From: B NEWTON [redacted]
Sent: 05 May 2013 14:34
To: [redacted]
Cc:
[redacted]

Subject: AMS

Dear [redacted]

The last meeting of the Joint Technical group confirmed that 31 Dec 2013 is the deadline for signing the final annual Financial Agreements under the AMS programme.Any sums remaining after that date will be lost However [redacted] was less than clear about the latest estimate of the overall disbursement . You may recall that there was an unexplained balance of c 123m Euros after a planned final year's allocation of 177m Euros. He suggested that this may be accounted for by the provision of some supplementary finance by sources other than the EU itself. Frankly this puzzles me and I am more inclined to the view that the EC intends to cut the AMS programme from the indicative allocation of 1.245m Euros which has been the headline number quoted by both ourselves and the EU .Whilst each country must fight its own battle on the final allocation and also on any likely shortfall from the administration of earlier tranches I think we need to flush the overall ACP answer out asap for a number of reasons.

- We are challenging the Commission's mythology that we have effectively received the total sum and have failed to use it properly to improve our sugar industry efficiencies . Our objection to this assertion is being pressed home in our last ditch attempt to extend beet quotas to 2020. If in addition to the very slow disbursement to date there is also a plan to reduce the approved sum this must be used in our lobbying and drawn to the attention of members of the trilogue

- Geo has drafted the Statement for the Joint Council and quite rightly has asked for the AMS data to be brought up to date for inclusion in the final document. The issue of a potential cut has not been addressed but is very relevant and should be incorporated.
- The Commission has ignored all our requests to consider a new AMS programme post 2013.This has not been a surprise . However if a cut is going to be enforced in the 2007/13 programme to fit an internal EU budget cut requirement (as stated by Mr Fotiadis in his letter of 21st December 2012 to Ambassador Gomes) it would seem worthwhile to seek the instatement of at least a similar sum in the 2013/20 Financial Perspective .
- Although I realise that some members are not comfortable at criticising the EU's differential treatment of the ACP/LDC as compared to its domestic obligations it is a fact that compensation payments for the consequences of the 2005 Reform on domestic growers processors and refiners were paid out in full and in cash a long time ago.

In addressing [redacted] (or if you wish [redacted]) there are some additional questions to ask

- If a cut is being made can he advise the specific country allocations being reduced. A complete tabulation by country to match those already published as Commission Decisions would be helpful
- The Commission Decision of 22nd Nov 2010 -C(2020) 8130 contained the amounts for 2011,2012,and 2013 were Euros 117 858 000,186 567 000, 189 553 000 respectively. The 6% cut for 2012 referred to by M Fotiadis amounts to c 11m Euros and the 177 m forecast for 2013 implies a cut of an additional 12.5m Euros. This still leaves a gap of c 100m Euros to explain
- Reference has been made to past temporary transfers from AMS to other funds eg Financing of Food Facility . It was promised that these would be returned to the AMS budget. Has it all happened?

I am going to be away for a couple of weeks from 9th. May. I leave you to pursue this and if you feel it helpful to raise with the Bureau.

Regards

Barry