

## REPORT TO THE WALLOON PARLIAMENT

### Walloon Region: management of European funds under the common agricultural policy



The Belgian Court of Audit has examined how the Walloon Region manages both instruments providing financial support to the agricultural sector under the common agricultural policy (CAP), i.e. the European Agricultural Guarantee Fund (EAGF) and the European Agricultural Fund for Rural Development (EAFRD).

The European shares of the appropriations to be allocated to the EAGF and the EAFRD, which are channelled through the Walloon entity in charge of paying the CAP aid (OPW), appear neither to be registered in the special section of the regional budget nor, *a fortiori*, in the budget execution account.

Forty-three per cent of the expenditure cleared between 2015 and 2017 from the Walloon Public Department's account to the OPW's, i.e. 77.4 million euros, did not comply with the accrual accounting principle. Such way of charging the expenditure against the budget has a wrong negative impact on the budget result and the ESA budget balance of the Walloon Region for the years in question.

The continuing shortcomings in the implementation of the European programme for the distribution of milk, milk products and fruit and vegetables to children from nursery to primary school have resulted in the loss of EU financial resources.