

Management of expenditure relating to the food chain, animal health, animal welfare, plant health and plant reproductive material, 2014-2020

2013/0169(COD) - 15/05/2014 - Final act

PURPOSE: to provide for the scope and objectives for food and feed expenditure and to modernise the financial provisions for this area.

LEGISLATIVE ACT: Regulation (EU) No 652/2014 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.

CONTENT: this Regulation offers a **framework** to finance measures provided for under the animal health policy, the plant health regime, the regime for production and making available on the market of plant reproductive material and the rules which govern official controls. It replaces the financial provisions currently laid down in multiple legal texts by one single financial framework which optimises the implementation and the functioning of financial management of expenditure in the field of food and feed.

Budget and objectives of expenditure: the ceiling for the expenditure for the period 2014 to 2020 shall be **EUR 1 891 936 000** in current prices

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.

The **specific objectives** aim to (i) contribute to a high level of safety of food and food production systems; (ii) improve the welfare of animals; (iii) detect pests and eradicate where those pests have entered the Union; (iv) improve 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.

These objectives are accompanied by **indicators**.

Measures and eligible costs: where the Union financial contribution takes the form of a grant, it shall not exceed 50 % of the eligible costs.

The maximum rate may be increased to:

- **75%** of the eligible costs in respect of cross-border activities implemented together by two or more Member States in order to control, prevent or eradicate pests or animal diseases;
- **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

Furthermore, Union-level funding should be provided in order to cope with exceptional circumstances such as **emergency situations** related to animal and plant health.

List of animal diseases: the list of animal diseases which qualify for funding under emergency measures is annexed to this Regulation. In order to take account of the animal diseases which are likely to constitute a new threat for the Union, the power to adopt acts should be delegated to the Commission, in respect of supplementing that list.

Specific eligible costs: 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.

National programmes: for organisational and efficiency reasons in respect of the handling of funding in the animal and plant health areas, the Regulation lays down rules on content, submission, evaluation and approval of national programmes, including those implemented in the outermost regions of the Union. For the same reasons, deadlines for reporting and filing of payment requests are also be laid down.

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.

Transparency: 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.

By 30 June 2017, the Commission shall establish a mid- term evaluation report accompanied, if appropriate, by a legislative proposal to amend this Regulation. By 30 June 2022, the Commission shall carry out an ex-post evaluation examining the effectiveness and efficiency of the expenditure and its impact

ENTRY INTO FORCE: 30.06.2014.

DELEGATED ACTS: the Commission shall be empowered to adopt delegated acts in order to supplement the list of animal diseases. The power to adopt delegated acts shall be conferred on the Commission for a period of seven years from 30 June **2014**. The European Parliament or the Council may raise objections to a delegated act within a period of two months from the date of notification (this may be extended by two months). If the European Parliament or Council express objections, the delegated act will not enter into force.