



Press Release

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EU Auditors examine risk and crisis management tools to stabilise farmers' incomes

The European Court of Auditors is conducting an audit of risk and crisis management tools under the Common Agricultural Policy (CAP). The auditors will examine whether the measures in place deal effectively and efficiently with farmers' losses of income due to threats such as extreme weather, contagious diseases and political decisions, such as the Russian ban on imports from the EU.

The audit will focus on the risk management tools designed to transfer part of the risks faced by farmers to third parties, such as insurance companies and mutual funds, and also on the "exceptional measures" that help farmers faced with a crisis such as market imbalance, animal disease or loss of consumer confidence.

"Production losses and political decisions, such as the Russian import ban, directly affect farmers' incomes," said Samo Jereb, the Member of the European Court of Auditors responsible for the audit. "In the face of EU budget constraints and new priorities, as well as more extreme weather, the risk and crisis management framework for farming must be robust and coherent".

The audit will look at the European Commission's needs assessments for managing risks and dealing with crises. It will assess whether the risk and crisis management tools are well integrated and coordinated with one another and with national measures. It will also analyse EU risk management in practice, and the exceptional measures set up for the fruit and vegetable sector following the Russian import ban.

The auditors plan to visit several Member States and will hold meetings with CAP managing authorities and paying agencies as well as key stakeholders such as insurance companies and mutual funds. The audit report is expected to be published in mid-2019.

Notes to Editors

For Rural Development programming between 2014 and 2020, total public expenditure (Member State financing and EU co-financing) earmarked for insurance, mutual funds and income stabilisation amounts to €2 500 million.

2015-2017 EU expenditure for exceptional measures in the fruit and vegetable sector amounted to €459 million .

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