

Frequently Asked Questions on CAP Transparency

CAP transparency – what does it mean?

The Common Agricultural Policy reform from 2013 introduced new rules on transparency on beneficiaries of the CAP (Chapter IV of Regulation (EU) N° 1306/2013 of 17 December 2013).

The new legislation is more comprehensive: making information about the beneficiaries of CAP payments accessible to the public, together with details about the measures, the nature and purpose of the CAP payments.

Transparency and accountability as regards the use of public funds are essential for a modern Agricultural Policy: publication of details of CAP payments is therefore important and essential. Transparency needs to be balanced with respect for the private lives of beneficiaries and protection of personal data. The new rules enhance transparency regarding the use of Union funds in the common agricultural policy and improve the sound financial management of these funds by reinforcing public control of the money used.

Was there no transparency before?

The European Commission believes in the transparency of EU funding for investment in order to show how taxpayers' money is used under different policies. Figures for CAP spending were first published in 2008 as part of the Transparency Initiative, which covered a range of EU policy areas. Following a European Court ruling in 2010 about the justification of publishing data about natural persons, the 2013 CAP reform clarified and strengthened the rules on this issue.

What was the problem with the previous system? Why is it now Ok?

In 2010 the Court of Justice (Joined Cases C-92/09 and C-93/09) ruled that the CAP transparency rules infringed the principle of proportionality for "natural persons" (real human beings as opposed to a "legal person" which is a private or public organisation) and lacked details on the nature of the aid received. This meant that information about "natural persons" should no longer be published, while publication of information on "legal persons" could continue.

In the most recent CAP Reform negotiations the Commission sought to revise the rules in order to take into account the Court ruling. Indeed, this was part of the 2013 package, and the new rules on transparency on beneficiaries of the CAP are defined under Chapter IV, Articles 111-114 of [Regulation \(EU\) N° 1306/2013](#) on the financing, managing and monitoring of the CAP. The new rules apply to payments made from financial year 2014, as from 31st May 2015.

The new rules are more comprehensive with the aim of having a more efficient and transparent CAP. It provides for the publication of details about the measure entitling the beneficiary to receive aid, the nature and the purpose of the aid, which would provide concrete knowledge to the public on the type of subsidy and on the purpose for which the subsidy was granted. In other words, it gives a clearer indication of what the funding is for. There is also a clearer definition of what the search engine should facilitate.

What is published and who is in charge of publication?

Each Member State's Ministry of Agriculture is in charge of publishing the required information. These are the name of beneficiary, municipality, amount, and description and nature of the measure. The figures under the current CAP transparency rules cover payments to beneficiaries from the budget of the Common Agricultural Policy - both the European Agricultural Guarantee Fund (EAGF), notably Direct Payments or Market Measures, and the European Agricultural Fund for Rural Development (EAFRD), where there are a range of funding opportunities available – such as for structural investment, installation of young farmers or for agri-environment schemes. For co-funded measures, the amounts only refer to the portion coming from EU funds. The rules apply to payments made from financial year 2014, as from 31st May 2015. The 2014 budget year ran from 16 October 2013 to 15 October 2014.

Why doesn't the European Commission publish the figures?

The CAP budget is administered under "shared management" and so all the details are managed by the Member States. It is therefore up to the Member State Ministries of Agriculture to publish the figures, with a suitable search engine. On the [Commission website](#), you can find a link to the appropriate Member State webpages.

http://ec.europa.eu/agriculture/cap-funding/beneficiaries/shared/index_en.htm

Are all CAP beneficiaries included in the transparency rules?

In order to observe a balance between the objectives of transparency on the use of public money, and data privacy, it was decided that the details of beneficiaries should remain anonymous for amounts below a certain threshold. It was agreed that the threshold should be € 1 250, the same as the basic threshold defined under the Small Farmer Scheme. For purposes of research and analysis, the data will still be in the system, but the names and personal information excluded.

What happens if a Member State does not publish anything by May 31?

The Commission will verify that Member States respect the rules, starting with a quantitative assessment, followed over a longer period with a qualitative assessment. Any shortcomings will be taken up with the Member States, initially on a bilateral basis. Past experience indicated that there are frequently technical problems, but these were usually resolved within a matter of days. However, if problems persist and Member States fail to respect EU law, the Commission has the right to open infringement proceedings.

What other policy areas publish details of beneficiaries?

The Transparency Regulation implements the transparency rules embodied in the new Financial Regulation and in particular Article 35 (2) and (3) and the requirement that the specific situation of each sector must be taken into consideration when drawing up such rules, taking into account the supra-legislative nature of the Financial Regulation.

Around 80% of the EU budget is managed by national paying agencies or regional managing authorities under "shared management", and these are all covered under the Commission's Transparency Initiative. Each EU Member State is responsible for publishing data on the beneficiaries of the funds it administers. These data are published on national websites and, depending on the area of implementation, on the following websites:

- [Regional development](#) (European Regional Development Fund, Cohesion Fund): The linked websites are managed by the respective Member State who, under the rules governing the implementation of the funds 2014-2020 (EU No 1303/2013), must publish the name of the beneficiary, the activity and the amount of public funding allocated.
http://ec.europa.eu/regional_policy/en/atlas/beneficiaries/
- [Employment](#) (European Social Fund): Information on all direct beneficiaries of must be published by the Managing Authorities in the Member States under the rules governing the implementation of the funds. This information must contain the name of the beneficiary, the names of the operations and the amount of public funding allocated to the operations. <http://ec.europa.eu/esf/main.jsp?catId=31&langId=en>
- [Fisheries](#) (European Maritime & Fisheries Fund) : The European Maritime and Fisheries Fund (EMFF) and its predecessors the Financial Instrument for Fisheries Guidance (FIFG) and the European Fisheries Fund (EFF) are managed by national authorities under a system known as 'shared management'. Each year, countries that receive such funding were required to publish relevant information on their websites, including information on natural persons who are beneficiaries of the funds. Following the judgment of the Court of 9 November 2010, Regulation EMFF (EU) No 508/2014 establishes the obligation for managing authorities to publish information only on those beneficiaries of EMFF payments who are legal entities, and, in accordance with national law, on those who are natural

persons. http://ec.europa.eu/fisheries/contracts_and_funding/the_european_transparency_initiative/index_en.htm

How does the EU make sure that the money is well spent?

The Commission carries out a series of audits to verify that the Member States are properly implementing the regulations and are themselves checking all EU funds which are administered under shared management. If these audits of Member State controls find shortcomings, the Commission has the conformity clearance procedure to claw back funds from the Member States because of weaknesses in their control systems – see http://ec.europa.eu/agriculture/cap-funding/audit/index_en.htm

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