COMMISSION IMPLEMENTING DECISION (EU) 2021/987

of 16 June 2021

excluding from European Union financing certain expenditure incurred by the United Kingdom under the European Agricultural Guarantee Fund (EAGF) and under the European Agricultural Fund for Rural Development (EAFRD)

(notified under document C(2021) 4114)

(Only the English text is authentic)

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 1306/2013 of 17 December 2013 on the financing, management and monitoring of the common agricultural policy and repealing Council Regulations (EEC) No 352/78, (EC) No 165/94, (EC) No 2799/98, (EC) No 814/2000, (EC) No 1290/2005 and (EC) No 485/2008 ([1]), and in particular Article 52 thereof, in conjunction with Articles 131 and 138 of the Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community,

After consulting the Committee on the Agricultural Funds,

Whereas:

(1) In accordance with Article 52 of Regulation (EU) No 1306/2013, the Commission is to carry out the necessary verifications, communicate to the United Kingdom the results of those verifications, take note of the comments provided by the United Kingdom, initiate a bilateral discussion so that an agreement may be reached and formally communicate its conclusions to the United Kingdom.

(2) The United Kingdom has had an opportunity to request the launch of a conciliation procedure, but did not request it.

(3) In accordance with Regulation (EU) No 1306/2013, only agricultural expenditure, which has been incurred in a way that has not infringed Union law may be financed.

(4) In the light of the verifications carried out and the outcome of the bilateral discussion, part of the expenditure declared by the United Kingdom does not fulfil this requirement and cannot therefore be financed under the EAGF and the EAFRD.

(5) The amounts that are not recognised as being chargeable to the EAGF and the EAFRD should be indicated. Those amounts do not relate to expenditure incurred more than 24 months before the Commission's written notification of the results of the verifications to the United Kingdom.

(6) The amounts excluded from Union financing by this Decision should also take into account any reductions or suspensions in accordance with Article 41 of Regulation (EU) No 1306/2013 due to the fact that such reductions or suspensions are of a provisional nature and without prejudice to decisions taken pursuant to Articles 51 or 52 of that Regulation.

(7) As regards the cases covered by this Decision, the assessment of the amounts to be excluded on grounds of non-compliance with Union law was notified by the Commission to the United Kingdom in a summary report on the subject ([2]).

(8) This Decision is without prejudice to any financial conclusions that the Commission may draw from the judgments of the Court of Justice of the European Union in cases pending on 31 March 2021,

([1]) OJ L 347, 20.12.2013, p. 549.
([2]) Ares(2021)3293159

HAS ADOPTED THIS DECISION:

Article 1

The amounts set out in the Annex and related to expenditure incurred by the United Kingdom's accredited paying agencies and declared under the EAGF and the EAFRD shall be excluded from Union financing.

Article 2

This Decision is addressed to the United Kingdom of Great Britain and Northern Ireland.

Done at Brussels, 16 June 2021.

For the Commission
Janusz WOJCIECHOWSKI
Member of the Commission

ANNEX

Decision: 66-UK only

Budget Item: 6200

Member State	Measure	FY	Reason	Type	Correction %	Currency	Amount	Deductions	Financial Impact
GB	Certification	2016	Financial Errors Detected by CB	ONE OFF		EUR	-859,46	0,00	-859,46
	Clearance of Accounts - Financial Clearance	2019	Incorrect payment calculation - AO1	ONE OFF		EUR	-103 237,16	0,00	-103 237,16
	Clearance of Accounts - Financial Clearance	2019	Individual errors EAGF IACS	ONE OFF		EUR	-3 112,08	0,00	-3 112,08
	Clearance of Accounts - Financial Clearance	2019	Known error EAGF IACS	ONE OFF		EUR	-1 551,20	0,00	-1 551,20
					Total GB:	**EUR**	**-108 759,90**	**0,00**	**-108 759,90**

Currency	Amount	Deductions	Financial Impact
EUR	-108 759,90	0,00	-108 759,90

Budget Item: 6201

Member State	Measure	FY	Reason	Type	Correction %	Currency	Amount	Deductions	Financial Impact
GB	Rural Development EAFRD investment - public beneficiaries	2016	1.2. Key control "Verification that public procurement procedures are in compliance with national and Union Regulation"	FLAT RATE	23,44%	EUR	-14 804,48	0,00	-14 804,48
	Rural Development EAFRD investment - public beneficiaries	2017	1.2. Key control "Verification that public procurement procedures are in compliance with national and Union Regulation"	FLAT RATE	23,44%	EUR	-265 380,06	0,00	-265 380,06
	Rural Development EAFRD investment - public beneficiaries	2018	1.2. Key control "Verification that public procurement procedures are in compliance with national and Union Regulation"	FLAT RATE	23,44%	EUR	-558 453,80	0,00	-558 453,80
	Rural Development EAFRD investment - public beneficiaries	2019	1.2. Key control "Verification that public procurement procedures are in compliance with national and Union Regulation"	FLAT RATE	23,44%	EUR	-566 790,77	0,00	-566 790,77
	Rural Development EAFRD Leader	2017	Deficiencies established in the functioning of the key controls "Appropriate checks on the eligibility of the costs of the operation" and "Appropriate procedures for the selection and appraisal of projects or applications" FY2017	ONE OFF		EUR	-47 531,38	0,00	-47 531,38
	Rural development NIACS measures	2018	Deficiencies established in the functioning of the key controls "Appropriate checks on the eligibility of the costs of the operation" and "Appropriate procedures for the selection and appraisal of projects or applications" FY2018	ONE OFF		EUR	-336 852,17	0,00	-336 852,17

	Rural development NIACS measures	2019	Deficiencies established in the functioning of the key controls “Appropriate checks on the eligibility of the costs of the operation” and “Appropriate procedures for the selection and appraisal of projects or applications” FY2019	ONE OFF		EUR	-247 748,43	0,00	-247 748,43
	Certification	2016	Financial Errors Detected by CB	ONE OFF		EUR	-78 032,29	0,00	-78 032,29
	Clearance of Accounts - Financial Clearance	2019	Individual errors EAFRD IACS	ONE OFF		EUR	-11 648,58	0,00	-11 648,58
	Rural development NIACS measures	2018	key control “Appropriate procedures for the selection and appraisal of projects or applications FY2018-2019	ONE OFF		EUR	-1 933 280,58	0,00	-1 933 280,58
	Rural development NIACS measures	2019	key control “Appropriate procedures for the selection and appraisal of projects or applications FY2018-2019	ONE OFF		EUR	-1 426 714,65	0,00	-1 426 714,65
	Rural Development EAFRD Knowledge and innovation	2016	key control ”Verification that public procurement procedures are in compliance with national and Union Regulation	FLAT RATE	23,44%	EUR	-898,00	0,00	-898,00
	Rural Development EAFRD Knowledge and innovation	2017	key control ”Verification that public procurement procedures are in compliance with national and Union Regulation	FLAT RATE	23,44%	EUR	-110 558,25	0,00	-110 558,25
	Rural Development EAFRD Knowledge and innovation	2018	key control ”Verification that public procurement procedures are in compliance with national and Union Regulation	FLAT RATE	23,44%	EUR	-475 154,01	0,00	-475 154,01

	Rural Development EAFRD Knowledge and innovation	2019	key control "Verification that public procurement procedures are in compliance with national and Union Regulation	FLAT RATE	23,44%	EUR	-109 153,46	0,00	-109 153,46
					Total GB:	**EUR**	**-6 183 000,91**	**0,00**	**-6 183 000,91**

Currency	Amount	Deductions	Financial Impact
EUR	-6 183 000,91	0,00	-6 183 000,91