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INFORMATION NOTE

From: General Secretariat of the Council

To: Permanent Representatives Committee/Council

Subject: Proposal for a Regulation of the European Parliament and of the Council laying down provisions for the management of expenditure relating to the food chain, animal health and animal welfare, and relating to plant health and plant reproductive material, amending Council Directives 98/56/EC, 2000/29/EC and 2008/90/EC, Regulations (EC) No 178/2002, (EC) No 882/2004 and (EC) No 396/2005, Directive 2009/128/EC and Regulation (EC) No 1107/2009 and repealing Council Decisions 66/399/EEC, 76/894/EEC and 2009/470/EC
- Outcome of the European Parliament's first reading
(Brussels, 2 to 3 April 2014)

I. INTRODUCTION

The Committee on Agriculture and Rural Development adopted 72 amendments to the proposal for a Regulation.

In accordance with the provisions of Article 294 of the TFEU and the joint declaration on practical arrangements for the codecision procedure ¹, a number of informal contacts took place between the Council, the European Parliament and the Commission with a view to reaching an agreement on this dossier at first reading, thereby avoiding the need for second reading and conciliation.

In this context, the Committee presented a further, compromise, amendment (amendment 73). This compromise amendment had been agreed during the informal contacts referred to above. It was intended to replace - rather than complement - the 72 amendments already submitted to the plenary.

II. VOTE

When it voted on 2 April 2014, the plenary adopted the compromise amendment (amendment 73). No other amendments were adopted.

The Commission's proposal as thus amended constitutes the Parliament's first-reading position, which is contained in its legislative resolution as set out in the Annex hereto ².

The Parliament's position reflects what had been previously agreed between the institutions. The Council should therefore be in a position to approve the Parliament's position.

¹ OJ C 145, 30.6.2007, p.5

² The version of the Parliament's position in the legislative resolution has been marked up to indicate the changes made by the amendments to the Commission's proposal. Additions to the Commission's text are highlighted in ***bold and italics***. The symbol "■" indicates deleted text.

**Management of expenditure relating to the food chain, animal health and animal welfare, and relating to plant health and plant reproductive material
***I**

European Parliament legislative resolution of 2 April 2014 on the proposal for a regulation of the European Parliament and of the Council laying down provisions for the management of expenditure relating to the food chain, animal health and animal welfare, and relating to plant health and plant reproductive material, amending Council Directives 98/56/EC, 2000/29/EC and 2008/90/EC, Regulations (EC) No 178/2002, (EC) No 882/2004 and (EC) No 396/2005, Directive 2009/128/EC and Regulation (EC) No 1107/2009 and repealing Council Decisions 66/399/EEC, 76/894/EEC and 2009/470/EC (COM(2013)0327 – C7-0167/2013 – 2013/0169(COD))

(Ordinary legislative procedure: first reading)

The European Parliament,

- having regard to the Commission proposal to Parliament and the Council (COM(2013)0327),
- having regard to Article 294(2), Article 43(2) and Article 168(4)(b) of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C7-0167/2013),
- having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
- having regard to the opinion of the European Economic and Social Committee of 16 October 2013¹,
- after consulting the Committee of the Regions,
- having regard to the undertaking given by the Council representative by letter of 5 February 2014 to approve Parliament's position, in accordance with Article 294(4) of the Treaty on the Functioning of the European Union,
- having regard to Rule 55 of its Rules of Procedure,
- having regard to the report of the Committee on Agriculture and Rural Development and the opinions of the Committee on Budgets and the Committee on the Environment, Public Health and Food Safety (A7-0424/2013),

1. Adopts its position at first reading hereinafter set out;
2. Takes note of the Commission statement annexed to this resolution;

¹ OJ C 67, 6.3.2014, p. 166.

3. Calls on the Commission to refer the matter to Parliament again if it intends to amend its proposal substantially or replace it with another text;
4. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

P7_TC1-COD(2013)0169

Position of the European Parliament adopted at first reading on 2 April 2014 with a view to the adoption of Regulation (EU) No .../2014 of the European Parliament and of the Council laying down provisions for the management of expenditure relating to the food chain, animal health and animal welfare, and relating to plant health and plant reproductive material, amending Council Directives 98/56/EC, 2000/29/EC and 2008/90/EC, Regulations (EC) No 178/2002, (EC) No 882/2004 and (EC) No 396/2005 of the European Parliament and of the Council, Directive 2009/128/EC of the European Parliament and of the Council and Regulation (EC) No 1107/2009 of the European Parliament and of the Council and repealing Council Decisions 66/399/EEC, 76/894/EEC and 2009/470/EC

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 43(2) and Article 168(4)(b) thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee¹,

Having consulted the Committee of the Regions

Acting in accordance with the ordinary legislative procedure²,

Whereas:

¹ OJ C 67, 6.3.2014, p.166.

² Position of the European Parliament of 2 April 2014.

- (1) Union *law* provides for requirements regarding food and food safety and feed and feed safety, at all stages of production, including rules that aim to guarantee fair practices in trade and the provision of information to consumers. It also lays down requirements regarding the prevention and control of transmissible diseases in animals and zoonoses, as well as requirements regarding animal welfare, animal by-products, plant health and plant reproductive material, the protection of plant varieties, genetically modified organisms, the placing on the market and use of plant protection products and the sustainable use of pesticides. Union *law* also provides for official controls and other official activities aimed at ensuring the effective implementation of and the compliance with those requirements.
- (2) The general objective of Union *law* in those areas is to contribute to a high level of health for humans, animals and plants along the food chain, a high level of protection and information for consumers and a high level of protection of the environment, while favouring competitiveness and creation of jobs.

- (3) The pursuit of that general objective requires appropriate financial resources. It is therefore necessary for the Union to contribute to the funding of measures undertaken in the different areas relating to that general objective. In addition, in order to efficiently target the use of the expenditure, specific objectives should be laid down and indicators should be set to assess the achievement of those objectives.
- (4) Union financing for expenditure relating to food and feed has, in the past, taken the form of grants, procurement and payments to international organisations active in the field. It is appropriate to continue such financing in the same manner.
- (5) *Union financing may also be used by Member States to support them in actions on plant or animal health for the control, prevention or eradication of pests or animal diseases to be carried out by organisations active in those fields.*

- (6) For reasons of budgetary discipline, it is necessary to lay down in this Regulation the list of eligible measures which may benefit from a Union contribution as well as the eligible costs and applicable rates.
- (7) ■ Taking into account *Council Regulation (EU, Euratom) No 1311/2013¹*, the maximum amount for expenditure in relation to food and feed during the whole period 2014 to 2020 is to be **EUR 1 891 936 000**.

¹ *Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020 (OJ L 347, 20.12.2013, p. 884).*

- (8) Furthermore, *Union-level funding should be provided in order to cope with* exceptional circumstances such as emergency situations related to animal and plant health, when the appropriations under budget heading 3 are insufficient but emergency measures are necessary. *Funding in order to cope with such crises should be mobilised by, for example, drawing on the flexibility instrument*, in accordance with the Interinstitutional Agreement of **2 December 2013** between the European Parliament, the Council and the Commission on *budgetary discipline, on* cooperation in budgetary matters and on sound financial management¹.
- (9) The *law* currently provides that some of the eligible costs are to be reimbursed at fixed rates. In relation to other costs, the law does not provide for limits on reimbursement. In order to rationalise and simplify the system, a fixed maximum rate for reimbursement should be set. It is appropriate to set that rate at the level which is usually applied to grants. It is also necessary to provide the possibility to raise that maximum rate in certain circumstances.

¹ OJ C 373, 20.12.2013, p. 1.

- (10) Due to the importance of achieving the objectives of this Regulation, it is appropriate to finance 100 % of the eligible costs for certain actions, provided that the implementation of those actions also implies incurring costs which are not eligible.
- (11) The Union is responsible for ensuring that funds are properly spent and for taking measures that respond to the need to simplify its spending programmes in order to reduce the administrative burden and the costs for the beneficiaries of funds and for all actors involved, in line with the Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions of 8 October 2010 entitled Smart Regulation in the European Union. ■
- (12) Union *law* requires Member States to implement certain measures when certain animal diseases or zoonoses occur or develop. Therefore, the Union should make a financial contribution to such emergency measures.

- (13) It is also necessary to reduce, by appropriate eradication, control and monitoring measures, the number of outbreaks of animal diseases and zoonoses which pose a risk to human and animal health, as well as to prevent the occurrence of such outbreaks. National programmes for the eradication, control and monitoring of those diseases and zoonoses should therefore benefit from Union funding.
- (14) For organisational and efficiency reasons in respect of the handling of funding in the animal and plant health areas, it is appropriate to lay down rules on content, submission, evaluation and approval of national programmes, including those implemented in the outermost regions of the Union referred to in Article 349 of the Treaty on the Functioning of the European Union ('TFEU'). For the same reasons, deadlines for reporting and filing of payment requests should also be laid down.

- (15) Council Directive 2000/29/EC¹ requires Member States to take certain emergency measures for the eradication of organisms harmful to plants or plant products ('pests'). The Union should make a financial contribution towards the eradication of those pests. A Union financial contribution should also be available, subject to certain conditions, for emergency measures aimed at containing the pests which have the most severe impact on the Union and which cannot be eradicated in certain zones and for prevention measures concerning those pests.

¹ Council Directive 2000/29/EC of 8 May 2000 on protective measures against the introduction into the Community of organisms harmful to plants or plant products and against their spread within the Community (OJ L 169, 10.7.2000, p. 1).

- (16) Emergency measures taken against pests should be eligible for Union co-financing provided that they lead to added value for the Union as a whole. For this reason, a Union financial contribution should be made available for pests listed in Section I of Part A of Annex I and Section I of Part A of Annex II to Directive 2000/29/EC under the heading "Harmful organisms not known to occur in any part of the Union and relevant for the entire Union". Where pests are known to occur in the Union, only measures relating to those of them which have the most severe impact on the Union should be eligible for a Union financial contribution. Such pests include *in particular those subject to the measures under Council Directive 69/464/EEC¹, 93/85/EEC², 98/57/EC³ or 2007/33/EC⁴. A Union financial contribution should also be made available for those pests which are not listed in Annex I or Annex II to Directive 2000/29/EC which are subject to national measures and which provisionally qualify for listing in Section I of Part A of Annex I to Directive 2000/29/EC or Section I of Part A of Annex II thereto.* Measures relating to pests subject to Union emergency measures that aim to eradicate them should also be eligible for a Union financial contribution.

¹ *Council Directive 69/464/EEC of 8 December 1969 on control of Potato Wart Disease (OJ L 323, 24.12.1969, p. 1).*

² *Council Directive 93/85/EEC of 4 October 1993 on the control of potato ring rot (OJ L 259, 18.10.1993, p. 1).*

³ *Council Directive 98/57/EC of 20 July 1998 on the control of *Ralstonia solanacearum* (Smith) Yabuuchi et al. (OJ L 235, 21.8.1998, p. 1).*

⁴ *Council Directive 2007/33/EC of 11 June 2007 on the control of potato cyst nematodes and repealing Directive 69/465/EEC (OJ L 156, 16.6.2007, p. 12).*

- (17) It is necessary to detect in a timely manner the presence of certain pests. Surveys of such presence carried out by Member States are essential to ensure the immediate eradication of outbreaks of those pests. The surveys carried out by individual Member States are essential to protecting the territory of all other Member States. The Union *may* contribute to the financing of those surveys *in general, on condition that their scope includes at least one of the two critical categories of pests, namely the pests which are not known to occur in the Union and the pests which are subject to Union emergency measures.*
- (18) *Union financing for measures in the field of animal and plant health should cover specific eligible costs. In exceptional and duly justified cases, it should also cover the costs incurred by the Member States in carrying out other necessary measures. Such measures may include the implementation of enhanced biosecurity measures in case of outbreak of disease or presence of pests, the destruction and transport of carcasses during eradication programmes, and the costs of compensation to owners resulting from emergency vaccination campaigns.*

- (19) The outermost regions of Member States experience difficulties caused by their remoteness and by their dependence on a limited number of products. It is appropriate for the Union to grant a financial contribution to Member States for programmes that they carry out for the control of pests in those outermost regions in line with the objectives of Regulation (EU) No 228/2013¹ of the European Parliament and of the Council¹. *Since certain outermost regions are subject to national rules specific for those regions instead of the Union rules laid down in Directive 2000/29/EC, that Union financial contribution should apply to the rules in force in those regions, regardless of whether they are Union rules or national rules.*

¹ Regulation (EU) No 228/2013 of the European Parliament and of the Council of 13 March 2013 laying down specific measures for agriculture in the outermost regions of the Union and repealing Council Regulation (EC) No 247/2006 (OJ L 78, 20.3.2013, p. 23).

(20) Official controls carried out by the Member States are an essential tool for verifying and monitoring that relevant Union requirements are being implemented, complied with and enforced. The effectiveness and efficiency of official control systems is vital for maintaining a high level of safety for humans, animals and plants along the food chain whilst ensuring a high level of protection of the environment. Union financial support should be made available for such control measures. In particular, a financial contribution should be available to Union reference laboratories in order to help them bear the costs arising from the implementation of work programmes approved by the Commission. Moreover, since the effectiveness of official controls also depends on the availability to the control authorities of well trained staff with an appropriate knowledge of Union *law*, the Union should be able to contribute to their training and relevant exchange programmes organised by competent authorities.

- (21) The efficient management of official controls depends on a rapid exchange of data and information related to those controls. In addition, the proper and harmonised implementation of the relevant rules depends on the setting up of efficient systems involving Member State competent authorities. Therefore the establishment and operation of databases and computerised information management systems for those purposes should also be eligible for financial contributions.
- (22) The Union should make funding available for the technical, scientific, coordination and communication activities necessary to ensure the correct implementation of Union *law* and to ensure the adaptation of the *law* to scientific, technological and societal developments. Funding should also be made available for projects that aim to improve the effectiveness and efficiency of official controls.

(23) Pursuant to Article 3 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ¹, any proposal submitted to the legislative authority containing derogations from the provisions of that Regulation is required to clearly indicate such derogations and to state the specific reasons justifying them. Therefore, given the specific nature of some of the objectives covered by this Regulation and since the respective competent authorities of the Member States are best placed to implement the activities associated with those objectives, those authorities should be considered to be identified beneficiaries for the purposes of Article 128(1) of Regulation (EU, Euratom) No 966/2012. It should therefore be possible to award grants to such authorities without prior publication of calls for proposals.

¹ Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 (OJ L 298, 26.10.2012, p. 1).

- (24) By way of derogation from Article 86 of Regulation (EU, Euratom) No 966/2012, and as an exception to the principle of non-retroactivity provided for in Article 130 thereof, the costs for the emergency measures covered by Articles 7 and 17 of this Regulation should be eligible from the date of notification of the occurrence of a disease or the presence of a pest by the Member State to the Commission due to the urgent and unforeseeable nature of those measures. The corresponding budgetary commitments and the payment of eligible expenditure should be made by the Commission, after assessment of the payment applications submitted by the Member States ■ .
- (25) It is of the utmost importance that such emergency measures are implemented immediately. It would therefore be counterproductive to exclude, from funding, those costs incurred prior to the submission of the grant application, as this would encourage Member States to focus their immediate efforts on the preparation of a grant application, instead of on the implementation of emergency measures.

- (26) Given the extent of the Union *law* in force concerning the implementation of eradication and surveillance measures and the technical limitations as regards other expertise available, the implementation of the measures covered by this Regulation needs to be carried out principally by the competent authorities of the Member States. It is therefore necessary, in certain cases, to co-finance the salary costs of the personnel of national administrations.
- (27) Programming allows coordination and prioritisation and thus contributes to the effective use of Union financial resources. In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission with regard to the adoption of work programmes for the implementation of certain measures provided for in this Regulation.
- (28) To ensure responsible and effective use of Union financial resources, the Commission should be allowed to check that Union funding is effectively used for the implementation of eligible measures either by on-the-spot checks or by documentary checks.
- (29) The financial interests of the Union should be protected throughout the expenditure cycle, including by the prevention, detection and investigation of irregularities and by the recovery of funds lost, wrongly paid or incorrectly used.

(30) *The list of animal diseases which qualify for funding under emergency measures is annexed to this Regulation and contains the animal diseases referred to in Articles 3(1), 4(1), 6(2) and 14(1) of Council Decision 2009/470/EC¹. In order to take account of the animal diseases which are required to be notified in accordance with Council Directive 82/894/EEC², and the diseases which are likely to constitute a new threat for the Union, the power to adopt acts in accordance with Article 290 TFEU should be delegated to the Commission, in respect of supplementing that list.*

¹ *Council Decision 2009/470/EC of 25 May 2009 on expenditure in the veterinary field (OJ L 155, 18.6.2009, p. 30).*

² *Council Directive 82/894/EEC of 21 December 1982 on the notification of animal diseases within the Community (OJ L 378, 31.12.1982, p. 58).*

- (31) *The lists of animal diseases and zoonoses which qualify for funding under the eradication, control and surveillance programmes are annexed to this Regulation and contain the animal diseases and zoonoses referred to in Annex I to Decision 2009/470/EC. In order to take account of the situations that are provoked by those animal diseases that have a significant impact on livestock production or trade, the development of zoonoses which pose a threat to humans, or new scientific or epidemiological developments, the power to adopt acts in accordance with Article 290 TFEU should be delegated to the Commission, in respect of supplementing those lists.*
- (32) *When adopting delegated acts under this Regulation, it is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level. The Commission, when preparing and drawing up delegated acts, should ensure a simultaneous, timely and appropriate transmission of relevant documents to the European Parliament and to the Council.*

(33) In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission with regard to the establishment *of annual and multiannual work programmes; of the financial contribution for emergency measures or where it is necessary to respond to unforeseeable developments; of procedures for the submission by Member States of applications, and of reports and requests for payments for the grants.* Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council **█**¹.

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(34) Union *law* should be implemented in such a way as to ensure that it delivers the intended benefits, in the light of experience. It is therefore appropriate for the Commission to evaluate the functioning and effectiveness of this Regulation and to communicate the results to the other institutions.

¹ Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by the Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).

(35) Different committees currently assist the Commission in the implementation of existing Union rules covered by this Regulation, in particular the Committees established by Council Decisions 66/399/EEC¹, 76/894/EEC², Council Directives 98/56/EC³, 2008/90/EC⁴, and by Regulation (EC) No 178/2002 of the European Parliament and of the Council⁵. It is appropriate to streamline the Committee procedure in this area. The Committee established by Article 58 of Regulation (EC) 178/2002 should be charged with the task of assisting the Commission in the exercise of its implementing powers in respect of the expenditure incurred in the relevant areas and the name of that Committee should be changed in order to reflect its increased responsibilities. Consequently, Decisions 66/399/EEC and 76/894/EEC should be repealed and Directives 98/56/EC and 2008/90/EC and Regulation (EC) No 178/2002 should be amended accordingly.

¹ Council Decision 66/399/EEC of 14 June 1966 setting up a Standing Committee on Seeds and Propagating Material for Agriculture, Horticulture and Forestry (OJ 125, 11.7.1966, p. 2289/66).

² Council Decision 76/894/EEC of 23 November 1976 establishing a Standing Committee on Plant Health (OJ L 340, 9.12.1976, p. 25).

³ Council Directive 98/56/EC of 20 July 1998 on the marketing of propagating material of ornamental plants (OJ L 226, 13.8.1998, p. 16).

⁴ Council Directive 2008/90/EC of 29 September 2008 on the marketing of fruit plant propagating material and fruit plants intended for fruit production (OJ L 267, 8.10.2008, p. 8).

⁵ Regulation (EC) No 178/2002 of the European Parliament and of the Council of 28 January 2002 laying down the general principles and requirements of food law, establishing the European Food Safety Authority and laying down procedures in matters of food safety (OJ L 31, 1.2.2002, p. 1).

(36) This Regulation replaces the provisions of Decision 2009/470/EC. It also replaces Articles 13c(5) and Articles 22 to 26 of Directive 2000/29/EC, Article 66 of Regulation (EC) No 882/2004¹ of the European Parliament and of the Council¹, Chapter VII of Regulation (EC) No 396/2005 of the European Parliament and of the Council², Article 22 of Directive 2009/128/EC of the European Parliament and of the Council³ and Article 76 of Regulation (EC) No 1107/2009 of the European Parliament and of the Council⁴. Consequently, Directive 2000/29/EC, Regulations (EC) No 882/2004 and (EC) No 396/2005, Directive 2009/128/EC and Regulation (EC) No 1107/2009 should be amended accordingly.

¹ Regulation (EC) No 882/2004 of 29 April 2004 of the European Parliament and of the Council on official controls performed to ensure the verification of compliance with feed and food law, animal health and animal welfare rules (OJ L 165, 30.4.2004, p. 1).

² Regulation (EC) 396/2005 of the European Parliament and of the Council of 23 February 2005 on maximum residue levels of pesticides in or on food and feed of plant and animal origin and amending Council Directive 91/414/EEC (OJ L 70, 16.3.2005, p. 1).

³ Directive 2009/128/EC of the European Parliament and of the Council of 21 October 2009 establishing a framework for Community action to achieve the sustainable use of pesticides (OJ L 309, 24.11.2009, p. 71).

⁴ Regulation (EC) No 1107/2009 of the European Parliament and of the Council of 21 October 2009 concerning the placing of the plant protection products on the market and repealing Council Directives 79/117/EEC and 91/414/EEC (OJ L 309, 24.11.2009, p. 1).

- (37) *The introduction of Union co-financing for costs incurred by Member States for compensation to owners for the value of destroyed plants, plant products or other objects subject to the measures referred to in Article 16 of Directive 2000/29/EC requires the development of guidelines on the conditions applicable as regards the limits of the market value of the crops and trees concerned. That introduction should therefore apply only from 1 January 2017,*

HAVE ADOPTED THIS REGULATION:

TITLE I
COMMON PROVISIONS

CHAPTER I
SUBJECT MATTER, SCOPE AND OBJECTIVES

Article 1
Subject matter and scope

This Regulation establishes provisions for the management of expenditure from the general budget of the European Union in the fields covered by Union rules:

- (a) governing food and food safety, at any stage of the production, processing, distribution and disposal of food, including rules aimed at guaranteeing fair practices in trade and protecting consumer interests and information, and the manufacture and use of materials and articles intended to come into contact with food;

- (b) governing feed and feed safety at any stage of the production, processing, distribution, disposal and use of feed, including rules aimed at guaranteeing fair practices in trade and protecting consumer interests and information;
- (c) laying down animal health requirements;
- (d) laying down welfare requirements for animals;
- (e) on protective measures against organisms harmful to plants or plant products as defined in *point (e) of Article 2(1) of Directive 2000/29/EC* ('pests');
- (f) on the production, with a view to placing on the market, and placing on the market of plant reproductive material;

- (g) laying down the requirements for placing on the market of plant protection products and the sustainable use of pesticides;
- (h) aiming to prevent and minimise risks to public and animal health arising from animal by-products and derived products;
- (i) governing the deliberate release into the environment of genetically modified organisms;
- (j) on the protection of intellectual property rights in relation to plant varieties and conservation and exchange of plant genetic resources.

Article 2
Objectives

1. The expenditure referred to in Article 1 shall aim to attain:
 - (a) the general objective of contributing to a high level of health for humans, animals and plants along the food chain and in related areas, ***by preventing and eradicating diseases and pests and by ensuring*** a high level of protection for consumers and the environment, while ***enhancing*** the competitiveness of the Union food and feed ***industry and*** favouring the creation of jobs;
 - (b) the following specific objectives:
 - (i) to contribute to a high level of safety of food and food production systems and of other products which may affect the safety of food, while improving the sustainability of food production;

- (ii) to contribute to achieving a higher animal health status for the Union and to support the improvement of the welfare of animals;
- (iii) to contribute to the timely detection of pests and their eradication where those pests have entered the Union;
- (iv) to contribute to improving the effectiveness, efficiency and reliability of official controls and other activities carried out with a view to the effective implementation of and compliance with the Union rules referred to in Article 1.

2. In order to measure the attainment of the specific objectives referred to in paragraph 1(b) the following indicators shall be used:

- (a) for the specific objective in paragraph 1(b)(i), a reduction in the number of cases of diseases in humans in the Union which are linked to food safety or zoonoses;

- (b) for the specific objective in paragraph 1(b)(ii):
 - (i) an increase in the number of Member States or their regions which are free from animal diseases in respect of which a financial contribution is granted;
 - (ii) an overall reduction of disease parameters such as incidence, prevalence and number of outbreaks;
- (c) for the specific objective in paragraph 1(b)(iii):
 - (i) the coverage of the Union territory by surveys for pests, in particular for pests not known to occur in the Union territory and pests considered to be most dangerous for the Union territory;
 - (ii) the time and success rate for the eradication of those pests;
- (d) for the specific objective in paragraph 1(b)(iv), a favourable trend in the results of controls in particular areas of concern carried out and reported on by Commission experts in the Member States.

CHAPTER II
FORMS OF FINANCING AND GENERAL FINANCIAL PROVISIONS

Article 3
Forms of financing

1. Union financing for the expenditure referred to in Article 1 shall be implemented in accordance with Regulation (EU, Euratom) No 966/2012.
2. When grants are awarded to the competent authorities of the Member States, they shall be considered to be identified beneficiaries within the meaning of Article 128(1) of Regulation (EU, Euratom) No 966/2012. Such grants may be awarded without a call for proposals.
3. The Union financial contribution for the measures referred to in this Regulation may also take the form of voluntary payments to international organisations, of which the Union is a member or in whose work it participates, that are active in the areas covered by the rules referred to in Article 1.

Article 4

Budget

1. The ceiling for the expenditure referred to in Article 1 for the period 2014 to 2020 shall be EUR 1 891 936 000 in current prices.
2. The ceiling referred to in paragraph 1 may also cover expenses relating to preparatory, monitoring, control, audit and evaluation activities which are required for the management and the achievement of the objectives, of the expenditure referred to in Article 1, in particular regarding studies and meetings of experts, the expenses linked to IT networks focusing on information processing and exchange, and all other costs of technical and administrative assistance incurred by the Commission for the management of that expenditure.

3. The ceiling may also cover the technical and administrative assistance expenses necessary to ensure the transition from actions adopted before to actions adopted after the entry into force of this Regulation. If necessary, appropriations may be entered in the budget beyond 2020 to cover similar expenses in order to enable the management of actions not yet completed by 31 December 2020.



Article 5

Maximum rates of grants

1. Where the Union financial contribution takes the form of a grant, it shall not exceed 50 % of the eligible costs.
2. The maximum rate referred to in paragraph 1 may be increased to 75 % of the eligible costs in respect of:
 - (a) cross-border activities implemented together by two or more Member States in order to control, *prevent* or eradicate pests or animal diseases;

- (b) Member States whose gross national income per inhabitant based on the latest Eurostat data is less than 90 % of the Union average.
3. The maximum rate referred to in paragraph 1 may be increased to 100 % of the eligible costs where the activities benefitting from the Union contribution ***concern the prevention and control of serious human, plant and animal health risks for the Union, and:***
- (a) ***are designed to avoid human casualties or major economic disruptions*** for the Union ***as a whole***;
- (b) are specific tasks ***which are indispensable*** for the Union ***as a whole*** as ***laid down*** by the Commission in the work programme adopted in accordance with Article 36(1); or
- (c) are implemented in third countries.

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TITLE II
FINANCIAL PROVISIONS

CHAPTER I
ANIMAL HEALTH

Section 1
Emergency Measures

Article 6
Eligible measures

1. Grants may be awarded to Member States up to the maximum rates set in Article 5(1) to (3) in respect of the measures taken as a result of the confirmation that one of the animal diseases listed pursuant to Article 7 has occurred, provided that the measures have been applied immediately and the applicable provisions laid down in the relevant Union *law* have been complied with. ***Such grants may also include costs incurred as a result of a suspected occurrence of such a disease, provided that the occurrence is subsequently confirmed.***

2. Grants may be awarded to Member States where, following the confirmation of the occurrence of one of the animal diseases listed pursuant to Article 7, two or more Member States collaborate closely to control the epidemic.
3. Grants may be awarded to Member States, third countries and international organisations in respect of protection measures taken in the case of a direct threat to the health status of the Union as a result of the occurrence or development, in the territory of a third country or a Member State, of one of the animal diseases and zoonoses listed pursuant to Articles 7 or 10.
4. Grants may be awarded to Member States where the Commission decides, at the request of a Member State, that they must establish stocks of biological products intended for the control of the animal diseases and zoonoses listed pursuant to Article 7 or 10.

5. A Union financial contribution may be awarded for the establishment of stocks of biological products or the acquisition of vaccine doses if the occurrence or the development in a third country or Member State of one of the animal diseases and zoonoses listed pursuant to Article 7 or 10 might constitute a threat to the Union.

Article 7

List of animal diseases

1. **■** The list of animal diseases which qualify for funding under Article 6 *is set out in Annex I*.
2. The Commission *shall be empowered to adopt delegated acts, in accordance with Article 40, in order to supplement* the list of animal diseases *referred to in* paragraph 1, taking into account the animal diseases which are required to be notified in accordance with Directive 82/894/EEC and the diseases which are likely to constitute a new threat for the Union due to their significant impact on:

- (a) human health;
- (b) animal health or animal welfare; or
- (c) the agricultural or aquaculture production or related sectors of the economy.



Article 8
Eligible costs

1. The following costs incurred by the Member States in carrying out the measures referred to in Article 6(1) may qualify for funding under that paragraph:
 - (a) costs of compensation to owners for the value of their animals slaughtered or culled, limited to the market value of *such* animals *if they had not been affected by the disease*;

- (b) *costs of slaughtering or culling the animals and related transport costs;*
- (c) costs of compensation to owners for the value of their destroyed products of animal origin, limited to the market value of those products immediately before *any suspicion of the disease arose or was confirmed;*
- (d) costs of cleaning, desinsectisation and disinfection of holdings and equipment, *based on the epidemiology and characteristics of the pathogen;*
- (e) costs for the *transport and the* destruction of the contaminated feeding stuffs and, where it can not be disinfected, contaminated equipment;

- (f) costs of purchase, *storage*, administration *or distribution* of vaccines *and baits* as well as the costs of *inoculation itself*, if the Commission decides or authorises such actions;
- (g) costs of transport *and disposal* of carcasses ■ ;
- (h) in exceptional and duly justified cases, any other costs essential for the eradication of the disease, as provided for in the financing decision referred to in Article 36(4) of this Regulation.

2. *As referred to in Article 130(1) of Regulation (EU, Euratom) No 966/2012, costs shall be eligible from the date of notification of the occurrence of the disease by the Member States to the Commission. Such costs may also include costs incurred as a result of a suspected occurrence of such a disease, provided that that occurrence is subsequently confirmed.*

3. ■ After assessment of the payment applications submitted by the Member States, the Commission shall make the corresponding budgetary commitments and shall pay the eligible expenditure.

Section 2

Programmes for the eradication, control and surveillance of animal diseases and zoonoses

Article 9

Eligible programmes

Grants may be awarded to Member States' annual or multiannual national programmes for the eradication, control and surveillance of the animal diseases and zoonoses listed pursuant to Article 10 (▮ 'national programmes').

Article 10

List of animal diseases and zoonoses

1. ▮ The list of animal diseases and zoonoses which qualify for grants under Article 9 *is set out in Annex II.*

2. The Commission *shall be empowered to adopt delegated acts, in accordance with Article 40, in order to supplement the list of animal diseases and zoonoses referred to in* paragraph 1 of this Article, taking into account:
- (a) the situation of animal diseases that have a significant impact on livestock production or trade;
 - (b) the development of zoonoses which pose a threat to humans; or
 - (c) new scientific or epidemiological developments.

■

Article 11
Eligible costs

The following costs incurred by the Member States in implementing the national programmes may qualify for grants under Article 9:

- (a) costs of sampling animals;
- (b) costs of tests, provided that they are limited to:
 - (i) costs of test kits, reagents, and consumables which are identifiable and specifically used for carrying out those tests;
 - (ii) costs of personnel, regardless of their status, directly involved in carrying out the tests;
- (c) costs of compensation to owners for the value of their animals slaughtered or culled **■**, limited to the market value of *such* animals *if* they had *not been affected by the disease*;

- (d) *costs of slaughtering or culling of the animals;*
- (e) costs of compensation to owners for the value of their destroyed products of animal origin, limited to the market value of those products immediately before *any suspicion of the disease arose or was confirmed;*
- (f) costs of purchase █, storage, *inoculation, administration or distribution* of vaccine doses or vaccine and baits *used* for █ the programmes;
█
- (g) costs of cleaning, disinfection, desinsectisation of the holding and equipment based on the epidemiology and characteristics of the pathogen; *and*
- (h) in exceptional and duly justified cases, the costs incurred in carrying out necessary measures other than those referred to in points (a) to (g), provided that such measures are set out in the grant decision referred to in Article 13(3) and (4).

For the purposes of point (c) of the first paragraph, the salvage value of the animals, if any, shall be deducted from the compensation.

For the purposes of point (d) of the first paragraph, the salvage value of heat-treated non-incubated eggs shall be deducted from the compensation.

Article 12

Content and submission of the national programmes

1. By 31 May, Member States shall submit to the Commission the national programmes which are due to start in the following year in respect of which they wish to apply for a grant.

National programmes submitted after 31 May shall not be eligible for financing in respect of the following year.

2. The national programmes shall contain at least the following:
 - (a) a description of the epidemiological situation of the animal disease or zoonosis before the date of the beginning of the programme;

- (b) a description and demarcation of the geographical and administrative areas in which the programme is to be applied;
- (c) the duration of the programme;
- (d) the measures to be implemented;
- (e) the estimated budget;
- (f) the targets to be attained by the completion date of the programme and the anticipated benefits thereof; *and*
- (g) appropriate indicators to measure the achievement of the targets of the programme.

In each multiannual national programme, the information referred to in points (b), (d), and (f) of the first subparagraph shall be provided for each year covered by the programme, *in the case of significant changes compared to the previous year. The information referred to in point (e) of that subparagraph shall be provided for each year covered by the programme.*

3. If the occurrence or the development of one of the animal diseases or zoonoses listed pursuant to Article 10 is likely to constitute a threat to the health status of the Union and in order to protect the Union from the introduction of one of those diseases or zoonoses, Member States may include in their national programmes measures to be implemented in territories of neighbouring third countries in cooperation with the authorities of those countries.

Article 13

Evaluation and approval of the national programmes

1. The Commission shall evaluate the national programmes taking into account the priorities and criteria set out in the annual or multiannual work programmes referred to in Article 36(1) **■** .
2. ***The Commission shall communicate to Member States by 30 November each year:***
 - (a) ***the list of national programmes technically approved and proposed for co-financing;***

- (b) *the provisional amount allocated to each programme;*
- (c) *the provisional maximum level of the Union financial contribution for each programme; and*
- (d) *any provisional conditions to which the Union financial contribution may be subject.*

3. The Commission shall approve the annual national programmes and associated funding by 31 January each year by means of a grant decision in relation to the measures implemented and the costs incurred from 1 January to 31 December of that year. Following submission of the intermediate reports as referred to in Article 14, the Commission may, if necessary, amend such decisions in relation to the whole eligibility period.
4. The Commission shall approve the multiannual national programmes and associated funding by 31 January of the first year of implementation by means of a grant decision in relation to the measures implemented and the costs incurred from 1 January of the first year of implementation until the end of the implementation period.

5. In the case of approval of multiannual national programmes in accordance with paragraph 4, budgetary commitments may be divided into annual instalments. Where budgetary commitments are so divided, the Commission shall commit the annual instalments taking into account the progress of the programmes, the estimated needs and the budget available.

Article 14 Reporting

For each approved annual or multiannual national programme, Member States shall submit to the Commission, by **30 April** each year, an annual detailed technical and financial report covering the previous year. That report shall include the results achieved, measured on the basis of the indicators referred to in Articles 12(2)(g) and a detailed account of eligible costs incurred.

In addition, for each approved annual national programme, Member States shall submit to the Commission, by 31 **August** each year, *an* intermediate financial **report**.

Article 15

Payments

The payment request for a given year in respect of a national programme shall be submitted by the Member State to the Commission by **30 April** of the following year.

The Commission shall pay the Union financial contribution for the eligible costs following appropriate verification of the reports referred to in Article 14.

CHAPTER II
PLANT HEALTH

Section 1
Emergency measures

Article 16
Eligible measures

1. Grants may be awarded to Member States up to the maximum rates set in Article 5(1) *to* (3) for the following measures against pests, subject to the conditions laid down in Article 17:
 - (a) measures to eradicate a pest from an infested area, taken by the competent authorities pursuant to Article 16(1) and (2) of Directive 2000/29/EC or pursuant to the Union measures adopted in accordance with Article 16(3) of that Directive;

- (b) measures to contain a pest, against which Union containment measures have been adopted pursuant to Article 16(3) of Directive 2000/29/EC, in an infested area from which that pest cannot be eradicated, where those measures are essential to protect the Union against further spread of that pest. Those measures shall exclusively concern the eradication of that pest from the buffer zone in case its presence is detected in that buffer zone;

- (c) additional protective measures taken against the spread of a pest, against which Union measures have been adopted pursuant to Article 16(3) of Directive 2000/29/EC, other than the eradication measures referred to in point (a) and the containment measures referred to in point (b), where those measures are essential to protect the Union against further spread of that pest.

Grants for measures referred to in points (a) and (b) of the first subparagraph may also be awarded for measures taken as a result of a suspected presence of such a pest, provided that that presence is subsequently confirmed.

2. Grants referred to in paragraph 1 may also be awarded to a Member State in whose territory the pests referred to in paragraph 1 are not present, where measures have been taken against the entry of those pests into the territory of that Member State because of their presence in a neighbouring Member State or third country immediately adjacent to its border.
3. *Grants may be awarded to Member States where, following the confirmation of the presence of one of the pests referred to in Article 17, two or more Member States collaborate closely in carrying out the measures referred to in paragraph 1.*
4. *Grants in respect of the measures referred to in points (a) to (c) of the first subparagraph of paragraph 1 may also be awarded to international organisations.*

Article 17
Conditions

The measures referred to in Article 16 may qualify for grants provided that they have been applied immediately and the applicable provisions laid down in the relevant Union law have been complied with, and provided that **■** one *or more* of the following conditions are fulfilled:

- (a) they concern pests listed in Section I of Part A of Annex I to Directive 2000/29/EC and Section I of Part A of Annex II thereto;
- (b) they *concern pests* covered by a measure adopted by the Commission pursuant to Article 16(3) of Directive 2000/29/EC;
- (c) *they concern pests for which measures have been adopted pursuant to Directives 69/464/EEC, 93/85/EEC, 98/57/EC or 2007/33/EC; or*

- (d) *they concern pests, not listed in Annex I or Annex II to Directive 2000/29/EC, which are subject to a measure adopted by the competent authority of a Member State pursuant to Article 16(2) of Directive 2000/29/EC and which provisionally qualify for listing in Section I of Part A of Annex I to Directive 2000/29/EC or Section I of Part A of Annex II thereto.*

For measures fulfilling the condition laid down in point (b) of the first paragraph, the grant shall not cover costs incurred after the expiry of the measure adopted by the Commission pursuant to Article 16(3) of Directive 2000/29/EC.

For measures fulfilling the condition laid down in point (d) of the first paragraph, the grant shall not cover costs incurred later than two years after the entry into force of the measure adopted by the competent authority of the Member State concerned, or incurred after the expiry of that measure.

Article 18

Eligible costs

1. The following costs incurred by Member States in carrying out the measures referred to in Article 16 may qualify for grants under that Article:
 - (a) costs of personnel, regardless of their status, directly involved in the measures, as well as costs of renting equipment, of consumables and of any other necessary materials, of treatment products, of *sampling* and of laboratory tests;
 - (b) costs of service contracts with third parties to execute part of the measures;
 - (c) costs of compensating the operators *or owners* concerned for *the treatment*, the destruction and subsequent removal of plants, of plant products and of other objects, and for the cleaning and disinfection of premises, land, water, soil, growing media, facilities, machinery and equipment;

- (d) *costs of compensating the owners concerned for the value of the destroyed plants, plant products or other objects subject to the measures referred to in Article 16 of Directive 2000/29/EC, limited to the market value of such plants, plant products and other objects as if they had not been affected by those measures; the salvage value, if any, shall be deducted from the compensation; and*
- (e) in exceptional and duly justified cases, the costs incurred in carrying out necessary measures other than those referred to in points (a) to (d), provided that such measures are set out in the financing decision referred to in Article 36(4).

The compensation to owners referred to in point (c) shall only be eligible if the measures have been carried out under the supervision of the competent authority.

2. *As referred to in Article 130(1) of Regulation (EU, Euratom) No 966/2012, costs shall be eligible from the date of notification of the presence of the pest by the Member States to the Commission. Such costs may also include costs incurred as a result of the suspected presence of that pest, provided that that presence is subsequently confirmed.*
3. **█** After assessment of the payment applications submitted by the Member States, the Commission shall make the corresponding budgetary commitments and the payment of eligible expenditure.

Section 2

Survey programmes concerning the presence of pests

Article 19

Eligible survey programmes

Grants may be awarded to Member States for annual and multiannual survey programmes that they carry out concerning the presence of pests (▮ 'survey programmes'), provided that those survey programmes comply with at least one of the following conditions:

- (a) they concern pests listed in Section I of Part A of Annex I to Directive 2000/29/EC and Section I of Part A of Annex II thereto;
- (b) they *concern pests* covered by a measure adopted by the Commission pursuant to Article 16(3) of Directive 2000/29/EC.

For the pests referred to in point (a) of the first paragraph of this Article, the survey programmes shall be based on an assessment of the risk of the entry, establishment and spread of those pests in the territory of the Member State concerned and shall as a minimum target the pests that pose the main risks and the main plant species that are exposed to those risks.

For measures fulfilling the condition laid down in point (b) of the first paragraph of this Article, the grant shall not cover costs incurred after the expiry of the measure adopted by the Commission pursuant to Article 16(3) of Directive 2000/29/EC.

Article 20
Eligible costs

The following costs incurred by the Member States in implementing the survey programmes referred to in Article 19 may qualify for grants under that Article:

- (a) costs for sampling;
- (b) costs of tests, provided that they are limited to:
 - (i) the costs of test kits, of reagents and of consumables which are identifiable and specifically used for carrying out the tests;
 - (ii) the costs of personnel, regardless of their status, directly involved in carrying out the tests;
- (c) in exceptional and duly justified cases, costs incurred in carrying out necessary measures other than those referred to in points (a) and (b), provided that such measures are set out in the grant decision referred to in Article 22(3) and (4).

Article 21

Content and submission of the survey programmes

1. By 31 May, Member States shall submit to the Commission the survey programmes which are due to start in the following year in respect of which they wish to apply for a grant.

Survey programmes submitted after 31 May shall not be eligible for financing in respect of the following year.

2. The survey programmes shall contain at least the following:
 - (a) the pests included in the programme;
 - (b) a description and demarcation of the geographical and administrative areas in which the programme is to be applied and a description of the status of those areas as regards the presence of the pests concerned;
 - (c) the duration of the programme;

- (d) the number of visual examinations, samples and tests scheduled for the pests and plants, plants products and other objects concerned;
- (e) the estimated budget;
- (f) the targets to be attained by the completion date of the programme and the anticipated benefits thereof; **and**
- (g) appropriate indicators to measure the achievement of the targets of the programme.

In each multiannual survey programme, the information referred to in points *(b)*, *(d)*, **and** *(f)* of the first subparagraph shall be provided for each year covered by the programme, ***in the case of significant changes compared to the previous year. The information referred to in point (e) of that subparagraph shall be provided for each year covered by the programme.***

Article 22

Evaluation and approval of the survey programmes

1. The Commission shall evaluate the survey programmes taking into account the priorities and criteria set out in the annual or multiannual work programmes referred to in Article 36(1) **■** .
2. ***The Commission shall communicate to Member States by 30 November each year:***
 - (a) *the list of survey programmes technically approved and proposed for co-financing;*
 - (b) *the provisional amount allocated to each programme;*
 - (c) *the provisional maximum level of the Union financial contribution for each programme; and*

(d) any provisional conditions to which the Union financial contribution may be subject.

3. The Commission shall approve the annual survey programmes and associated funding by 31 January each year by means of a grant decision in relation to the measures implemented and the costs incurred from 1 January to 31 December of that year. Following submission of the intermediate reports as referred to in Article 23, the Commission may, if necessary, amend such decisions in relation to the whole eligibility period.
4. The Commission shall approve the multiannual survey programmes and associated funding by 31 January of the first year of implementation by means of a grant decision in relation to the measures implemented and the costs incurred from 1 January of the first year of implementation until the end of the implementation period.

5. In the case of approval of multiannual survey programmes in accordance with paragraph 4, budgetary commitments may be divided into annual instalments. Where budgetary commitments are so divided, the Commission shall commit the annual instalments taking into account the progress of the programmes, the estimated needs and the budget available.

Article 23

Reporting

For each approved annual or multiannual survey programme, Member States shall submit to the Commission, by 30 April each year, an annual detailed technical and financial report covering the previous year. That report shall include the results achieved, measured on the basis of the indicators referred to in Articles 21(2)(g) and a detailed account of eligible costs incurred.

In addition, for each approved annual survey programme, Member States shall submit to the Commission, by 31 August each year, an intermediate financial report.

Article 24

Payments

The payment request for a given year in respect of a survey programme shall be submitted by the Member State to the Commission by 30 April of the following year.

The Commission shall pay the Union financial contribution for the eligible costs following appropriate verification of the reports referred to in Article 23.

Section 3

Programmes concerning the control of pests in outermost regions of the Union

Article 25

Eligible measures and eligible costs

1. Grants may be awarded to Member States for programmes that they carry out for the control of pests in the outermost regions of the Union referred to in Article 349 *TFEU* in line with the objectives set out in Article 2 of Regulation (EU) No 228/2013 ('programmes for the outermost regions'). Those grants shall concern activities necessary to ensure the correct implementation in those regions of the rules, *whether they are Union rules or national rules*, in force in those regions, on the control of pests.

2. The following costs incurred by Member States for programmes for the outermost regions may qualify for a Union financial contribution:
- (a) costs of personnel, regardless of their status, directly involved in the implementation of the measures, as well as the costs of renting equipment, of consumables and of treatment products;
 - (b) costs of service contracts with third parties to execute part of the measures;
 - (c) costs of sampling;
 - (d) costs of tests, provided that they are limited to:
 - (i) the costs of test kits, of reagents and of consumables which are identifiable and specifically used for carrying out the tests;
 - (ii) the costs of personnel, regardless of their status, directly involved in carrying out the tests.

Article 26

Content and submission of the programmes for the outermost regions

1. By 31 May Member States shall submit to the Commission the programmes for the outermost regions which are due to start in the following year in respect of which they wish to apply for a grant.

Programmes for the outermost regions submitted after 31 May shall not be eligible for financing in respect of the following year.

2. The programmes for the outermost regions shall contain at least the following:
 - (a) the pests included in the programme;
 - (b) a description and demarcation of the geographical and administrative areas in which the programme is to be applied and a description of the status of those areas as regards the presence of the pests concerned;

- (c) a technical analysis of the regional phytosanitary situation;
- (d) the duration of the programme;
- (e) the activities included in the programme and, where relevant, the number of visual examinations, samples and tests scheduled for the pests and plants, plants products and other objects concerned;
- (f) the estimated budget;
- (g) the targets to be attained by the completion date of the programme and the anticipated benefits thereof; **and**
- (h) appropriate indicators to measure the achievement of the targets of the programme.

In each multiannual programme for the outermost regions, the information referred to in points **(b)**, **(e)** **and** **(g)** of the first subparagraph shall be provided for each year covered by the programme, ***in the case of significant changes compared to the previous year. The information referred to in point (f) of that subparagraph shall be provided for each year covered by the programme.***

Article 27

Evaluation and approval of the programmes for the outermost regions

1. The programmes for the outermost regions shall be evaluated taking into account the priorities and criteria set out in the annual or multiannual work programmes referred to in Article 36(1).
2. ***The Commission shall communicate to Member States by 30 November each year:***
 - (a) *the list of programmes for the outermost regions technically approved and proposed for co-financing;*
 - (b) *the provisional amount allocated to each programme;*
 - (c) *the provisional maximum level of the Union financial contribution for each programme; and*
 - (d) *any provisional conditions to which the Union financial contribution may be subject.*

3. Annual programmes for the outermost regions and associated funding shall be approved by 31 January each year by means of a grant decision in relation to the measures implemented and the costs incurred from 1 January to 31 December of that year. Following submission of the intermediate reports as referred to in *Article 28*, the Commission may, if necessary, amend such decisions in relation to the whole eligibility period.
4. Multiannual programmes for the outermost regions and associated funding shall be approved by 31 January of the first year of implementation by means of a grant decision in relation to the measures implemented and the costs incurred from 1 January of the first year of implementation until the end of the implementation period.
5. In the case of approval of multiannual programmes for the outermost regions in accordance with paragraph 4, budgetary commitments may be divided into annual instalments. Where budgetary commitments are so divided, the Commission shall commit the annual instalments taking into account the progress of the programmes, the estimated needs and the budget available.

Article 28
Reporting

For each approved annual or multiannual programme for the outermost regions, Member States shall submit to the Commission, by 30 April each year, an annual detailed technical and financial report covering the previous year. That report shall include the results achieved, measured on the basis of the indicators referred to in point (h) of the first subparagraph of Article 26(2) and a detailed account of eligible costs incurred.

In addition, for each approved annual programme for the outermost regions, Member States shall submit to the Commission, by 31 August each year, an intermediate financial report.

Article 29
Payments

The payment request for a given year in respect of a programme for the outermost regions shall be submitted by the Member State to the Commission by 30 April of the following year.

The Commission shall pay the Union financial contribution for the eligible costs following appropriate verification of the reports referred to in Article 28.

CHAPTER III

FINANCIAL SUPPORT TO OFFICIAL CONTROLS AND OTHER ACTIVITIES

Article 30

European Union reference laboratories

1. Grants may be awarded to the European Union reference laboratories referred to in Article 32 of Regulation (EC) No 882/2004 for the costs that they incur in implementing the work programmes approved by the Commission.
2. The following costs may be eligible for grants under paragraph 1:
 - (a) costs of personnel, regardless of their status, directly involved in activities of the laboratories which are carried out in their capacity of Union reference laboratory;
 - (b) costs of capital equipment;
 - (c) cost of consumables;

(d) costs of shipment of samples, missions, meetings, training activities.

Article 31

Training

1. The Union may finance the training of the staff of the competent authorities responsible for official controls, as referred to in Article 51 of Regulation (EC) No 882/2004, in order to develop a harmonised approach to official controls and other official activities to ensure a high level of protection of human, animal and plant health **■** .
2. The Commission shall develop training programmes identifying the priorities for intervention, based on the identified risks for public health, animal health and welfare and plant health.
3. In order to be eligible for Union financing as referred to in paragraph 1, the competent authorities shall ensure that the knowledge acquired through the training activities referred to in that paragraph is disseminated as necessary and that it is appropriately used in the national training programmes.

4. The following costs may be eligible for the financial contribution referred to in paragraph 1:
- (a) cost of the organisation of the training, *including training that is also open to participants from third countries*, or exchange activities;
 - (b) costs of travel, ■ accommodation *and daily subsistence* of the personnel of the competent authorities taking part in the training.

Article 32

Experts from the Member States

A Union financial contribution may be granted for the travel, *accommodation* and daily subsistence expenses incurred by Member States' experts as a result of the Commission appointing them to assist its experts as provided for in Articles 45(1) and 46(1) of Regulation (EC) No 882/2004.

Article 33

Coordinated control plans and data collection

1. Grants may be awarded to Member States for the costs incurred for the implementation of the coordinated control plans referred to in Article 53 of Regulation (EC) No 882/2004 and for data collection.
2. The following costs may qualify for such grants:
 - (a) costs of *sampling and* laboratory tests,
 - (b) cost of equipment necessary to perform the official control and data collection tasks.

CHAPTER IV
OTHER MEASURES

Article 34

Information systems

1. The Union shall finance the establishment and operation of the data bases and computerised information management systems, managed by the Commission, which are necessary for the effective and efficient implementation of the rules referred to in Article 1.
2. A Union financial contribution may be granted for the establishment and management of data bases and computerised information management systems of third parties, including international organisations, provided that those data bases and computerised information management systems:
 - (a) have a proven added value for the Union as a whole and are available across the Union to all interested users; and
 - (b) are necessary for the effective and efficient implementation of the rules referred to in Article 1.

Article 35

Implementation and adaptation of the rules

1. The Union may finance technical and scientific work, including studies and coordination activities, necessary to ensure the correct implementation of the rules *in respect of the fields* referred to in Article 1 and the adaptation of those rules to scientific, technological and societal developments.

A Union financial contribution may also be granted to the Member States or international organisations operating in the *fields* referred to in Article 1 in order for them to undertake activities in support of the development and implementation of the rules *in respect of those fields*.

2. Grants may be awarded to projects organised by one or more Member States with the aim of improving, through the use of innovative techniques and protocols, the efficient performance of official controls.
3. A Union financial contribution may also be granted to support information and awareness raising initiatives *by the Union and Member States* aimed at ensuring improved, compliant and sustainable behaviour in the implementation of the rules *in respect of the fields* referred to in Article 1.

TITLE III
PROGRAMMING, IMPLEMENTATION AND CONTROL

Article 36

Work programmes *and financial contributions*

1. The Commission shall adopt implementing acts, establishing common or separate annual or multiannual work programmes for the implementation of the measures referred to in Title II, except for Section 1 of Chapter I and Section 1 of Chapter II thereof. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 41(2).

2. The work programmes referred to in paragraph 1 shall set out the *operational* objectives pursued, ***which shall be in accordance with the general and specific objectives laid down in Article 2***, the expected results, the method of implementation and their total amount. They shall also contain a description of the measures to be financed, an indication of the amount allocated to each measure and an indicative implementation timetable. In respect of grants, they shall include the *priority actions*, the **■** evaluation criteria, the funding rate ***and the indicative list of eligible measures and costs, in accordance with Article 3 of this Regulation.***

3. ***The work programmes for implementing the measures referred to in Section 2 of Chapter I of Title II, and in Section 2 and Section 3 of Chapter II of Title II shall be adopted by 30 of April of the year preceding their execution, provided that the draft budget is adopted. Those work programmes shall reflect the priorities as laid down in Annex III to this Regulation.***

4. With regard to the implementation of the *emergency* measures referred to in Section 1 of Chapter I of Title II and Section 1 of Chapter II of Title II, or where it is necessary to respond to unforeseeable developments, *the Commission shall adopt implementing acts, setting out its decision on the financial contribution. Those implementing acts shall be adopted*, in accordance with *the examination procedure referred to in Article 41(2)*.

5. *The Commission shall adopt implementing acts laying down the procedures for submission by Member States of applications, reports and requests for payments for the grants referred to in Sections 1 and 2 of Chapter I, and Sections 1, 2 and 3 of Chapter II of Title II. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 41(2).*

Article 37

On-the-spot checks by the Commission

The Commission may organise on-the-spot checks in Member States and at the premises of the beneficiaries with a view to verifying in particular:

- (a) the effective implementation of the measures benefitting from the Union financial contribution;
- (b) the compliance of administrative practices with Union rules;
- (c) the existence of the requisite supporting documents and their correlation with the measures benefitting from a Union contribution.

Article 38

Access to information

Member States and beneficiaries shall make available to the Commission all information necessary for verifying the implementation of the measures and shall take all appropriate measures to facilitate the checks which the Commission deems to be appropriate in connection with the management of Union financing, including on-the-spot checks.

Article 39

Protection of the Union's financial interests

1. The Commission shall take appropriate measures ensuring that, when measures financed under this Regulation are implemented, the financial interests of the Union are protected by the application of preventive measures against fraud, corruption and any other illegal activities, by effective checks and, where irregularities are detected, by the recovery of the amounts wrongly paid and, where appropriate, by effective, proportionate and dissuasive penalties.

2. The Commission, or its representatives, and the Court of Auditors shall have the power of audit, on the basis of documents and on-the-spot, over all grant beneficiaries, implementing bodies, contractors and subcontractors who have received Union funds under this Regulation.

The European Anti-Fraud Office (OLAF) shall be authorised to carry out on-the-spot checks and inspections on economic operators concerned directly or indirectly by such funding in accordance with the procedures laid down in Council Regulation (Euratom, EC) No 2185/96¹ with a view to establishing whether there has been fraud, corruption or any other illegal activity affecting the financial interests of the Union in connection with a grant agreement or decision or a contract concerning Union funding.

¹ ***Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities*** (OJ L 292, 15.11.1996, p. 2).

Without prejudice to the first and the second subparagraphs, cooperation agreements with third countries and international organisations, grant agreements, grant decisions and contracts resulting from the implementation of this Regulation shall expressly entitle the Commission, the Court of Auditors and OLAF to conduct such audits, on-the-spot checks and inspections.

TITLE IV
GENERAL AND FINAL PROVISIONS

Article 40

Exercise of the delegation

1. *The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.*

2. *The power to adopt delegated acts referred to in Article 7(2) and Article 10(2) shall be conferred on the Commission for a period of seven years from ...^{*}. The Commission shall draw up a report in respect of the delegation of power not later than nine months before the end of the seven-year period. The delegation of power shall be tacitly extended for periods of an identical duration, unless the European Parliament or the Council opposes such extension not later than three months before the end of each period.*

^{*} OJ: Please insert date: date of entry into force of this Regulation.

3. *The delegation of power referred to in Article 7(2) and Article 10(2) may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.*
4. *As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.*
5. *A delegated act adopted pursuant to Article 7(2) and Article 10(2) shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.*

Article 41
Committee procedure

1. The Commission shall be assisted by the Standing Committee on Plants, Animals, Food and Feed established by Article 58(1) of Regulation (EC) No 178/2002. That Committee shall be a committee within the meaning of Regulation (EU) No 182/2011.



2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.

Where the opinion of the committee is to be obtained by written procedure, that procedure shall be terminated without result when, within the time-limit for delivery of the opinion, the chair of the committee so decides or a simple majority of committee members so requests.

1. **By 30 June 2017 the Commission shall establish and present to the European Parliament and to the Council a mid-term** evaluation report **■** on whether, in terms of their results and impacts, the measures referred to in Chapters I and II of Title II and in Articles 30 and 31 of Chapter III achieve the objectives set out in Article 2(1), as regards the efficiency of the use of resources and its added value, at Union level. The evaluation report shall also address the scope for simplification, the continued relevance of all objectives, and the contribution of the measures to the Union priorities of smart, sustainable and inclusive growth. It shall take into account evaluation results on the long-term impact of the predecessor measures. ***The report shall be accompanied, if appropriate, by a legislative proposal to amend this Regulation.***

2. By 30 June 2022 the Commission shall carry out an ex-post evaluation of the measures referred to in paragraph 1 of this Article in close cooperation with the Member States. That ex-post evaluation shall examine the effectiveness and efficiency of the expenditure referred to in Article 1 and its impact.
3. The evaluations referred to in paragraphs 1 and 2 of this Article shall take account of the progress made by using the indicators referred to in Article 2(2).
4. The Commission shall communicate the conclusions of the evaluations referred to in paragraphs 1 and 2 to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions.

Article 43

Information, communication and publicity

1. Where appropriate, beneficiaries and Member States concerned shall ensure that suitable publicity is given to financial contributions granted under this Regulation in order to inform the public of the role of the Union in the funding of the measures.
2. The Commission shall implement information and communication actions on the measures funded and results. Moreover, budget allocated to communication under this Regulation shall also cover corporate communication on the political priorities of the Union.

Article 44

Repeals

1. Decisions 66/399/EEC, 76/894/EEC and 2009/470/EC are repealed.
2. References to Decisions 66/399/EEC and 76/894/EEC shall be construed as references to Article 58(1) of Regulation (EC) No 178/2002.
3. References to Decision 2009/470/EC shall be construed as references to this Regulation.

Article 45

Transitional provisions

- 1. The Member States' national programmes referred to in Article 12(1) of this Regulation, submitted to the Commission in 2012 for implementation in 2013, those submitted in 2013 for implementation in 2014, and those submitted by 30 April 2014 for implementation in 2015, shall, if approved, be eligible for Union funding on the basis of Article 27 of Decision 2009/470/EC.***

For national programmes implemented in 2013 and 2014, Article 27(7) and (8) of that Decision shall continue to apply.

For national programmes implemented in 2015, Article 27(2) of that Decision shall continue to apply.

- 2. The survey programmes of Member States referred to in Article 21(1) of this Regulation, submitted to the Commission by 30 April 2014 for implementation in the year 2015, shall be eligible for Union funding on the basis of Article 23(6) of Directive 2000/29/EC. For those survey programmes, Article 23(6) of that Directive shall continue to apply.***

3. *For applications of Member States for Union funding for the emergency measures referred to in Article 16 of this Regulation, submitted to the Commission by 30 April 2014, Articles 22 to 24 of Directive 2000/29/EC shall continue to apply.*

Article 46

Amendment of Directive 98/56/EC

Directive 98/56/EC is amended as follows:

- (1) In Article 17, paragraph 1 is replaced by the following:

- '1. The Commission shall be assisted by the Standing Committee on Plants, Animals, Food and Feed established by Article 58(1) of Regulation (EC) No 178/2002 of the European Parliament and of the Council*. That Committee shall be a committee within the meaning of Regulation (EU) No 182/2011 of the European Parliament and of the Council **.

* Regulation (EC) No 178/2002 of the European Parliament and of the Council of 28 January 2002 laying down the general principles and requirements of food law, establishing the European Food Safety Authority and laying down procedures in matters of food safety (OJ L 31, 1.2.2002, p. 1).

** Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by the Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).'

(2) In Article 18, paragraph 1 is replaced by the following:

- '1. The Commission shall be assisted by the Standing Committee on Plants, Animals, Food and Feed established by Article 58(1) of Regulation (EC) No 178/2002. That Committee shall be a committee within the meaning of Regulation (EU) No 182/2011.'

Article 47

Amendment of Directive 2000/29/EC

Directive 2000/29/EC is amended as follows:

(1) In Article 13c, paragraph 5 is deleted.

(2) ***The following Article is inserted:***

'Article 15a

Member States shall provide that anyone who becomes aware of the presence of a pest listed in Annex I or Annex II or a pest covered by a measure pursuant to Article 16(2) or 16(3), or has reason to suspect such a presence, shall notify, in writing, the competent authority within ten calendar days, and, if so requested by that competent authority, shall provide the information concerning that presence which is in its possession.'

(3) Articles 22 to 26 are deleted.

Article 48

Amendment of Regulation (EC) No 178/2002

In Article 58 of Regulation (EC) No 178/2002, paragraph 1 is replaced by the following:

- '1. The Commission shall be assisted by a Standing Committee on Plants, Animals, Food and Feed, hereinafter referred to as the 'Committee'. That Committee shall be a committee within the meaning of Regulation (EU) No 182/2011 of the European Parliament and of the Council*. The Committee shall be organised in sections to deal with all relevant matters.

All references in Union *law* to the Standing Committee on the Food Chain and Animal Health shall be construed as references to the Committee referred to in the first subparagraph.

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- * Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by the Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13). '

Article 49

Amendment of Regulation (EC) No 882/2004

Article 66 of Regulation (EC) No 882/2004 is deleted.

Article 50

Amendment of Regulation (EC) No 396/2005

Chapter VII of Regulation (EC) No 396/2005 is deleted.

Article 51

Amendment of Directive 2008/90/EC

In Article 19 of Directive 2008/90/EC, paragraph 1 is replaced by the following:

- '1. The Commission shall be assisted by the Standing Committee on Plants, Animals, Food and Feed established by Article 58(1) of Regulation (EC) No 178/2002 of the European Parliament and of the Council*. That Committee shall be a committee within the meaning of Regulation (EU) No 182/2011 of the European Parliament and of the Council**.

* Regulation (EC) No 178/2002 of the European Parliament and of the Council of 28 January 2002 laying down the general principles and requirements of food law, establishing the European Food Safety Authority and laying down procedures in matters of food safety (OJ L 31, 1.2.2002, p. 1).

** Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by the Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).'

Article 52

Amendment of Directive 2009/128/EC

Article 22 of Directive 2009/128/EC is deleted.

Article 53

Amendment of Regulation (EC) No 1107/2009

Article 76 of Regulation (EC) No 1107/2009 is deleted.

Article 54

Entry into force and application

This Regulation shall enter into force on the third day following that of its publication in the *Official Journal of the European Union*.

It shall apply from ...*.

However, point (d) of Article 18(1) and point (2) of Article 47 shall apply from 1 January 2017.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at ...,

For the European Parliament

For the Council

The President

The President

*

OJ: please insert the date of entry into force of this Regulation.

ANNEX I

Animal diseases referred to in Article 7

- *Rinderpest cattle plague*
- *Sheep and goat plague*
- *Swine vesicular disease*
- *Bluetongue*
- *Teschen disease*
- *Sheep pox or goat pox*
- *Rift Valley fever*
- *Lumpy skin disease*
- *African horse sickness*

- *Vesicular stomatitis*
- *Venezuelan equine viral encephalomyelitis*
- *Haemorrhagic disease of deer*
- *Classical swine fever*
- *African swine fever*
- *Contagious bovine pleuropneumonia*
- *Avian influenza*
- *Newcastle disease*
- *Foot-and-mouth disease*
- *Epizootic haematopoietic necrosis in fish (EHN)*

- *Epizootic ulcerative syndrome in fish (EUS)*
- *Infection with Bonamia exitiosa*
- *Infection with Perkinsus marinus*
- *Infection with Microcytos mackini*
- *Taura syndrome in crustaceans*
- *Yellowhead disease in crustaceans*

ANNEX II

Animal diseases and zoonoses referred to in Article 10

- *Bovine tuberculosis*
- *Bovine brucellosis*
- *Ovine and caprine brucellosis (B. melitensis)*
- *Bluetongue in endemic or high risk areas*
- *African swine fever*
- *Swine vesicular disease*
- *Classical swine fever*
- *Anthrax*
- *Contagious bovine pleuropneumonia*

- *Avian influenza*
- *Rabies*
- *Echinococcosis*
- *Transmissible spongiform encephalopathies (TSE)*
- *Campylobacteriosis*
- *Listeriosis*
- *Salmonellosis (zoonotic salmonella)*
- *Trichinellosis*
- *Verotoxigenic E. coli*
- *Viral haemorrhagic septicæmia (VHS)*

- *Infectious haematopoietic necrosis (IHN)*
- *Koi herpes virus disease (KHV)*
- *Infectious salmon anaemia (ISA)*
- *Infection with *Marteilia refringens**
- *Infection with *Bonamia ostreae**
- *White spot disease in crustaceans*

ANNEX III

Priorities for the Commission work programmes referred to in Section 2 of Chapter I of Title II, and in Section 2 and Section 3 of Chapter II of Title II

Priorities for Union financial support, as regards the orientation of national programmes for the eradication, control and surveillance of animal diseases and zoonoses:

- ***diseases with impact on human health;***
- ***diseases with impact on animal health, taking into consideration their potential spread and the morbidity and mortality rates in animal population;***
- ***diseases and zoonoses which risk being introduced and / or re-introduced into the Union territory from third countries;***
- ***diseases which have the potential to generate a crisis situation with serious economic consequences;***
- ***diseases with impact on trade with third countries and intra-EU trade.***

Priorities for Union financial support, as regards the orientation of national programmes for pest surveys for the protection of the Union territory:

- *pests listed in Section I of Part A of Annex I and Section I of Part A of Annex II to Directive 2000/29/EC as not known to occur in the Union territory;*
- *pests subject to Union measures adopted pursuant to Article 16(3) of Directive 2000/29/EC;*
- *pests which are not listed in Directive 2000/29/EC and represent an imminent danger to the Union territory;*
- *pests which have the potential to generate a crisis situation with serious economic and environmental consequences;*
- *pests with impact on trade with third countries and intra-EU trade.*

Priorities for Union financial support, as regards the orientation of national programmes for outermost regions:

- measures against pests associated with the imports into and the climate in those regions;*
- methods for combating those pests;*
- measures against pests listed pursuant to the rules on pests of plants in force in those regions.*

STATEMENT FROM THE COMMISSION*

on the procedures for the approval of veterinary and phytosanitary programmes

In order to better inform the Member States, the Commission will arrange an annual meeting of the Standing Committee on Plants, Animals, Food and Feed which shall focus on the outcome of the evaluation procedure of programmes. That meeting will take place no later than 30 November of the year preceding the implementation of the programmes.

In connection with that meeting, the Commission will present the list of the programmes technically approved and proposed for co-financing. Both financial and technical details will be discussed with the national delegations, and their comments will be considered.

In addition, before taking its final decision thereon, the Commission will, during a meeting of the Standing Committee on Plants, Animals, Food and Feed in January, communicate to the Member States the final list of programmes selected for co-financing and the final amount allocated to each programme.

Preparatory work for the design of the work programme for the implementation of the measures referred to in Articles 9, 19 and 25 will be carried out with experts of Member States in early February of each year in order to give Member States the relevant information to establish the eradication and surveillance programmes.

* OJ, please publish this statement with this Regulation in the L series of the *Official Journal of the European Union*.