Council of the European Union
General Secretariat

Interinstitutional files:
2018/0217(COD)

Brussels, 14 November 2018

WK 13742/2018 INIT

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WORKING PAPER

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NOTE

From: To:	Presidency Working Party on Financial Agricultural Questions
Subject:	Proposal for a Regulation on Financing, management and monitoring of the CAP - Presidency proposals for revised text for a selection of articles

With a view to the meetings of the WP AGRIFIN of 21 November and 4 December, delegations will find in the Annexes to this Note a number of drafting suggestions for a selection of Articles, as put together by the Presidency on the basis of the comments and views expressed by delegations.

Annex 1 sets out a number of technical clarifications in the following Articles: 6, 8(3)(b), 11(1)(d), 15(1), 15(5), 30(1), 30(3)-(4), 30(9), 32(1)-(2), 32(4)(b), 34, 55(1)-(2), 88(1), 96(1)-(3), 102(1).

Annex 2 sets out a number of substantial drafting suggestions in the following Articles: 3, 8(2), 8(2)(b), 8(4), 35, 52(2)-(3), 75, 78, 79, 80, 81, 83(c)-(g).

ANNEX I

Clarifications

Article concerned	Current text	Possible new text	Reason
Recital (49)	Last 4 lines are in a different font size.	To correct font size.	
Article 6	It shall finance the Union's financial contribution to the CAP Strategic Plan rural development interventions referred to in Chapter 4 of Title III of Regulation (EU) …/…[CAP Strategic Plan Regulation].	It shall finance the Union's financial contribution to the CAP Strategic Plan rural development interventions referred to in Chapter 4 of Title III of Regulation (EU) …/…[CAP Strategic Plan Regulation] **and technical assistance at the initiative of the Member States referred to in Article 112 of that** Regulation.	To include EAFRD technical assistance which is defined in article 112 of the SPR.
Article 8(3)(b)	the annual performance report referred to in Article 52(1) showing that the expenditure was made in accordance with Article 35	the annual performance report referred to in Article 52(1) **of this Regulation and Article 121 of Regulation (EU) …/…[CAP Strategic Plan Regulation]** showing that the expenditure was made in accordance with Article 35	In Article 8(3)(b) a cross reference to SPR article 121 should be added.
Article 11 (1)(d)	(d) the expenditure for the measures laid down in Regulation (EU) No 1308/2013 for which reimbursement has been requested from the Commission is legal and regular.	(d) the expenditure for the measures laid down in Regulation (EU) No 1308/2013, **Regulation (EU) No 228/2013, Regulation (EU) No 229/2013 and Regulation (EU) 1144/2014** for which reimbursement has been requested from the	Article 11 (1)(d) should also include other expenditure outside the SPR i.e. POSEI and SAI and Information and

Article concerned	Current text	Possible new text	Reason
		Commission is legal and regular.	promotion measures To make it clear what is the role of the CBs for the interventions not in the CAP SP.
Art 15(1)	An adjustment rate for direct payments interventions referred to in point (c) of Article 5(2) of this Regulation and Union financial contribution to the specific measures referred to in point (f) of Article 5(2) of this Regulation and granted under Chapter IV of Regulation (EU) No 228/2013 and Chapter IV of Regulation (EU) No 229/2013, ("the adjustment rate") shall be determined by the Commission when the forecasts for the financing of the interventions and measures financed under that subceiling for a given financial year indicate that the applicable annual ceilings will be exceeded.	An adjustment rate for direct payments interventions referred to in point (c) of Article 5(2) of this Regulation and Union financial contribution to the specific measures referred to in point **(e)** of Article 5(2) of this Regulation and granted under Chapter IV of Regulation (EU) No 228/2013 and Chapter IV of Regulation (EU) No 229/2013, ("the adjustment rate") shall be determined by the Commission when the forecasts for the financing of the interventions and measures financed under that subceiling for a given financial year indicate that the applicable annual ceilings will be exceeded.	Clerical mistake.
Art 15(5)	As a result of the gradual introduction of direct payments interventions provided for in Article 140(2) of Regulation…/…[phasing in CAP Strategic Plan], financial discipline shall apply to Croatia from 1 January 2022.	As a result of the gradual introduction of direct payments provided for in **Article 17 of Regulation (EU) No 1307/2013**, financial discipline shall apply to Croatia from 1 January 2022.	Need for correct reference for consistency.
Art 30(1)	Interim Payments shall be made for each CAP Strategic Plan. They shall be calculated by	Interim Payments shall be made for each CAP Strategic Plan. They shall be calculated by applying	Interim payments include not only expenditure under

Article concerned	Current text	Possible new text	Reason
	applying the contribution rate for each type of intervention to the public expenditure effected to it as referred to in Article 85 of Regulation (EU) No…/… [CAP Strategic Plan Regulation].	the contribution rate for each type of intervention to the public expenditure effected to it as referred to in Article 85 of Regulation (EU) No…/… [CAP Strategic Plan Regulation]. **Interim payments shall also include the amounts referred to in the third subparagraph of Article 86(3) of Regulation (EU) No…/… [CAP Strategic Plan Regulation].**	co-financing rates of article 85 CAP SPR, but also the technical assistance flat rate of article 86 CAP SPR.
Article 30(3)-(4)	3. Where financial instruments are implemented in accordance with Article 52 of Regulation (EU)…/… [CPR], the declaration of expenditure shall include the total amounts disbursed or, in the case of guarantees, the amounts set aside as agreed in guarantee contracts, by the managing authority, to final recipients as referred to in points (a), (b) and (c) of [Article 74(5) of Regulation (EU) …/… CAP Strategic Plan – eligibility rules or financial instruments]. 4. Where financial instruments are implemented in accordance with Article 52 of Regulation (EU)…/… [CPR], declarations of expenditures that include expenditure for financial instruments shall be submitted in	3. Where financial instruments are implemented in accordance with Article **53(1)** of Regulation (EU)…/… [CPR], the declaration of expenditure shall include the total amounts disbursed or, in the case of guarantees, the amounts set aside as agreed in guarantee contracts, by the managing authority, to final recipients as referred to in points (a), (b) and (c) of [Article 74(5) of Regulation (EU) …/… CAP Strategic Plan – eligibility rules or financial instruments]. 4. Where financial instruments are implemented in accordance with Article **53(2)** of Regulation (EU)…/… [CPR], declarations of expenditures that include expenditure for financial instruments shall be submitted in accordance with the following conditions:	Clerical error.

Article concerned	Current text	Possible new text	Reason
	accordance with the following conditions:		
Art 30(9) third subparagraph (first line)	Declarations of expenditure shall cover expenditure that the paying agencies have effected during each of the periods concerned. However, in cases in which expenditure referred to in Article 107(8) of Regulation (EU) No…/… [CAP Strategic Plan Regulation] cannot be declared to the Commission in the period concerned due to pending approval by the Commission of an amendment to the CAP Strategic Plan, it may be declared in subsequent periods.	Declarations of expenditure shall cover expenditure that the paying agencies have effected during each of the periods concerned. **They shall also cover the amounts referred to in the third subparagraph of Article 86(3) of Regulation (EU) No…/… [CAP Strategic Plan Regulation].** However, in cases in which expenditure **referred to in** ~~Article 107(8) of Regulation (EU) No…/… [CAP Strategic Plan Regulation]~~**Article 80(2) of Regulation (EU) No…/… [CAP Strategic Plan Regulation]** cannot be declared to the Commission in the period concerned**,** due to **the** pending approval by the Commission of an amendment to the CAP Strategic Plan **as referred to in Article 107(9) of Regulation (EU) No…/… [CAP Strategic Plan Regulation]**, ~~it~~ **this expenditure** may be declared in subsequent periods.	Cross-references to the SPR corrected and "shall also cover" included in order not to prevent implementing acts for providing for the declaration of TA in the declarations of expenditure. Clarification of references to the SPR
Art 32(1)	[…] or for which no declaration of expenditure fulfilling the requirements laid down in Article 30(3) has been presented to it in relation to expenditure effected by 31 December […]	[…] or for which no declaration of expenditure fulfilling the requirements laid down in Article **30(6)(a) and (c)** has been presented to it in relation to expenditure effected by 31 December […]	Reference should be made to Art 30 para 6 letters (a) and (c) (requirements for payments) and not para 3 (financial instruments).

Article concerned	Current text	Possible new text	Reason
Art 32(2)	The part of budget commitments that is still open on the last eligibility date for expenditure as referred to in Article 80(3) of Regulation (EU) No…/… [CAP Strategic Plan Regulation] or which no declaration of expenditure has been made within six months of that date shall be automatically decommitted.	The part of budget commitments that is still open on the last eligibility date for expenditure as referred to in Article 80(3) of Regulation (EU) No…/… [CAP Strategic Plan Regulation] **f**or which no declaration of expenditure has been made within six months of that date shall be automatically decommitted.	Clerical error.
Art 32(4)(b)	[…] National authorities claiming force majeure shall demonstrate the direct consequences on the implementation of all or part of the CAP Strategic Plan.	[…] National authorities claiming force majeure shall demonstrate the direct consequences on the implementation of all or part of the **rural development interventions in the** CAP Strategic Plan.	Clarification necessary.
Article 34	Member States shall ensure that expenditure financed under the EAGF or the EAFRD shall not be the subject of any other financing under the Union's budget. Under EAFRD, an operation may receive different forms of support from the CAP Strategic Plan and from other European Structural and Investments Funds (ESI) Funds or Union instruments only if the total cumulated aid amount granted under the different forms of support does not exceed the highest aid intensity or aid amount applicable to that type of intervention as referred to in	Member States shall ensure that expenditure financed under the EAGF or the EAFRD shall not be the subject of any other financing under the Union's budget. Under EAFRD, an operation may receive different forms of support from the CAP Strategic Plan and from other ~~**European Structural and Investments Funds (ESI)**~~ Funds or Union instruments as referred to in Article 1(1) of Regulation (EU)…/… [CPR] only if the total cumulated aid amount granted under the different forms of support does not exceed the highest aid intensity or aid amount applicable to that type of intervention as referred to	Clarification necessary both as regards terminology used in the new CPR Regulation and as regards the expenditure not to declare.

Article concerned	Current text	Possible new text	Reason
	Title III of Regulation (EU) No…/… (CAP Strategic Plan Regulation). In such cases Member States shall not declare expenditure to the Commission for: (a) support from another ESI Fund or Union instrument; or (b) support from the same CAP Strategic Plan. The amount of expenditure to be entered into a declaration of expenditure may be calculated on a pro rata basis, in accordance with the document setting out the conditions for support.	in Title III of Regulation (EU) No…/… (CAP Strategic Plan Regulation). In such cases Member States shall not declare **the same** expenditure to the Commission for: (a) support from another ~~**ESI**~~ Fund or Union instrument as referred to in Article 1(1) of Regulation (EU)…/… [CPR]; or (b) support from the same CAP Strategic Plan. The amount of expenditure to be entered into a declaration of expenditure may be calculated on a pro rata basis, in accordance with the document setting out the conditions for support.	
Art 55(1)	1. Where irregularities and other cases of non-compliance by beneficiaries with the conditions of the rural development interventions referred to in the CAP Strategic Plan are detected, Member States shall make financial adjustments by totally or partially cancelling the Union financing concerned. Member States shall take into consideration the nature and gravity of the non-compliance detected and the level of the financial loss to the EAFRD. Amounts of the Union financing under the	1. Where irregularities and other cases of non-compliance by beneficiaries, **as regards financial instruments by specific funds under holding funds or final recipients,** with the conditions of the rural development interventions referred to in the CAP Strategic Plan are detected, Member States shall make financial adjustments by totally or partially cancelling the Union financing concerned. Member States shall take into consideration the nature and gravity of the non-compliance detected and the level of the financial loss to the EAFRD.	Reallocation should be possible to another operation not another intervention.

Article concerned	Current text	Possible new text	Reason
	EAFRD which are cancelled and amounts recovered, and the interest thereon, shall be reallocated to other rural development interventions in the CAP Strategic Plan. However, the cancelled or recovered Union Funds may be reused by Member States only for a rural development operation under the national CAP Strategic Plan and provided the funds are not reallocated to rural development operations which have been the subject of a financial adjustment	Amounts of the Union financing under the EAFRD which are cancelled and amounts recovered, and the interest thereon, shall be reallocated to other rural development ~~**interventions**~~ **operations** in the CAP Strategic Plan. However, the cancelled or recovered Union Funds may be reused by Member States only for a rural development operation under the national CAP Strategic Plan and provided the funds are not reallocated to rural development operations which have been the subject of a financial adjustment.	
Article 55(2)	2. For rural development interventions receiving aid from financial instruments as referred to in Regulation (EU) …/…[CPR Article 52], a contribution cancelled in accordance with paragraph 1 of this Article as a result of an individual non-compliance, may be reused within the same financial instrument as follows: (a) where the non-compliance that gives rise to the cancellation of the contribution is detected at the level of the final recipient referred to in [CPR Article 2(17)] of Regulation (EU) …/…, only for other final recipients within the same financial instrument;	2. **By way of derogation from the second subparagraph of paragraph 1, f**or rural development interventions receiving aid from financial instruments as referred to in Regulation (EU) …/…[CPR Article 52], a contribution cancelled ~~in accordance with paragraph 1 of this Article~~ as a result of an individual non-compliance, may be reused within the same financial instrument as follows: (a) where the non-compliance that gives rise to the cancellation of the contribution is detected at the level of the final recipient referred to in [CPR Article 2(17)] of Regulation (EU) …/…, only for other final recipients within the same financial instrument**;**	For consistency between para 1 and 2.

Article concerned	Current text	Possible new text	Reason
	(b) where the non-compliance that gives rise to the cancellation of the contribution is detected at the level of the specific Fund as referred to in [CPR Article 2(21)] of Regulation (EU) …/… within a holding of Funds as referred to in [CPR Article 2(20)] of Regulation (EU) …/…, only for other specific Funds.	(b) where the non-compliance that gives rise to the cancellation of the contribution is detected at the level of the specific **~~F~~f**und as referred to in [CPR Article 2(21)] of Regulation (EU) …/… within a holding **~~of F~~funds** as referred to in [CPR Article 2(20)] of Regulation (EU) …/…, only for other specific **~~F~~f**und**.**	
Article 88(1) last subparagraph	"The annual accounts of accredited paying agencies relating to EAFRD expenditure shall be submitted at the level of each CAP Strategic Plan."	**~~The annual accounts of accredited paying agencies relating to EAFRD expenditure shall be submitted at the level of each CAP Strategic Plan.~~**	Should be deleted since there will be only one strategic plan unlike multiple EAFRD programmes currently.
Article 96(1)	Member States shall ensure annual ex-post publication of the beneficiaries of the Funds in.accordance with [Article 44(3)-(5) of Regulation (EU) …/…CPR Regulation] and paragraphs 2, 3 and 4 of this Article.	Member States shall ensure annual ex-post publication of the beneficiaries of the Funds **~~in. accordance with~~ for the purposes of** [Article 44(3)-(5) of Regulation (EU) …/…CPR Regulation] and **in accordance with** paragraphs 2, 3 and 4 of this Article.	To clarify frequency of information to be published, according to the reference to Article 44(3)-(5) of the CPR Regulation (annual versus 3 months)

Article concerned	Current text	Possible new text	Reason
Article 96(2)	[Article 44(3)-(5) of Regulation (EU) …/…CPR Regulation] shall apply in respect of beneficiaries of EAFRD and EAGF, where relevant; however, the amounts corresponding to the national contribution and the co-financing rate, as provided for in points (h) and (i) of Article 44(3) of that Regulation shall not apply to EAGF.	[Article 44(3)-(5) of Regulation (EU) …/…CPR Regulation] shall apply in respect of beneficiaries of EAFRD and EAGF, where relevant; however, the amounts corresponding to the national contribution and the **Union** co-financing rate, as provided for in points (h) and (~~i~~ **k**) of Article 44(3) of that Regulation shall not apply to EAGF.	For consistency with points and wording of the CPR.
Article 96(3)	For the purposes of this Article: – "operation" means measure or intervention; – "location" means the municipality where the beneficiary is resident or is registered and, where available, the postal code or the part thereof identifying the municipality".	For the purposes of this Article: – "operation" means measure or intervention; – "location" means the municipality where the beneficiary is resident or is registered and, where available, the postal code or the part thereof identifying the municipality~~"~~**.**	Clerical error.
Art 102(1)		***New*** (c) Article 54(2) of Regulation (EU) No 1306/2013 shall continue to apply in relation to revenue declared for rural development programmes approved by the Commission	To clarify that the 50/50 rule still applies not only to 2014-2020 programmes but also to 2007-2013 and TRDI programmes.

Article concerned	Current text	Possible new text	Reason
		under Regulation (EU) No 1305/2013, Regulation (EC) 1698/2005 and Regulation 27/2004 (Transitional Rural Development Instrument).	

ANNEX II

AT Presidency proposed changes to the HZR

Article concerned	Current text	Possible new text	Reason
Article 3	For the purposes of the financing, management and monitoring of the CAP, "force majeure" and "exceptional circumstances" may, in particular, be recognised in the following cases: (a) a severe natural disaster gravely affecting the holding; (b) the accidental destruction of livestock buildings on the holding; (c) an epizootic or a plant disease affecting part or all of the beneficiary's livestock or crops respectively; (d) expropriation of all or a large part of the holding if that expropriation could not have been anticipated on the day of lodging the application.	For the purposes of the financing, management and monitoring of the CAP, "force majeure" and "exceptional circumstances" may, in particular, be recognised in the following cases: (a) a severe natural disaster gravely affecting the holding; (b) the accidental destruction of livestock buildings on the holding; (c) an epizootic or a plant disease affecting part or all of the beneficiary's livestock or crops respectively; (d) expropriation of all or a large part of the holding if that expropriation could not have been anticipated on the day of lodging the application; **(e) the death of the beneficiary;** **(f) long-term professional incapacity of beneficiary.**	To maintain status quo.
Article 8(2)	Each Member State shall restrict the number of its accredited paying agencies as follows:	Each Member State shall**, taking into account its constitutional provisions,** restrict the number of its accredited paying agencies as follows:	Bringing back in the Article the reference to constitutional provisions as is the case in current

Article concerned	Current text	Possible new text	Reason
			Regulation 1306/2013.
Article 8(2)(b)	(b) to a single agency for the management of both EAGF and EAFRD expenditure	(b) to a single agency for the management of both EAGF and EAFRD expenditure, **where only national paying agencies exist**	To clarify that this provision would be relevant where national paying agencies only exist, so for regional paying agencies status quo can be maintained.
Article 8(4)	The annual performance report provided by the coordinating body shall be covered by the scope of the opinion referred to in Article 11(1) and its transmission shall be accompanied by a management declaration covering the entirety of that report.	The annual performance report provided by the coordinating body shall be covered by the scope of the opinion referred to in Article 11(1) and its transmission shall be accompanied by a management declaration covering the ~~entirety~~ **compilation** of **the entire**~~that~~ report.	To clarify that the management declaration of the coordinating body shall cover the compilation of the annual performance report.
Article 35	The expenditure referred to in Article 5(2) and Article 6 may be financed by the Union only if: (a) it has been effected by accredited paying agencies, (b) it has been effected in accordance with the applicable Union rules, or (c) as regards types of interventions referred to in Regulation (EU) …/… [CAP Strategic Plan	The expenditure referred to in Article 5(2) and Article 6 may be financed by the Union only if **it has been effected by accredited paying agencies and**: ~~(a) it has been effected by accredited paying agencies,~~ (**a**~~b~~) it has been effected in accordance with the applicable Union rules, or (**b**~~c~~) as regards types of interventions referred to in	To clarify the text and make it more legible in accordance with the explanations on the intended meaning received from the Commission, in particular as regards the "or".

Article concerned	Current text	Possible new text	Reason
	Regulation], (i) it is matched by a corresponding reported output, and (ii) it has been effected in accordance with the applicable governance systems, not extending to the eligibility conditions for individual beneficiaries laid down in the national CAP Strategic Plans. Point (c)(i) of the first paragraph shall not apply to advances paid to beneficiaries under types of interventions referred to in Regulation (EU) No…/…[CAP Strategic Plan Regulation].	Regulation (EU) …/… [CAP Strategic Plan Regulation], (i) it is matched by a corresponding reported output, and (ii) it has been effected in accordance with the applicable governance systems, not extending to the eligibility conditions for individual beneficiaries laid down in the national CAP Strategic Plans. Point (~~c~~**b**)(i) of the first paragraph shall not apply to advances paid to beneficiaries under types of interventions referred to in Regulation (EU) No…/…[CAP Strategic Plan Regulation].	
Article 52 (2)	The Commission shall assess the amounts to be reduced on the basis of the difference between the annual expenditure declared for an intervention and the amount corresponding to the relevant reported output in accordance with the national CAP Strategic Plan and taking account of justifications provided by the Member State.	The Commission shall assess the amounts to be reduced on the basis of the difference between the annual expenditure declared for an intervention and the amount corresponding to the relevant reported output in accordance with the national CAP Strategic Plan and taking account of justifications provided by the Member State **in the Annual Performance Reports in accordance with Article 121 (4) of Regulation (EU) No…/… [CAP Strategic Plan Regulation].**	To give more details on the procedure in the basic act. The possibility of providing justifications already in the annual performance report is included here. Should be viewed in conjunction with the proposed changes to Article 121(4) of the SPR and Art 52(3) below.

Article concerned	Current text	Possible new text	Reason
Article 52 (3)	Before the adoption of the implementing act referred to in paragraph 1, the Commission shall give the Member State an opportunity to submit its comments and justify any differences.	Before the adoption of the implementing act referred to in paragraph 1, the Commission shall give the Member State an opportunity to submit its comments and justify any differences **within a period which shall not be more than 30 days.**	To include more details in the basic act and set a deadline for providing comments.
Article 75	***Scrutiny by Member States*** 1. Member States shall carry out systematic scrutiny of the commercial documents of undertakings taking account of the nature of the transactions to be scrutinised. Member States shall ensure that the selection of undertakings for scrutiny gives the best possible assurance of the effectiveness of the measures for preventing and detecting irregularities. The selection shall take account, inter alia, of the financial importance of the undertakings in that system and of other risk factors. 2. In appropriate cases, the scrutiny provided for in paragraph 1 shall be extended to natural and legal persons with whom undertakings are associated and to such other natural or legal persons as may be relevant for the pursuit of the objectives set out in Article 76.	***Scrutiny by Member States*** 1. Member States shall carry out systematic scrutiny of the commercial documents of undertakings taking account of the nature of the transactions to be scrutinised. Member States shall ensure that the selection of undertakings for scrutiny gives the best possible assurance of the effectiveness of the measures for preventing and detecting irregularities. The selection shall take account, inter alia, of the financial importance of the undertakings in that system and of other risk factors. 2. In appropriate cases, the scrutiny provided for in paragraph 1 shall be extended to natural and legal persons with whom undertakings are associated and to such other natural or legal persons as may be relevant for the pursuit of the objectives set out in Article 76. **3. The body or bodies responsible for the application of this Chapter shall be organised in such a way as to be independent of the departments or branches of departments**	The requirements for mutual assistance have been simplified in order to reduce the administrative burden e.g. no longer requiring a special department and reducing reporting requirements, taking into account the reduced relevant expenditure, but keeping the main principles as there will still be expenditure not covered by the CAP Strategic Plan Regulation. Article 80 is deleted but minimum requirements for a body responsible for the application of this chapter

Article concerned	Current text	Possible new text	Reason
	3. The scrutiny carried out pursuant to this Chapter shall not prejudice the checks undertaken pursuant to Articles 47 and 48.	**responsible for the payments and the checks carried out prior to payment.** **4**. The scrutiny carried out pursuant to this Chapter shall not prejudice the checks undertaken pursuant to Articles 47 and 48.	is inserted in art 75.
Article 78	***Mutual assistance*** 1. Member States shall assist each other for the purposes of carrying out the scrutiny provided for in this Chapter in the following cases: (a) where an undertaking or third party is established in a Member State other than that in which payment of the amount in question has or should have been made or received; (b) where an undertaking or third party is established in a Member State other than that in which the documents and information required for scrutiny are to be found.	***Mutual assistance*** 1. Member States shall assist each other for the purposes of carrying out the scrutiny provided for in this Chapter in the following cases: (a) where an undertaking or third party is established in a Member State other than that in which payment of the amount in question has or should have been made or received; (b) where an undertaking or third party is established in a Member State other than that in which the documents and information required for scrutiny are to be found. The Commission may coordinate joint actions	The requirements for mutual assistance have been simplified, but keeping the main principles.

Article concerned	Current text	Possible new text	Reason
	The Commission may coordinate joint actions involving mutual assistance between two or more Member States. 2. Member States shall send the Commission a list of undertakings established in a third country for which payment of the amount in question has or should have been made or received in that Member State. 3. If additional information is required in another Member State as part of the scrutiny of an undertaking in accordance with Article 75, and in particular cross-checks in accordance with Article 76, specific scrutiny requests may be made indicating the reasons for the request. The scrutiny request shall be fulfilled not later than six months after its receipt; the results of the scrutiny shall be communicated without delay to the requesting Member State.	involving mutual assistance between two or more Member States. ~~**2. Member States shall send the Commission a list of undertakings established in a third country for which payment of the amount in question has or should have been made or received in that Member State.**~~ **2**~~3~~. If additional information is required in another Member State as part of the scrutiny of an undertaking in accordance with Article 75, and in particular cross-checks in accordance with Article 76, specific scrutiny requests may be made indicating the reasons for the request. The scrutiny request shall be fulfilled not later than six months after its receipt; the results of the scrutiny shall be communicated without delay to the requesting Member State.	
Article 79	***Programming*** 1. Member States shall draw up	*Programming **and reporting*** 1. Member States shall draw up programmes	Article 81 is deleted but minimum requirements for

Article concerned	Current text	Possible new text	Reason
	programmes for scrutiny to be carried out pursuant to Article 75 during the subsequent scrutiny period. 2. Each year, before 15 April, Member States shall send the Commission their programme as referred to in paragraph 1 and shall specify: (a) the number of undertakings to be scrutinised and their breakdown by sector on the basis of the amounts relating to them; (b) the criteria adopted for drawing up the programme. 3. The programmes established by the Member States and forwarded to the Commission shall be implemented by the Member States, if, within eight weeks,	for scrutiny to be carried out pursuant to Article 75 during the subsequent scrutiny period. 2. Each year, before 15 April, Member States shall send the Commission**:** **(a)** their programme as referred to in paragraph 1 and shall specify: **(i)** the number of undertakings to be scrutinised and their breakdown by sector on the basis of the amounts relating to them; **(ii)** the criteria adopted for drawing up the programme. **(b) a detailed report on the application of this Chapter for the previous scrutiny period, including the results of the scrutiny carried out under Article 78 (3).** 3. The programmes established by the Member States and forwarded to the Commission shall be implemented by the	a report are inserted in Art 79. The programme and the report of previous periods have to be provided at the same time, in order to reduce administrative burden for Member States.

Article concerned	Current text	Possible new text	Reason
	the Commission has not made known its comments. 4. Paragraph 3 shall apply mutatis mutandis to the amendments to the programme made by the Member States. 5. At any stage, the Commission may request the inclusion of a particular category of undertaking in the programme of a Member States. 6. Undertakings for which the sum of the receipts or payments amounted to less than EUR 40 000 shall be scrutinised in accordance with this Chapter only for specific reasons to be indicated by the Member States in their annual programme referred to in paragraph 1 or by the Commission in any proposed amendment to that programme. The Commission is empowered to adopt delegated acts in accordance with Article 101 amending the threshold set out in the first subparagraph.	Member States, if, within eight weeks, the Commission has not made known its comments. 4. Paragraph 3 shall apply mutatis mutandis to the amendments to the programme made by the Member States. ~~**5. At any stage, the Commission may request the inclusion of a particular category of undertaking in the programme of a Member States.**~~ 6. Undertakings for which the sum of the receipts or payments amounted to less than EUR 40 000 shall be scrutinised in accordance with this Chapter only for specific reasons to be indicated by the Member States in their annual programme referred to in paragraph 1~~**or by the Commission in any proposed amendment to that programme**~~. The Commission is empowered to adopt delegated acts in accordance with Article 101 amending the threshold set out in the first subparagraph.	Simplification for the Member States. Simplification for the Member States.

Article concerned	Current text	Possible new text	Reason
Article 80		**Whole article deleted.**	The obligation of maintaining specialized departments completely dedicated to scrutiny has been deleted. This also reflects the expected reduction of amounts to be scrutinized ex-post.
Article 81		**Whole article deleted.**	Reporting obligations have been dramatically simplified (no quarterly reports anymore, only one annual report) and integrated in Article 79.
Article 83 (c)	the performance and coordination of joint actions referred to in Article 78(1);	the performance **~~and coordination~~** of joint actions referred to in Article 78(1);	
Article 83 (d)		**Deleted.**	
Article 83 (e)		**Deleted.**	Due to deletion of previous articles.
Article 83 (f)	the responsibilities of the special department referred to in Article 80;	the responsibilities of the ~~special department~~ **body or bodies** referred to in Article ~~80~~**75**(3)	
Article 83 (g)	the content of reports referred to in Article 81 and any other notification needed under this Chapter.	the content of reports referred to in Article **79 (2) (b)** and any other notification needed under this Chapter.	The implementing powers of the Commission have been reduced in order to simplify the overall system and make it more adapted with the amounts at stake. The proposed implementing powers are also reflecting the deletion

Article concerned	Current text	Possible new text	Reason
			of previous Articles.