



Council of the
European Union

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OUTCOME OF PROCEEDINGS

From:	General Secretariat of the Council
On:	8 November 2022
To:	Delegations

No. prev. doc.:	13896/22
Subject:	Special Report No 12/2022 from the European Court of Auditors entitled "Durability in rural development: most projects remain operational for the period required, but there are opportunities to achieve longer-lasting results" - <i>Council conclusions</i>

Delegations will find in the annex the Council conclusions on:

European Court of Auditors on its Special Report 12/2022 entitled: "Durability in rural development: most projects remain operational for the period required, but there are opportunities to achieve longer-lasting results"

adopted by the Council at its 3905th meeting held on 8 November 2022.

Council conclusions**European Court of Auditors on its Special Report 12/2022 entitled:**

“Durability in rural development: most projects remain operational for the period required, but there are opportunities to achieve longer-lasting results”

THE COUNCIL OF THE EUROPEAN UNION

1. NOTES the Court's Special Report No 12/2022 entitled “Durability in rural development: most projects remain operational for the period required, but there are opportunities to achieve longer-lasting results”, which examined whether the Commission and the Member States have taken actions to steer relevant rural development investments, particularly linked to diversification and infrastructure, toward projects with long-lasting benefits;
2. TAKES NOTE of the Court's recommendations to the Commission to target spending better on viable projects; mitigate the risks of diversion of funded assets for personal use; and harness the potential of large databases for evaluation, which the Commission accepts;
3. WELCOMES the Court's findings that projects usually achieve the legal durability period; that the majority of examined projects are still operational beyond their durability period; and, that the overall quality of selection procedures improved for 2014-2020 compared to 2007-2013;
4. UNDERLINES the distinction between the respect of the legally required durability period and the assessment of the long-term impact of supported projects that remain operational beyond the legally required period and RECALLS that there is no legal basis for systematically monitoring the operation of projects beyond the legally required durability period, which would in turn create excessive administrative burden;

5. ACKNOWLEDGES that the selection procedure should be further improved and that the long-term impact of supported projects is vital for rural development; Rural Development further depends to a lesser extent on number of external factors, such as macro-economical trends and crises that cannot be influenced by selection procedures; that durability periods should be examined for their impact on rural development;
 6. CONSIDERS that diversification measures may bring long-term diversification in rural areas and that further analysis is needed in assessing the economic viability of supported projects;
 7. NOTES the potential to provide support in the form of financial instruments, such as loans and guarantees, notably to economically viable and revenue generating investments;
 8. RECALLS that support for similar projects is foreseen under the new Common Agricultural Policy (CAP) 2023-27 in accordance with the "New Delivery Model", which leaves more flexibility for Member States to plan support and establish aid conditions according to their needs and national context. It is for Member States to propose, in their CAP Strategic Plans, the relevant durability requirements appropriate for the different types of operations.
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