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WORKING PAPER

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CONTRIBUTION

From:	General Secretariat of the Council
To:	Working Party on Financial Agricultural Questions
N° Cion doc.:	9634/18 + ADD 1 + REV 1
Subject:	Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the financing, management and monitoring of the common agricultural policy and repealing Regulation (EU) No 1306/2013 - Comments from the Polish delegation on the drafting suggestion from the Commission

Delegations will find attached comments from the Polish delegation on the drafting suggestion and explanations from the Commission services related to Articles 57 (Protection of the financial interests of the Union) in the proposed Horizontal Regulation.

The European Commission proposes to supplement the proposed Art. 57 on the protection of the EU's financial interests through the mandatory use by all Member States of the ARACHNE IT tool dedicated to fighting fraud, irregularities under the CAP, also as a risk assessment tool. The tool is to be made available by the European Commission. Currently, nine Member States participate in the pilot of this tool.

Poland does not use the Arachne tool.

Each Member State is obliged to implement a management and control system that will meet the requirements set out in the provisions of the horizontal regulation and prevent the risk of fraud, irregularities, and creating artificial conditions in order to obtain support.

In Poland's opinion, the provisions contained in the draft horizontal regulation on the protection of financial interests are sufficient and there is no need to change them by adding the proposed provision on the mandatory use of this tool. Its use on a voluntary basis is considered.

Mandatory implementation of an IT system carries significant costs and an administrative burden for the paying agency's employees. It seems that this system would have to be compatible with IT systems operating in the paying agency.

Poland has no information on the usefulness of this tool under administrative controls for agricultural funds. More information is required on the progress made by the Member States that have started the Arachne project. The European Commission should present evidence that the effects related to the implementation of Arachne will contribute to a significant simplification of the implementation of the CAP. From the opinions presented by other Member States it appears that the Arachne system was developed for the Structural Funds, therefore it is questionable whether it will be suitable for effective use under the CAP.