



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 28.6.2006  
COM(2006)344 final

2006/0112(COD)

Proposal for a

**REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**

**amending Council Regulation (EEC) No 571/88 on the organisation of Community surveys on the structure of agricultural holdings, as regards the financial framework for the period 2007-2009 and the maximum Community contribution for Bulgaria and Romania**

(presented by the Commission)

## **EXPLANATORY MEMORANDUM**

In accordance with Council Regulation (EC) No 571/88, as last amended by Commission Regulation (EC) No 204/2006, the Member States are required to conduct a survey on the structure of agricultural holdings in 2007, as part of the multiannual programme of surveys covering the period up to 2007. Article 14 of this Regulation provides that the Member States will be reimbursed 20 ECU per holding for the expenses incurred in carrying out the surveys, subject to a maximum amount per survey.

The proposed Regulation lays down the financial framework for the remainder of this multiannual programme.

It also establishes the maximum Community contribution for the 2007 surveys to be carried out in Bulgaria and Romania. These maximum amounts are based on the number of agricultural holdings and the surface area of the countries concerned, to ensure that these countries are treated in a comparable manner to the current Member States.

Proposal for a

**REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**

**amending Council Regulation (EEC) No 571/88 on the organisation of Community surveys on the structure of agricultural holdings, as regards the financial framework for the period 2007-2009 and the maximum Community contribution for Bulgaria and Romania**

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 285(1) thereof,

Having regard to the Act of Accession of Bulgaria and Romania, and in particular Article 56 thereof,

Having regard to the proposal from the Commission<sup>1</sup>,

Acting in accordance with the procedure laid down in Article 251 of the Treaty<sup>2</sup>,

Whereas:

- (1) Council Regulation (EEC) No 571/88<sup>3</sup> provides for the Member States to be reimbursed up to a maximum amount per survey, as a contribution to expenses incurred.
- (2) In order to carry out the surveys on the structure of agricultural holdings, considerable funding will be required from the Member States and from the Community to meet the information requirements of the Community institutions.
- (3) With a view to the accession of Bulgaria and Romania and to conducting surveys on the structure of agricultural holdings in these new Member States in 2007, it is appropriate to provide for a maximum Community contribution per survey; this adaptation is needed by reason of accession and has not been provided for in the Act of Accession.

---

<sup>1</sup> OJ C , , p. .

<sup>2</sup> OJ C , , p. .

<sup>3</sup> OJ L 56, 2.3.1988, p. 1. Regulation as last amended by Commission Regulation (EC) No 204/2006 (OJ L 34, 7.2.2006, p. 3).

- (4) This Regulation lays down, for the remainder of the programme, a financial framework constituting the prime reference for the budgetary authority during the annual budgetary procedure, within the meaning of point 33 of the Interinstitutional Agreement of 6 May 1999 between the European Parliament, the Council and the Commission on budgetary discipline and improvement of the budgetary procedure<sup>4</sup>,

HAVE ADOPTED THIS REGULATION:

*Article 1*

Regulation (EEC) No 571/88 is amended as follows:

1. The following indent is added to the first subparagraph of Article 14(1):  
'- EUR 2 000 000 for Bulgaria and Romania.'
2. In Article 14, the third sub-paragraph of paragraph 1 is replaced by the following:  
"The financial framework for the implementation of this programme, including the appropriations necessary for the management of the Eurofarm project, shall be set at EUR 20.4 million for the period 2007-2009.  
  
The annual appropriations shall be authorised by the budgetary authority within the limits of the financial perspective."

*Article 2*

This Regulation shall enter into force on the twentieth day following its publication in the *Official Journal of the European Union*.

Article 1(1) shall apply as from 1 January 2007.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

*For the European Parliament*  
*The President*

*For the Council*  
*The President*

---

<sup>4</sup> OJ C 172, 18.6.1999, p. 1. Agreement as amended by Decision of the European Parliament and of the Council (OJ L 147, 14.6.2003, p 25).

## LEGISLATIVE FINANCIAL STATEMENT

### PRELIMINARY REMARK

This financial statement covers both the proposal and Council Regulation 2467/96 of 17 December 1996, which drew up the programme of surveys on the structure of agricultural holdings in the then EU-15 for the period 1998 to 2007.

In accordance with the Interinstitutional Agreement of 6 May 1999 between the European Parliament, the Council and the Commission on budgetary discipline and improvement of the budgetary procedure, the proposal contains a provision on the financial framework for the entire remainder of the programme.

It should be noted that, to make it possible to grant the Community contribution, the total cost of a given survey is spread over several years. Accordingly, the Community contribution for the 2007 survey is spread over the period 2006-2009.

Regulation (EC) No 1435/2004 of the European Parliament and of the Council of 22 June 2004 provides that:

“The amount for the period 2007-2009 will be fixed by the budgetary and legislative authority on a proposal from the Commission on the basis of the new financial perspective for the period commencing in 2007.”

The appropriations should also be adjusted to take into account the planned accession of Bulgaria and Romania from 2007 on.

The proposed framework covers part of the cost of the 2007 survey which will be carried out in EU-27 (some advance payments having been made in 2006) and certain expenditure for the 2005 survey carried out in EU-25.

### 1. NAME OF THE PROPOSAL:

Regulation of the European Parliament and of the Council amending Council Regulation (EEC) No 571/88 on the organisation of Community surveys on the structure of agricultural holdings, defining the financial framework for the period 2007-2009 and establishing the maximum Community contribution for Bulgaria and Romania.

### 2. ABM / ABB FRAMEWORK

Policy Area(s) concerned and associated Activity/Activities:

Policy strategy and coordination of policy area Agriculture and Rural Development.

### 3. BUDGET LINES

#### 3.1. Budget lines (operational lines and related technical and administrative assistance lines (ex- B.A lines)) including headings:

05.0802: Surveys of the structure of agricultural holdings

#### 3.2. Duration of the action and of the financial impact:

2007-2009

#### 3.3. Budgetary characteristics:

Budget line	Type of expenditure		New	EFTA contribution	Contributions from applicant countries	Heading in financial perspective
05.0802	Comp.	Diff.	NO	NO	NO	No

### 4. SUMMARY OF RESOURCES

#### 4.1. Financial Resources

##### 4.1.1. Summary of commitment appropriations (CA) and payment appropriations (PA)

EUR million (to 3 decimal places)

Expenditure type		Credits committed before 2007	2007	2008	2009	2010	Total	
							Without credits committed before 2007	With credits committed before 2007

##### Operational expenditure<sup>5</sup>

Commitment Appropriations (CA)	EU-25	15.400	15.000	0.850	0.550		<b>16.400</b>	31.800
	BG & RO	0	4.000				<b>4.000</b>	4.000
	EU-27	15.400	19.000	0.850	0.550		<b>20.400</b>	35.800
Payment Appropriations (PA)	EU-25	9.200	14.300	6.380	1.570	0.350	<b>22.600</b>	31.800
	BG & RO	0	2.400	1.600			<b>4.000</b>	4.000
	EU-27	9.200	16.700	7.980	1.570	0.350	<b>26.600</b>	35.800

<sup>5</sup> Expenditure that does not fall under Chapter xx 01 of the Title xx concerned.

### Administrative expenditure within reference amount<sup>6</sup>

Technical & administrative assistance (NDA)								
---	--	--	--	--	--	--	--	--

#### TOTAL REFERENCE AMOUNT

Commitment Appropriations (CA)	EU-25	15.400	15.000	0.850	0.550		<b>16.400</b>	31.800
	BG & RO	0	4.000				<b>4.000</b>	4.000
	EU-27	15.400	19.000	0.850	0.550		<b>20.400</b>	35.800
Payment Appropriations (PA)	EU-25	9.200	14.300	6.380	1.570	0.350	<b>22.600</b>	31.800
	BG & RO	0	2.400	1.600			<b>4.000</b>	4.000
	EU-27	9.200	16.700	7.980	1.570	0.350	<b>26.600</b>	35.800

#### Co-financing details

Article 14(1) of Council Regulation (EEC) No 571/88 of 29 February 1988 sets the maximum amount of the Community's contribution per Member State and the total financial allocation to the programme. The same Article stipulates that for carrying out the surveys on the structure of agricultural holdings "€20 per holding (...) shall be reimbursed up to a maximum per survey".

The Community's contribution covers only part of the total cost of the surveys and it is estimated at approximately 25% in the case of sample surveys. This contribution is necessary to offset part of the additional costs incurred by the Member States to meet the specific statistical requirements of the Commission and to ensure better harmonisation at Community level of collection methods, the characteristics to be surveyed and the dates of the surveys.

EUR million (to 3 decimal places)

Co-financing body		<i>Credits committed before 2007</i>	2007	2008	2009	2010	<i>Total</i>	
National Statistical Bodies	EU-25							
	BG & RO							
	EU-27							
TOTAL CA including co-financing	EU-25	15.400	15.000	0.850	0.550		<b>16.400</b>	31.800
	BG & RO	0	4.000				<b>4.000</b>	4.000
	EU-27	15.400	19.000	0.850	0.550		<b>20.400</b>	35.800

#### 4.1.2. Compatibility with Financial Programming

Proposal is compatible with existing financial programming.

<sup>6</sup> Expenditure within Article xx 01 04 of Title xx.

- Proposal will entail reprogramming of the relevant heading in the financial perspective.
- Proposal may require application of the provisions of the Interinstitutional Agreement<sup>7</sup> (i.e. flexibility instrument or revision of the financial perspective).

#### 4.1.3. Financial impact on Revenue

- Proposal has no financial implications on revenue
- Proposal has financial impact – the effect on revenue is as follows:

EUR million (to one decimal place)

Budget line	Revenue	Prior to action [Year n-1]	Situation following action							
			[Year n]	[n+1]	[n+2]	[n+3]	[n+4]	[n+5] <sub>8</sub>		
	<i>a) Revenue in absolute terms</i>									
	<i>b) Change in revenue</i>	$\Delta$								

#### 4.2. Human Resources FTE (including officials, temporary and external staff) – see detail under point 8.2.1.

Annual requirements	2007	2008	2009	2010	2011	2012 and later
Total number of human resources						

## 5. CHARACTERISTICS AND OBJECTIVES

### 5.1. Need to be met in the short or long term

The purpose of this measure is to part-finance the statistical surveys needed to monitor the structure of farms in the European Union.

<sup>7</sup> See points 19 and 24 of the Interinstitutional Agreement.

<sup>8</sup> Additional columns should be added if necessary, i.e. if the duration of the action exceeds 6 years.



Results of the farm structure surveys are controlled, stored, analysed and disseminated using the Eurofarm application.

**5.2. Value-added of Community involvement and coherence of the proposal with other financial instruments and possible synergy**

Up to 1990, the results of the Community farm structure surveys (that are conducted every two or three years) were stored in Eurostat as standard tables sent by Member States. Since 1990 Member States no longer send standard tables but submit individual farm records that are stored in the Eurofarm database. This is considered to be the most efficient way to make harmonised detailed information available within a very short time for ad-hoc analyses necessary for the management, evaluation and design of the common agricultural policy.

**5.3. Objectives, expected results and related indicators of the proposal in the context of the ABM framework**

The surveys on farm structures play a key role in agricultural statistics by providing at regular intervals (normally every two to three years) a large volume of statistics on the main socio-structural characteristics of Community agriculture (size of holdings, land use, agricultural manpower, technical and economic orientation, other gainful employment, type of occupancy, etc.). They are not only useful for shaping rural development policy but also have many uses in the context of managing agricultural markets and other policies (in particular, regional, social and environmental policy).

**5.4. Method of Implementation (indicative)**

**X Centralised Management**

**X** directly by the Commission

indirectly by delegation to:

executive Agencies

bodies set up by the Communities as referred to in Article 185 of the Financial Regulation

national public-sector bodies/bodies with public-service mission

**Shared or decentralised management**

with Member States

with third countries

**Joint management with international organisations (please specify)**

Relevant comments:

## **6. MONITORING AND EVALUATION**

### **6.1. Monitoring system**

The information collected is defined in a list of characteristics adopted by Commission decision after consultation of the Standing Committee for Agricultural Statistics.

### **6.2. Evaluation**

#### *6.2.1. Ex-ante evaluation*

The current Regulation requires Member States to communicate the results of the surveys in line with a pre-defined timetable and procedure. They also have to submit a technical report describing the organisation and methodology of the survey. In addition, when necessary, the Commission or the Member States can refer any issue to the Standing Committee for Agricultural Statistics.

Finally, every three years, the Commission must submit to the Council a report on the action taken and, in particular, on the operation of Eurofarm.

#### *6.2.2. Measures taken following an intermediate/ex-post evaluation (lessons learned from similar experiences in the past)*

#### *6.2.3. Terms and frequency of future evaluation*

## **7. ANTI-FRAUD MEASURES**

- (1) Contracts and agreements are paid only on the basis of results delivered.
- (2) Agreements with Member States state that they have to provide an audit report making it possible to estimate the share of the Community contribution in the total cost of the survey.
- (3) Statistical information is considered an objective instrument to support evaluation and monitoring of Community action plans. As such, it contributes to improving the anti-fraud system.

## 8. DETAILS OF RESOURCES

### 8.1. Objectives of the proposal in terms of their financial cost

Commitment appropriations in EUR million (to 3 decimal places)

	Type of output	Av. cost	2007		2008		2009		TOTAL	
			No. outputs	Total cost	No. outputs	Total cost	No. outputs	Total cost	No. outputs	Total cost
SURVEY 2007										
<b>EU-25</b>	Statistical data for individual farms	20 €	remainder	14.700		0.300				15.000
<b>BG &amp; RO</b>	Statistical data for individual farms	20 €	200 000	4.000						4.000
EUROFARM	Maintenance of the database and of validation, consultation and dissemination tools		1	0.300	1	0.550	1	0.550		1.400
<b>TOTAL COST</b>				19.000		0.850		0.550		20.400

## 8.2. Administrative Expenditure

### 8.2.1. Number and type of human resources

Types of post		Staff to be assigned to management of the action using existing and/or additional resources ( <b>number of posts/FTEs</b> )					
		Year n	Year n+1	Year n+2	Year n+3	Year n+4	Year n+5
Officials or temporary staff <sup>9</sup> (XX 01 01)	A*/AD						
	B*, C*/AST						
Staff financed <sup>10</sup> by Art. XX 01 02							
Other staff <sup>11</sup> financed by Art. XX 01 04/05							
<b>TOTAL</b>							

### 8.2.2. Description of tasks deriving from the action

### 8.2.3. Sources of human resources (statutory)

When more than one source is stated, please indicate the number of posts originating from each of the sources

- Posts currently allocated to the management of the programme to be replaced or extended
- Posts pre-allocated within the APS/PDB exercise for year n
- Posts to be requested in the next APS/PDB procedure
- Posts to be redeployed using existing resources within the managing service (internal redeployment)
- Posts required for year n although not foreseen in the APS/PDB exercise of the year in question

<sup>9</sup> Cost of which is NOT covered by the reference amount.

<sup>10</sup> Cost of which is NOT covered by the reference amount.

<sup>11</sup> Cost of which IS included within the reference amount.

8.2.4. *Other administrative expenditure included in reference amount (XX 01 04/05 – Expenditure on administrative management)*

EUR million (to 3 decimal places)

Budget line (number and heading)	Year n	Year n+1	Year n+2	Year n+3	Year n+4	Year n+5 and later	TOTAL
<b>1 Technical and administrative assistance (including related staff costs)</b>							
Executive agencies <sup>12</sup>							
Other technical and administrative assistance							
- <i>intra muros</i>							
- <i>extra muros</i>							
<b>Total Technical and administrative assistance</b>							

8.2.5. *Financial cost of human resources and associated costs not included in the reference amount*

EUR million (to 3 decimal places)

Type of human resources	Year n	Year n+1	Year n+2	Year n+3	Year n+4	Year n+5 and later
Officials and temporary staff (XX 01 01)						
Staff financed by Art XX 01 02 (auxiliary, END, contract staff, etc.)  (specify budget line)						
<b>Total cost of Human Resources and associated costs (NOT in reference amount)</b>						

<sup>12</sup> Reference should be made to the specific legislative financial statement for the Executive Agency(ies) concerned.

Calculation– *Officials and Temporary agents*

Reference should be made to Point 8.2.1, if applicable.

Calculation– Staff financed under Art. XX 01 02

Reference should be made to Point 8.2.1, if applicable.

8.2.6. *Other administrative expenditure not included in reference amount*

EUR million (to 3 decimal places)

	Year n	Year n+1	Year n+2	Year n+3	Year n+4	Year n+5 and later	TOTAL
XX 01 02 11 01 – Missions							
XX 01 02 11 02 – Meetings & Conferences							
XX 01 02 11 03 – Committees <sup>13</sup>							
XX 01 02 11 04 – Studies & consultations							
XX 01 02 11 05 - Information systems							
<b>2 Total Other Management Expenditure (XX 01 02 11)</b>							
<b>3 Other expenditure of an administrative nature</b> (specify including reference to budget line)							
<b>Total Administrative expenditure, other than human resources and associated costs (NOT included in reference amount)</b>							

Calculation - *Other administrative expenditure not included in reference amount*

<sup>13</sup> Specify the type of committee and the group to which it belongs.