PREMIUMS FOR TOBACCO	8,455	---	41,638	338,419	104,428	69,741	---	506,872	---	---	11,287	---	---	1,080,840
B01-1720	TECHNICAL COSTS OF PUBLIC STORAGE	---	---	0,118	13,040	---	0,162	---	6,191	---	---	---	---	---	19,510
B01-1721	FINANCIAL COSTS OF PUBLIC STORAGE	---	---	0,026	1,403	---	0,005	---	1,805	---	---	---	---	---	3,239
B01-1722	OTHER PUBLIC STORAGE COSTS	---	---	---	0,786	---	-0,184	---	1,410	---	---	---	---	---	2,212
B01-1723	DEPRECIATION OF STOCKS	---	---	0,034	37,391	---	---	---	27,038	---	---	---	---	---	64,463
B01-172	INTERVENTION STORAGE OF TOBACCO	---	---	0,178	52,620	---	-0,016	---	34,644	---	---	---	---	---	89,425
B01-17	TOBACCO	10,807	---	43,422	413,707	105,863	69,981	---	575,552	---	0,040	12,762	---	---	1,292,134

FEDGA GARANTIE

EXPENDITURE CHARGED AGAINST THE 1990 BUDGET (ECU million)

14.

	BELGIQUE	DANMARK	DEUTSCH- LAND	ELLES	ESPAÑA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNITED COMMUNAUTE KINGDOM	TOTAL	
B01-1800	2,452	26,917	3,527	1,107	3,600	9,397	0,080	8,455	0,090	12,154	0,240	5,528	---	73,548
B01-180 SEEDS	2,452	26,917	3,527	1,107	3,600	9,397	0,080	8,455	0,090	12,154	0,240	5,528	---	73,548
B01-181 -DCPS	0,149	---	7,925	---	0,711	0,262	0,009	---	---	---	0,061	1,459	---	10,576
B01-185 TRANSUMANCE	---	---	---	0,365	---	---	---	---	---	---	---	---	---	0,365
B01-18 OTHER AGRICULTURAL SECTORS OR PRODUCTS	2,601	26,917	11,452	1,472	4,310	9,460	0,089	8,455	0,090	12,154	0,301	6,988	---	84,489

FEDGA GARANTIE

EXPENDITURE CHARGED AGAINST THE 1990 BUDGET (ECU million)

15.

	BELGIQUE	DANMARK	DEUTSCH- LAND	ELLAS	ESPANA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNITED KINGDOM COMMUNAUTÉ	TOTAUX		
B01-2000	REFUNDS ON BUTTER AND BUTTEROIL	3,808	32,745	84,733	0,022	1,239	46,722	27,705	0,312	0,024	234,937	---	11,021	---	443,269
B01-2001	REFUNDS ON SKIMMED-MILK POWDER	6,299	2,684	36,944	---	0,255	9,460	44,190	0,033	---	88,402	---	14,825	---	203,293
B01-2002	REFUNDS ON CHEESE	-618	175,751	68,893	4,325	8,763	66,555	3,063	33,832	0,021	122,258	---	30,723	---	518,803
B01-2003	REFUNDS ON OTHER MILK PRODUCTS	11,377	93,326	70,184	0,005	11,742	117,189	14,968	0,361	0,737	384,124	---	61,391	---	765,407
B01-200	REFUNDS ON MILK AND MILK PRODUCTS	24,101	304,507	260,755	4,353	21,999	239,925	89,927	34,538	0,783	829,921	---	117,961	---	1,930,771
B01-2011	TECHNICAL COSTS OF PUBLIC STORAGE	0,185	---	2,319	---	0,261	0,213	1,074	---	0,013	0,031	---	0,064	---	4,163
B01-2012	FINANCIAL COSTS OF PUBLIC STORAGE	0,110	---	1,407	---	0,738	0,127	0,537	---	0,002	0,004	---	0,042	---	2,967
B01-2013	OTHER PUBLIC STORAGE COSTS	---	---	-2,120	---	-0,007	-0,033	-0,465	---	---	---	---	-0,074	---	-2,701
B01-2014	DEPRECIATION OF STOCK	18,753	---	210,363	---	24,229	22,737	103,647	---	1,410	3,048	---	6,060	---	390,268
B01-201	INTERVENTION STORAGE OF SKIMMED-MILK POWDER	19,048	---	211,970	---	25,221	23,044	104,796	---	1,426	3,103	---	6,090	---	394,697
B01-2020	AID FOR SKIMMED-MILK FOR USE AS FEED FOR CALVES	11,984	1,565	119,687	---	---	248,567	6,302	4,857	0,151	105,854	---	9,028	---	508,001
B01-2021	AID FOR LIQUID SKIMMED MILK FOR USE AS FEED FOR CALVES	9,928	6,708	12,470	---	---	3,833	0,804	5,330	---	0,120	---	1,507	---	40,704
B01-2023	AID FOR LIQUID SKIMMED MILK FOR USE AS FEED FOR ANIMALS OTHER THAN CALVES	---	---	0,007	---	---	0,003	0,031	0,012	---	---	---	-0,257	---	-0,204

FEDGA GARANTIE

EXPENDITURE CHARGED AGAINST THE 1990 BUDGET (ECU million)

16.

	BELGIQUE	DANMARK	DEUTSCH- LAND	ELLAS	ESPAÑA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNITED KINGDOM	COMMUNAUTÉ	TOTAL	
B01-2024	AID FOR SKIMMED MILK PROCESSED INTO CASEIN	---	36,997	36,979	---	---	67,018	79,105	---	---	72,964	---	2,357	---	295,421
B01-202	AID FOR SKIMMED MILK	21,913	45,271	169,144	---	---	319,423	86,242	10,200	0,151	178,960	---	12,635	---	843,921
B01-2030	PRIVATE STORAGE	18,874	2,443	10,542	---	0,167	8,755	4,492	0,374	0,111	8,729	---	2,364	---	58,853
B01-2031	TECHNICAL COSTS OF PUBLIC STORAGE	0,154	0,028	1,508	---	1,214	0,588	1,992	0,243	---	2,288	---	1,318	---	9,335
B01-2032	FINANCIAL COSTS OF PUBLIC STORAGE	2,391	0,763	42,450	---	2,303	11,469	19,838	1,173	---	31,889	---	25,629	---	137,908
B01-2033	OTHER STORAGE COSTS	-1,310	-0,818	2,785	---	-3,644	-9,174	-2,309	-1,780	-0,063	-9,355	-3,041	-10,581	---	-40,571
B01-2034	DEPRECIATION OF STOCKS	7,403	2,572	57,548	---	44,239	22,525	136,890	13,003	---	76,328	---	34,443	---	414,974
B01-203	INTERVENTION STORAGE OF BUTTER AND CREAM	27,514	5,791	114,754	---	62,279	34,163	162,904	13,015	0,044	109,879	-3,041	53,193	---	580,498
B01-2040	CONSUMPTION AID FOR BUTTER AND FOR THOSE RECEIVING SOCIAL ASSISTANCE	---	---	---	---	---	---	10,699	---	---	---	---	-0,011	---	10,688
B01-2049	OTHER MEASURES	120,026	8,252	91,032	0,604	9,170	162,213	11,582	13,693	0,221	44,761	---	52,639	---	514,173
B01-204	OTHER MEASURES RELATING TO BUTTERFAT	120,026	8,252	91,032	0,604	9,170	162,213	22,281	13,693	0,221	44,761	---	52,628	---	524,861
B01-2050	STORAGE OF CHEESE	---	---	0,046	1,100	---	7,067	0,222	97,999	---	---	---	---	---	106,434
B01-205	INTERVENTION FOR OTHER MILK PRODUCTS	---	---	0,046	1,100	---	7,067	0,222	97,999	---	---	---	---	---	106,434

FEDER GARANTIE

EXPENDITURE CHARGED AGAINST THE 1990 BUDGET (ECU million)

17.

	BELGIE	DANMARK	DEUTSCH- LAND	ELLAS	ESPAÑA	FRANCE	IRELAND	ITALIA	LIECHTENSTEIN	NEDERLAND	PORTUGAL	UNITED KINGDOM	TOTAL
B01-2040	---	-0,004	0,002	---	---	-0,016	-0,029	---	---	---	---	-0,004	-0,022
FINANC CONTRIBUTION BY THE GUARANT SECTION TO NON-MARKETING AND CONVERSION PREMIUMS													
B01-2041	7,700	5,940	36,216	0,007	20,432	45,816	2,745	9,985	0,154	5,386	5,370	47,668	187,508
SCHOOL MILK													
B01-2042	2,490	3,162	11,222	0,823	4,063	11,539	1,858	6,441	0,228	4,236	---	8,932	58,435
MARKET DEVELOPMENT MEASURES													
B01-2043	0,570	---	5,101	2,291	2,443	6,620	1,184	2,957	0,040	---	---	---	21,285
IMPROVEMENT OF MILK QUALITY													
B01-2044	---	---	---	---	---	---	---	---	---	---	---	1,315	1,315
OTHER MEASURES UNDER THE PROGRAMME TO EXPAND THE MARKET FOR MILK PRODUCTS													
B01-2046	6,163	9,674	50,058	---	11,207	50,352	12,588	---	0,536	8,670	---	24,237	175,485
PREMIUM FOR DEFINITIVE CESSATION OF MILK PRODUCTION													
B01-2047	14,218	24,584	123,127	---	19,184	124,341	26,213	7,964	1,349	61,943	---	64,174	481,049
COMPENSATION FOR TEMPORARY SUSPENSION OF QUOTAS													
B01-204	33,230	43,326	225,807	3,120	67,330	238,652	44,559	27,547	2,307	80,235	5,370	148,341	923,045
OTHER MEASURES IN THE MILK AND MILK PRODUCTS SECTOR													
B01-2070	-11,787	-21,001	-37,036	---	-11,119	-83,054	-15,690	-36,038	---	-52,044	---	-45,012	-313,642
LINEAR LEVY													
B01-2071	-15,399	-11,436	34,731	---	---	-9,144	1,050	---	-0,857	-33,866	---	0,279	-34,644
SUPER LEVY (CO-RESPONSIBILITY - R. 856/84)													
B01-207	-27,184	-32,517	-7,305	---	-11,119	-92,200	-14,641	-36,038	-0,857	-85,910	---	-44,734	-348,304
FINANCIAL CONTRIBUTION BY MILK PRODUCERS													
B01-208	---	---	-0,048	---	---	---	---	---	---	0,003	---	---	-0,046
MEASURES TO ASSIST SMALL PRODUCERS													

FECSA GARANTIE

EXPENDITURE CHARGED AGAINST THE 1990 BUDGET (ECU million)

18.

	BELGIJE	DANMARK	DEUTSCH- LAND	ELLAS	ESPAÑA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	MEDELLAND	PORTUGAL	UNITED KINGDOM	UNITED KINGDOM	TOTAAL
	720.844	374.635	1.071.124	9.178	174.680	933.087	496.292	240.153	4.077	1.140.933	2.329	346.113	3.420	4.935.855
B01-ZC														

REGDA GARANTIE

EXPENDITURE CHARGED AGAINST THE 1990 BUDGET (ECU million)

19.

	BELGIQUE	DANMARK	DEUTSCH- LAND	ELLES	ESPAÑA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNITED KINGDOM	COMMUNAUTE	TOTAL
B01-210	REFUNDS ON BEEF MEAL	19,589	24,422	422,966	0,216	12,439	201,540	261,293	80,951	---	81,143	---	33,696	1,110,054
B01-2110	PRIVATE STORAGE	0,336	0,829	17,991	---	0,501	11,366	48,625	2,582	---	0,897	---	3,481	86,809
B01-2111	TECHNICAL COSTS OF PUBLIC STORAGE	0,131	0,920	22,842	---	2,226	3,766	28,911	2,402	---	0,105	---	9,059	70,363
B01-2112	FINANCIAL COSTS OF PUBLIC STORAGE	0,052	0,157	4,770	---	0,477	0,740	5,773	0,515	---	0,030	---	1,576	14,089
B01-2113	OTHER PUBLIC STORAGE COSTS	-1,000	-0,687	-21,358	-9,784	-3,560	-7,460	0,525	8,481	---	-1,580	-9,799	-8,212	-55,234
B01-2114	DEPRECIATION OF STOCKS	0,078	16,164	291,635	---	33,201	78,466	305,971	39,100	---	0,478	---	116,583	881,677
B01-211	INTERVENTION STORAGE OF BEEF	-1,003	17,383	315,881	-9,784	32,843	86,878	389,804	33,080	---	-8,070	-9,799	122,489	997,784
B01-2120	PREMIUMS : SUCKLER COWS	8,710	2,662	3,763	6,288	45,802	131,093	41,615	10,670	0,333	1,182	---	40,263	292,380
B01-2121	SPECIAL PREMIUM	12,396	10,243	158,754	4,019	17,924	67,283	44,970	12,773	0,429	9,431	---	63,261	481,473
B01-2122	CALF PREMIUMS	---	---	---	---	---	---	13,014	14,127	---	---	---	2,826	31,967
B01-2123	PREMIUMS FOR THE SLAUGHTER OF ADULT CATTLE OTHER THAN COWS	---	---	---	---	---	---	---	---	---	---	---	-0,360	-0,360
B01-212	INTERVENTION OTHER THAN STORAGE OF BEEF	21,106	12,905	162,517	10,307	63,726	198,376	101,600	37,569	0,762	10,613	---	105,990	725,460

FEDGA GARANTIE

EXPENDITURE CHARGED AGAINST THE 1990 BUDGET (ECU million)

20.

	BELGIQUE	DANMARK	DEUTSCH- LAND	ELLAS	ESPAÑA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	MEDERLAND	PORTUGAL	UNITED KINGDOM	TOTAL
ECJ-21	35,692	54,709	879,364	0,739	107,000	484,794	752,495	171,401	0,762	91,686	-9,799	282,174	2,833,218

FEOGA GARANTIE

EXPENDITURE CHARGED AGAINST THE 1990 BUDGET (ECU million)

21.

		BELGIQUE	DANMARK	DEUTSCH- LAND	ELLAS	ESPANA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNITED COMMUNAUTE KINGDOM	TOTAUX
B01-220	EXPORT REFUNDS FOR SHEEPMEAT AND GOATMEAT	---	---	---	---	---	---	---	---	---	---	---	---	---
B01-2210	PREMIUMS	1,387	1,346	27,378	156,530	361,630	239,648	190,203	66,799	0,075	18,100	35,270	353,974	1,452,340
B01-2211	STORAGE	---	---	---	---	---	---	---	---	---	---	---	---	---
B01-221	INTERVENTION FOR SHEEPMEAT AND GOATMEAT	1,387	1,346	27,378	156,530	361,630	239,648	190,203	66,799	0,075	18,100	35,270	353,974	1,452,340
B01-22	SHEEPMEAT AND GOATMEAT	1,387	1,346	27,378	156,530	361,630	239,648	190,203	66,799	0,075	18,100	35,270	353,974	1,452,340

EECG GUARANTEE

EXPENDITURE CHARGED AGAINST THE 1990 BUDGET (ECU million)

22.

	DENMARK	FRANCE	GERMANY	IRELAND	ITALY	LUXEMBOURG	NETHERLANDS	PORTUGAL	UNITED KINGDOM	TOTAL
501-230 REFUNDS ON PICHEAT	2,690	29,440	27,077	0,078	10,428	4,678	1,215	3,694	0,019	18,991
801-2310	71,930	0,657	-0,163	---	0,022	0,257	0,013	0,164	---	72,899
801-231 INTERVENTION FOR PICHEAT	71,930	0,657	-0,163	---	0,022	0,257	0,013	0,164	---	72,899
901-23 PICHEAT	74,620	30,097	21,914	0,008	10,450	4,935	1,228	4,058	0,019	18,991
										244,899

ECSC GUARANTEE										
EXPENDITURE CHARGED AGAINST THE 1990 BUDGET (ECU million)										
	BELGIUM	CANARY ISLANDS	FRANCE	GERMANY	IRELAND	ITALY	NETHERLANDS	PORTUGAL	UNITED KINGDOM	TOTAL
801-240	1,270	6,573	7,656	2,095	0,004	0,133	0,003	19,517	0,810	33,116
801-241	7,600	20,502	94,877	3,069	0,094	1,256	0,080	3,459	---	145,372
801-24	8,870	27,075	102,533	5,164	0,188	1,389	0,083	23,076	4,269	178,488

FEDGA GARANTIE

EXPENDITURE CHARGED AGAINST THE 1990 BUDGET (ECU million)

24.

	BELGIQUE	DANMARK	DEUTSCH- LAND	ELLAS	ESPANA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NETHERLAND	PORTUGAL	UNITED COMMUNAUTÉ KINGDOM	TOTAUX
B01-2400	---	---	---	---	---	---	0,938	---	---	0,054	---	41,286	42,278
B01-250	---	---	---	---	---	---	0,938	---	---	0,054	---	41,286	42,278
B01-251	20,556	42,576	63,130	2,373	17,143	59,818	34,031	63,067	0,031	110,267	1,331	34,888	469,212
B01-25	20,556	42,576	63,130	2,373	17,143	59,818	34,969	63,067	0,031	110,321	1,331	96,174	511,490

FEDGA GARANTIE

EXPENDITURE CHARGED AGAINST THE 1990 BUDGET (ECU million)

25.

	BELOGIE	DANMARK	DEUTSCH- LAND	ELLAS	ESPAÑA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNITED KINGDOM	TOTAUX
B01-270	0,080	-0,149	-7,108	0,011	22,728	2,993	0,023	8,951	---	0,156	4,437	---	34,423
	ACCESSION COMPENSATORY AMOUNTS GRANTED												
	IN INTRA-COMMUNITY TRADE												
B01-27	0,080	-0,149	-7,108	0,011	22,728	2,993	0,023	8,951	---	0,156	4,437	---	34,423
	ACCESSION COMPENSATORY AMOUNTS GRANTED												
	IN INTRA-COMMUNITY TRADE												

FEDGA GARANTIE

EXPENDITURE CHARGED AGAINST THE 1990 BUDGET (ECU million)

26.

		BELGIQUE	DANMARK	DEUTSCH- LAND	ELLAS	ESPAÑA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	PIEDERLAND	PORTUGAL	UNITED KINGDOM COMMUNAUTE	TOTAL
B01-2800	M.C.A. ON IMPORTS GRANTED BY IMPORTING MEMBER STATES (WITH A DEPREC. CURRENCY)	---	0,001	---	126,464	0,060	0,985	0,046	1,190	---	---	0,189	74,975	205,911
B01-2801	M.C.A. ON IMPORTS GRANTED BY EXPORT. MEMB. STAT. ON BEHALF OF IMF. MEMB. ST. (DEP. CUR.)	8,101	33,962	21,556	---	---	62,596	30,736	---	0,002	0,420	---	1,444	158,818
B01-2802	M.C.A. ON IMPORTS LEVIED BY IMPORTING MEMBER STATES (WITH AN APPREC. CURRENCY)	---	---	-0,740	-0,010	-18,525	---	---	---	---	-0,012	---	---	-19,288
B01-2803	M.C.A. ON EXPORTS GRANTED BY EXPORTING MEMBER STATES (WITH AN APPREC. CURRENCY)	---	---	0,468	---	14,899	0,001	---	---	---	-0,003	---	-0,046	15,318
B01-2804	M.C.A. ON EXPORTS LEVIED BY EXPORTING MEMBER STATES (WITH A DEPREC. CURRENCY)	---	---	---	-6,939	---	-0,343	0,019	-1,410	---	---	-0,007	-157,230	-165,909
B01-280	MONETARY COMPENSATORY AMOUNTS IN INTRA-COMMUNITY TRADE	8,101	33,963	21,284	119,515	-3,566	63,239	30,801	-0,221	0,002	0,405	0,183	-78,857	194,849
B01-2810	PART OF M.C.A. GRANTED ON IMP. (INTD MEMB. STAT. WITH A DEPREC. CURR.) INC. IMPORT LEVY	---	---	---	1,106	---	---	---	0,010	---	---	---	75,057	76,172
B01-2811	M.C.A. ON EXPORTS GRANTED BY EXPORTING MEMBER STATES (WITH AN APPREC. CURRENCY)	---	---	-0,071	---	0,013	---	---	---	---	-0,078	---	---	-0,136
B01-281	MONETARY COMPENSATORY AMOUNTS IN TRADE WITH NON-MEMBER COUNTRIES	---	---	-0,071	1,106	0,013	---	---	0,010	---	-0,078	---	75,057	74,036
B01-28	MONETARY COMPENSATORY AMOUNTS LEVIED OR PAID IN TRADE IN AGRICULTURAL PRODUCTS	8,101	33,963	21,213	120,621	-3,553	63,239	30,801	-0,211	0,002	0,327	0,183	-3,800	270,886

EXPENDITURE CHARGED AGAINST THE 1990 BUDGET (CU MILLION)

	1990 BUDGET												
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
501-2925	REFUNDS IN CONNECTION WITH COMMUNITY FOOD AID PROGRAMS	17,815	2,166	3,156	5,156	16,715	5,156	10,622	8,777	5,922	1,576	3,576	16,865
501-2922	REFUNDS IN CONNECTION WITH COMMUNITY FOOD AID PROGRAMS	5,922	1,576	3,576	16,865	5,922	1,576	3,576	16,865	5,922	1,576	3,576	2,806
501-2923	REFUNDS IN CONNECTION WITH COMMUNITY FOOD AID PROGRAMS	1,566	3,576	16,865	5,922	1,566	3,576	16,865	5,922	1,566	3,576	16,865	1,566
501-2924	REFUNDS IN CONNECTION WITH COMMUNITY FOOD AID PROGRAMS	14,385	3,576	16,865	5,922	14,385	3,576	16,865	5,922	14,385	3,576	16,865	14,385
501-2923	REFUNDS IN CONNECTION WITH COMMUNITY FOOD AID PROGRAMS	2,823	3,576	16,865	5,922	2,823	3,576	16,865	5,922	2,823	3,576	16,865	2,823
501-2922	REFUNDS IN CONNECTION WITH COMMUNITY FOOD AID PROGRAMS	85,571	1,576	3,576	16,865	85,571	1,576	3,576	16,865	85,571	1,576	3,576	85,571
501-2924	INTEREST PAYMENTS TO SOVIET UNION IN METHOD OF FINANCIAL GUARANTEE	---	---	2,591	---	---	28,685	---	---	---	---	---	66,566
501-2970	DISTRIBUTION OF AGRICULTURAL PRODUCTS TO THE MOST DEPRIVED PERSONS IN THE COMMUNITY	2,506	0,489	3,551	9,786	35,587	27,001	5,617	4,292	0,065	0,210	17,057	136,962
501-2977	DISTRIBUTION OF AGRICULTURAL PRODUCTS TO THE MOST DEPRIVED PERSONS IN THE COMMUNITY	2,506	0,489	3,551	9,786	35,587	27,001	5,617	4,292	0,065	0,210	17,057	136,962
501-2960	---	---	---	---	---	---	---	---	---	---	---	---	3,000

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FEDGA GARANTIE

EXPENDITURE CHARGED AGAINST THE 1990 BUDGET (ECU million)

28.

	BELGIOUE	DANMARK	DEUTSCH- LAND	ELLAS	ESPANA	FRANCE	IRELAND	ITALIA LUSSEMBOURG	NEDELAND	PORTUGAL	UNITED KINGDOM	UNITED COMMUNAUTE	TOTAUX
901-29	10,385	-7,564	-378,593	10,000	33,520	23,643	23,758	0,042	-5,354	19,147	25,338	3,000	3,000
MEASURES TO COMBAT TRADE DEFICITING THE EAGGF GUARANTEE SECTION													
OTHER EXPENDITURE													
EDUSTOTAL	858,700	1,098,835	3,918,064	1,941,445	2,015,305	5,028,233	1,542,998	3,976,648	5,165	2,643,003	213,332	1,790,637	15,481
901-10 - 801-29													
INCL													

FEDGA GARANTIE

EXPENDITURE CHARGED AGAINST THE 1990 BUDGET (ECU million)

29.

		BELGIQUE	DANMARK	DEUTSCH- LAND	ELLAS	ESPAÑA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNITED KINGDOM COMMUNAUTE	TOTAUX	
801-390	SET-ATIDE	0,049	---	20,791	---	---	0,879	0,222	13,475	---	0,654	---	6,236	---	42,305
801-39	SET-ASIDE AND INCOME AID	0,049	---	20,791	---	---	0,879	0,222	13,475	---	0,654	---	6,236	---	42,305 (1)

(1) This amount is charged, in equal proportions, to the Guarantee and Guidance sections of the EAGGF. The sum charged to the Guarantee section is therefore ECU $\frac{42,305}{2} = 21,153$ millions.

FEEDA GARANTIE

EXPENDITURE CHARGED AGAINST THE 1990 BUDGET (ECU million)

30.

	BELGIQUE	DANMARK	DEUTSCH- LAND	ELLAS	ESPANA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NEDERLAND	PORTUGAL	UNITED KINGDOM	EDMUNAUTE	TOTAUX
B01-400 REFUND ON FISHERY PRODUCTS	---	---	---	---	---	---	---	---	---	---	---	---	---	---
B01-401	0,351	1,157	0,271	0,594	8,872	7,315	1,160	1,658	---	0,103	0,710	1,405	---	23,597
B01-401 INTERVENTION FOR FISHERY PRODUCTS	0,351	1,157	0,271	0,594	8,872	7,315	1,160	1,658	---	0,103	0,710	1,405	---	23,597
B01-40 FISHERIES GUARANTEE FUND	0,351	1,157	0,271	0,594	8,872	7,315	1,160	1,658	---	0,103	0,710	1,405	---	23,597

FEODA GARANTIE

EXPENDITURE CHARGED AGAINST THE 1990 BUDGET (ECU million)

31.

	BELGIQUE	DANMARK	DÉUTSCH- LAND	ELLES	ESPAÑA	FRANCE	IRELAND	ITALIA	LUXEMBOURG	NETHERLAND	PORTUGAL	UNITED COMMUNAUTE KINGDOM	TOTAUX		
B01-B10	REPAYMENT TO M.S. OF COSTS FOR DEPRECIAT. OF STOCKS OF AGRICULTURAL PRODUCTS	2,355	9,632	174,490	7,673	58,493	43,957	23,799	159,493	0,040	14,904	0,132	39,367	---	564,334
B01-B11	REPAYMENT TO M.S. OF COSTS UNDER SPECIF. MEASURES OF BUTTER FROM PUBLIC STOCKS	12,196	4,048	251,946	---	8,137	62,269	100,295	5,823	---	210,364	---	141,295	---	796,373
B01-B1	REPAYM. TO M.S. OF COSTS DEPRECI. OF STOCKS & SPECIF. MEAS. BUTTER FROM PUBLIC STOCKS	14,551	13,680	426,436	7,673	96,630	106,226	124,094	165,316	0,040	225,269	0,132	180,662	---	1,360,707
TOTAL GENERAL	873,739	1,113,673	4,365,561	1,949,731	2,120,807	5,142,652	1,668,474	4,157,097	5,205	2,869,029	214,194	1,978,960	15,481	26,474,603	

ANNEX 3 : EAGGF GUARANTEE EXPENDITURE BY SECTOR (1)

(ECU million)

NATURE OF EXPENDITURE	1986	1987 (7)	1988 (8)	1989 (9)	1990 (9)
CEREALS	3.391,2	4.137,8	4.284,4	3.150,0	3.799,5
Refunds	1.711,7	3.070,6	2.924,6	2.597,1	2.443,4
Intervention, of which :	1.679,5	1.067,0	1.339,8	552,9	1.356,1
- Production refunds		177,7	235,6	393,3	301,2
- Aid for durum wheat		210,8	256,2	275,1	365,0
- Storage	1.347,4	937,2	1.274,7	576,4	1.251,4
- Co-responsibility levy	-56,4	-378,7	-677,5	-720,5	-656,2
RICE	93,7	99,0	72,8	111,5	85,1
Refunds	91,9	95,0	61,0	45,3	29,1
Intervention	1,8	4,0	11,8	66,2	56,0
SUGAR	1.725,5	2.035,6	2.081,8	1.979,8	1.388,3
Refunds	1.238,4	1.515,8	1.566,2	1.451,3	925,9
Intervention, of which :	487,2	519,8	515,6	528,5	462,4
- Reimbursement storage costs	470,8	469,0	428,9	421,6	363,3
OLIVE OIL	604,3	1.139,2	945,0	1.464,5	1.166,2
Refunds	29,4	23,2	64,2	93,1	134,9
Intervention	574,9	1.116,0	880,8	1.371,4	1.033,3
OILSEEDS	2.027,5	2.687,4	2.971,8	2.673,6	3.477,0
Refunds	2,3	64,0	24,9	5,8	1,0
Intervention, of which :	2.025,2	2.623,4	2.946,9	2.667,8	3.476,0
- Rape and sunflower seed*	1.801,8	2.189,0	2.341,0	2.176,8	2.896,2
- Soja	200,2	405,3	570,2	460,4	561,3
- Flax seed	23,1	29,7	33,3	30,0	37,6
PROTEIN PLANTS	460,0	587,2	689,3	642,9	634,8
Refunds	-	-	-	-	-
Intervention, of which :	460,0	587,2	689,3	642,9	634,8
- Peas and field beans	305,4	419,4	471,1	423,5	534,4
- Dried fodder	154,1	167,3	217,5	218,9	298,0
FIBRE PLANTS AND SILKWORMS, of which :	565,0	306,4	454,2	600,7	560,3
- Flax and hemp	32,2	21,2	25,5	29,1	40,3
- Cotton	532,2	284,7	428,2	570,9	539,8
FRUIT AND VEGETABLES	986,0	967,1	706,2	1.018,6	1.253,0
Refunds	77,0	66,8	64,6	78,7	80,6
- Fresh	65,0	52,3	48,5	63,4	67,0
- Processed	12,0	14,5	16,1	15,3	13,6
Intervention	909,0	900,3	643,6	939,9	1.172,4
- Fresh	491,8	533,7	234,0	433,1	603,4
- Processed	417,2	366,6	409,6	506,8	569,0
WINE	630,8	800,3	1.545,6	1.147,7	745,2
Refunds	11,2	20,4	43,5	45,3	54,7
Intervention, of which :	819,6	779,9	1.502,1	1.102,4	690,5
- Private storage aid	70,5	57,2	85,5	67,4	39,9
- Compulsory distillation of by-products of wine-making	55,8	91,4	96,9	78,5	68,3
- Distillation	408,1	508,0	627,5	422,5	267,4
TOBACCO	782,2	803,6	966,1	1.138,8	1.232,1
Refunds	32,1	43,1	43,1	61,9	61,9
Intervention	750,1	760,5	923,0	1.076,9	1.170,2

(ECU million)

NATURE OF EXPENDITURE	1986	1987 (7)	1988 (8)	1989 (9)	1990 (9)
OTHER SECTORS, of which :	56,4	44,5	59,8	63,8	84,5
- Seeds	46,5	41,9	50,4	62,2	73,5
- Hops	8,6	1,5	8,5	21,0	10,6
MILK AND MILK PRODUCTS	5.405,8	5.013,0	5.915,1	4.987,0	4.955,9
Refunds	2.154,9	2.257,9	3.013,9	2.868,8	1.930,8
Intervention, of which :	3.250,9	2.755,1	2.901,2	2.118,4	3.025,1
- Aid for skimmed milk	1.950,3	1.743,0	1.623,3	1.080,5	843,9
- Storage of skimmed milk	384,0	244,4	-10,5	2,2	394,7
- Storage of butter	1.035,4	705,5	708,1	458,4	580,5
- Disposal of butter	201,7	252,5	241,5	354,9	524,9
- Particip. by milk producers	-717,1	-801,3	-535,6	-890,3	-348,3
- Expansion of the markets	204,7	239,9	187,6	225,8	268,6
BEEF / VEAL	3.481,7	2.148,7	2.475,8	2.428,5	2.833,2
Refunds	1.214,3	877,9	768,7	1.343,1	1.110,0
Intervention, of which :	2.267,4	1.270,8	1.707,1	1.085,4	1.723,2
- Public and private storage	2.030,5	1.050,3	1.245,8	683,0	997,7
- Calf premiums	72,2	19,4	42,4	40,8	32,0
SHEEPMEAT AND GOATMEAT	616,9	573,8	1.293,7	1.452,8	1.452,3
Refunds	-	-	-	-	-
Intervention	616,9	573,8	1.293,7	1.452,8	1.452,3
PIGMEAT	151,8	158,6	215,6	281,0	248,9
Refunds	75,3	111,5	172,3	199,0	174,0
Intervention	76,5	47,1	43,3	62,0	72,9
EGGS AND POULTRY	87,8	152,0	194,1	234,1	178,5
Refunds	97,8	152,0	194,1	234,1	178,5
- Eggs	27,3	29,1	33,3	48,4	33,1
- Poultry	70,5	122,9	160,8	185,7	145,4
NON-ANNEX II PRODUCTS	502,9	590,3	602,4	552,1	511,5
Refunds	502,9	590,3	602,4	552,1	511,5
FISHERIES	18,0	17,4	46,9	24,0	23,6
Refunds	-	-	-0,1	0,1	-
Intervention	18,0	17,4	47,0	23,9	23,6
TOTAL AGRICULTURAL EXPENDITURE	21.597,5	22.281,8	25.502,6	23.951,4	24.849,9
Accession compensatory amounts	5,8	18,0	84,3	41,5	36,8
Monetary compensatory amounts	475,9	636,9	505,2	322,8	270,9
Depreciation of intervention stocks and disposal of public butter stocks	-	-	1.240,0	1.442,9	1.360,7
Community compensation measures	113,5	-	-	-	-
Food aid refunds (*)	-	259,4	242,7	132,6	85,6
Interest following changes in financing method	-	-	37,5	48,5	88,6
Free distribution of Intervent. products	-	-	85,8	132,9	136,9
Anti-fraud campaign	-	-	-	-	3,0
Set-aside (Guarantee Section)	-	-	-	3,0	21,2
TOTAL EXPENDITURE EAGGF GUARANTEE SECTION	22.192,7 / 22.137,4 (2)	23.175,9 / 22.967,7 (3)	27.658,1 / 27.687,3 (4)	26.075,8 / 25.872,9 (5)	26.831,4 / 26.453,5 (6)

- 1) The expenditure is based on the claims by the Member States under the advance payments arrangements and charged to each year in accordance with Article 100 of the Financial Regulation.
- 2) Allowing for the reduction in expenditure of ECU 55.3 million when the 1982 accounts were cleared.
- 3) Allowing for the reduction in expenditure of ECU 208.2 million when the 1983/85 accounts were cleared.
- 4) Including the balance outstanding from the clearance of accounts for 1985 and previous years (+ ECU 29.2 million).
- 5) Allowing for the reduction in expenditure of ECU 202.7 million when the 1986 accounts were cleared.
- 6) Allowing for the reduction in expenditure of ECU 377.9 million when the 1987 accounts were cleared.
- 7) Expenditure charged against the 1987 budget (1 January 1987 - end of October/beginning of November 1987).
- 8) Expenditure charged against the 1988 budget (beginning of November 1987 - 15 October 1988).
- 9) Expenditure charged from 16 October to 15 October of the following year.
- *) Before 1987 such refunds were incorporated in the heading "Refunds" for the different sectors.

ANNEX 4

BREAKDOWN OF EXPENDITURE BY SECTOR AND ECONOMIC CATEGORY - 1990 (1)

(2)	SECTOR	TOTAL EXPENDITURE		EXPORT REFUNDS		INTERVENTION (3)	
		ECU million	%	ECU million	%	ECU million	%
10	CEREALS, of which :	3.884,6	14,7	2.472,6	32,0	1.412,0*	7,5
	- Rice	(85,1)		(29,1)		(56,0)	
11	SUGAR	1.388,3	5,3	925,9	12,0	462,4	2,5
120 à 124	OLIVE OIL	1.168,2	4,4	134,9	1,8	1.033,3	5,5
125 à 128	OILSEEDS, of which :	3.477,0	13,2	1,0	p.m.	3.476,0	18,5
	- Rape and sunflower seed	(2.857,2)		(1,0)		(2.856,2)	
13	PROTEIN PLANTS, of which :	834,8	3,2	-		834,8	4,4
	- Peas and field beans	(536,4)		(-)		(536,4)	
	- Dried fodder	(298,0)		(-)		(298,0)	
14	FIBRE PLANTS, of which :	580,3	2,2	-		580,3	3,1
	- Flax and hemp	(40,3)		(-)		(40,3)	
	- Cotton	(539,8)		(-)		(539,8)	
15	FRUIT AND VEGETABLES, of which :	1.253,0	4,7	80,6	1,0	1.172,4	6,2
	- Processed fruit and vegetables	(582,6)		(13,6)		(569,0)	
16	WINE PRODUCTS	745,2	2,8	54,7	0,7	690,5	3,7
17	TOBACCO	1.232,1	4,7	61,9	0,8	1.170,2	6,2
18	OTHER SECTORS, of which :	84,5	0,3	-		84,5	0,5
	- Seeds	(73,5)				(73,5)	
	- Hops	(10,6)				(10,6)	
20	MILK PRODUCTS, of which :	4.955,9	18,7	1.930,8	25,0	3.025,1*	16,1
	- Skimmed milk	(1.441,9)		(203,3)		(1.238,6)	
	- Butter and cream	(1.548,7)		(443,3)		(1.105,4)	
21	BEEF / VEAL	2.833,2	10,7	1.110,0	14,4	1.723,2	9,2
22	SHEEPMEAT AND GOATMEAT	1.452,3	5,5	-		1.452,3	7,7
23	PIGMEAT	246,9	0,9	174,0	2,3	72,9	0,4
24	EGGS AND POULTRY	178,5	0,7	178,5	2,3	-	
25	NON ANNEX II PRODUCTS	511,5	1,9	511,5	6,6	-	
40	GUARANTEE FUND FOR FISHERIES	23,6	0,1	-	p.m.	23,6	0,1
27	ACCESSION COMPENSATORY AMOUNTS	36,6	0,1	-		36,6	0,2
28	MONETARY COMPENSATORY AMOUNTS	194,7	0,7	- 0,1	p.m.	194,8	1,0
292	FOOD AID REFUNDS	85,6	0,3	85,6	1,1	-	
81	DEPRECIATION OF STOCKS AND DISPOSAL OF PUBLIC BUTTER STOCKS	1.360,7	5,2	-		1.360,7	7,2
S U B T O T A L		26.527,5	100,2	7.721,9	100	18.805,6	100
290	CLEARANCE PREVIOUS YEARS	- 377,9	- 1,4	i.e. : 29,1 %		i.e. : 70,9 %	
	OTHER	303,9 (4)	1,2	of agricultural expenditure (26.527,5)			
T O T A L		26.453,5	100				

(1) Expenditure charged against 1990 budget.

(2) Budget chapters or articles.

(3) The breakdown of intervention by economic category is shown in Annex 8.

(*) including ECU 76.2 million in MCAs granted on imports (item 2810).

() including co-responsibility levies for cereals and financial contribution of milk producers.

ANNEX 5 : BREAKDOWN OF EXPENDITURE BY SECTOR AND ECONOMIC CATEGORY (1986-1990)

	1986		1987		1988		1989		1990	
	(*) ECU mil.	%	(1)(*) ECU mil.	%	(2)(*) ECU mil.	%	(*) ECU mil.	%	(*) ECU mil.	%
Total expenditure (including CAs)	22.079,2	100,0	23.175,9	100,0	27.554,8	100,0	25.840,0	100,0	26.527,5	100,0
Refunds (R)(**)	7.409,2	33,6	9.374,8	40,4	9.928,8	36,0	9.714,0	37,5	7.721,9	29,2
Intervention and similar measures (I)	14.670,0	66,4	13.801,1	59,6	17.626,0	64,0	16.126,0	62,5	18.805,6	70,8
Cereals (excl. rice)	3.391,2	15,4	4.223,9	18,2	4.422,8	16,1	3.213,5	12,4	3.855,9	14,5
R (**)	1.711,7	7,8	3.156,8	13,6	3.083,0	11,2	2.660,6	10,2	2.499,9	9,4
I	1.679,5	7,6	1.067,1	4,6	1.339,8	4,9	552,9	2,2	1.356,0	5,1
Sugar	1.725,6	7,8	2.035,6	8,8	2.081,8	7,6	1.979,8	7,7	1.391,1	5,2
R (**)	1.238,4	5,6	1.515,8	6,6	1.566,1	5,7	1.451,3	5,6	928,7	3,5
I	487,2	2,2	519,8	2,2	515,7	1,9	528,5	2,1	462,4	1,7
Fruit and vegetables	986,0	4,4	967,1	4,2	708,2	2,5	1.018,6	3,9	1.253,0	4,7
R	77,0	0,3	66,8	0,3	64,5	0,2	78,7	0,3	80,6	0,3
I	909,0	4,1	900,3	3,9	643,7	2,3	939,9	3,6	1.172,4	4,4
Milk and milk products	5.405,7	24,5	5.182,3	22,3	5.983,5	21,7	5.040,7	19,5	4.971,7	18,8
R (**)	2.154,9	9,8	2.427,2	10,4	3.082,3	11,2	2.922,3	11,3	1.948,6	7,4
I	3.250,8	14,7	2.755,1	11,9	2.901,2	10,5	2.118,4	8,2	3.025,1	11,4
Beef / veal	3.481,7	15,8	2.148,7	9,3	2.475,8	9,0	2.428,5	9,4	2.833,2	10,7
R	1.214,3	5,5	877,9	3,8	768,7	2,8	1.343,1	5,2	1.110,0	4,2
I	2.267,4	10,3	1.270,8	5,5	1.707,1	6,2	1.085,4	4,2	1.723,2	6,5
Other products or headings (3)	7.089,0	32,1	8.618,3	37,2	11.882,7	43,1	12.158,9	47,1	12.222,6	46,1
R (**)	1.012,9	4,6	1.330,3	5,7	1.364,2	4,9	1.258,0	4,9	1.158,1	4,4
I	6.076,1	27,5	7.288,0	31,5	10.518,5	38,2	10.900,9	42,2	11.066,5	41,7
(*) Not including consequences of accounts clearance, Community compensation measures, set-aside or miscellaneous measures (interest following change in financing method, free distribution, etc.). (**) Including refunds for food aid operations. (1) Expenditure charged against 1987 budget. (2) Expenditure charged against 1988 budget. (3) Including "Depreciation of stocks and disposal of public butter stocks" (1.240, in 1988, 1.442,9 in 1989 and 1.360,7 in 1990).										

ANNEX 6 : EAGGF GUARANTEE EXPENDITURE : BREAKDOWN BY SECTOR AND PERCENTAGE (1986-1990) (1)

SECTOR	1986		1987 (3)		1988 (4)		1989 (5)		1990 (5)	
	ECU mil.	%	ECU mil.	%	ECU mil.	%	ECU mil.	%	ECU mil.	%
Cereals	3.391,2	15,3	4.137,6	17,8	4.264,4	15,4	3.150,0	12,1	3.799,5	14,2
Rice	93,7	0,4	99,0	0,4	72,8	0,3	111,5	0,4	85,1	0,3
Sugar	1.725,5	7,8	2.035,6	8,8	2.081,8	7,5	1.979,8	7,6	1.388,3	5,2
Olive oil	604,3	2,7	1.139,2	4,9	945,0	3,4	1.464,5	5,6	1.168,2	4,3
Oilseeds	2.027,5	9,1	2.687,4	11,6	2.971,8	10,7	2.673,6	10,3	3.477,0	13,0
Protein plants	46,0	0,2	587,2	2,5	689,3	2,5	642,9	2,5	834,8	3,1
Fibre plants & silkworms	565,0	2,5	306,4	1,3	454,2	1,6	600,7	2,3	580,3	2,2
Fruit and vegetables	986,0	4,4	967,0	4,2	708,2	2,5	1.018,6	3,9	1.253,0	4,6
Wine	630,8	2,8	800,3	3,5	1.545,6	5,6	1.147,7	4,4	745,2	2,8
Tobacco	782,2	3,5	803,6	3,5	966,1	3,5	1.138,8	4,4	1.232,1	4,6
Other	56,4	0,3	44,5	0,2	59,8	0,2	83,8	0,3	84,5	0,3
Milk products	5.405,8	24,4	5.013,0	21,6	5.915,1	21,4	4.987,0	19,1	4.955,9	18,5
Beef / veal	3.481,7	15,7	2.148,7	9,3	2.475,8	9,0	2.428,5	9,3	2.833,2	10,6
Sheep and goatmeat	616,9	2,8	573,8	2,5	1.293,7	4,7	1.452,8	5,6	1.452,3	5,4
Pigmeat	151,8	0,7	158,6	0,7	215,6	0,8	261,0	1,0	246,9	0,9
Eggs and poultry	97,8	0,4	152,0	0,7	194,1	0,7	234,1	0,9	178,5	0,7
Non-Annex II products	502,9	2,3	590,3	2,5	602,4	2,2	552,1	2,1	511,5	1,9
Fisheries	18,0	0,1	17,4	0,1	46,9	0,2	24,0	0,1	23,6	0,1
TOTAL AGRICULT. EXPENDITURE	21.597,5	97,3	22.261,6	96,1	25.502,6	92,2	23.951,4	91,9	24.849,9	92,7
Accession compensatory amounts	5,8	0,0	18,0	0,1	64,3	0,2	41,5	0,2	36,6	0,1
Monetary compensatory amounts	475,9	2,2	636,9	2,7	505,2	1,9	322,8	1,2	270,9	1,0
Community compensatory measures	113,5	0,5	-	-	-	-	-	-	-	-
Deprec. intervention stocks and specific disposal of butter from public stock	-	-	-	-	1.240,0	4,5	1.442,9	5,5	1.360,7	5,1
Refunds food aid operations (*)	-	-	259,4	1,1	242,7	0,9	132,6	0,5	85,6	0,3
Interest reform means of financing	-	-	-	-	37,5	0,1	48,5	0,2	66,6	0,2
Free distribution of intervention products	-	-	-	-	65,8	0,2	132,9	0,5	136,9	0,5
Set-aside (Guarantee Section)	-	-	-	-	-	-	3,0	p.m.	21,2	0,1
Fraud prevention	-	-	-	-	-	-	3,0	p.m.	21,2	p.m.
TOTAL AGRICULT. EXPENDITURE	22.192,7	100,0	23.175,9	100,0	27.658,1	100,0	26.075,6	100,0	26.831,4	100,0
EAGGF GUARANTEE SECTION	22.137,4 (2)		22.967,7 (2)		27.687,3 (2)		25.872,9 (2)		26.453,5 (2)	

(1) The expenditure data is taken from the Member States' returns under the system of advances and entered in the accounts by year in accordance with Article 100 of the Financial Regulation.

(2) Taking into account the consequences of accounts clearance for previous years.

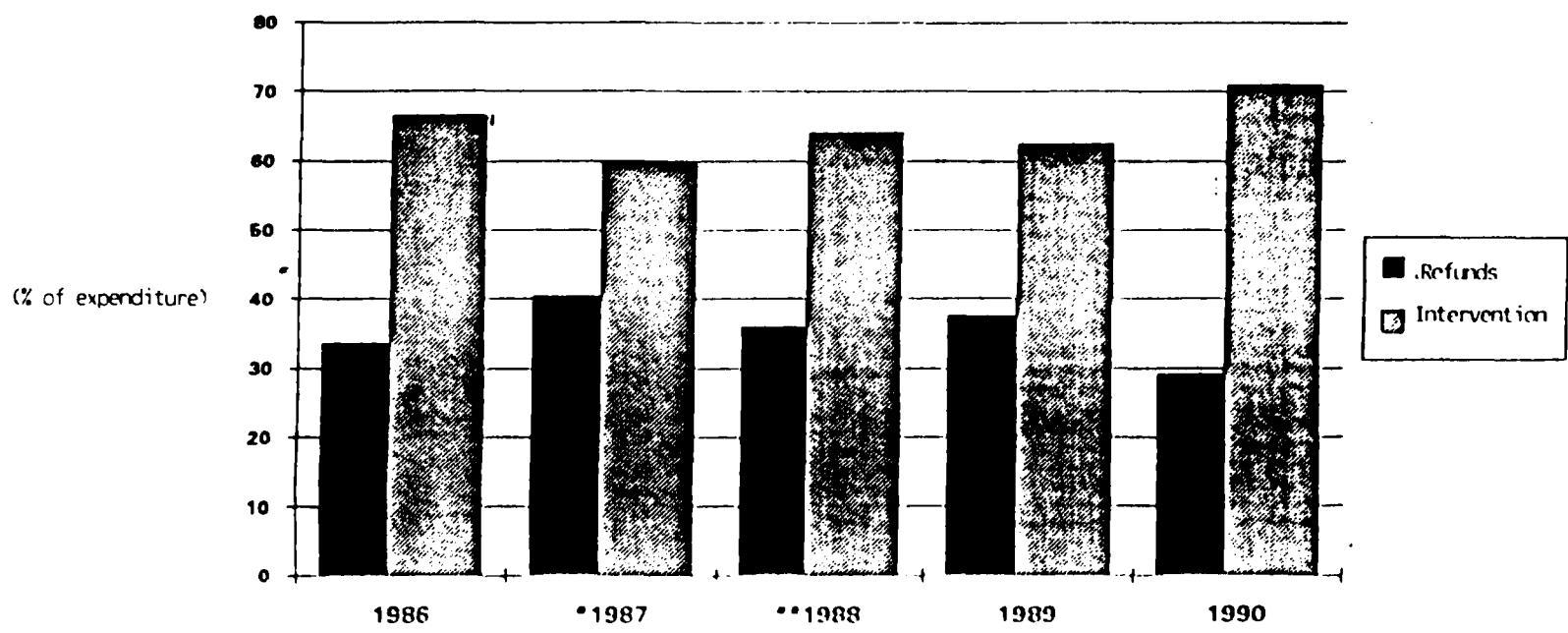
(3) Expenditure entered in the accounts relating to the 1987 budget (1 January 1987-31 October 1987).

(4) Expenditure entered in the accounts relating to the 1988 budget (1 November 1987-31 October 1988).

(5) Expenditure entered in the accounts from 16 October to 15 October of the following year.

(*) Before 1987, these refunds were incorporated into the item "Refunds" for the various sectors.

Breakdown of EAGGF Guarantee expenditure by economic category



* Expenditure charged against the 1987 budget (10 months)

** Expenditure charged against the 1988 budget (11 1/2 months)

ANNEX 2 : BREAKDOWN OF EXPENDITURE BY ECONOMIC CATEGORY

(ECU million)

BUDG. CHAP./ART.	SECTOR	TOTAL INTERVENTION (1)	STORAGE (2)	WITHDRAWALS AND SIMILAR OPERATIONS	PRICE COMPENSATING AIDS (3)	GUIDANCE PREMIUMS
10	CEREALS, of which :	2.068,2	1.287,0*(6)	-	781,2(4)	-
	- Rice	(56,0)	(35,7)	-	(20,3)	-
11	SUGAR	462,4	383,3	-	79,1	-
120/124	OLIVE OIL	1.033,3	-25,7*(6)	-	1.059,0	-
125/128	OILSEEDS, of which :	3.476,0	1,9*	-	3.474,1	-
	- Rape and sunflower	(2.256,1)	(1,9)*	-	(2.854,2)	-
13	PROTEIN PLANTS, of which :	834,8	-	-	834,8	-
	- Peas and field beans	(536,4)	-	-	(536,4)	-
	- Dried fodder	(298,0)	-	-	(298,0)	-
14	FIBRE PLANTS, of which :	580,3	-	-	580,3	-
	- Flax and hemp	(40,3)	(-)	-	(40,3)	-
	- Cotton	(539,8)	-	-	(539,8)	-
15	FRUIT & VEGET. of which :	1.172,4	1,8	304,7	831,4	34,5
	- Processed fruit & veget.	(569,0)	(1,8)	(-)	(567,2)	-
16	WINE	690,5	206,6*	335,6	122,6	25,7
17	TOBACCO	1.170,2	89,4*	-	1.080,8	-
18	OTHER SECTORS, of which :	84,5	-	-	84,5	-
	- Seeds	(73,5)	-	-	(73,5)	-
	- Hops	(10,6)	-	-	(10,6)	-
20	MILK PRODUCTS, of which :	3.373,4	1.081,6*(6)	-	1.637,3(5)	654,5
	- skimmed milk	(1.238,6)	(394,7)*	-	(843,9)	(-)
	- Butter and cream	(1.105,4)	(580,5)*	-	(524,9)	(-)
21	BEAF / VEAL	1.723,2	997,7*(6)	-	693,5	32,0
22	SHEEPMEAT AND GOATMEAT	1.452,3	-	-	1.452,3	-
23	PIGMEAT	72,9	72,9	-	-	-
24	EGGS AND POULTRY	-	-	-	-	-
25	NON-ANNEX II PRODUCTS	-	-	-	-	-
40	FISHERIES	23,6	0,6	8,0	15,0	-
27	ACCESSION COMPENS. AMOUNTS	36,6	-	-	36,6	-
28	MONETARY COMPENS. AMOUNTS (Intra-Community trade)	194,8	-	-	194,8	-
81	DEPRECIATION OF STOCKS AND DISPOSAL OF BUTTER FROM PUBLIC STOCKS	1.360,7	1.360,7**	-	-	-
SUB TOTAL		19.810,1	5.457,8	648,3	12.957,3	746,7
%		100 %	27,6 %	3,3 %	65,4 %	3,7 %
Cereals co-responsibility levy		- 656,2				
Particip. by milk producers		- 348,3				
TOTAL		18.805,6				

(1) Expenditure charged against the 1990 budget.

(2) Details of expenditure on storage are given in Annex 9.

(3) The breakdown of expenditure on intervention in the form of price compensating aids is given in Annex 10.

(4) This amount does not take into account the co-responsibility levies (ECU 656.2 million).

(5) This amount does not take account of the financial contribution of milk producers (ECU 348,3 million).

(6) Including the aid to Poland and Romania (cereals : ECU 101.1 million, olive oil : ECU 11.8 million, butter : ECU 2.8 million and beef : ECU 15.1 million).

* Not including depreciation under Chapter 81.

** Of which ECU 289.9 million for cereals, ECU 79.6 million for olive oil, ECU 1.9 million for oilseeds, ECU 35.2 million for alcohol, ECU 26.6 million for tobacco, ECU 39.7 million for butter, ECU 5.6 million for milk powder and ECU 85.8 million for beef : the sum of ECU 796.4 million also made up the second tranche of reimbursements to Member States for expenditure incurred on the disposal of public butter stocks.

ANNEX 9

BREAKDOWN OF INTERVENTION EXPENDITURE IN THE FORM OF STORAGE COSTS
(1990)

(en millions d'écus)

PRODUCTS	Total	Private storage	Public storage	of which						
				Technical costs	Financing costs	Difference between buying-in & selling prices	Depreciation	of which		
								Depreciation on purchase	Special depreciation beginning of year	Further depreciation end of year
a = b + c	b	c = d + e + f + g	d	e	f	g = h + i + j	h	i	j	
Cereals	1.440,11	0,00	1.440,11	245,65	47,35	-387,95	1.535,06	946,86	289,85	298,35
Rice	35,70	0,00	35,70	0,55	0,55	-0,43	35,03	15,27	0,00	19,76
Sugar	383,33	383,33	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Olive oil	42,11	0,06	42,05	9,19	5,81	-54,32	81,37	0,83	79,68	0,86
Oilseeds (rape and sunflower)	3,81	0,00	3,81	0,16	0,11	-0,98	4,52	2,65	1,87	0,00
Fibre flax and hemp	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Figs and dried grapes	1,80	1,80	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Wine / alcohol	241,84	39,90	201,94	7,93	2,97	-3,05	194,10	113,49	35,25	45,36
Tobacco	116,02	0,00	116,02	19,51	3,24	2,21	91,06	43,95	26,59	20,52
Milk products	1.124,11	165,35	958,76	13,50	140,88	-46,16	850,55	531,06	45,31	274,18
- skimmed milk	(400,25)	(0,00)	(400,25)	(4,16)	(2,97)	(-2,70)	(395,82)	(253,70)	(5,56)	(136,56)
- butter and cream	(617,43)	(58,92)	(558,51)	(9,34)	(137,91)	(-43,46)	(454,72)	(277,35)	(39,75)	(137,62)
- cheese	(106,43)	(106,43)	(0,00)	(0,00)	(0,00)	(0,00)	(0,00)	(0,00)	(0,00)	(0,00)
Beef	1.068,41	86,81	981,60	70,36	14,09	-70,31	967,46	591,34	85,78	290,34
Sheep- and goatmeat	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Pigmeat	72,90	72,90	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Fisheries	0,52	0,52	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
TOTAL	4.530,65	750,66	3.779,98	366,85	214,99	-560,99	3.759,14	2.245,44	564,33	949,37

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

(2) This figure does not take account of compensatory aid of ECU 21.59 million to cover losses on sales of goods in private storage.

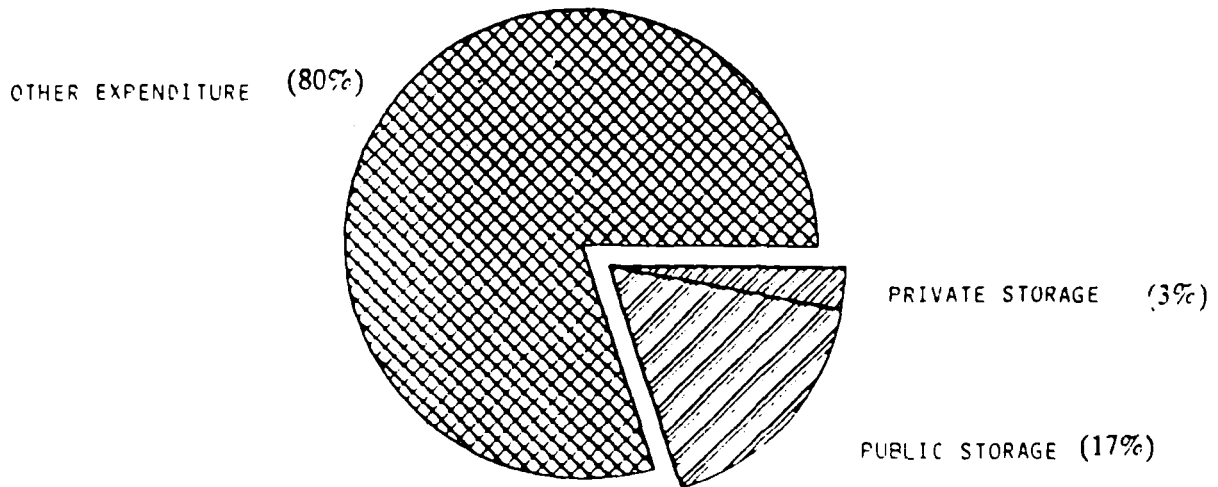
(3) The amount for the depreciation is broken down as follows: "public" alcohol ECU 42.99 million and "mixed" alcohol ECU 151.11 million.

N.B. Excluding expenditure on emergency aid to Poland: ECU 115.98 million (including ECU 8 million for citrusfruit) and Romania: ECU 22.85 million.

Excluding expenditure on deferred payment for butter disposals (ECU 796.37 million) - Budg. Art. 811.

ANNEX 9 - 1

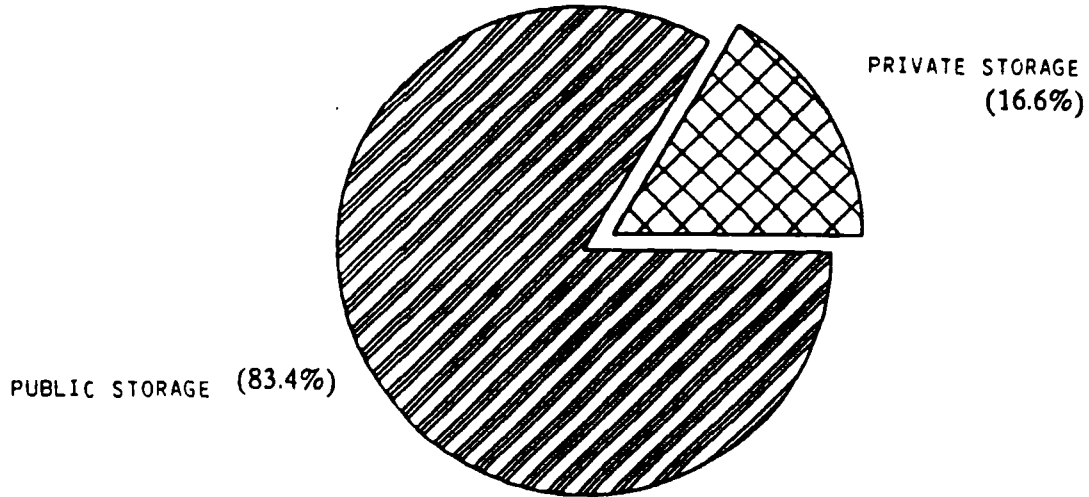
1990 EAGGF - GUARANTEE SECTION EXPENDITURE
Impact of expenditure on storage



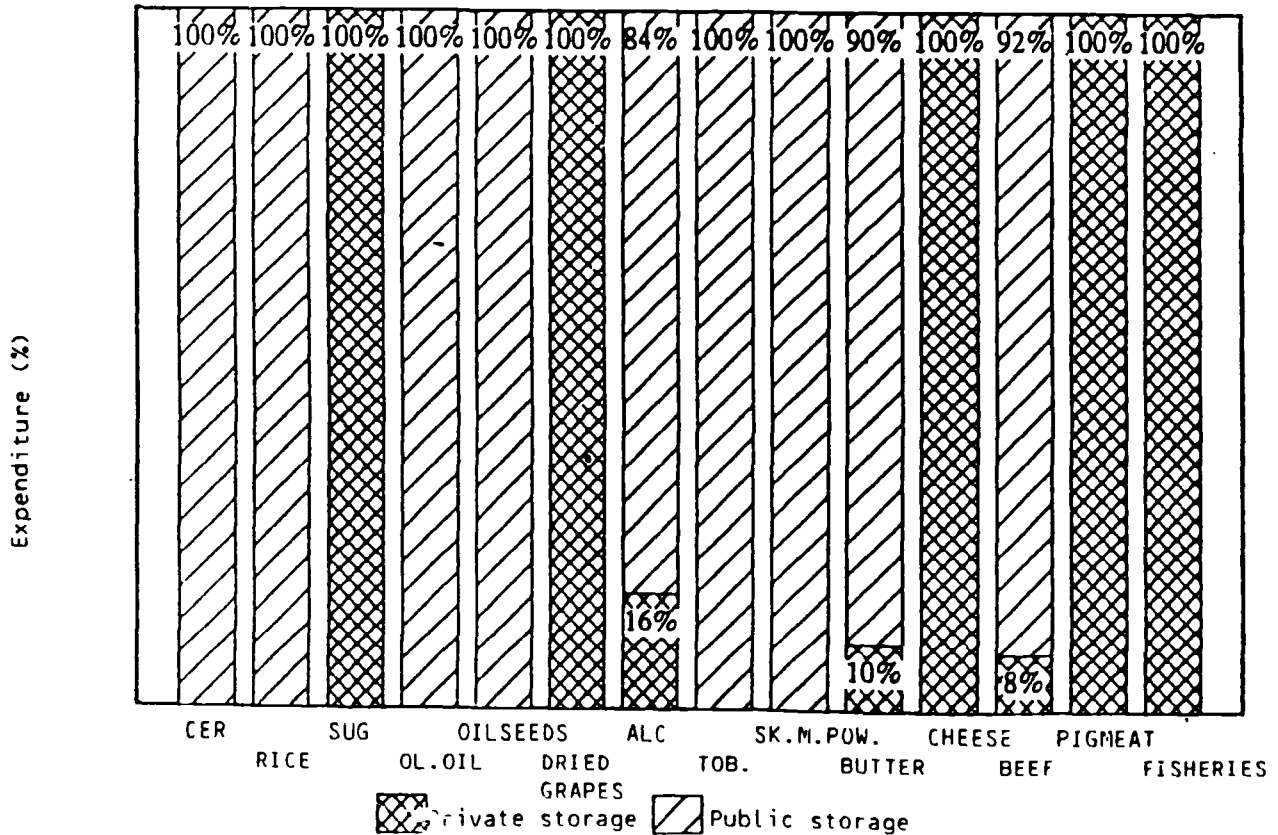
Public storage, including "Deferred payment of special butter disposals" (Title 8)

OTHER EXPENDITURE	ECU 21,147.57	million	
PUBLIC STORAGE	ECU 4,576.36	million	(Deferred
PRIVATE STORAGE	ECU 750.67	million	butter: ECU 796,37 million)
TOTAL EAGGF EXPENDITURE	ECU 26,474.60	million	

BREAKDOWN OF EXPENDITURE IN THE FORM OF STORAGE COSTS
1990

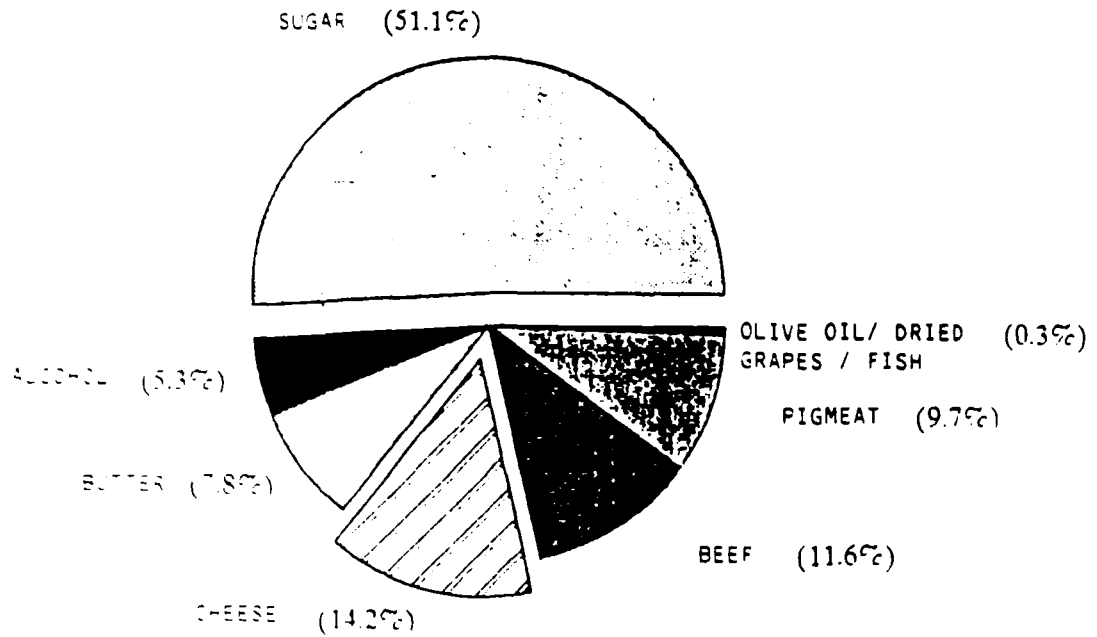


BREAKDOWN OF EXPENDiture IN THE FORM OF STORAGE COSTS (by product)
1990



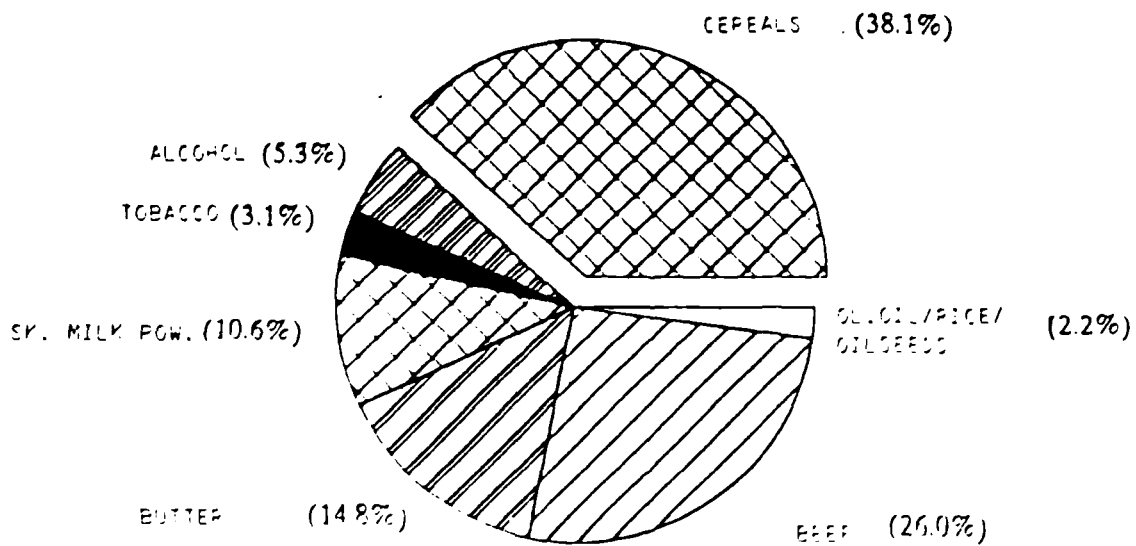
ANNEX 9 - 3

PRIVATE STORAGE (Breakdown by product)
1990



SUGAR	ECU	383.33 million
ALCOHOL	ECU	39.90 million
BUTTER	ECU	58.92 million
CHEESE	ECU	106.43 million
BEEF	ECU	86.81 million
FIGMEAT	ECU	72.90 million
OL. OIL / DRIED GRAPES / FISH	ECU	2.38 million
TOTAL	ECU	750.67 million

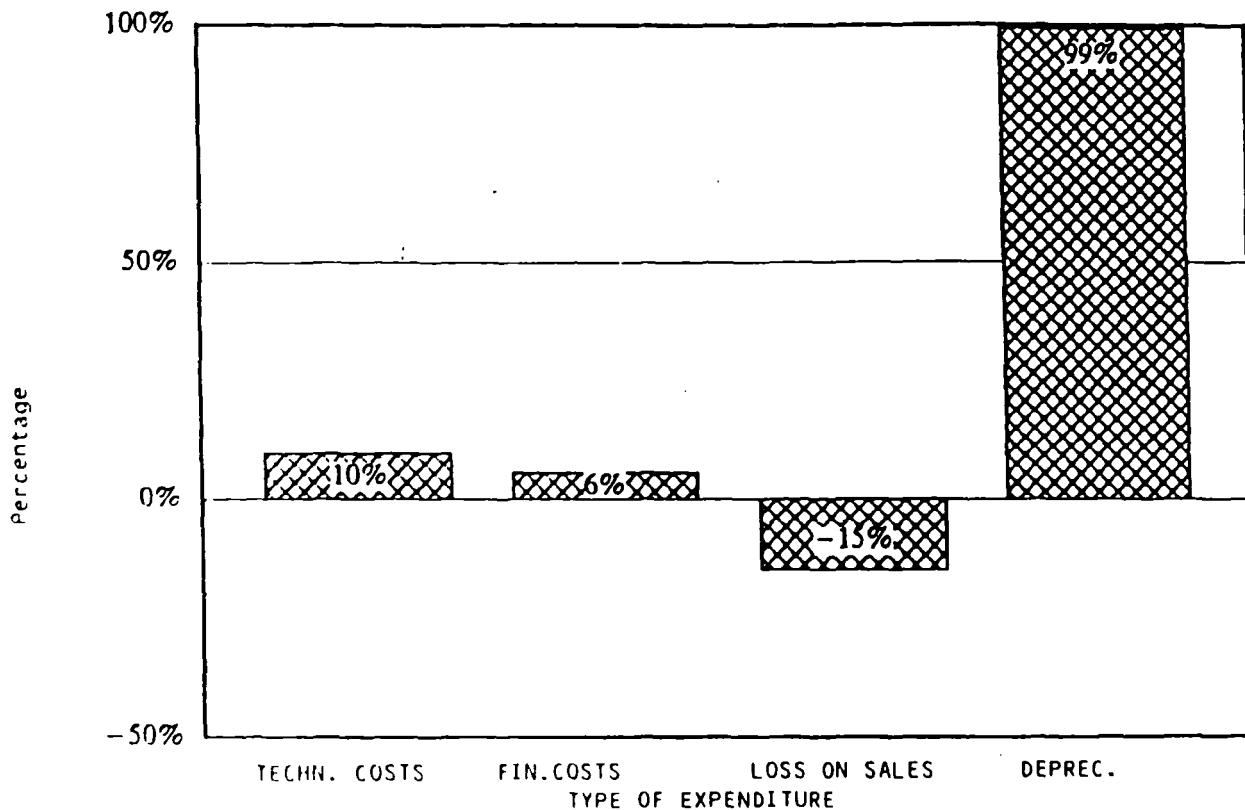
PUBLIC STORAGE (Breakdown by product)
1990



CEREALS	ECU	1,440.11	million
ALCOHOL	ECU	201.94	million
TOBACCO	ECU	116.02	million
SY. MILK POWDER	ECU	400.25	million
BUTTER	ECU	558.51	million
BEEF	ECU	981.60	million
OL. OIL/RICE/OILSEEDS	ECU	81.56	million
TOTAL	ECU	3,779.99	million

ANNEX 9 - 5

PUBLIC STORAGE (Breakdown by type of expenditure)
1990



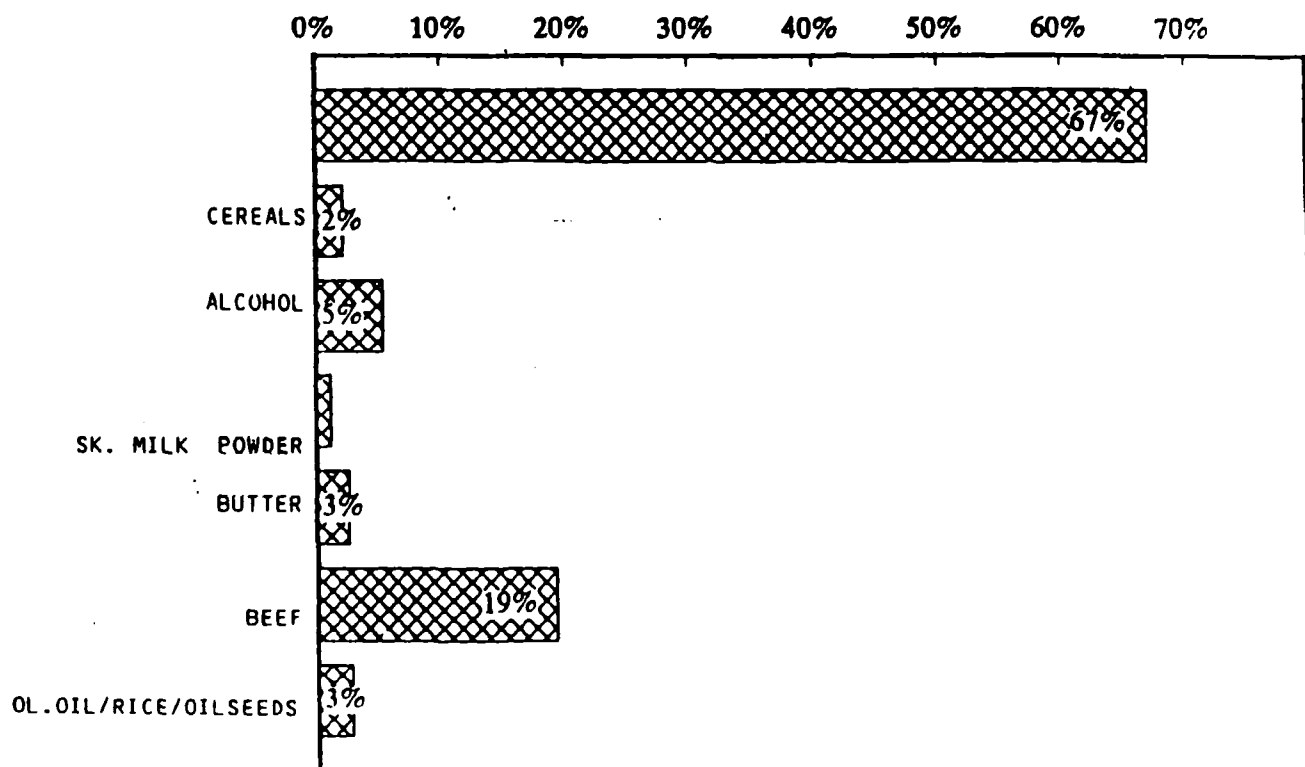
TECHNICAL COSTS	ECU	367 million
FINANCIAL COSTS	ECU	215 million
LOSSES ON SALES	ECU	-561 million
DEPRECIATION	ECU	3.759 million

TOTAL ECU 3.780 million

ANNEX 9 - 6

TECHNICAL COSTS (by product)
1990

Percentage

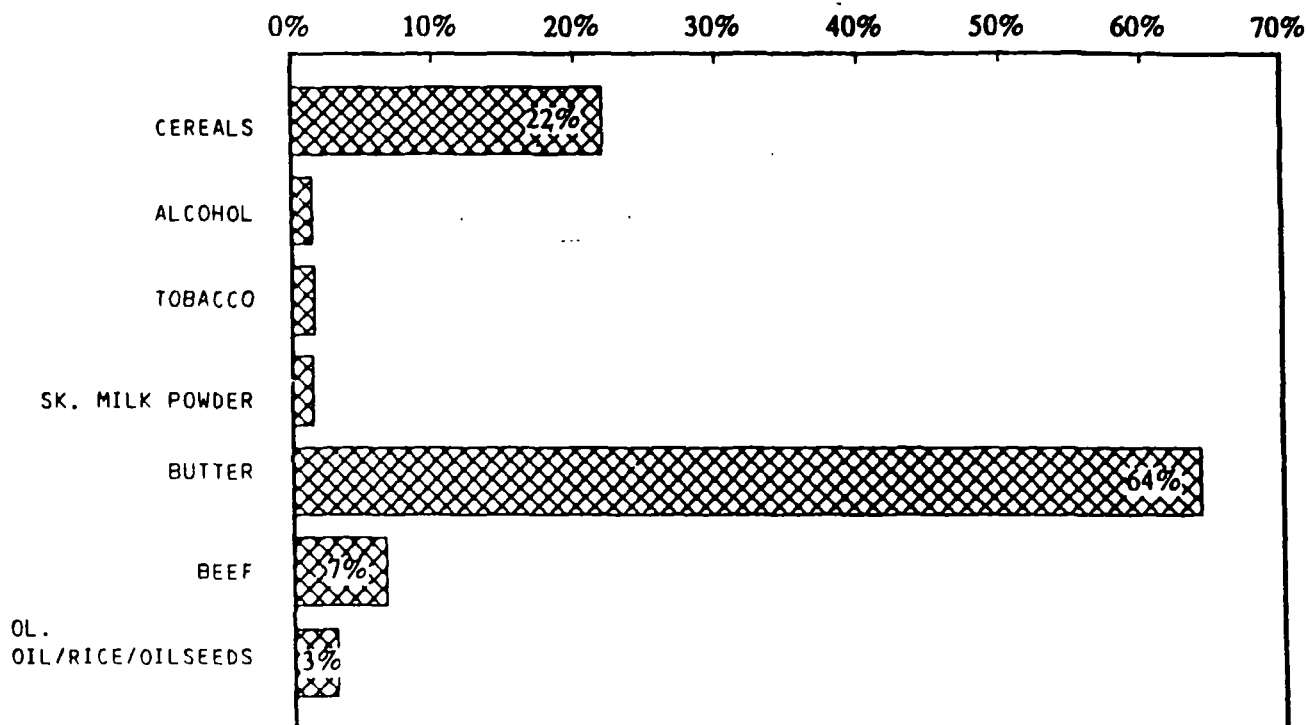


CEREALS	ECU	245.65 million
ALCOHOL	ECU	7.93 million
TOBACCO	ECU	19.51 million
SK. MILK POWDER	ECU	4.16 million
BUTTER	ECU	9.34 million
BEEF	ECU	70.36 million
OL.OIL/RICE/OILSEEDS	ECU	9.90 million
TOTAL	ECU	366.85 million

ANNEX 9 - 7

EXPENDITURE ON FINANCIAL COSTS (by product)
1990

Percentage

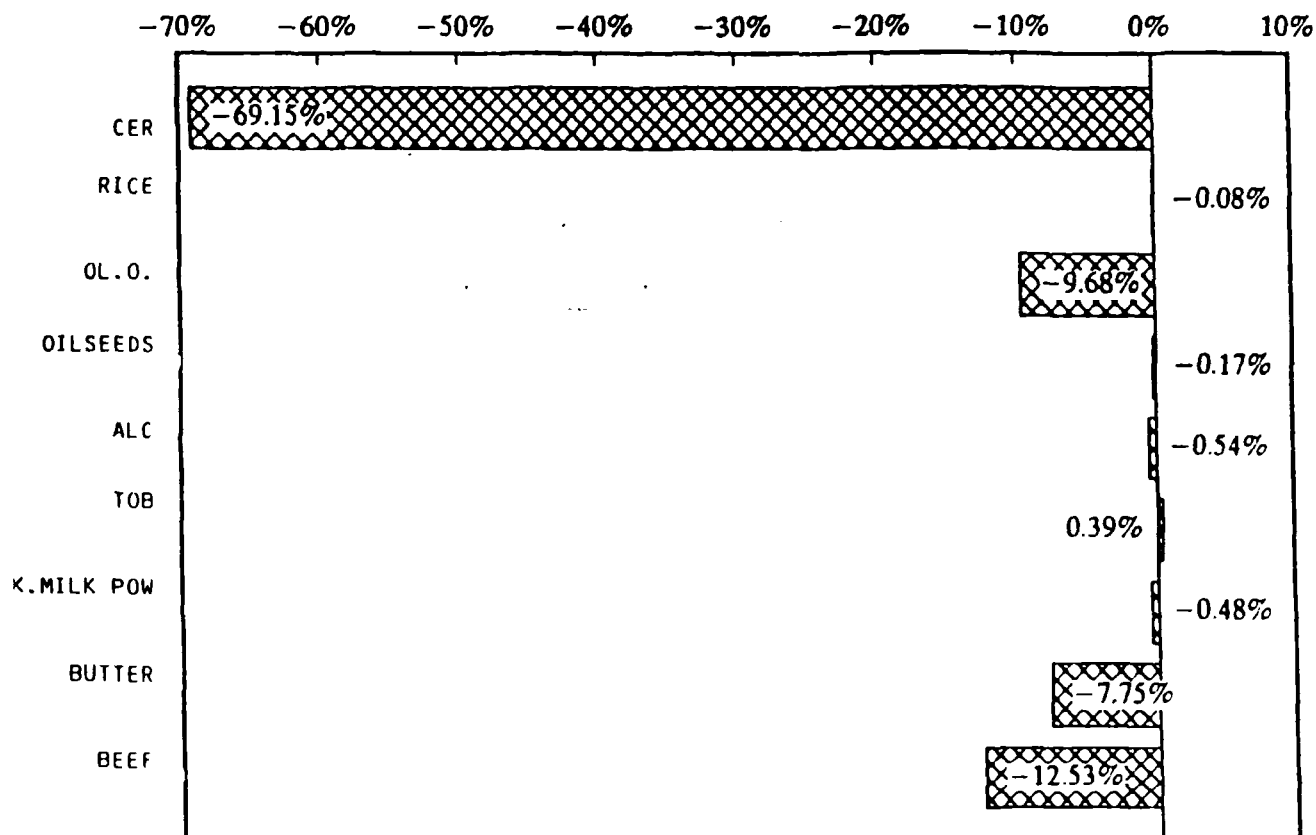


(*) BUTTER: Including financial costs: "Deferred payment of special disposals"

CEREALS	ECU	47.35	million
ALCOHOL	ECU	2.97	million
TOBACCO	ECU	3.24	million
SK. MILK POWDER	ECU	2.97	million
BUTTER	ECU	137.91	million
BEEF	ECU	14.09	million
OL. OIL/RICE/OILSEEDS	ECU	6.47	million
TOTAL	ECU	215.00	million

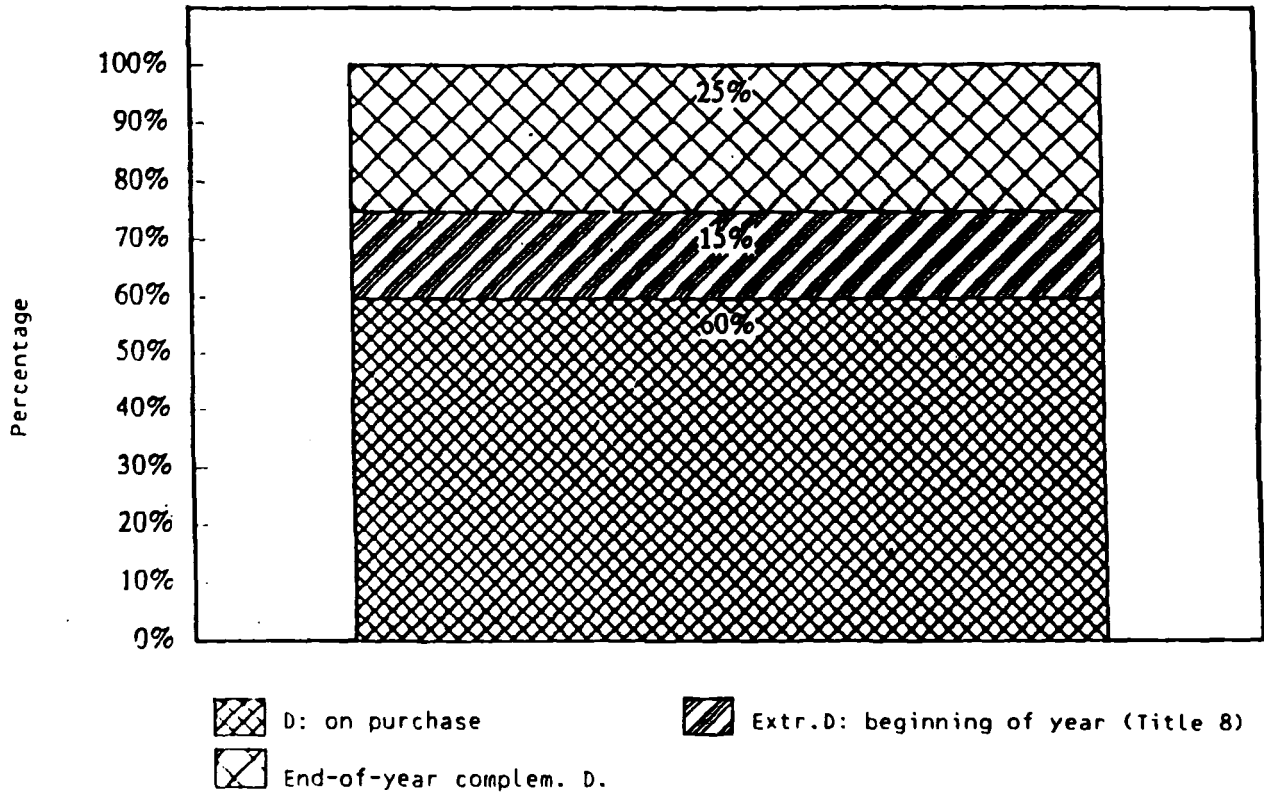
ANNEX 9 - 8

EXPENDITURE LOSSES ON SALES (by product)
1990



CEREALS	ECU	(387.95)	million
RICE	ECU	(0.43)	million
OL.OIL	ECU	(54.32)	million
OILSEEDS	ECU	(0.98)	million
ALCOHOL	ECU	(3.05)	million
TOBACCO	ECU	2.21	million
SK. MILK POWDER	ECU	(2.70)	million
BUTTER	ECU	(43.46)	million
BEEF	ECU	(70.31)	million
TOTAL	ECU	(560.99)	million

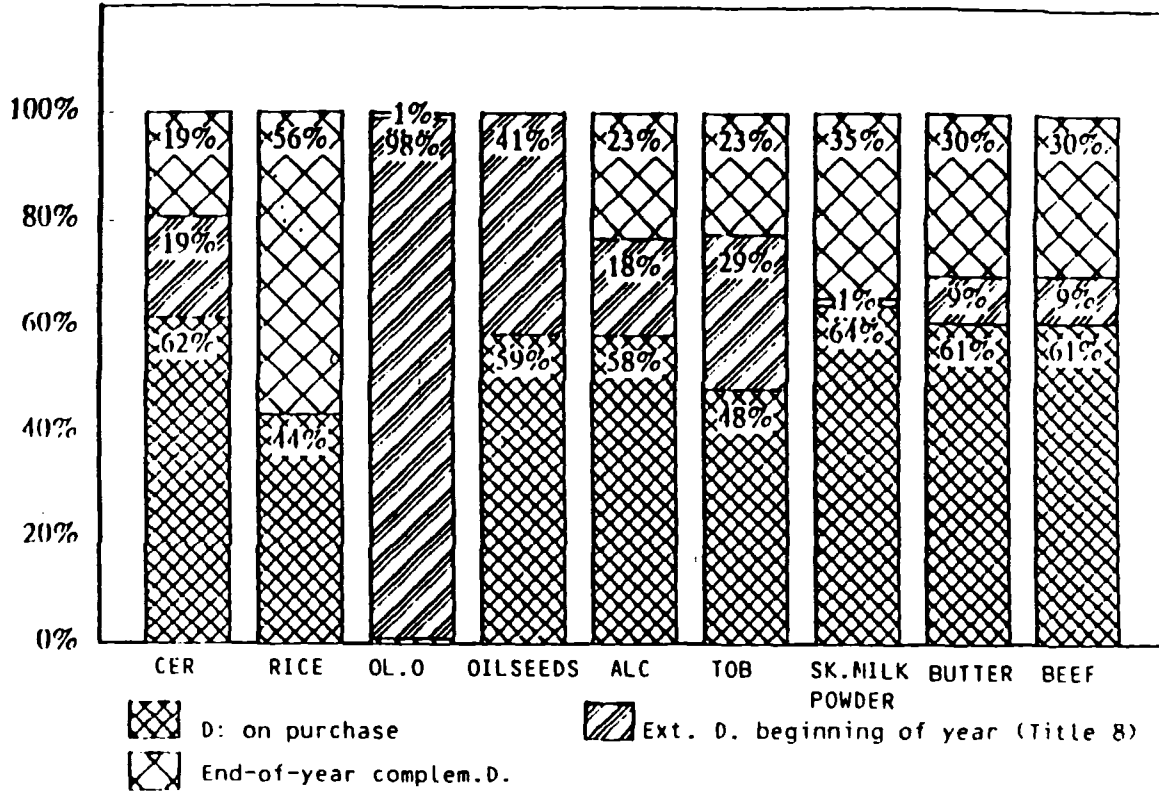
BREAKDOWN OF DEPRECIATION
1990



DEPRECIATION ON PURCHASE	ECU 2,245.44 million
EXTRAORDINARY DEPRECIATION	ECU 564.33 million
COMPLEMENTARY DEPRECIATION	ECU 949.37 million
TOTAL	ECU 3,759.14 million

ANNEX 9 - 10

EXPENDITURE ON DEPRECIATIONS (by product)
1990



	DEPREC.	D.purchase	D.begin.	D. end
CER	ECU 1,535.06 million	946.86	289.85	298.35
RICE	ECU 35.03 million	15.27	0.00	19.76
OL.O.	ECU 81.37 million	0.83	79.68	0.86
OILSEEDS	ECU 4.52 million	2.65	1.87	0.00
ALC	ECU 194.10 million	113.49	35.25	45.36
TOB	ECU 91.06 million	43.95	26.59	20.52
SK.MILK POW.	ECU 395.82 million	253.70	5.56	136.56
BUTTER	ECU 454.72 million	277.35	39.75	137.62
BEEF	ECU 967.46 million	591.34	85.78	290.34
TOTAL	ECU 3,759.14 million	2,245.44	564.33	949.37

ANNEX 10

BREAKDOWN OF INTERVENTION EXPENDITURE IN THE FORM
OF PRICE COMPENSATING AIDS

(ECU million)

SECTOR	TOTAL	Production aid	Aid for processing and final consumption
CEREALS, of which :	781,2	485,8 (1)	295,4
- rice	(20,3)	(-)	(20,3)
SUGAR	79,1	-	79,1
OLIVE OIL	1.059,0	546,1	512,9
OILSEEDS, of which :	3.474,1	3.474,1	-
- rape and sunflower	(2.854,2)	(2.854,2)	(-)
PROTEIN PLANTS, of which :	834,8	834,8	-
- peas and field beans	(536,4)	(536,4)	(-)
- dried fodder	(298,0)	(298,0)	(-)
FIBRE PLANTS, of which :	580,3	580,3	-
- flax and hemp	(40,3)	(40,3)	(-)
- cotton	(539,8)	(539,8)	(-)
FRUIT AND VEGETABLES, of which :	831,4	42,8	788,6
- processed fruit and vegetables	(567,2)	(8,5)	(558,7)
WINE	122,6	-	122,6
TOBACCO	1.080,8	1.080,8	-
OTHER SECTORS, of which :	84,5	84,5	-
- seeds	(73,5)	(73,5)	(-)
- hops	(10,6)	(10,6)	(-)
MILK PRODUCTS, of which :	1.637,3	-	1.637,3
- skimmed milk	(843,9)	(-)	(843,9)
- butter and cream	(524,9)	(-)	(524,9)
BEEF / VEAL	693,5	693,5	-
SHEEPMEAT AND GOATMEAT	1.452,3	1.452,3	-
FISHERIES	15,0	-	15,0
ACAs	36,6	-	36,6
MCAs (intra-Community trade)	194,8	-	194,8
TOTAL	12.957,3	9.275,0	3.682,3

(1) Production aid for durum wheat - ECU 419,5 million.

ANNEX 11

QUANTITY AND VALUE OF PRODUCTS IN PUBLIC STORAGE

PRODUCT	Situation at 30.09.1988 (1)			Situation at 30.09.1989 (1)			Situation at 30.09.1990 (1)			
	Quantity (tonnes)	Book value (2) (ECU million)	% book value	Quantity (tonnes)	Book value (3) (ECU million)	% book value	Quantity (tonnes)	Book value (4) (ECU million)	% book value	Foreseeable sales value (ECU million)
Common wheat	2.381.683	325,7	7,0	2.386.290	246,1	15,3	5.231.117	256,6	18,6	256,3
Common wheat not suitable for bread-making	1.756.038	219,2	4,7	263.773	25,4	1,6	144.876	7,3	0,5	7,1
Barley	3.572.186	415,4	8,9	3.210.852	276,2	17,1	3.556.509	170,4	12,3	174,3
Rye	876.367	109,2	2,4	1.087.886	95,0	5,9	1.520.197	74,8	5,4	74,5
Durum wheat	2.336.107	436,4	9,4	1.231.022	191,0	11,8	1.167.779	93,2	6,7	92,2
Maize	18.357	1,5	p.m.	780.350	34,0	2,1	299.702	15,6	1,1	14,7
Sorghum	10.885	1,2	p.m.	2.680	0,2	p.m.	13.470	0,7	0,1	0,7
Rice	-	-	-	-	-	-	96.272	0,1	p.m.	15,7
Total cereals / rice	10.951.623	1.508,6	32,4	8.962.853	867,9	53,8	12.029.922	618,7	44,7	635,5
Olive oil	408.197	656,6	14,1	190.998	323,9	20,1	76.172	99,7	7,2	96,0
Rape	37.974	15,2	0,3	132	p.m.	-	129	p.m.	-	p.m.
Sunflower	147.108	70,7	1,5	7.924	3,5	0,2	18.187	4,0	0,3	3,6
Total oils and fats	593.279	742,5	15,9	199.054	327,4	20,3	94.488	103,7	7,5	99,6
Tobacco - leaf	1.155	1,0	p.m.	7.821	2,2	0,2	13.916	0,6	p.m.	3,7
Tobacco - processed	5.660	2,8	0,1	3.355	1,3	0,1	10.193	2,6	0,2	2,7
Tobacco - baled	39.777	67,8	1,4	66.407	45,7	2,8	79.279	12,1	0,9	20,9
Total tobacco	46.592	71,6	1,5	77.583	49,2	3,1	103.388	15,3	1,1	27,3
Skimmed milk powder	14.116	27,7	0,6	4.811	10,3	0,6	340.177	266,9	19,3	268,4
Butter	221.079	584,0	12,5	32.055	74,5	4,6	187.708	147,8	10,7	155,8
Total milk products	235.195	611,7	13,1	36.866	84,8	5,2	527.885	414,7	30,0	424,2
Beef (quarters)	558.605	1.147,4	24,6	127.386	193,8	12,0	185.602	88,8	6,4	106,3
Boned beef	164.320	445,1	9,6	23.586	52,8	3,3	119.058	126,8	9,1	136,3
Total beef	722.925	1.592,5	34,2	150.972	246,6	15,3	304.660	215,6	15,5	242,6
Sugar	-	-	-	-	-	-	-	-	-	-
Public alcohol (hl)	2.891.986	135,9	2,9	3.381.714	36,5	2,3	2.805.068	16,4	1,2	16,8
Pigmeat	-	-	-	-	-	-	-	-	-	-
GRAND TOTAL	-	4.662,8	100 %	-	1.612,4	100 %	-	1.384,4	100 %	1.446,0

- (1) Article 6(1) of Regulation (EEC) No 3184/83 as amended by Regulation (EEC) No 3188/87, provides that second-category expenditure to be claimed for a given year is to be calculated on the basis of the operations carried out during the period from October of one year to September of the next year.
- (2) The value expressed in ECU has been obtained by applying to the carryover value in national currency the budgetary rates valid for the conversion of expenditure in September 1988.
- (3) The value expressed in ECU has been obtained by applying to the carryover value in national currency the budgetary rates valid for the conversion of expenditure in September 1989.
- (4) The value expressed in ECU has been obtained by applying to the carryover value in national currency the budgetary rates valid for the conversion of expenditure in September 1990.

ANNEX 12

OVERALL COST OF THE GUARANTEE SECTION AS A PERCENTAGE OF
GROSS DOMESTIC PRODUCT (GDP)

Year	EAGGF Guarantee expenditure (ECU billion) Gross, (1)	Community gross domestic product at market prices (current rates and prices) (ECU billion) (Source : Cronos-secl) (2)	EAGGF Guarantee expenditure as % of Community gross domestic product Gross
a	b	c	d = 100 b/c
1981	10,980	2.285,3	0,48
1982	12,406	2.489,4	0,50
1983	15,812	2.681,5	0,59
1984	18,348	2.887,3	0,64
1985	19,744	3.097,0	0,64
1986	22,137	3.535,7	0,63
1987	22,968 (*)	3.736,7	0,62
1988	27,687 (**)	4.053,1	0,69
1989	25,873	4.406,9	0,59
1990	26,454	4.755,1 (3)	0,56

(1) Including consequences of accounts clearances

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

(3) Estimate

(*) 1987 financial year

(**) 1988 financial year

ANNEX 13

REVENUE FROM THE CO-RESPONSIBILITY LEVY ON MILK AND ALLOCATION OF PROCEEDS AMONG VARIOUS SCHEMES

(ECU million)

MEASURE	FROM 16.09.1977 TO 31.12.1983	1984	1985	1986	1987 (1)	1988 (2)	1989	1990	FROM 16.09.1977 TO 15.10.1990
A. REVENUE FROM CO-RESPONSIBILITY (3)	2.040,5	699,7	639,4	551,6	447,6	487,3	423,7	313,7	5.603,5
B. TOTAL EXPENDITURE	2.040,5	699,7	639,4	551,6	447,6	487,3	423,7	313,7	5.603,5
a) School milk (R. 1080/77)	236,3	88,3	103,5	112,5	99,3	112,7	136,2	140,6	1.029,4
b) Butter for the manufacture of ice-cream (R. 232/75, R. 262/79, R. 1932/81, R. 570/88)	161,7	28,4	36,0	27,9	40,6	49,6	32,0	29,3	405,5
c) Butter for pastry manufacture (R. 262/79, R. 1932/81, R. 442/84, R. 570/88)	-	125,7	95,1	135,8	122,3	117,2	120,1	19,7	735,9
d) Concentrated butter for direct consumption (R. 349/73, R. 649/78, R. 3143/85)	31,6	7,4	4,6	37,0	pm (4)	pm (4)	57,7	43,1	181,4
e) Promotion, advertising and market research in the Community (R. 723/78)	194,9	51,6	59,5	45,2	40,7	35,1	39,0	58,4	524,4
f) Market research outside the Community (R. 1993/78, R. 1024/78)									
g) Improvement of the quality of milk (R. 1271/78, R. 382/89)	49,4	11,7	9,3	9,0	5,2	1,5	5,3	22,6	114,0
h) Disposal for pig and poultry feed (R. 368/77, R. 443/77, R. 1844/77)	256,6	237,5	244,3	53,5	-	-	-	-	791,9
i) Other butter destocking schemes	-	-	-	152,7	102,1	2,3	33,4	-	290,5
j) Financing of priority schemes	1.110,0	149,1	87,1	-22,0	37,4	168,9	-	-	1.530,5

- (1) Revenue from co-responsibility levy and expenditure against the 1987 budget (approximately 10 months).
(2) Revenue from co-responsibility levy and expenditure against the 1988 budget (approximately 11 1/2 months).
(3) Excluding appropriations carried over from one year to the next.
(4) Expenditure in the Member States on the disposal of concentrated butter was ECU 67,4 million in 1987 and ECU 162,8 million in 1988. That expenditure is being reimbursed to the member States in four instalments from 1989 pursuant to Regulation (EEC) No 801/87.

ANNEX 14

EQUALIZATION OF STORAGE COSTS FOR SUGAR

COMMUNITY SUGAR

Situation at 31.01.1991

Sugar year	Total levies (ECU A)	Total reimbursements (ECU A)	Annual balance		Cumulative balance		Duration of storage (months)
			absolute (ECU A)	% (a)	absolute (ECU A)	% (b)	
1968/69	64.844.437,00	63.918.054,19	+ 928.382,81	+ 1,43	+ 928.382,81	+ 1,43	5,63
1969/70	65.226.052,11	69.848.500,70	- 4.622.448,59	- 7,09	- 3.694.065,78	- 2,84	6,13
1970/71	69.029.052,44	65.111.106,99	+ 3.917.945,45	+ 5,68	+ 223.879,67	+ 0,11	5,38
1971/72	97.151.231,54	92.680.188,23	+ 4.471.043,31	+ 4,60	+ 4.694.922,98	+ 1,58	5,94
1972/73	91.067.000,23	90.747.372,33	+ 319.627,90	+ 0,35	+ 5.014.550,88	+ 1,29	5,81
1973/74	101.755.638,48	92.645.695,20	+ 9.109.943,28	+ 8,95	+ 14.124.494,16	+ 2,89	4,80
1974/75	104.267.684,38	97.929.484,41	+ 6.338.199,97	+ 6,08	+ 20.462.694,13	+ 3,45	4,64
1975/76	109.434.959,31	160.690.227,31	- 51.255.268,00	- 46,84	- 30.792.573,87	- 4,38	6,24
1976/77	201.167.705,37	184.974.731,36	+ 16.192.974,01	+ 8,05	- 14.599.599,86	- 1,82	5,99
1977/78	233.088.196,54	230.545.532,13	+ 2.542.664,41	+ 1,09	- 12.056.935,45	- 1,06	5,84
1978/79	248.919.064,38	239.524.266,97	+ 9.394.797,41	+ 3,77	- 2.662.138,04	- 0,19	6,35
1979/80	239.233.167,49	251.107.813,79	- 11.874.646,30	- 4,96	- 14.536.784,34	- 0,89	6,17
1980/81	326.426.745,59	316.364.823,82	+ 10.061.921,77	+ 3,08	- 4.474.862,57	- 0,23	6,09
1981/82	407.407.510,45	432.961.450,22	- 25.553.939,77	- 6,27	- 30.028.802,34	- 1,27	6,50
1982/83	478.721.551,25	540.747.605,79	- 62.026.054,54	- 12,96	- 92.054.856,88	- 3,24	7,62
1983/84	448.951.270,25	465.594.234,30	- 16.642.964,05	- 3,71	- 108.697.820,93	- 3,31	7,73
1984/85	482.847.708,67	407.828.355,35	+ 75.019.353,32	+ 15,54	- 33.678.467,61	- 0,89	6,77
1985/86	476.418.365,75	435.684.722,91	+ 40.733.642,84	+ 8,55	+ 7.055.175,23	+ 0,17	7,33
1986/87	499.316.786,40	486.184.942,97	+ 13.131.843,43	+ 2,63	+ 20.187.018,66	+ 0,43	7,35
1987/88	515.071.369,40	414.854.559,99	+ 100.216.809,41	+ 19,46	+ 120.403.828,07	+ 2,29	6,57
1988/89	445.631.634,84	387.222.411,40	+ 58.409.223,44	+ 13,11	+ 178.813.051,51	+ 3,13	6,21
1989/90	370.778.694,15	349.083.872,81	+ 21.694.821,34	+ 5,85	+ 200.507.872,85	+ 3,30	5,88

(a) % of annual levies.

(b) % of cumulative annual levies.

ANNEX 15

REVENUE FROM LEVIES IN THE SUGAR SECTOR

(Situation at 31.01.1991)
Financial year 1990

BUDG. HEAD.	TITLE	AMOUNT IN ECU (B)
110	Sugar production levies (1)	436.580.234
112	Isoglucose production levies (1)	3.061.682
118	Additional levy (2)	(-19.880.688)
115	Elimination levy (3)	84.927.596
111	Sugar storage levies	405.945.508
	Amounts charged on production of sugar and isoglucose C not exported	52.940
	TOTAL REVENUE BUDGET CHAPTER 11	910.687.272
<p>(1) Basic production levies and B levies in respect of marketing year 1989/90, pursuant to Article 28 of Council Regulation (EEC) No 1785/81.</p> <p>(2) Transfer to a separate account of an amount representing the additional levy not paid by an undertaking in Germany as a result of proceedings pending before the Court of Justice in Luxembourg.</p> <p>(3) Designed to eliminate, during the period covering marketing years 1986/87 to 1990/91, the deficit of ECU (A) 400 million recorded following application of the quota arrangements for marketing years 1981/82 to 1985/86, pursuant to Article 32a of Council Regulation (EEC) No 1785/81.</p>		

ANNEX 16

SELF-FINANCING SYSTEM IN THE SUGAR SECTOR (1)(2)(3)

	MARKETING YEAR			
	1986/87	1987/88	1988/89	1989/90
A. EXPENDITURE CHARGED TO COMMUNITY SUGAR AND ISOGLUCOSE PRODUCERS	tonnes	tonnes	tonnes	tonnes
1. Production of A and B sugar and of A and B isoglucose	12.790.202,8	12.667.742,9	12.775.277,4	12.753.542,8
2. Quantity of sugar and isoglucose disposed of for consumption within the Community	10.949.629,6	11.141.695,8	10.881.134,2	11.319.423,0
3. Surplus charged to Community producers (1 - 2)	1.840.573,2	1.526.047,1	1.894.143,2	1.434.119,8
	Ecus(A)/t	Ecus(A)/t	Ecus(A)/t	Ecus(A)/t
4. Average loss per tonne	446,38	447,48	385,06	287,39
	Ecus(A)	Ecus(A)	Ecus(A)	Ecus(A)
5. Overall loss in marketing year charged to Community producers (3x4)	821.595.065	682.875.556	729.358.781	412.151.689
Cumulative adjustment due to rectification of 1 to 4	- 10.546.099	- 2.560.467	+ 17.858.377	- 4.751.811
6. Total overall loss	811.048.966 -----	680.315.089 -----	747.217.158 -----	407.399.878 -----
B. LEVIES IMPOSED	Ecus(A)	Ecus(A)	Ecus(A)	Ecus(A)
7. Basic production levies	136.921.227	135.573.194	136.701.929	133.740.346
8. B levies	447.100.841	443.098.255	451.875.858	273.659.532
9. Special elimination levies (marketing years 1986/89 and 1987/88)	227.026.898	101.643.640	-	-
10. Additional levy (marketing years 1988/89 to 1990/91)	-	-	158.639.371	-
11. Total levies	811.048.966 -----	680.315.089 -----	747.217.158 -----	407.399.878 -----

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

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

(3) Situation at the fixing in October 1990 of the amounts of the levies for the marketing year 1989/90 (Commission Regulation (EEC) No 2960/90).

ANNEX 17a

ADVANCE PAYMENTS TO MEMBER STATES FOR 1990

(in national currency)

DATE OF DECISION	BELGIUM BFR	DENMARK DKR	GERMANY DM	GREECE DRA	SPAIN PTA	FRANCE FF
21.12.89	3.979.000.000,00	1.270.200.000,00	1.689.700.000,00	78.980.000.000,00	40.900.000.000,00	4.258.000.000,00
26.01.90 (1)	2.052.000.000,00	409.700.000,00	308.500.000,00	21.130.000.000,00	13.870.000.000,00	2.393.000.000,00
26.02.90	1.725.000.000,00	693.300.000,00	502.300.000,00	30.890.000.000,00	11.930.000.000,00	2.655.000.000,00
27.03.90	2.248.000.000,00	720.400.000,00	543.600.000,00	18.140.000.000,00	20.740.000.000,00	2.697.000.000,00
30.04.90	2.972.000.000,00	870.400.000,00	607.000.000,00	38.170.000.000,00	22.290.000.000,00	3.117.000.000,00
30.05.90	2.917.000.000,00	457.500.000,00	943.800.000,00	21.840.000.000,00	18.370.000.000,00	3.318.000.000,00
25.06.90	3.211.000.000,00	791.500.000,00	737.600.000,00	17.120.000.000,00	15.090.000.000,00	4.611.000.000,00
24.07.90	4.508.000.000,00	733.000.000,00	893.100.000,00	22.150.000.000,00	25.590.000.000,00	3.157.000.000,00
24.08.90	2.865.000.000,00	911.800.000,00	573.300.000,00	29.490.000.000,00	21.650.000.000,00	2.324.000.000,00
26.09.90	3.938.000.000,00	679.000.000,00	960.000.000,00	36.750.000.000,00	28.310.000.000,00	1.712.000.000,00
24.10.90	4.125.000.000,00	747.500.000,00	571.700.000,00	20.860.000.000,00	26.480.000.000,00	2.436.000.000,00
28.11.90	2.722.000.000,00	537.700.000,00	901.400.000,00	38.350.000.000,00	31.310.000.000,00	3.014.000.000,00
19.12.90	2.698.301,00	65.329,89	49.665,65	6.988.210,00	2.237.188,00	428.230,83
TOTAL ADVANCE PAYMENTS	37.262.698.301,00	8.822.065.329,89	9.032.049.665,65	373.676.988.210,00	274.532.237.188,00	35.690.428.230,83
TOTAL IN ECU (2)	873.739.012,31	1.117.329.442,23	4.396.931.547,06	1.949.731.408,80	2.124.106.753,10	5.146.222.570,45

(1) Including the impact of the 1987 clearance.

(2) Allowing for exchange rate difference.

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ANNEX 17b

ADVANCE PAYMENTS TO MEMBER STATES FOR 1990

(In national currency)

DATE OF DECISION	IRELAND IRL	ITALY LIT	LUXEMBOURG LFR	NETHERLANDS HFL	PORTUGAL ESC	UNITED KINGDOM UKL	TOTAL EEC ECU
21.12.89	186.700.000,00	831.100.000.000,00	3.740.000,00	1.446.700.000,00	4.232.000.000,00	256.500.000,00	4.243.593.065,16
26.01.90 (1)	107.250.000,00	647.200.000.000,00	12.460.000,00	588.500.000,00	4.186.000.000,00	68.350.000,00	1.756.416.523,24
26.02.90	81.750.000,00	139.600.000.000,00	- 5.790.000,00	489.200.000,00	2.998.000.000,00	106.850.000,00	1.590.812.548,72
27.03.90	64.250.000,00	449.900.000.000,00	- 6.180.000,00	546.500.000,00	2.957.000.000,00	88.600.000,00	1.811.667.804,21
30.04.90	91.300.000,00	669.200.000.000,00	- 5.470.000,00	506.600.000,00	3.474.000.000,00	124.800.000,00	2.270.455.733,87
30.05.90	71.300.000,00	879.900.000.000,00	73.320.000,00	525.100.000,00	2.201.000.000,00	85.950.000,00	2.338.126.826,53
25.06.90	91.300.000,00	676.100.000.000,00	- 610.000,00	658.100.000,00	2.078.000.000,00	121.900.000,00	2.443.213.897,46
24.07.90	44.800.000,00	233.800.000.000,00	31.100.000,00	478.100.000,00	1.866.000.000,00	142.950.000,00	1.933.830.743,01
24.08.90	139.850.000,00	557.300.000.000,00	43.380.000,00	394.100.000,00	1.438.000.000,00	71.600.000,00	1.947.165.061,34
26.09.90	106.150.000,00	383.200.000.000,00	19.580.000,00	392.500.000,00	7.623.000.000,00	99.950.000,00	2.041.526.078,65
24.10.90	87.500.000,00	517.100.000.000,00	29.730.000,00	369.700.000,00	4.079.000.000,00	117.300.000,00	1.935.684.181,73
28.11.90	214.500.000,00	286.700.000.000,00	26.100.000,00	242.400.000,00	1.182.000.000,00	120.200.000,00	2.186.953.654,47
19.12.90 Exchange diff.	30.698,67	5.429.302.602,00	8.907,00	33.056,82	952.597,40	4.168,23	3.833.277,14 70.089,08
TOTAL ADVANCE PAYMENTS	1.286.680.698,67	6.276.529.302.602,00	221.368.907,00	6.637.533.056,82	38.314.952.597,40	1.404.954.166,23	26.503.349.485,06
TOTAL IN ECU (2)	1.670.804.949,15	4.157.097.196,57	5.203.670,65	2.869.028.711,51	214.193.809,97	1.978.980.413,26	26.503.349.485,06

(1) Including the corrections to the 1987 clearance.

(2) Allowing for exchange rate difference.

ANNEX 19

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

(ECU)

YEAR	SCHEMES RELATED TO OLIVE OIL CONSUMPTION (Art. 11(6) - R. 136/66/EEC)		SCHEMES RELATED TO OLIVE OIL PRODUCTION (Art. 5(2) & 4 - R. 136/66/EEC)		SCHEMES RELATED TO OLIVE OIL PRODUCTION (Art. 5(4) - R. 136/66/EEC)		SCHEMES RELATED TO OLIVE OIL PRODUCTION (Art. 209(1) - R. 136/66/EEC)		SPECIFIC SCHEMES CONCERNING FIBRE FLAX (Art. 2 - R. (EEC) 1308/70)		SCHEMES RELATED TO THE CONSUMPTION OF GRAPE JUICE			
	WITHHELD	UTILIZATION	WITHHELD	UTILIZATION	WITHHELD	UTILIZATION	WITHHELD	UTILIZATION	WITHHELD	UTILIZATION	WITHHELD	UTILIZATION	UTILIZ.	UTILIZ.
INFORMATION AND PROMOTION SCHEMES		ESTABLISHMENT OF CULTIVATION REGISTER		IMPROVEMENT OF THE QUALITY OF OLIVE OIL		CONTRIBUTIONS TO COSTS OF RECOGNIZED ORGANIZATIONS AND ASSOCIATES		INFORMATION AND PROMOTION SCHEMES		PROMOTION SCHEMES		FINANC. OF RESEARCH OVER-HEADS		
Until 1979	314.321,72	-	11.596.900,13	154.567,06	-	-	-	-	-	-	-	-	-	-
1980	3.002.586,67	186.053,42	1.913.256,21	-	-	-	-	-	300.380,92	-	-	-	-	-
1981	2.450.464,92	228.892,06	2.478.668,31	10.217.221,94	-	-	-	-	637.351,43	537.151,00	-	-	-	-
1982	6.186.243,27	2.637.599,46	2.790.594,51	2.533.410,95	-	-	-	-	949.915,85	996.896,74	-	-	-	-
1983	164.078,70	178.195,52	7.269.762,53	10.560.376,47	-	-	-	-	1.218.505,93	244.931,36	-	-	-	-
1984	- 61.379,87 (1)	3.908.825,34	15.922.258,52	16.652.197,17	-	-	-	-	1.146.908,53	1.154.500,00	-	-	-	-
1985	7.385.033,94	4.469.155,87	9.841.270,28	13.510.537,03	-	-	5.840.300,57	477.095,54	1.698.561,64	1.073.341,64	-	-	-	-
1986	16.814.428,88	1.415.568,83	5.703.249,48	22.024.203,03	3.508.292,70	-	4.240.522,52	10.022.033,99	1.787.948,82	3.274.836,39	2.720.876,01	-	82.041,14	-
1987	1.904.138,18	1.518.446,28	14.574.801,04	16.887.665,33	8.468.414,24	-	11.758.781,54	9.709.384,11	2.015.516,92	500.500,00	3.158.544,66	3.901.558,94	8.092,85	-
1988	27.526.160,69	8.756.549,59	10.967.980,65	22.847.681,56	962.664,57	-	5.753.277,19	6.609.141,86	2.367.324,23	1.303.210,46	5.885.430,20	2.314.470,42	-	-
1989	24.056.213,57	8.115.345,22	27.264.704,88	23.026.555,89	13.278.643,19	4.135.328,88	14.975.002,43	5.033.263,47	2.646.533,36	1.783.375,56	5.601.457,10	5.293.256,82	-	-
1990	19.037.203,44	4.673.991,89 (2)	15.020.681,98	20.587.986,27	10.669.627,18	4.806.092,38	8.944.125,40	7.239.876,99	3.941.123,88	3.920.827,24 (2)	6.523.170,02	4.174.998,76	-	-
TOTAL	108.779.494,11	37.088.623,48	125.343.928,50	159.002.402,50	36.885.833,92	8.741.421,24	51.511.989,65	39.090.795,96	18.710.071,51	14.799.570,39	23.967.477,99	15.684.284,94	90.133,79	-

(1) The amount is negative because of securities forfeited on quantities imported from non-member countries.

(2) Commitments

ANNEX 20
GUARANTEE SECTION 1990
IRREGULARITIES REPORTED AND RECOVERY SITUATION

(ECU million)

SECTOR	BELGIUM	GERMANY	DENMARK	FRANCE	GREECE	SPAIN	IRELAND	ITALY	LUXEMBOURG	NETHERLANDS	PORTUGAL	U.K.	TOTAL EEC
CEREALS AND RICE		(1) 0,006	(2) 0,142		(6) 0,029			(3) 0,008		(12) 0,746		(9) -	(33) 0,931
SUGAR AND ISOGLUCOSE				(12) 0,288						(9) 0,148			(21) 0,434
OILS AND FATS				(4) 0,055		(11) 0,040		(53) 32,881		(2) 0,018	(10) 0,588		(80) 33,578
PROTEIN CROPS		(4) 0,068		(10) 0,499	(1) 0,002	(3) 1,015		(1) 0,874		(5) 0,024		(1) -	(25) 2,482
FRUITS & VEGETABLES			(1) 0,008	(8) 0,046	(4) 0,124	(4) 0,032		(23) 44,767		(1) -			(41) 44,975
VINE PRODUCTS		(1) 0,004		(33) 0,199		(2) 0,284							(36) 0,467
FIBRE PLANTS					(1) 0,393								(1) 0,393
OTHER AGRIC. SECTORS													
MILK PRODUCTS		(110) 0,778	(11) 0,108	(19) 0,386		(34) 0,327	(1) -	(10) 12,434		(23) 2,991		(2) 0,281	(210) 17,303
BEEF AND VEAL		(11) 24,912	(7) 1,625	(2) 0,016		(2) 0,045	(2) -			(4) 1,958		(158) 0,387	(186) 28,943
SHEEPMEAT/GOATMEAT						(1) 0,043				(80) -	(14) 0,114	(18) 1,332	(93) 1,489
PORKMEAT	(1) -	(1) 0,134	(7) 1,166	(2) 0,004						(4) 0,007			(15) 1,311
EGGS AND POULTRY				(2) 0,077						(8) 0,949			(8) 1,026
NON-ANNEX 11 PRODUCTS		(4) 1,120	(1) 0,004	(5) 0,450						(5) 0,038			(15) 1,613
MONET. COMP. AMOUNTS				(17) 0,836						(1) 0,002	(30) 0,442		(48) 1,080
FISHERIES				(1) 0,001									(1) 0,001
OTHER SECTORS								(5) 1,889		(1) 0,018			(6) 1,705
TOTAL	(1) -	(132) 27,020	(29) 3,051	(115) 2,857	(12) 0,548	(57) 1,766	(3) -	(95) 92,853		(133) 6,884	(54) 1,142	(188) 2,000	(819) 137,731
AMOUNTS RECOVERED		(35) 1,353	(13) 0,169	(67) 1,387	(5) 0,014	(10) 0,053	(1) -	(13) 1,970		(117) 4,019	(33) 0,571	(102) 0,314	(398) 9,850
AMOUNTS LOST		(3) 0,049						(1) -				(4) 1,284	(8) 1,333

N.B. : (1) Figures in brackets are the number of cases reported.
(2) All figures from COMA35 database; amounts updated using ECU rate of exchange valid on 1.12.1990.

ANNEX 21
GUARANTEE SECTION
IRREGULARITIES REPORTED AND RECOVERY SITUATION

(ECU million)

MEMBER STATES	1971 - 1979	1980 - 1985	1986	1987	1988	1989	1990	TOTAL PER MEMBER STATE
B	(12) 1,426 (1) 0,243	(23) 6,926 (7) 0,718	(26) 6,024 (1) -	(13) 2,687 (2) 0,233	(4) 0,101 (1) -	(7) 0,023 (6) 0,023	(1) - -	(86) 17,187 (18) 1,217
D	(92) 6,695 (75) 4,021	(1045) 46,874 (779) 15,638	(150) 1,285 (110) 0,752	(77) 0,519 (60) 0,251	(45) 40,834 (29) 0,422	(71) 17,888 (31) 1,608	(132) 27,021 (35) 1,353	(1612) 141,116 (1119) 24,045
DK	(23) 0,143 (19) 0,038	(214) 1,735 (150) 0,995	(25) 0,347 (23) 0,320	(16) 0,146 (16) 0,146	(16) 0,868 (13) 0,868	(30) 12,727 (20) 2,634	(29) 3,051 (13) 0,169	(353) 19,017 (254) 5,170
EL	- -	- -	- -	(1) - -	- -	(3) 0,038 -	(12) 0,548 (5) 0,014	(16) 0,586 (5) 0,014
ES	- -	- -	- -	- -	(6) 0,050 (6) 0,050	(13) 0,163 (7) 0,096	(57) 1,766 (10) 0,053	(76) 1,979 (23) 0,199
F	(36) 1,222 (28) 0,155	(197) 1,932 (170) 1,724	(64) 1,526 (57) 1,432	(75) 3,825 (67) 1,330	(70) 3,627 (46) 0,559	(121) 7,576 (93) 5,684	(115) 2,657 (67) 1,387	(678) 22,365 (528) 12,271
IRL	(7) 0,127 (7) 0,127	(67) 1,256 (46) 1,048	(3) 1,122 (1) -	(9) 2,103 (1) 0,558	(14) 2,990 (7) 0,038	(12) 0,566 (6) 0,504	(3) - (1) -	(115) 8,164 (69) 2,275
I	(32) 2,436 (9) 0,009	(116) 46,486 (30) 2,032	(50) 18,971 (4) 1,462	(133) 78,804 (25) 0,411	(81) 100,864 (19) 1,899	(242) 96,812 (30) 1,545	(95) 92,652 (13) 1,970	(749) 437,025 (130) 9,328
L	- -	- -	- -	- -	- -	(1) - -	- -	(1) - -
NL	(36) 1,194 (35) 0,032	(84) 2,730 (68) 1,238	(14) 0,055 (12) 0,050	(94) 0,338 (88) 0,264	(41) 0,312 (38) 0,051	(81) 12,532 (46) 1,423	(133) 6,894 (117) 4,019	(483) 24,055 (404) 7,077
P	- -	- -	- -	- -	- -	- -	(54) 1,142 (33) 0,571	(54) 1,142 (33) 0,571
UK	(193) 3,053 (88) 1,485	(279) 2,544 (256) 1,849	(53) 0,536 (46) 0,503	(100) 1,171 (84) 0,189	(109) 2,645 (86) 0,466	(164) 4,208 (129) 0,848	(188) 2,000 (102) 0,314	(1086) 16,157 (771) 5,654
EEC	(431) 16,296 (262) 6,110 (26) 0,646	(2025) 110,483 (1486) 25,242 (153) 1,256	(385) 29,866 (254) 4,519 (11) 1,146	(518) 89,593 (343) 3,382 (9) 0,300	(386) 152,291 (245) 4,353 (2) 0,002	(745) 152,533 (368) 14,365 (10) 0,451	(819) 137,731 (396) 9,850 (8) 1,333	(5309) 688,793 (3354) 67,821 (219) 5,134

- Remarks : (1) The first line shows the number of cases reported and the amount involved and the second the recoveries already made (number of cases and amount). The third line of the EEC total shows the number of cases and the amounts declared irrecoverable of which the Commission has accepted the financial consequences.
(2) Where cases from before 1980 are concerned, only files still open when COMA35 was set up are included in the table.
(3) Amounts converted at the ECU rate valid on 1.12.1990.

ANNEX 22

Breakdown by sum involved and by Member States of communications made pursuant to
Article 3 of Regulation (EEC) N° 283/72

1. Breakdown of communications (cases and amounts) (ECU '000) (1)

	GERMANY	FRANCE	ITALY	BELGIUM	LUXEMBOURG	NETHER- LANDS	DENMARK	IRELAND	UNITED- KINGDOM	GREECE	SPAIN	PORTUGAL	TOTAL EEC
Insignific.	4 0	10 0	9 0	1 0	0 0	67 0	5 0	3 0	13 0	4 0	14 0	6 0	136 0
Recov. made	30 1.345	67 874	11 1.656	0 0	0 0	50 3.929	8 100	0 0	100 300	3 8	4 53	32 544	305 8.809
- 5.000 ECU	64 127	15 27	5 12	0 0	0 0	5 12	5 10	0 0	67 149	1 2	11 33	1 1	174 373
5 - 10	12 83	5 36	6 8	0 0	0 0	2 17	1 6	0 0	6 36	0 0	13 95	3 24	43 306
10 - 50	12 291	12 289	8 243	0 0	0 0	5 86	7 133	0 0	0 0	2 44	11 292	9 145	66 1.524
50 - 100	2 113	2 120	7 498	0 0	0 0	1 50	0 0	0 0	0 0	0 0	0 0	1 89	13 869
100 - 500	6 1.390	4 1.311	21 5.105	0 0	0 0	1 181	1 120	0 0	1 234	2 494	1 268	2 339	39 9.442
500 - 1000	1 596	0 0	14 10.253	0 0	0 0	1 662	0 0	0 0	0 0	0 0	0 0	0 0	16 11.511
+ 1 M. ECU	1 23.076	0 0	19 74.877	0 0	0 0	1 1.956	2 2.683	0 0	1 1.281	0 0	1 1.025	0 0	25 104.897
TOTAL	132 27.020	115 2.657	95 92.652	1 0	0 0	133 6.894	29 3.051	3 0	188 2.000	12 548	55 1.766	54 1.142	617 137.726

1) By Member State (and total EEC) : COLUMN 1 = NUMBER OF CASES
COLUMN 2 = AMOUNT

2. Breakdown of communications (percentages) (2)

	GERMANY	FRANCE	ITALY	BELGIUM	LUXEMBOURG	NETHER- LANDS	DENMARK	IRELAND	UNITED- KINGDOM	GREECE	SPAIN	PORTUGAL	TOTAL EEC
Insignific.	3.0 0.0	8.7 0.0	9.5 0.0	100.0 0.0	0.0 0.0	50.4 0.0	17.2 0.0	100.0 0.0	6.9 0.0	33.3 0.0	25.5 0.0	11.1 0.0	16.6 0.0
Recov. made	22.7 5.0	58.3 32.9	11.6 1.8	0.0 0.0	0.0 0.0	37.6 57.0	27.6 3.3	0.0 0.0	53.2 15.0	25.0 1.4	7.3 3.0	59.3 47.6	37.3 6.4
- 5 000 ECU	48.5 0.5	13.0 1.0	5.3 0.0	0.0 0.0	0.0 0.0	3.8 0.2	17.2 0.3	0.0 0.0	35.6 7.4	8.3 0.4	20.0 1.9	1.9 0.1	21.3 0.3
5 - 10	9.1 0.3	4.3 1.4	1.1 0.0	0.0 0.0	0.0 0.0	1.5 0.3	3.4 0.2	0.0 0.0	3.2 1.8	0.0 0.0	23.6 5.4	5.6 2.1	5.3 0.2
10 - 50	9.1 1.1	10.4 10.9	8.4 0.3	0.0 0.0	0.0 0.0	3.8 1.2	24.1 4.4	0.0 0.0	0.0 0.0	16.7 8.1	20.0 16.6	16.7 12.7	8.1 1.1
50 - 100	1.5 0.4	1.7 4.5	7.4 0.5	0.0 0.0	0.0 0.0	0.8 0.7	0.0 0.0	0.0 0.0	0.0 0.0	0.0 0.0	0.0 0.0	1.9 7.8	1.6 0.6
100 - 500	4.5 5.1	3.5 49.3	22.1 5.5	0.0 0.0	0.0 0.0	0.8 2.6	3.4 3.9	0.0 0.0	0.5 11.7	16.7 90.1	1.8 15.2	3.7 29.6	4.8 6.9
500 - 1000	0.8 2.2	0.0 0.0	14.7 11.1	0.0 0.0	0.0 0.0	0.8 9.6	0.0 0.0	0.0 0.0	0.0 0.0	0.0 0.0	0.0 0.0	0.0 0.0	2.0 8.4
+ 1 M. ECU	0.8 85.4	0.0 0.0	20.0 80.8	0.0 0.0	0.0 0.0	0.8 28.4	6.9 87.9	0.0 0.0	0.5 64.0	0.0 0.0	1.8 58.0	0.0 0.0	3.1 76.2
TOTAL	100.0 100.0	100.0 100.0	100.0 100.0	100.0 100.0	0.0 100.0	100.0 100.0	100.0 100.0	100.0 100.0	100.0 100.0	100.0 100.0	100.0 100.0	100.0 100.0	100.0 100.0

(2) BY MEMBER STATE (AND TOTAL EEC) : COLUMN 1 - PERCENTAGE OF TOTAL CASES NOTIFIED
 COLUMN 2 - PERCENTAGE OF TOTAL AMOUNT NOTIFIED BY SIZE BAND

ANNEX 23

FINANCIAL RESULTS OF WORK ON CLEARING 1988 ACCOUNTS (1)
(including milk non-marketing and dairy herd conversion premiums)

(ECU million) (2)

	B	DK	DE	EL	ES	F	FR	IT	L	NL	PO	UK	EC TOTAL
a) 1988 expenditure claimed	736,8	1 239,2	4 919,8	1 078,4	2 043,7	6 285,9	1 077,7	4 435,5	3,1	3 828,7	146,8	1 902,9	27 696,5
b) Expenditure claimed in previous year but excluded from clearance for that year	-	-	-	-	-	-	-	-	-	-	-	-	-
c) Claimed expenditure excluded from present clearance	-	-	-	- 238,3	-	-	-	- 121,1	-	-	-	-	359,4
d) Expenditure claimed, subject of present clearance (a + b - c)	736,8	1 239,2	4 919,8	838,1	2 043,7	6 285,9	1 077,7	4 314,4	3,1	3 828,7	146,8	1 902,9	27 337,1
e) Expenditure disallowed	- 3,8	- 11,7	- 81,5	- 11,2	- 16,7	- 190,0	- 1,2	- 158,0	-	- 70,5	- 0,5	- 10,6	- 555,7
f) Financial consequences of previous years	-	-	-	3,0	-	- 0,9	-	- 71,1	-	-	-	0,2	- 68,8
g) Total expenditure endorsed (d - e + f)	733,0	1 227,5	4 838,3	829,9	2 027,0	6 095,0	1 076,5	4 085,3	3,1	3 758,2	146,3	1 892,5	26 712,6
h) Total expenditure charged, subject of present clearance	736,8	1 226,0	4 926,2	838,1	2 053,2	6 273,8	1 085,1	4 265,3	3,1	3 828,6	146,8	1 907,6	27 290,6
i) Expenditure to be charged or paid to Member State as a result of clearance of accounts (h - g)	3,8	- 1,5	87,9	8,2	26,2	178,8	8,6	180,0	-	70,4	0,5	15,1	578,0

(1) BASED ON DECISION 90/644/EEC.

(2) CONVERSION RATE AT 30.6.1990.