



## Press Release

Luxembourg, 27 October 2016

### Cross-compliance: Commission cannot ensure system is effective, warn EU Auditors

**The European Commission does not currently have enough information to adequately assess whether cross-compliance rules under the Common Agricultural Policy are effective, according to a new report from the European Court of Auditors. The auditors found that performance indicators gave only a partial view, procedures remained complex and the Commission had no reliable cost estimate.**

Cross-compliance links agricultural subsidy payments to the environmental and other rules farmers have to follow. The auditors examined whether cross-compliance management and control systems were effective and whether they could be further simplified. They carried out two surveys among Paying Agencies and Farm Advisory Bodies and visited three Member States – Germany (Schleswig-Holstein), Spain (Catalonia) and the United Kingdom (Northern Ireland).

They concluded that the information available did not allow the Commission to adequately assess the effectiveness of cross-compliance. Despite changes to the Common Agricultural Policy (CAP) for 2014–2020, cross-compliance management and control systems could still be simplified, they said.

*“7.5 million farmers are subject to the cross-compliance rules”, said Mr Nikolaos Milionis, the Member of the European Court of Auditors responsible for the report. “But the Commission currently cannot be sure whether the system is contributing to a more sustainable and environmentally friendly agriculture in the EU.”*

The auditors found that performance indicators used by the Commission gave only a partial view of the effectiveness of cross-compliance. The indicators did not take into account the level of non-compliance by farmers. Furthermore, the Commission did not analyse the reasons for infringements or how to address them.

CAP changes for 2014–2020 did reduce the number of cross-compliance obligations for farmers by removing requirements not sufficiently relevant to farming activity, but procedures remained complex. Simplification measures, such as the small farmers’ scheme, have to be balanced against the need to achieve the objectives of cross compliance.

Farming practices under the new greening payment have similarities with previous standards of “good agricultural and environmental condition”. Consequently, say the auditors, there are currently two sets of complementary agricultural practices with the same objectives: maintenance of land and protection of bio-diversity. Despite their similarities, the rules are checked under two control systems. This may lead to inefficiencies in control systems and additional bureaucracy.

*The purpose of this press release is to convey the main messages of the special report adopted by the European Court of Auditors. The full report is on [www.eca.europa.eu](http://www.eca.europa.eu)*

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The costs of implementing cross-compliance are not sufficiently quantified, say the auditors. As long as the Commission does not have a reliable estimate of the overall cost at cross-compliance level, it cannot ensure that the cross-compliance system is cost-effective.

They also found that the sanction system did not ensure a sufficiently harmonised basis for calculating administrative penalties for EU farmers who did not comply with the rules. The application of the severity, extent, permanence and intentionality factors for similar cases varied significantly between Member States.

The auditors recommend that the Commission should:

- further develop its indicators for performance and compliance;
- improve information-sharing on infringements amongst its departments and take appropriate measures to address breaches;
- propose adapting the rules for on-the-spot checks to allow more effective targeting;
- promote synergies between the two systems operating with similar environmental objectives;
- develop a methodology by the end of 2018 to measure the costs of cross-compliance;
- encourage more harmonised penalties at EU level after 2020.

#### **Notes to Editors**

Cross-compliance links most CAP payments to farmers' compliance with basic rules for the environment, food safety, animal health and welfare, and good agricultural and environmental conditions. It currently applies to 7.5 million farmers who in 2015 received approximately €47 billion in aid. They represent 68 % of all farmers supported by CAP and receive 83 % of all payments. Small farmers are not included in these figures as they are not subject to administrative penalties if they do not comply with cross-compliance obligations. Society has high expectations that farmers receiving EU subsidies comply with the cross-compliance obligations.

Member States translate the EU-level rules into obligations at farmer level and verify whether farmers have fulfilled their obligations. The Commission is responsible for monitoring implementation.

Special Report No 26/2016: "Making cross-compliance more effective and achieving simplification remains challenging" is available in 23 EU languages.