COMMISSION IMPLEMENTING REGULATION (EU) 2017/295

of 20 February 2017

on exceptional market support measures for the poultry meat sector in France

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013 establishing a common organisation of the markets in agricultural products and repealing Council Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/2001 and (EC) No 1234/2007 (¹), and in particular Article 220(1)(a) thereof,

Whereas:

- Between 24 November 2015 and 5 August 2016, numerous outbreaks of highly pathogenic avian influenza of (1) subtype H5 were confirmed and notified by France. In total, 81 outbreaks were confirmed in the South-West of France. The species affected are ducks, geese, laying hens, turkeys, breeding fowls of the species Gallus domesticus, cockerels and chickens, Guinea fowls and quails.
- France immediately and efficiently took all the necessary animal health and veterinary measures required in (2) accordance with Council Directive 2005/94/EC (2).
- (3) In particular, French authorities took control, monitoring and preventive measures and established protection, surveillance and further restricted zones pursuant to Commission Implementing Decisions (EU) 2015/2239 (3), (EU) 2015/2460 (4), (EU) 2016/42 (5), (EU) 2016/237 (6) and (EU) 2016/447 (7). In order to control and prevent the spread of the disease, French authorities imposed the following measures:
 - (a) a prohibition of placing in ducks and geese holdings located in the further restricted zone and in the protection and surveillance zones established following the last four outbreaks of highly pathogenic avian influenza which occurred on 15 July, 18 July, 25 July and 5 August 2016. The prohibition of placing in ducks and geese holdings in the further restricted zone aimed in particular to ensure a 16-week period of depopulation;
 - (b) a prohibition of movements on large proportions of the susceptible poultry population and of trade of live poultry outside the further restricted zone;
 - (c) prolonged fallowing periods in susceptible poultry holdings other than ducks and geese located in the protection zones, surveillance zones and in the further restricted zone including the protection and surveillance zones established following the last four outbreaks of highly pathogenic avian influenza which occurred on 15 July, 18 July, 25 July and 5 August 2016.
- (4) In applying those measures, the French authorities managed to eradicate the threat. The Union and national animal health and veterinary measures were applied until 15 September 2016 in all relevant holdings except for

(¹) OJ L 347, 20.12.2013, p. 671. (²) Council Directive 2005/94/EC of 20 December 2005 on Community measures for the control of avian influenza and repealing Directive 92/40/EEC (OJ L 10, 14.1.2006, p. 16).

(*) Commission Implementing Decision (EU) 2015/2239 of 2 December 2015 concerning certain protective measures in relation to highly pathogenic avian influenza of subtypes H5N1 and H5N2 in France (OJ L 317, 3.12.2015, p. 37).

Commission Implementing Decision (EU) 2015/2460 of 23 December 2015 concerning certain protective measures in relation to

highly pathogenic avian influenza of subtype H5 in France (OJ L 339, 24.12.2015, p. 52).

Commission Implementing Decision (EU) 2016/42 of 15 January 2016 amending the Annex to Implementing Decision (EU) 2015/2460 concerning certain protective measures in relation to highly pathogenic avian influenza of subtype H5 in France (OJ L 11, 16.1.2016, p. 10).

Commission Implementing Decision (EU) 2016/237 of 17 February 2016 amending the Annex to Implementing Decision (EU) 2015/2460 concerning certain protective measures in relation to highly pathogenic avian influenza of subtype H5 in France (OJ L 44, 19.2.2016, p. 12).

(7) Commission Implementing Decision (EU) 2016/447 of 22 March 2016 amending Implementing Decision (EU) 2015/2460 concerning certain protective measures in relation to highly pathogenic avian influenza of subtype H5 in France (OJ L 78, 24.3.2016, p. 76).

the poultry holdings located in the protection and surveillance zones established following the last four outbreaks of highly pathogenic avian influenza which occurred on 15 July, 18 July, 25 July and 5 August 2016, in which measures applied respectively until 25 August, 25 September and 3 October 2016.

- (5) French authorities informed the Commission that the necessary health and veterinary measures, which had been applied to contain and eradicate the spread of the disease, had affected a very large number of operators and that those operators suffered income losses not eligible for Union financial contribution under Regulation (EU) No 652/2014 of the European Parliament and of the Council (¹).
- (6) On 20 April, 20 September and 24 October 2016, the Commission received formal requests from French authorities for part-financing of certain exceptional measures pursuant to Article 220(3) of Regulation (EU) No 1308/2013.
- (7) As a result of the animal health and veterinary measures applied, placing of birds in all holdings with ducks and geese located in the further restricted zone and in the protection and surveillance zones established following the last four outbreaks of highly pathogenic avian influenza which occurred on 15 July, 18 July, 25 July and 5 August 2016 was forbidden. This led to a loss of production of poultry meat in these ducks and geese holdings. It is therefore appropriate to compensate these losses.
- (8) As a result of animal health and veterinary measures, laying hens at the end of their production cycle and breeding fowls of the species *Gallus domesticus* could not be transported outside of the further restricted zone to be slaughtered for meat production in specialized slaughterhouses. This led to the killing and destruction in slaughterhouses or on farms of animals and a loss of production for laying hens and breeding fowls of the species *Gallus domesticus* producers located in the further restricted zone. It is therefore appropriate to compensate these losses.
- (9) As a result of animal health and veterinary measures, fallowing periods were prolonged in holdings of standard, organic, Label Rouge or free range chickens, cockerels, Label Rouge and free range Guinea fowls, turkeys and quails located in the protection zones, surveillance zones and in the further restricted zone including the protection and surveillance zones established following the last four outbreaks of highly pathogenic avian influenza which occurred on 15 July, 18 July, 25 July and 5 August 2016. This led to a loss of production of poultry meat in these holdings. It is therefore appropriate to compensate these losses.
- (10) As a result of animal health and veterinary measures, live chickens, laying hens, Guinea fowls and turkeys could not be sold outside the further restricted zone. This led to a loss of production for producers of live chickens, laying hens, Guinea fowls and turkeys located in the further restricted zone. It is therefore appropriate to compensate these losses.
- (11) In accordance with Article 220(5) of Regulation (EU) No 1308/2013, the Union part-financing has to be equivalent to 50 % of the expenditure borne by France for the exceptional market support measures. The maximum quantities eligible for financing in respect of each exceptional market support measure should be fixed by the Commission after scrutinising the request received from France.
- (12) To avoid any risk of over compensation, the flat rate amount of part-financing should be based on technical and economic studies or accounting documents and fixed at an appropriate level for each animal and product according to the categories of animals produced in terms of species but also in terms of the production method, i.e. standard production, free range production, certified production under national scheme, certified production under the Label Rouge scheme, production covered by a Protected Geographical Indication (PGI), and, finally, in terms of the length of the production cycle, i.e. long cycle for geese and duck producers who only produce live animals, short cycle for geese and duck producers who produce live animals and transform them into processed products.
- (13) To avoid any risk of double funding, losses suffered should not have been compensated by state aids or insurances and the Union part-financing under this Regulation should be limited to eligible animals and products for which no Union financial contribution has been received under Regulation (EU) No 652/2014.

⁽¹) Regulation (EU) No 652/2014 of the European Parliament and of the Council of 15 May 2014 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 (OJ L 189, 27.6.2014, p. 1).

- (14) The extent and duration of the exceptional market support measures provided for in this Regulation should be limited to what is strictly necessary to support the market; in particular, the exceptional market support measures should apply only to the production of poultry meat in the holdings located in the regulated zones and for the duration of the animal health and veterinary measures laid down in the Union and French legislation relevant to the 81 outbreaks of highly pathogenic avian influenza.
- (15) For the sake of a sound budgetary management of these exceptional market support measures, only those payments made by France to the beneficiaries by 30 September 2017 at the latest, should be eligible for Union part-financing. Article 5(2) of Commission Delegated Regulation (EU) No 907/2014 (1) should not be applicable.
- (16) In order to ensure the eligibility and the correctness of the payments, French authorities should carry out *ex-ante* checks.
- (17) To allow the Union to perform its financial control, French authorities should communicate to the Commission the clearance of the payments.
- (18) In order to ensure an immediate implementation of these measures by France, this Regulation should enter into force on the day following that of its publication in the Official Journal of the European Union.
- (19) The measures provided for in this Regulation are in accordance with the opinion of the Committee for the Common Organisation of the Agricultural Markets,

HAS ADOPTED THIS REGULATION:

Article 1

The Union shall provide part-financing equivalent to 50 % of the expenditure borne by France to support the market of poultry meat seriously affected by the 81 outbreaks of highly pathogenic avian influenza of subtype H5 which were detected and notified by France between 24 November 2015 and 5 August 2016.

Expenditure shall be eligible for Union part-financing only for the duration of the application of animal health and veterinary measures referred to in Union and French legislation listed in the Annex.

Expenditure shall be eligible for Union part-financing only for those poultry holdings being subject to the animal health and veterinary measures and located within the parts of France referred to in Union and French legislation listed in the Annex.

Expenditure shall only be eligible for Union part-financing if it has been paid by France to the beneficiaries by 30 September 2017 at the latest. Article 5(2) of Delegated Regulation (EU) No 907/2014 shall not apply.

Article 2

The maximum levels of Union part-financing shall be as follows:

- (a) For the loss of production of geese and ducks located in the further restricted zone and in the protection and surveillance zones established following the last four outbreaks of highly pathogenic avian influenza which occurred on 15 July, 18 July, 25 July and 5 August 2016, the following flat rates shall apply per animal up to a maximum amount of EUR 40 000 002:
 - (i) For producers with a short cycle of production of:
 - Mulard ducks starter covered by CN code 0105 99 10:

EUR 0,24 per animal for a maximum of 724 512 animals;

⁽¹) Commission Delegated Regulation (EU) No 907/2014 of 11 March 2014 supplementing Regulation (EU) No 1306/2013 of the European Parliament and of the Council with regard to paying agencies and other bodies, financial management, clearance of accounts, securities and use of euro (OJ L 255, 28.8.2014, p. 18).

- Mulard ducks fattened covered by CN code 0105 99 10:
 EUR 1,13 per animal for a maximum of 606 172 animals;
- Mulard ducks finished covered by CN code 0105 99 10:
 EUR 4,41 per animal for a maximum of 690 431 animals;
- Mulard ducks covered by CN code 0105 99 10 whole carcases:
 EUR 2,20 per animal for a maximum of 664 261 animals;
- Mulard ducks covered by CN code 0105 99 10 cut in pieces:
 EUR 4,275 per animal for a maximum of 578 814 animals;
- Mulard ducks covered by CN code 0105 99 10 processed:
 EUR 19,055 per animal for a maximum of 321 019 animals;
- Starter geese covered by CN code 0105 99 20:
 EUR 2,455 per animal for a maximum of 15 769 animals;
- Geese covered by CN code 0105 99 20 whole carcases:
 EUR 10,595 per animal for a maximum of 14 560 animals;
- Geese covered by CN code 0105 99 20 processed:
 EUR 23,33 per animal for a maximum of 11 024 animals;
- Ducks covered by CN code 0105 99 10 for roasting:
 EUR 1,37 per animal for a maximum of 25 831 animals;
- Geese covered by CN code 0105 99 20 for roasting:EUR 2,855 per animal for a maximum of 7 156 animals;
- (ii) For producers with a long cycle of production of:
 - Mulard ducks starter three days old covered by CN code 0105 99 10:
 EUR 0,0487 per animal for a maximum of 668 427 animals;
 - Mulard ducks starter standard, PGI and Label Rouge covered by CN code 0105 99 10:
 EUR 0,24 per animal for a maximum of 10 115 677 animals;
 - Mulard ducks fattened standard covered by CN code 0105 99 10:
 EUR 0,515 per animal for a maximum of 646 195 animals;
 - Mulard ducks fattened PGI covered CN code 0105 99 10:
 EUR 0,68 per animal for a maximum of 8 737 557 animals;
 - Mulard ducks fattened Label Rouge covered by CN code 0105 99 10:
 EUR 0,81 per animal for a maximum of 808 848 animals;

- Mulard ducks finished standard covered by CN code 0105 99 10:

EUR 1,48 per animal for a maximum of 900 255 animals;

— Mulard ducks finished PGI covered by CN code 0105 99 10:

EUR 1,645 per animal for a maximum of 7 818 392 animals;

— Mulard ducks finished Label Rouge covered by CN code 0105 99 10:

EUR 2,63 per animal for a maximum of 559 637 animals;

- Muscovy ducks standard covered by CN code 0105 99 10:

EUR 0,48 per animal for a maximum of 71 331 animals;

- Muscovy ducks certified covered by CN code 0105 99 10:

EUR 0,585 per animal for a maximum of 7 579 animals;

— Muscovy ducks Label Rouge covered by CN code: 0105 99 10:

EUR 0,625 per animal for a maximum of 28 344 animals;

— Mallard ducks covered by CN code 0105 99 10:

EUR 1,1325 per animal for a maximum of 7 392 animals;

— Geese fattened covered by CN code 0105 99 20:

EUR 2,855 per animal for a maximum of 50 179 animals;

— Geese finished covered by CN code 0105 99 20:

EUR 5,54 per animal for a maximum of 49 500 animals;

- (b) For the loss of production, killing and destruction in slaughterhouses or on farms of laying hens at the end of their production cycle and of breeding fowls of the species *Gallus domesticus* located in the further restricted zone, the following flat rates shall apply per animal up to a maximum amount of EUR 519 155:
 - Laying hens at the end of their production cycle and breeding fowls of the species *Gallus domesticus* covered by CN code 0105 94 00 transported, killed in slaughterhouses and destroyed:

EUR 0,2645 per animal for a maximum 1 902 064 animals;

 Breeding fowls of the species Gallus domesticus killed on the farm and destroyed covered by CN code 0105 94 00:

EUR 1,055 per animal for a maximum 15 222 animals;

- (c) For the prolongation of fallowing periods, in the protection zones, surveillance zones and in the further restricted zone, including the protection and surveillance zones established following the last four outbreaks of highly pathogenic avian influenza which occurred on 15 July, 18 July, 25 July and 5 August 2016, of standard, organic, Label Rouge or free range chickens, cockerels, Label Rouge and free range Guinea fowls, turkeys and quails, the following flat rates shall apply per animal and per day up to a maximum amount of EUR 1 430 908:
 - Standard chickens and cockerels covered by CN code 0105 94 00:

EUR 0,00191 per animal and per day for a maximum of 31 247 850 animals and a maximum of EUR 626 466;

- Label Rouge or free range chickens covered by CN code 0105 94 00:
 - EUR 0,00416563 per animal and per day for a maximum 14 105 345 animals and a maximum EUR 616 878;
- Organic chickens covered by CN code 0105 94 00:
 - EUR 0,005050685 per animal and per day for a maximum 700 201 animals and a maximum EUR 37 039;
- Guinea Fowls Label Rouge and free range covered by CN code 0105 99 50:
 - EUR 0,00365332 per animal and per day for a maximum 1 405 735 animals and a maximum EUR 53 856;
- Turkeys covered by CN code 0105 99 30:
 - EUR 0,005195 per animal and per day for a maximum of 1 533 617 animals and a maximum EUR 83 371;
- Quails covered by CN code 0106 39 80:
 - EUR 0,000605 per animal and per day for a maximum of 2 102 602 animals and a maximum EUR 13 298;
- (d) For the loss of production of live starter chickens, live starter Guinea fowls, live starter turkeys for the French national market, live starter turkeys for the Union market, live starter laying hens, live adult chickens and live adult Guinea fowls, the following flat rates shall apply per animal up to a maximum amount of EUR 545 152:
 - Live starter chicken covered by CN code 0105 94 00:
 - EUR 0,591 per animal for a maximum of 183 439 animals;
 - Live starter Guinea fowls covered by CN code 0105 99 50:
 - EUR 0,4955 per animal for a maximum of 126 996 animals;
 - Live starter turkeys for the French national market covered by CN code 0105 99 30:
 - EUR 0,681 per animal for a maximum of 21 166 animals;
 - Live starter turkeys for the Union market covered by CN code 0105 99 30:
 - EUR 0,633 per animal for a maximum of 423 320 animals;
 - Live starter laying hens covered by CN code 0105 94 00:
 - EUR 0,43 per animal for a maximum of 56 443 animals;
 - Live adult chickens covered by CN code 0105 94 00:
 - EUR 0,47 per animal for a maximum of 98 775 animals;
 - Live adult Guinea fowls covered by CN code 0105 99 50:
 - EUR 0,49 per animal for a maximum of 42 332 animals,

Article 3

The Union part-financing in accordance with this Regulation shall be limited to animals and products not compensated by state aids or insurances and for which no Union financial contribution has been received under Regulation (EU) No 652/2014.

Article 4

France shall carry out administrative and physical checks in accordance with Articles 58 and 59 of Regulation (EU) No 1306/2013 of the European Parliament and of the Council (1).

In particular, the French authorities shall verify:

- (a) the eligibility of the applicant submitting the request for support;
- (b) for each eligible applicant: the eligibility, the quantity and the value of the actual loss of production;
- (c) that funding has not been received by any eligible applicant from any other sources to compensate the losses referred to in Article 2.

For eligible applicants for which administrative checks are completed, aid can be paid without waiting for all checks being made notably those on applicants selected for on-the-spot checks.

In cases where the eligibility of an applicant was not confirmed, the aid shall be recovered and sanctions applied.

Article 5

The French authorities shall communicate to the Commission the clearance of payments.

Article 6

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

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

Done at Brussels, 20 February 2017.

For the Commission
The President
Jean-Claude JUNCKER

⁽¹) Regulation (EU) No 1306/2013 of the European Parliament and of the Council of 17 December 2013 on the financing, management and monitoring of the common agricultural policy and repealing Council Regulations (EEC) No 352/78, (EC) No 165/94, (EC) No 2799/98, (EC) No 814/2000, (EC) No 1290/2005 and (EC) No 485/2008 (OJ L 347, 20.12.2013, p. 549).

ANNEX

Parts of France and periods referred to in Article 1

Parts of France and periods established pursuant to Directive 2005/94/EC and defined in:

- Commission Implementing Decision (EU) 2015/2239 of 2 December 2015 concerning certain protective measures in relation to highly pathogenic avian influenza of subtypes H5N1 and H5N2 in France (OJ L 317, 3.12.2015, p. 37).
- Commission Implementing Decision (EU) 2015/2460 of 23 December 2015 concerning certain protective measures in relation to highly pathogenic avian influenza of subtype H5 in France (OJ L 339, 24.12.2015, p. 52).
- Commission Implementing Decision (EU) 2016/42 of 15 January 2016 amending the Annex to Implementing Decision (EU) 2015/2460 concerning certain protective measures in relation to highly pathogenic avian influenza of subtype H5 in France (OJ L 11, 16.1.2016, p. 10).
- Commission Implementing Decision (EU) 2016/237 of 17 February 2016 amending the Annex to Implementing Decision (EU) 2015/2460 concerning certain protective measures in relation to highly pathogenic avian influenza of subtype H5 in France (OJ L 44, 19.2.2016, p. 12).
- Commission Implementing Decision (EU) 2016/447 of 22 March 2016 amending Implementing Decision (EU) 2015/2460 concerning certain protective measures in relation to highly pathogenic avian influenza of subtype H5 in France (OJ L 78, 24.3.2016, p. 76).
- Order of 2 December 2015 establishing a low-risk restricted zone following the declaration of highly pathogenic avian influenza and restricting certain movements outside the national territory from the department of Dordogne (Official Journal of the French Republic of 3.12.2016, text 38 of 178).
- Order of 17 December 2015 establishing additional arrangements to combat highly pathogenic avian influenza following the detection of the disease on French territory (Official Journal of the French Republic of 18.12.2016, text 56 of 142).
- Order of 15 January 2016 amending the Order of 17 December 2015 establishing additional arrangements to combat highly pathogenic avian influenza following the detection of the disease on French territory (Official Journal of the French Republic of 16.1.2016, text 31 of 85).
- Order of 9 February 2016 establishing additional arrangements to combat highly pathogenic avian influenza following the detection of the disease on French territory (Official Journal of the French Republic of 10.2.2016, text 42 of 129).
- Order of 14 September 2016 establishing transitional arrangements to combat highly pathogenic avian influenza (Official Journal of the French Republic of 15.9.2016, text 33 of 100).
- Prefectural Orders declaring an infection consisting of outbreaks of highly pathogenic avian influenza confirmed between 24 November 2015 and 18 April 2016.
- Prefectural Orders withdrawing a declaration of infection consisting of outbreaks of highly pathogenic avian influenza confirmed between 24 November 2015 and 18 April 2016.

- Prefectural Orders declaring an infection consisting of outbreaks of highly pathogenic avian influenza confirmed on 15 July, 18 July, 25 July and 5 August 2016.
- Prefectural Orders withdrawing a declaration of infection consisting of outbreaks of highly pathogenic avian influenza confirmed on 15 July, 18 July, 25 July and 5 August 2016.