COMMISSION IMPLEMENTING DECISION (EU) 2022/818

of 24 May 2022

on the clearance of the accounts of the paying agencies of the United Kingdom concerning expenditure financed by the European Agricultural Fund for Rural Development (EAFRD) for financial year 2021

(notified under document C(2022) 3305)

(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 the European Parliament and of the Council 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 51 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) Pursuant to Article 51 of Regulation (EU) No 1306/2013, the Commission, on the basis of the annual accounts submitted by the United Kingdom, accompanied by the information required for the clearance of accounts and an audit opinion regarding the completeness, accuracy and veracity of the accounts and the reports established by the certification bodies, has to clear the accounts of the paying agencies referred to in Article 7 of that Regulation prior to 31 May of the year following the budget year in question.

(2) In accordance with Article 39 of Regulation (EU) No 1306/2013, the agricultural financial year begins on 16 October of year N-1 and ends on 15 October of year N. When clearing the accounts for financial year 2021, for the purpose of aligning the reference period for the European Agricultural Fund for Rural Development (EAFRD) expenditure with that of the European Agricultural Guarantee Fund (EAGF), account should be taken of expenditure incurred by the United Kingdom between 16 October 2020 and 15 October 2021, as provided for in Article 11(1) of Commission Implementing Regulation (EU) No 908/2014 ([2]).

(3) Article 33(2), second subparagraph, of Implementing Regulation (EU) No 908/2014 provides that the amounts that are recoverable from, or payable to, the United Kingdom, in accordance with the accounts clearance decision referred to in Article 33(1) of that Regulation, are to be established by deducting the intermediate payments for the financial year concerned from the expenditure recognised for that year in accordance with Article 33(1). The Commission is to deduct that amount from or add it to the next intermediate payment.

(4) The Commission has checked the information submitted by the United Kingdom and has communicated the results of its checks to the United Kingdom, together with the amendments it proposes.

(5) For the paying agencies of the United Kingdom, 'Department of Agriculture, Environment and Rural Affairs', 'The Scottish Government Rural Payments and Inspections Directorate', 'Welsh Government' and 'Rural Payments Agency', the annual accounts and the accompanying documents permit the Commission to take a decision on the completeness, accuracy and veracity of the annual accounts submitted.

([1]) OJ L 347, 20.12.2013, p. 549.

([2]) Commission Implementing Regulation (EU) No 908/2014 of 6 August 2014 laying down rules for the application of Regulation (EU) No 1306/2013 of the European Parliament and of the Council with regard to paying agencies and other bodies, financial management, clearance of accounts, rules on checks, securities and transparency (OJ L 255, 28.8.2014, p. 59).

(6) Article 36(3), first subparagraph, point (b), of Regulation (EU) No 1306/2013 provides that intermediate payments are to be made without overrun of the total programmed EAFRD contribution. Pursuant to Article 23(2) of Implementing Regulation (EU) No 908/2014, where the combined total of declarations of expenditure exceeds the total programmed contribution for a rural development programme, the amount to be paid has to be capped at the programmed amount, without prejudice to the ceiling provided for in Article 34(2) of Regulation (EU) No 1306/2013. The capped amount will be subject to a later reimbursement by the Commission following the adoption of the amended financial plan or at the closure of the programming period.

(7) In accordance with Article 75(1), fourth subparagraph, of Regulation (EU) No 1306/2013, the rules on payment deadlines for measures under rural development in the context of the integrated administration and control system apply from claim year 2019. The reductions for non-compliance with the latest payment deadlines, calculated in conformity with Article 5a of Commission Delegated Regulation (EU) No 907/2014 ([3]), follow the procedure laid down in Articles 40 and 41 of Regulation (EU) No 1306/2013 and are to be taken into account in this Decision for financial year 2021. These reductions may be examined, where appropriate, under conformity clearance proceedings pursuant to Article 52 of Regulation (EU) No 1306/2013.

(8) Pursuant to Article 54(2) of Regulation (EU) No 1306/2013, 50 % of the financial consequences of non-recovery of irregularities should be borne by the United Kingdom, if recovery has not taken place within 4 years from the date of the recovery request, or within 8 years where the recovery is taken before the national courts. Article 54(4) of Regulation (EU) No 1306/2013 requires the United Kingdom to attach to the annual accounts that it has to submit to the Commission, pursuant to Article 29 of Implementing Regulation (EU) No 908/2014, a certified table reflecting the amounts to be borne by the United Kingdom under Article 54(2) of Regulation (EU) No 1306/2013. Rules on the application of the United Kingdom's obligation to report the amounts to be recovered are laid down in Implementing Regulation (EU) No 908/2014. Annex II to Implementing Regulation (EU) No 908/2014 sets out the model of the table that the United Kingdom has to use to provide information about amounts to be recovered. On the basis of the tables completed by the United Kingdom, the Commission should decide on the financial consequences of non-recovery of irregularities older than 4 or 8 years respectively.

(9) Pursuant to Article 54(3) of Regulation (EU) No 1306/2013, on duly justified grounds, the United Kingdom may decide not to pursue recovery. Such a decision may be taken only if the costs already, and likely to be, incurred total more than the amount to be recovered, or if the recovery proves impossible owing to the insolvency recorded and recognised under national law, of the debtor or the persons legally responsible for the irregularity. If the decision has been taken within 4 years from the date of recovery request, or within 8 years where the recovery is taken before the national courts, 100 % of the financial consequences of the non-recovery should be borne by the Union budget. The amounts for which the United Kingdom decided not to pursue recovery and the grounds for its decision are shown in the summary report referred to in Article 54(4) of that Regulation in conjunction with Article 102(1), first subparagraph, point(c)(iv), of that Regulation. Therefore, such amounts should not be charged to the United Kingdom and are consequently to be borne by the Union budget.

(10) This Decision should also take into account the amounts that are still to be charged to the United Kingdom as a result of the application of Article 54(2) of Regulation (EU) No 1306/2013 in relation to the 2007-2013 programming period for the EAFRD.

(11) In accordance with Article 51 of Regulation (EU) No 1306/2013, this Decision should be without prejudice to the decisions the Commission may take subsequently to exclude from Union financing expenditure not effected in accordance with Union rules,

([3]) Commission Delegated Regulation (EU) No 907/2014 of 11 March 2014 supplementing Regulation (EU) No 1306/2013 of the European Parliament and of the Council with regard to paying agencies and other bodies, financial management, clearance of accounts, securities and use of euro (OJ L 255, 28.8.2014, p. 18).

HAS ADOPTED THIS DECISION:

Article 1

The accounts of the paying agencies of the United Kingdom, 'Department of Agriculture, Environment and Rural Affairs', 'The Scottish Government Rural Payments and Inspections Directorate', 'Welsh Government' and 'Rural Payments Agency' are hereby cleared as regards expenditure financed by the European Agricultural Fund for Rural Development (EAFRD) in respect of financial year 2021 and relating to the 2014-2020 programming period.

The amounts recoverable from, or payable to the United Kingdom under each rural development programme pursuant to this Decision, are set out in Annex I.

Article 2

The amounts to be charged to the United Kingdom, as a result of the application of Article 54(2) of Regulation (EU) No 1306/2013 relating to the 2014-2020 programming period and to the 2007-2013 programming period for the EAFRD, are set out in Annex II to this Decision.

Article 3

The reductions for non-compliance with the latest payment deadlines in accordance with Article 75(1) of Regulation (EU) No 1306/2013 under each rural development programme are set out in Annex III to this Decision.

Article 4

This Decision is without prejudice to future conformity clearance decisions that the Commission may take pursuant to Article 52 of Regulation (EU) No 1306/2013 to exclude from Union financing expenditure not effected in accordance with Union rules.

Article 5

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

Done at Brussels, 24 May 2022.

For the Commission
Janusz WOJCIECHOWSKI
Member of the Commission

ANNEX I

Cleared EAFRD expenditure by Rural Development programme for financial year 2021

Amount to be recovered from or paid to the United Kingdom per programme

Approved programmes with declared expenditure for EAFRD 2014-2020

In Euro

	CCI	Expenditure 2021	Corrections	Total	Non-reusable amounts	Accepted amount cleared for FY 2021	Interim payments reimbursed to the United Kingdom for the financial year	Amount to be recovered from (-) or paid to (+) the United Kingdom
		i	ii	iii = i + ii	iv	v = iii - iv	vi	vii = v - vi
UK	2014UK06RDRP001	433 836 361,18	0,00	433 836 361,18	0,00	433 836 361,18	433 840 583,96	- 4 222,78
UK	2014UK06RDRP002	31 916 683,06	0,00	31 916 683,06	0,00	31 916 683,06	31 916 983,22	- 300,16
UK	2014UK06RDRP003	93 984 744,63	- 4 954,05	93 979 790,58	0,00	93 979 790,58	94 656 753,77	- 676 963,19
UK	2014UK06RDRP004	77 329 751,21	0,00	77 329 751,21	0,00	77 329 751,21	77 329 753,93	- 2,72

ANNEX II

Clearance of the paying agencies' accounts

Financial year 2021 - EAFRD

Corrections according to Article 54(2) of Regulation (EU) No 1306/2013

		Corrections Related to the 2014-2020 Programming Period		**Corrections Related to the 2007-2013 Programming Period**	
	Currency	In National currency	In Euro	In National currency	In Euro
UK	GBP	10 226,71	0,00	21 262,92	0,00

ANNEX III

Clearance of the paying agencies' accounts

Financial year 2021 - EAFRD

Reductions for non-compliance with the latest payment deadlines in accordance with Article 75(1) of Regulation (EU) No 1306/2013

In Euro

	CCI	Reductions for non-compliance with latest payment deadlines for FY2021
UK	2014UK06RDRP001	2 069 307,56
UK	2014UK06RDRP002	0,00
UK	2014UK06RDRP003	0,00
UK	2014UK06RDRP004	0,00