Common Agricultural Policy (CAP): financing by the European Agricultural Guarantee Fund (EAGF) and the European Agricultural Fund for Rural Development (EAFRD)

2004/0164(CNS) - 21/06/2006 - Implementing legislative act

ACT: Commission Regulation 884/2006/EC laying down detailed rules for the application of Council Regulation 1290/2005 as regards the financing by the European Agricultural Fund (EAGF) of intervention measures in the form of public storage operations and the accounting of public storage operations by the paying agencies of the Member States.

CONTENT: the purpose of this Regulation is to determine the conditions and rules applicable to the financing, by the EAGF of expenditure, on intervention measures related to:

- public storage;
- the management and control of corresponding operations by the paying agencies;
- the booking of the corresponding expenditure and revenue of the EAGF; and
- the notification to the Commission of the relevant information and documents.

In summary, the Regulation states that:

- The paying agencies will be responsible for managing and ensuring control of the operations linked to intervention measures relating to public storage, although they may delegate their powers.
- Intervention measures, in the form of public storage may comprise buying-in, storage, transport and transfer of stocks and the sale and disposal by other means of agricultural products under the terms laid down by the applicable sectoral agricultural legislation.
- The EAGF will fund: the financing costs for funds mobilised by the Member States to buy in products; expenditure on physical operations relating to buying-in, sale or other forms of transferring products; expenditure on physical operations not necessarily connected with buying-in, sale or other forms of transfer of products; the depreciation of stored products; and the differences in gains and losses between the accounting value and the price of disposal of the products.

Detailed provisions and deadlines have also been set out and relate to: the content of public storage accounts to be kept by the paying agencies; accounting specifications; the dates for entering expenditure and revenue and product movements in the accounts; the inventory; the valuation of public storage operations; the amounts to be financed and the declarations of expenditure and of revenue; declaration of expenditure and of revenue and the electronic exchange of information through computer systems. Lastly, certain transitional measures are also foreseen.

In adopting this implementing Regulation, a number of related legal instruments will be repealed as from 1 October 2006. They are:

- Regulation 411/88/EEC;
- Regulation 1643/89/EEC;
- Regulation 3492/90/EEC;
- Regulation 3597/90/EEC;
- Regulation 147/91/EC and
- Regulation 2148/96/EC.

ENTRY INTO FORCE: 30 June 2006. It will apply as from 1 October 2006.