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Contents

[1] Text with EEA relevance

EN

Acts whose titles are printed in light type are those relating to day-to-day management of agricultural matters, and are generally valid for a limited period.

The titles of all other acts are printed in bold type and preceded by an asterisk.

II

(Non-legislative acts)

REGULATIONS

COMMISSION DELEGATED REGULATION (EU) 2015/850

of 30 January 2015

amending Delegated Regulation (EU) No 241/2014 supplementing Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to regulatory technical standards for Own Funds requirements for institutions

(Text with EEA relevance)

THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 ([1]), and in particular the third subparagraph of Article 28(5) thereof,

Whereas:

(1) The drag on own funds should not be disproportionate in terms of both the distributions on any individual Common Equity Tier 1 instrument as well as the distributions on the total own funds of the institution. Therefore, the notion of a disproportionate drag on own funds should be established by providing rules covering both of these aspects.

(2) The mandate on the potential disproportionate drag on own funds set out in Article 28(5)(b) of Regulation (EU) No 575/2013 does not cover instruments falling under Article 27 of that Regulation since those are exempted by virtue of Article 28(1)(h)(iii) of that Regulation.

(3) The meaning of preferential distributions should be based on features of the instruments that reflect the requirements of Article 28(1)(h)(i) of Regulation (EU) No 575/2013 that no preferential distribution treatment regarding the order of the distributions or other preferential rights should exist, including for preferential distributions of Common Equity Tier 1 instruments in relation to other Common Equity Tier 1 instruments. Given that Article 28(1)(h)(i) of Regulation (EU) No 575/2013 distinguishes between preferential rights to payment of distributions and preferences regarding the order of distribution payments, rules on preferential distributions should cover both cases.

(4) Different rules should apply to the Common Equity Tier 1 instruments of institutions referred to in Article 27 of Regulation (EU) No 575/2013 ('non-joint stock companies') where justified by specific features of voting instruments and non-voting instruments. Where only the holders of the voting instruments may subscribe to the non-voting shares, then there is no deprivation of voting rights for holders of non-voting instruments. Therefore, the differentiated distribution on the non-voting instrument of non–joint stock companies is not driven by the absence of a voting right in the same way as for joint stock companies. Also, when there is a cap on the

([1]) OJ L 176, 27.6.2013, p. 1.

distribution of the voting instrument set under applicable national law, the limits devised for joint stock companies should be replaced by other rules that ensure the absence of a preferential right to payment of distributions.

(5) A different treatment for non-joint stock companies is only justified if the former institutions do not issue capital instruments with a predetermined multiple distribution that would be set contractually or in the statutes of the institution. If they do, concerns relating to the preferential right to payment of distributions are the same as for joint stock companies and the same treatment should therefore apply.

(6) This should not prevent non-joint stock companies from issuing other capital instruments with differentiated distribution provided that they demonstrate that those instruments do not create a preferential right to payment of distributions. This demonstration should be based on the assessment of the level of distributions on voting instruments and the level of distributions on total Common Equity Tier 1. The institution should demonstrate that the level of distributions on the voting instruments is low by reference to other capital instruments and that the pay-out ratio on Common Equity Tier 1 instruments is low.

(7) In order for non-joint stock companies to assess whether the level of the pay-out ratio is low, a benchmark should be established. In order to take into account that pay-out ratios may fluctuate depending on the yearly result, this benchmark should be based on the average over the five previous years. Given the novelty of the introduction of this rule, and its potential effect on some of these institutions, a phasing-in of the rules on the calculation of the level of the pay-out ratio should be provided, where necessary. The introduction of the limits on the payout ratio can be phased-in during the first five years, with a gradual application until end 2017, while the rule should be fully implemented by all institutions in 2018.

(8) Some non-joint stock companies are not able to issue instruments that are as flexible as common shares in case of an emergency recapitalisation, when institutions are subject to early intervention measures. In those cases, those institutions would need to issue capital instruments to facilitate recovery; therefore, it should be acceptable for those institutions, where the non-voting instruments are usually only held by holders of voting instruments, to exceptionally sell non-voting instruments also to external investors. Further, capital instruments provided for emergency recapitalisation should contain the prospect of an adequate upcoming advantage to be gained after the recovery phase. Therefore, it should be acceptable for those institutions to exceed the limits imposed on the payout ratio after the recovery phase in order to provide that potential upside to the holders of Common Equity Tier 1 instruments provided for the purposes of emergency recapitalisation.

(9) Under Article 10 of Regulation (EU) No 575/2013, competent authorities may, in accordance with national law, partially or fully waive the application of the requirements set out in parts Two to Eight of that Regulation to credit institutions affiliated to a central body. In addition, under the same Article, competent authorities may waive the application of Parts Two to Eight of that Regulation to the central body on an individual basis where the liabilities or commitments of the central body are entirely guaranteed by the affiliated institutions. On the basis of that Article, competent authorities should be able to waive the requirements under this Regulation for intragroup capital instruments. Competent authorities should also be able to assess compliance with the requirements set by this Regulation on the basis of the consolidated situation of the institutions that are in the scope of those waivers, notably with regard to the calculation of the payout ratio.

(10) This Regulation is based on the draft regulatory technical standards submitted by the European Banking Authority to the Commission.

(11) The European Banking Authority has conducted open public consultations on the draft regulatory technical standards on which this Regulation is based, analysed the potential related costs and benefits and requested the opinion of the Banking Stakeholder Group established in accordance with Article 37 of Regulation (EU) No 1093/2010 of the European Parliament and of the Council [1].

(12) Commission Delegated Regulation (EU) No 241/2014 [2] should therefore be amended accordingly,

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[1] Regulation (EU) No 1093/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Banking Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/78/EC (OJ L 331, 15.12.2010, p. 12).

[2] Commission Delegated Regulation (EU) No 241/2014 of 7 January 2014 supplementing Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to regulatory technical standards for Own Funds requirements for institutions (OJ L 74, 14.3.2014, p. 8).

HAS ADOPTED THIS REGULATION:

Article 1

Delegated Regulation (EU) No 241/2014 is amended as follows:

(1) the following Article 7a is inserted:

'*Article 7a*

Multiple distributions constituting a disproportionate drag on own funds

1. Distributions on Common Equity Tier 1 instruments referred to in Article 28 of Regulation (EU) No 575/2013 shall be deemed not to constitute a disproportionate drag on capital where all of the following conditions are met:

(a) the dividend multiple is a multiple of the distribution paid on the voting instruments and not a predetermined fixed amount;

(b) the dividend multiple is set contractually or under the statutes of the institution;

(c) the dividend multiple is not revisable;

(d) the same dividend multiple applies to all instruments with a dividend multiple;

(e) the amount of the distribution on one instrument with a dividend multiple does not represent more than 125 % of the amount of the distribution on one voting Common Equity Tier 1 instrument.

In formulaic form this shall be expressed as:

$$l \leq 1{,}25 \times k$$

where:

k shall represent the amount of the distribution on one instrument without a dividend multiple;

l shall represent the amount of the distribution on one instrument with a dividend multiple;

(f) the total amount of the distributions paid on all Common Equity Tier 1 instruments during a one year period does not exceed 105 % of the amount that would have been paid if instruments with fewer or no voting rights received the same distributions as voting instruments.

In formulaic form this shall be expressed as:

$$kX + lY \leq (1{,}05) \times k \times (X + Y)$$

where:

k shall represent the amount of the distribution on one instrument without a dividend multiple;

l shall represent the amount of the distribution on one instrument with a dividend multiple;

X shall represent the number of voting instruments;

Y shall represent the number of non-voting instruments.

The formula shall be applied on a one-year basis.

2. Where the condition of point (f) of paragraph 1 is not met, only the amount of the instruments with a dividend multiple that exceeds the threshold defined therein shall be deemed to cause a disproportionate drag on capital.

3. Where any of the conditions of points (a) to (e) of paragraph 1 are not met, all outstanding instruments with a dividend multiple shall be deemed to cause a disproportionate drag on capital.';

(2) the following Article 7b is inserted:

'Article 7b

Preferential distributions regarding preferential rights to payments of distributions

1. For Common Equity Tier 1 instruments referred to in Article 28 of Regulation (EU) No 575/2013, a distribution on a Common Equity Tier 1 instrument shall be deemed to be preferential relative to other Common Equity Tier 1 instruments where there are differentiated levels of distributions, unless the conditions of Article 7a of this Regulation are met.

2. For Common Equity Tier 1 instruments with fewer or no voting rights issued by institutions referred to in Article 27 of Regulation (EU) No 575/2013, where distribution is a multiple of the distribution on the voting instruments and that multiple distribution is set contractually or statutorily, distributions shall be deemed not to be preferential where all of the following conditions are met:

(a) the dividend multiple is a multiple of the distribution paid on the voting instruments and not a predetermined fixed amount;

(b) the dividend multiple is set contractually or under the statutes of the institution;

(c) the dividend multiple is not revisable;

(d) the same dividend multiple applies to all instruments with a dividend multiple;

(e) the amount of the distribution on one instrument with a dividend multiple does not represent more than 125 % of the amount of the distribution on one voting Common Equity Tier 1 instrument.

In formulaic form this shall be expressed as:

$$l \leq 1{,}25 \times k$$

where:

k shall represent the amount of the distribution on one instrument without a dividend multiple;

l shall represent the amount of the distribution on one instrument with a dividend multiple;

(f) the total amount of the distributions paid on all Common Equity Tier 1 instruments during a one year period does not exceed 105 % of the amount that would have been paid if instruments with fewer or no voting rights received the same distributions as voting instruments.

In formulaic form this shall be expressed as:

$$kX + lY \leq (1{,}05) \times k \times (X + Y)$$

where:

k shall represent the amount of the distribution on one instrument without a dividend multiple;

l shall represent the amount of the distribution on one instrument with a dividend multiple;

X shall represent the number of voting instruments;

Y shall represent the number of non-voting instruments;

The formula shall be applied on a one-year basis.

3. Where the condition of paragraph 2 point (f) is not met, only the amount of the instruments with a dividend multiple that exceeds the threshold defined therein shall be disqualified from Common Equity Tier 1.

4. Where any of the conditions of points (a) to (e) of paragraph 2 are not met, all outstanding instruments with a dividend multiple shall be disqualified from Common Equity Tier 1 capital.

5. For the purposes of paragraph 2, where the distributions of Common Equity Tier 1 instruments are expressed, for the voting or the non-voting instruments, with reference to the purchase price at issuance of the instrument, the formulas shall be adapted as follows, for the instrument or instruments that are expressed with reference to the purchase price at issuance:

(a) l shall represent the amount of the distribution on one instrument without a dividend multiple divided by the purchase price at issuance of that instrument;

(b) k shall represent the amount of the distribution on one instrument with a dividend multiple divided by the purchase price at issuance of that instrument.

6. For Common Equity Tier 1 instruments with fewer or no voting rights issued by institutions referred to in Article 27 of Regulation (EU) No 575/2013, where the distribution is not a multiple of the distribution on the voting instruments, distributions shall be deemed not to be preferential where either of the conditions referred to in paragraph 7 and both conditions referred to in paragraph 8 are met.

7. For the purposes of paragraph 6, either of the following conditions (a) or (b) shall apply:

(a) both of the following points (i) and (ii) are met:

(i) the instrument with fewer or no voting rights can only be subscribed and held by the holders of voting instruments;

(ii) the number of the voting rights of any single holder is limited;

(b) the distributions on the voting instruments issued by the institutions are subject to a cap set out under applicable national law.

8. For the purposes of paragraph 6 both of the following conditions shall apply:

(a) the institution demonstrates that the average of the distributions on voting instruments during the preceding five years, is low in relation to other comparable instruments;

(b) the institution demonstrates that the payout ratio is low, where a payout ratio is calculated in accordance with Article 7c. A payout ratio under 30 % shall be deemed to be low.

9. For the purposes of point (a) of paragraph 7, the voting rights of any single holder shall be deemed to be limited in the following cases:

(a) where each holder only receives one voting right irrespective of the number of voting instruments for any holder;

(b) where the number of voting rights is capped irrespective of the number of number of voting instruments held by any holder;

(c) where the number of voting instruments any holder may hold is limited under the statutes of the institution or under applicable national law.

10. For the purposes of this Article, the one year period shall be deemed to end on the date of the last financial statements of the institution.

11. Institutions shall assess compliance with the conditions referred to in paragraphs 7 and 8, and shall inform the competent authority about the result of their assessment, at least in the following situations:

(a) every time a decision on the amount of distributions on Common Equity Tier 1 instruments is taken;

(b) every time a new class of Common Equity Tier 1 instruments with fewer or no voting rights is issued.

12. Where the condition of point (b) of paragraph 8 is not met, only the amount of the non-voting instruments for which distributions exceed the threshold defined therein shall be deemed to entail preferential distributions.

13. Where the condition of point (a) of paragraph 8 is not met, the distributions on all outstanding non-voting instruments shall be deemed to be preferential unless they meet the conditions of paragraph 2.

14. Where neither of the conditions of paragraph 7 are met, the distributions on all outstanding non-voting instruments shall be deemed to be preferential unless they meet the conditions of paragraph 2.

15. The requirement referred to in point (i) of paragraph 7(a), or the requirement referred to in point (b) of paragraph 8, or both requirements may be waived, as appropriate, where both of the following conditions are met:

(a) an institution is in breach of or, due, inter alia, to a rapidly deteriorating financial condition, is likely in the near future to be in breach of any of the requirements of Regulation (EU) No 575/2013;

(b) the competent authority has required the institution to urgently increase its Common Equity Tier 1 capital within a specified period and has assessed that the institution is not able to rectify or avoid the breach referred to in point (a) within that specified period, without resorting to the waiver referred to in this paragraph.';

(3) the following Article 7c is inserted:

'Article 7c

Calculation of the payout ratio for the purposes of point (b) of Article 7b(8)

1. For the purposes of point (b) of Article 7b(8), institutions shall choose either the way described in point (a) or point (b) to calculate the payout ratio. The institution shall follow the way chosen in a consistent manner over time.

(a) as the sum of distributions related to total Common Equity Tier 1 instruments over the previous five year periods, divided by the sum of profits related to the previous five year periods;

(b) for the period from the date of application of this Regulation until 31 December 2017 only:

(i) in 2014, as the sum of distributions related to total Common Equity Tier 1 instruments over the previous one year period, divided by the sum of profits related to the previous one year period;

(ii) in 2015, as the sum of distributions related to total Common Equity Tier 1 instruments over the previous two year periods, divided by the sum of profits related to the previous two year periods;

(iii) in 2016, as the sum of distributions related to total Common Equity Tier 1 instruments over the previous three year periods, divided by the sum of profits related to the previous three year periods;

(iv) in 2017, as the sum of distributions related to total Common Equity Tier 1 instruments over the previous four year periods, divided by the sum of profits related to the previous four year periods.

2. For the purposes of paragraph 1, profits shall mean the amount reported in row 670 of template 2 of Annex III to Commission Implementing Regulation (EU) No 680/2014 (*), or, where applicable, the amount reported in row 670 of template 2 of Annex IV to that Implementing Regulation with regard to supervisory reporting of institutions according to Regulation (EU) No 575/2013.

(*) Commission Implementing Regulation (EU) No 680/2014 of 16 April 2014 laying down implementing technical standards with regard to supervisory reporting of institutions according to Regulation (EU) No 575/2013 of the European Parliament and of the Council (OJ L 191, 28.6.2014, p. 1).';

(4) the following Article 7d is inserted:

'Article 7d

Preferential distributions regarding the order of distribution payments

For the purposes of Article 28 of Regulation (EU) No 575/2013, a distribution on a Common Equity Tier 1 instrument shall be deemed to be preferential relative to other Common Equity Tier 1 instruments and regarding the order of distribution payments where at least one of the following conditions is met:

(a) distributions are decided at different times;

(b) distributions are paid at different times;

(c) there is an obligation on the issuer to pay the distributions on one type of Common Equity Tier 1 instruments before paying the distributions on another type of Common Equity Tier 1 instruments;

(d) a distribution is paid on some Common Equity Tier 1 instruments but not on others, unless the condition of point (a) of Article 7b(7) is met.'

Article 2

This Regulation shall enter into force on the twentieth 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, 30 January 2015.

For the Commission

The President

Jean-Claude JUNCKER

COMMISSION DELEGATED REGULATION (EU) 2015/851

of 27 March 2015

amending Annexes II, III and VI to Regulation (EU) No 1307/2013 of the European Parliament and of the Council establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy

THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EU) No 1307/2013 of the European Parliament and of the Council of 17 December 2013 establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy and repealing Council Regulation (EC) No 637/2008 and Council Regulation (EC) No 73/2009 ([1]), and in particular Articles 6(3), 7(3) and 20(6) thereof,

Whereas:

(1) In accordance with Article 20(1) of Regulation (EU) No 1307/2013, Croatia has notified the Commission by 31 January 2015 of the area of land demined and returned to use for agricultural activities in 2014, the number of payment entitlements available to farmers on 31 December 2014 and the amount remained unspent in the special national demining reserve on that same date.

(2) According to Article 20(2) of Regulation (EU) No 1307/2013, the amount to be added to the national ceilings set for Croatia in Annex II to that Regulation has to be calculated by the Commission on the basis of the data notified by Croatia in accordance with Article 20(1) of that Regulation and the estimated average direct payments per hectare in Croatia for the year concerned.

(3) The average direct payments per hectare for 2015 should be calculated by dividing the national ceiling for Croatia in 2015, reduced by the unspent amount in the special demining reserve on 31 December 2014, by the number of payment entitlements available to farmers on the same date. The amount to be added to the national ceiling for 2015 and the following years is calculated on the basis of the schedule of increments referred to in Article 17 of Regulation (EU) No 1307/2013 and reflects that the notification of 31 January 2015 reaches the maximum amounts of the annual increments set out in Annex VII to that Regulation for calendar year 2015 onwards.

(4) In accordance with Article 20(6) of Regulation (EU) No 1307/2013, Annex VI to that Regulation should be adapted in order to take into account of the consequences of the return of demined land to use for agricultural activities in 2014, as notified by Croatia.

(5) Annexes II, III and VI to Regulation (EU) No 1307/2013 should therefore be amended accordingly.

(6) As this Regulation is essential for a smooth and timely adoption of the implementing acts referred to in Articles 22(1), 36(4), 42(2), 47(3), 49(2), 51(4) and 53(7) of Regulation (EU) No 1307/2013, it is appropriate that it enters into force on the day following that of its publication in the *Official Journal of the European Union*,

HAS ADOPTED THIS REGULATION:

Article 1

Annexes II, III and VI to Regulation (EU) No 1307/2013 are amended in accordance with the Annex to this Regulation.

([1]) OJ L 347, 20.12.2013, p. 608.

Article 2

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, 27 March 2015

For the Commission

The President

Jean-Claude JUNCKER

ANNEX

Annexes II, III and VI to Regulation (EU) No 1307/2013 are amended as follows:

(1) Annex II is replaced by the following:

'ANNEX II

National ceilings referred to in Article 6

(in thousand EUR)

Calendar year	2015	2016	2017	2018	2019	2020
Belgium	523 658	509 773	502 095	488 964	481 857	505 266
Bulgaria	721 251	792 449	793 226	794 759	796 292	796 292
Czech Republic	844 854	844 041	843 200	861 708	861 698	872 809
Denmark	870 751	852 682	834 791	826 774	818 757	880 384
Germany	4 912 772	4 880 476	4 848 079	4 820 322	4 792 567	5 018 395
Estonia	114 378	114 562	123 704	133 935	143 966	169 366
Ireland	1 215 003	1 213 470	1 211 899	1 211 482	1 211 066	1 211 066
Greece	1 921 966	1 899 160	1 876 329	1 855 473	1 834 618	1 931 177
Spain	4 842 658	4 851 682	4 866 665	4 880 049	4 893 433	4 893 433
France	7 302 140	7 270 670	7 239 017	7 214 279	7 189 541	7 437 200
Croatia (*)	183 735	202 865	241 125	279 385	317 645	306 080
Italy	3 902 039	3 850 805	3 799 540	3 751 937	3 704 337	3 704 337
Cyprus	50 784	50 225	49 666	49 155	48 643	48 643
Latvia	181 044	205 764	230 431	255 292	280 154	302 754
Lithuania	417 890	442 510	467 070	492 049	517 028	517 028
Luxembourg	33 604	33 546	33 487	33 460	33 432	33 432
Hungary	1 345 746	1 344 461	1 343 134	1 343 010	1 342 867	1 269 158
Malta	5 241	5 241	5 242	5 243	5 244	4 690
Netherlands	749 315	736 840	724 362	712 616	700 870	732 370
Austria	693 065	692 421	691 754	691 746	691 738	691 738
Poland	3 378 604	3 395 300	3 411 854	3 431 236	3 450 512	3 061 518
Portugal	565 816	573 954	582 057	590 706	599 355	599 355
Romania	1 599 993	1 772 469	1 801 335	1 872 821	1 903 195	1 903 195
Slovenia	137 987	136 997	136 003	135 141	134 278	134 278
Slovakia	438 299	441 478	444 636	448 155	451 659	394 385
Finland	523 333	523 422	523 493	524 062	524 631	524 631
Sweden	696 890	697 295	697 678	698 723	699 768	699 768
United Kingdom	3 173 324	3 179 880	3 186 319	3 195 781	3 205 243	3 591 683

(*) For Croatia, the national ceiling for calendar year 2021 shall be EUR 344 340 000 and for 2022 shall be EUR 382 600 000.'

(2) Annex III is replaced by the following:

'ANNEX III

Net ceilings referred to in Article 7

(in million EUR)

Calendar year	2015	2016	2017	2018	2019	2020
Belgium	523,7	509,8	502,1	489,0	481,9	505,3
Bulgaria	720,9	788,8	789,6	791,0	792,5	798,9
Czech Republic	840,1	839,3	838,5	856,7	856,7	872,8
Denmark	870,2	852,2	834,3	826,3	818,3	880,4
Germany	4 912,8	4 880,5	4 848,1	4 820,3	4 792,6	5 018,4
Estonia	114,4	114,5	123,7	133,9	143,9	169,4
Ireland	1 214,8	1 213,3	1 211,8	1 211,4	1 211,0	1 211,1
Greece	2 109,8	2 087,0	2 064,1	2 043,3	2 022,4	2 119,0
Spain	4 902,3	4 911,3	4 926,3	4 939,7	4 953,1	4 954,4
France	7 302,1	7 270,7	7 239,0	7 214,3	7 189,5	7 437,2
Croatia (*)	183,7	202,9	241,1	279,4	317,6	306,1
Italy	3 897,1	3 847,3	3 797,2	3 750,0	3 702,4	3 704,3
Cyprus	50,8	50,2	49,7	49,1	48,6	48,6
Latvia	181,0	205,7	230,3	255,0	279,8	302,8
Lithuania	417,9	442,5	467,1	492,0	517,0	517,0
Luxembourg	33,6	33,5	33,5	33,5	33,4	33,4
Hungary	1 276,7	1 275,5	1 274,1	1 274,0	1 273,9	1 269,2
Malta	5,2	5,2	5,2	5,2	5,2	4,7
Netherlands	749,2	736,8	724,3	712,5	700,8	732,4
Austria	693,1	692,4	691,8	691,7	691,7	691,7
Poland	3 359,2	3 375,7	3 392,0	3 411,2	3 430,2	3 061,5
Portugal	565,9	574,0	582,1	590,8	599,4	599,5
Romania	1 600,0	1 772,5	1 801,3	1 872,8	1 903,2	1 903,2
Slovenia	138,0	137,0	136,0	135,1	134,3	134,3
Slovakia	435,5	438,6	441,8	445,2	448,7	394,4
Finland	523,3	523,4	523,5	524,1	524,6	524,6
Sweden	696,8	697,2	697,6	698,7	699,7	699,8
United Kingdom	3 169,8	3 176,3	3 182,7	3 191,4	3 200,8	3 591,7

(*) For Croatia, the net ceiling for calendar year 2021 shall be EUR 344 340 000 and for 2022 shall be EUR 382 600 000.'

(3) Annex VI is replaced by the following:

'ANNEX VI

Financial provisions applying to Croatia referred to in Articles 10 and 19

A. Amount for applying Article 10(1)(a):

EUR 382 600 000

B. Total amounts of complementary national direct payments referred to in Article 19(3):

(in thousand EUR)

2015	2016	2017	2018	2019	2020	2021
248 690	229 560	191 300	153 040	114 780	76 520	38 260'

COMMISSION DELEGATED REGULATION (EU) 2015/852

of 27 March 2015

supplementing Regulation (EU) No 508/2014 of the European Parliament and of the Council as regards the cases of non-compliance and the cases of serious non-compliance with the rules of the Common Fisheries Policy that may lead to an interruption of a payment deadline or suspension of payments under the European Maritime and Fisheries Fund

THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EU) No 508/2014 of the European Parliament and of the Council of 15 May 2014 on the European Maritime and Fisheries Fund and repealing Council Regulations (EC) No 2328/2003, (EC) No 861/2006, (EC) No 1198/2006 and (EC) No 791/2007 and Regulation (EU) No 1255/2011 of the European Parliament and of the Council ([1]), and in particular Article 102 thereof,

Whereas:

(1) The achievement of the objectives of the Common Fisheries Policy (CFP) should not be undermined by Member States violating CFP rules. Pursuant to Article 41 of Regulation (EU) No 1380/2013 of the European Parliament and of the Council ([2]), financial assistance from the European Maritime and Fisheries Fund (EMFF) is made conditional upon compliance with CFP rules by Member States. Non-compliance by Member States with the CFP rules may result in the interruption or suspension of payments or in the application of a financial correction to Union financial assistance under the CFP.

(2) Articles 83(1) and 142(1) of Regulation (EU) No 1303/2013 of the European Parliament and of the Council ([3]) set out the conditions under which interruption of a payment deadline or suspension of payments may be imposed, respectively. Those two Articles foresee that the fund-specific rules for the EMFF may lay down specific bases for interruption and suspension linked to non-compliance with rules applicable under the CFP.

(3) In order to safeguard the financial interests of the Union and its taxpayers, where a Member State has failed to comply with its obligations under the CFP, or where the Commission has evidence that suggests such a lack of compliance, the Commission is allowed, as a precautionary measure, to interrupt payment deadlines pursuant to Article 100 of Regulation (EU) No 508/2014.

(4) In addition to the interruption of the payment deadline, and in order to avoid the risk of paying out ineligible expenditure, the Commission is allowed, pursuant to Article 101 of Regulation (EU) No 508/2014, to suspend payments in cases of serious non-compliance with the CFP rules.

(5) Financial consequences imposed on Member States if they do not comply with CFP rules should be proportionate to the nature, gravity, duration and repetition of the non-compliance.

(6) In order to provide legal certainty for Member States implementing operational programmes under the EMFF, it is necessary to define the cases of non-compliance with CFP rules essential to the conservation of marine biological resources that may trigger interruption of the payment deadline or suspension of payments in line with Regulation (EU) No 508/2014. Those cases will serve the purposes of Regulation (EU) No 508/2014 and implement Article 41 of Regulation (EU) No 1380/2013 without prejudice to any other sanctions imposed by CFP rules.

(7) Cases of non-compliance with CFP rules that are essential to the conservation of marine biological resources should be considered as serious, if the Member State has failed to take the necessary action to remedy the situation giving rise to an interruption of the payment deadline.

([1]) OJ L 149, 20.5.2014, p. 1.

([2]) Regulation (EU) No 1380/2013 of the European Parliament and of the Council of 11 December 2013 on the Common Fisheries Policy, amending Council Regulations (EC) No 1954/2003 and (EC) No 1224/2009 and repealing Council Regulations (EC) No 2371/2002 and (EC) No 639/2004 and Council Decision 2004/585/EC (OJ L 354, 28.12.2013, p. 22).

([3]) Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006 (OJ L 347, 20.12.2013, p. 320).

(8) Prior to the interruption or suspension of payments, the Commission has to adopt implementing acts pursuant to Articles 100(2) and 101(2) of Regulation (EU) No 508/2014 that will further specify the non-compliance of the Member State with its obligations under the CFP rules that is liable to affect the expenditure for which the interim payment is requested.

(9) Given the importance of ensuring that there is a harmonised and equal treatment of operators in all Member States from the start of the programming period, this Regulation should enter into force on the day following that of its publication in the *Official Journal of the European Union*,

HAS ADOPTED THIS REGULATION:

Article 1

Cases of non-compliance

The cases of non-compliance by a Member State with its obligations under the Common Fisheries Policy (CFP), that may trigger the interruption of the payment deadline for an interim payment claim pursuant to Article 100 of Regulation (EU) No 508/2014, are set out in the Annex to this Regulation.

Article 2

Cases of serious non-compliance

The cases of serious non-compliance by a Member State with its obligations under the CFP, that may trigger a suspension of payments pursuant to Article 101 of Regulation (EU) No 508/2014, shall be those listed in the Annex to this Regulation if, in addition:

(a) they give rise to an interruption of the payment deadline for an interim payment claim pursuant to Article 100 of Regulation (EU) No 508/2014; and

(b) the Member State has failed to take the necessary action to remedy the situation within the period of interruption of the payment deadline in relation to those cases.

Article 3

Entry into force

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, 27 March 2015.

For the Commission
The President
Jean-Claude JUNCKER

ANNEX

Category 1: Failure to contribute to the objectives of the Common Fisheries Policy as set out in Article 2(2) of Regulation (EU) No 1380/2013 that are essential to the conservation of marine biological resources

1.1. Failure to ensure that fishing opportunities allocated to the Member State pursuant to Articles 16-17 of Regulation (EU) No 1380/2013 are respected;

1.2. Failure to meet requirements set out in different types of conservation measures listed in Article 7 of Regulation (EU) No 1380/2013.

Category 2: Failure to meet international obligations on conservation

2.1. Failure to meet obligations deriving from Article 28 of Regulation (EU) No 1380/2013.

Category 3: Failure to ensure that the fleet is in balance with the natural resources

3.1. Failure to submit the report on the balance between the fishing capacity of the fleet and the fishing opportunities that complies with all the requirements of Article 22(2) of Regulation (EU) No 1380/2013;

3.2. Failure to implement the action plan pursuant to Article 22(4) of Regulation (EU) No 1380/2013, if such a plan is included into the report submitted annually;

3.3. Failure to ensure that in case of fishing capacity withdrawn by public finances, respective fishing licences and authorisations are withdrawn in advance and the capacity is not replaced as referred to in Article 22(5) and (6) of Regulation (EU) No 1380/2013;

3.4. Failure to ensure that the fishing capacity does not exceed at any time the ceilings set out in Article 22(7) and Annex II to Regulation (EU) No 1380/2013;

3.5. Failure to implement the entry/exit scheme pursuant to the requirements of Article 23 of Regulation (EU) No 1380/2013;

3.6. Failure to manage the fishing fleet register in compliance with Article 24 of Regulation (EU) No 1380/2013 and Commission Regulation (EC) No 26/2004 ([1]).

Category 4: Failure to implement the Community framework for the collection, management and use of data in line with Article 25 of Regulation (EU) No 1380/2013 as further specified in Council Regulation (EC) No 199/2008 ([2]) **that result in a lack of information on natural resources**

4.1. Failure to collect and manage biological, environmental, technical and socioeconomic data necessary for fisheries management as set out in Articles 4, 13 and 17 of Regulation (EC) No 199/2008;

4.2. Failure to submit annually a report on execution of national data collection programmes and to make this report publicly available as set out in Article 7 of Regulation (EC) No 199/2008;

4.3. Failure to ensure a national coordination of the collection and management of scientific data for fisheries management as set out in Article 4 of Regulation (EC) No 199/2008;

4.4. Failure to coordinate data collection activities with other Member States in the same region as set out in Article 5 of Regulation (EC) No 199/2008;

([1]) Commission Regulation (EC) No 26/2004 of 30 December 2003 on the Community fishing fleet register (OJ L 5, 9.1.2004, p. 25).
([2]) Council Regulation (EC) No 199/2008 of 25 February 2008 concerning the establishment of a Community framework for the collection, management and use of data in the fisheries sector and support for scientific advice regarding the Common Fisheries Policy (OJ L 60, 5.3.2008, p. 1).

4.5. Failure to provide data in a timely manner to end-users in accordance with Articles 18 to 20 of Regulation (EC) No 199/2008.

Category 5: Failure to operate an effective control and enforcement system

5.1. Failure to respect the general principles of control and enforcement in accordance with Title II of Council Regulation (EC) No 1224/2009 [1];

5.2. Failure to ensure that the general conditions for access to waters and resources in accordance with Title III of Regulation (EC) No 1224/2009 are respected;

5.3. Failure to control the marketing in order to ensure effective traceability of fisheries and aquaculture products, in accordance with Title V of Regulation (EC) No 1224/2009;

5.4. Failure to carry-out effective surveillance and inspections, and to ensure systematic and adequate enforcement action in respect of any breaches of the rules of the CFP, in accordance with Titles VI, VII and VIII of Regulation (EC) No 1224/2009;

5.5. Failure to establish and implement National Control Action Programmes according to Article 46 of Regulation (EC) No 1224/2009 and, when relevant, to carry out specific control and inspection programmes established by the Commission in accordance with Title IX of that Regulation;

5.6. Failure to cooperate with the Commission in order to facilitate the accomplishment of the Commission officials tasks during their missions of verification autonomous inspections and audits in accordance with Title X of Regulation (EC) No 1224/2009;

5.7. Failure to implement the measures decided by the Commission to ensure compliance by Member States with CFP objectives, such as action plans and any other measures in accordance with Title XI of Regulation (EC) No 1224/2009;

5.8. Failure to meet the requirements as regards analysis, validation, access and exchange of data and information, in accordance with Title XII of Regulation (EC) No 1224/2009;

5.9. Failure to control the implementation of an effective catch certificate scheme also provided for in Chapter III of Council Regulation (EC) No 1005/2008 [2];

5.10. Failure to act on alleged or reported illegal, unreported and unregulated (IUU) fishing activities pursuant to Article 26(3) and Articles 39 and 40 of Regulation (EC) No 1005/2008.

Category 6: Failure to establish and operate a functioning system of effective, proportionate and dissuasive penalties

6.1. In the event of an infringement, failure to notify the flag Member State, the Member State of which the offender holds the citizenship and any other Member State interested in the follow-up of the measures taken to ensure compliance in accordance with Article 89(4) of Regulation (EC) No 1224/2009;

6.2. Failure to take immediate measures in accordance with Article 91 of Regulation (EC) No 1224/2009 to prevent masters of fishing vessels or other legal or natural persons who had been caught in committing serious infringement, from continuing to do so;

6.3. Failure to establish the criteria to determine the serious character of the infringement of the CFP rules under Article 42 of Regulation (EC) No 1005/2008;

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[1] Council Regulation (EC) No 1224/2009 of 20 November 2009 establishing a Community control system for ensuring compliance with the rules of the common fisheries policy, amending Regulations (EC) No 847/96, (EC) No 2371/2002, (EC) No 811/2004, (EC) No 768/2005, (EC) No 2115/2005, (EC) No 2166/2005, (EC) No 388/2006, (EC) No 509/2007, (EC) No 676/2007, (EC) No 1098/2007, (EC) No 1300/2008, (EC) No 1342/2008 and repealing Regulations (EEC) No 2847/93, (EC) No 1627/94 and (EC) No 1966/2006 (OJ L 343, 22.12.2009, p. 1).

[2] Council Regulation (EC) No 1005/2008 of 29 September 2008 establishing a Community system to prevent, deter and eliminate illegal, unreported and unregulated fishing, amending Regulations (EEC) No 2847/93, (EC) No 1936/2001 and (EC) No 601/2004 and repealing Regulations (EC) No 1093/94 and (EC) No 1447/1999 (OJ L 286, 29.10.2008, p. 1).

6.4. Failure to ensure that effective sanctions are applied systematically for breaches of CFP rules and that the level of those sanctions is of adequate in severity and proportionate to the seriousness of such infringements, so as to ensure deterrence and, as a minimum, effectively deprive perpetrators of the economic benefit derived from their infringement in accordance with Title VIII of Regulation (EC) No 1224/2009;

6.5. Failure to apply the point system for serious infringements for holders of fishing licences as well as for masters in accordance with Article 92 of Regulation (EC) No 1224/2009;

6.6. Failure to establish and adequately manage the national register of infringements in accordance with Article 93 of Regulation (EC) No 1224/2009.

COMMISSION IMPLEMENTING REGULATION (EU) 2015/853

of 1 June 2015

establishing the standard import values for determining the entry price of certain fruit and vegetables

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]),

Having regard to Commission Implementing Regulation (EU) No 543/2011 of 7 June 2011 laying down detailed rules for the application of Council Regulation (EC) No 1234/2007 in respect of the fruit and vegetables and processed fruit and vegetables sectors ([2]), and in particular Article 136(1) thereof,

Whereas:

(1) Implementing Regulation (EU) No 543/2011 lays down, pursuant to the outcome of the Uruguay Round multilateral trade negotiations, the criteria whereby the Commission fixes the standard values for imports from third countries, in respect of the products and periods stipulated in Annex XVI, Part A thereto.

(2) The standard import value is calculated each working day, in accordance with Article 136(1) of Implementing Regulation (EU) No 543/2011, taking into account variable daily data. Therefore this Regulation should enter into force on the day of its publication in the *Official Journal of the European Union*,

HAS ADOPTED THIS REGULATION:

Article 1

The standard import values referred to in Article 136 of Implementing Regulation (EU) No 543/2011 are fixed in the Annex to this Regulation.

Article 2

This Regulation shall enter into force on the day 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, 1 June 2015.

For the Commission,
On behalf of the President,
Jerzy PLEWA
Director-General for Agriculture and Rural Development

([1]) OJ L 347, 20.12.2013, p. 671.
([2]) OJ L 157, 15.6.2011, p. 1.

ANNEX

Standard import values for determining the entry price of certain fruit and vegetables

(EUR/100 kg)

CN code	Third country code (1)	Standard import value
0702 00 00	AL	56,4
	MA	94,4
	MK	108,8
	TR	80,1
	ZZ	84,9
0707 00 05	AL	34,4
	MK	36,9
	TR	105,8
	ZZ	59,0
0709 93 10	TR	126,8
	ZZ	126,8
0808 10 80	AR	92,8
	BR	102,7
	CL	160,8
	NZ	129,3
	US	221,5
	ZA	121,9
	ZZ	138,2
0809 29 00	US	715,4
	ZZ	715,4

(1) Nomenclature of countries laid down by Commission Regulation (EU) No 1106/2012 of 27 November 2012 implementing Regulation (EC) No 471/2009 of the European Parliament and of the Council on Community statistics relating to external trade with non-member countries, as regards the update of the nomenclature of countries and territories (OJ L 328, 28.11.2012, p. 7). Code 'ZZ' stands for 'of other origin'.

DECISIONS

COMMISSION IMPLEMENTING DECISION (EU) 2015/854

of 1 June 2015

determining the date from which the Visa Information System (VIS) is to start operations in the nineteenth region

THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EC) No 767/2008 of the European Parliament and of the Council of 9 July 2008 concerning the Visa Information System (VIS) and the exchange of data between Member States on short-stay visas (VIS Regulation) ([1]), and in particular Article 48(3) thereof,

Whereas:

(1) According to Commission Implementing Decision 2013/493/EU ([2]), the nineteenth region where the collection and transmission of data to the Visa Information System (VIS) for all applications should start comprises China, Japan, Mongolia, North Korea, South Korea, and Taiwan.

(2) Member States have notified the Commission that they have made the necessary technical and legal arrangements to collect and transmit the data referred to in Article 5(1) of Regulation (EC) No 767/2008 to the VIS for all applications in this region, including arrangements for the collection and/or transmission of the data on behalf of another Member State.

(3) The condition laid down by the first sentence of Article 48(3) of Regulation (EC) No 767/2008 thus being fulfilled, it is therefore necessary to determine the date from which the VIS is to start operations in the nineteenth region.

(4) Given that Regulation (EC) No 767/2008 builds upon the Schengen *acquis*, Denmark, in accordance with Article 5 of the Protocol on the position of Denmark annexed to the Treaty on European Union and to the Treaty establishing the European Community, decided to implement Regulation (EC) No 767/2008 in its national law. Denmark is therefore bound under international law to implement this Decision.

(5) This Decision constitutes a development of provisions of the Schengen *acquis* in which the United Kingdom does not take part, in accordance with Council Decision 2000/365/EC ([3]). The United Kingdom is therefore not bound by this Decision or subject to its application.

([1]) OJ L 218, 13.8.2008, p. 60.
([2]) Commission Implementing Decision 2013/493/EU of 30 September 2013 determining the third and last set of regions for the start of operations of the Visa Information System (VIS) (OJ L 268, 10.10.2013, p. 13).
([3]) Council Decision 2000/365/EC of 29 May 2000 concerning the request of the United Kingdom of Great Britain and Northern Ireland to take part in some of the provisions of the Schengen *acquis* (OJ L 131, 1.6.2000, p. 43).

(6) This Decision constitutes a development of provisions of the Schengen *acquis* in which Ireland does not take part, in accordance with Council Decision 2002/192/EC ([1]). Ireland is therefore not bound by this Decision or subject to its application.

(7) As regards Iceland and Norway, this Decision constitutes a development of the provisions of the Schengen *acquis* within the meaning of the Agreement concluded by the Council of the European Union and the Republic of Iceland and the Kingdom of Norway concerning the latters' association with the implementation, application and development of the Schengen *acquis* ([2]), which fall within the area referred to in Article 1, point B of Council Decision 1999/437/EC ([3]).

(8) As regards Switzerland, this Decision constitutes a development of the provisions of the Schengen *acquis* within the meaning of the Agreement between the European Union, the European Community and the Swiss Confederation on the Swiss Confederation's association with the implementation, application and development of the Schengen *acquis* ([4]), which fall within the area referred to in Article 1, point B of Decision 1999/437/EC read in conjunction with Article 3 of Council Decision 2008/146/EC ([5]).

(9) As regards Liechtenstein, this Decision constitutes a development of the provisions of the Schengen *acquis* within the meaning of the Protocol between the European Union, the European Community, the Swiss Confederation and the Principality of Liechtenstein on the accession of the Principality of Liechtenstein to the Agreement between the European Union, the European Community and the Swiss Confederation on the Swiss Confederation's association with the implementation, application and development of the Schengen *acquis* ([6]), which fall within the area referred to in Article 1, point B of Decision 1999/437/EC read in conjunction with Article 3 of Council Decision 2011/350/EU ([7]).

(10) This Decision constitutes an act building upon, or otherwise related to, the Schengen *acquis* within, respectively, the meaning of Article 3(2) of the 2003 Act of Accession, of Article 4(2) of the 2005 Act of Accession and of Article 4(2) of the 2011 Act of Accession.

(11) In view of the need to set the date for the use of the VIS in the nineteenth region in the very near future, this Decision should enter into force on the day of its publication in the *Official Journal of the European Union*,

HAS ADOPTED THIS DECISION:

Article 1

The Visa Information System shall start operations in the nineteenth region determined by Implementing Decision 2013/493/EU on 12 October 2015.

Article 2

This Decision shall enter into force on the day of its publication in the *Official Journal of the European Union*.

([1]) Council Decision 2002/192/EC of 28 February 2002 concerning Ireland's request to take part in some of the provisions of the Schengen *acquis* (OJ L 64, 7.3.2002, p. 20).
([2]) OJ L 176, 10.7.1999, p. 36.
([3]) Council Decision 1999/437/EC of 17 May 1999 on certain arrangements for the application of the Agreement concluded by the Council of the European Union and the Republic of Iceland and the Kingdom of Norway concerning the association of those two States with the implementation, application and development of the Schengen *acquis* (OJ L 176, 10.7.1999, p. 31).
([4]) OJ L 53, 27.2.2008, p. 52.
([5]) Council Decision 2008/146/EC of 28 January 2008 on the conclusion, on behalf of the European Community, of the Agreement between the European Union, the European Community and the Swiss Confederation on the Swiss Confederation's association with the implementation, application and development of the Schengen *acquis* (OJ L 53, 27.2.2008, p. 1).
([6]) OJ L 160, 18.6.2011, p. 21.
([7]) Council Decision 2011/350/EU of 7 March 2011 on the conclusion, on behalf of the European Union, of the Protocol between the European Union, the European Community, the Swiss Confederation and the Principality of Liechtenstein on the accession of the Principality of Liechtenstein to the Agreement between the European Union, the European Community and the Swiss Confederation on the Swiss Confederation's association with the implementation, application and development of the Schengen *acquis*, relating to the abolition of checks at internal borders and movement of persons (OJ L 160, 18.6.2011, p. 19).

Article 3

This Decision shall apply in accordance with the Treaties.

Done at Brussels, 1 June 2015.

For the Commission
The President
Jean-Claude JUNCKER

GUIDELINES

GUIDELINE (EU) 2015/855 OF THE EUROPEAN CENTRAL BANK

of 12 March 2015

laying down the principles of a Eurosystem Ethics Framework and repealing Guideline ECB/2002/6 on minimum standards for the European Central Bank and national central banks when conducting monetary policy operations, foreign exchange operations with the ECB's foreign reserves and managing the ECB's foreign reserve assets (ECB/2015/11)

THE GOVERNING COUNCIL OF THE EUROPEAN CENTRAL BANK,

Having regard to the Treaty on the Functioning of the European Union, and in particular Articles 127 and 128 thereof,

Having regard to the Statute of the European System of Central Banks and of the European Central Bank, and in particular Articles 12.1 and 14.3 in conjunction with Article 3.1 and Articles 5 and 16 thereof,

Whereas:

(1) The Eurosystem attaches the utmost importance to a corporate governance approach that places accountability, transparency and the highest ethics standards at the centre of the Eurosystem. Adherence to these principles is a key element of the Eurosystem's credibility and essential to securing the trust of European citizens.

(2) Against this background, it is considered necessary to establish an ethics framework for the Eurosystem laying down ethics standards the compliance with which safeguards its credibility and reputation as well as public confidence in the integrity and impartiality of the members of the bodies and staff members of the European Central Bank (ECB) and the national central banks (NCBs) of the Member States whose currency is the euro (hereinafter the 'Eurosystem Ethics Framework'). The Eurosystem Ethics Framework should be composed of this Guideline laying down the principles, a set of best practices on how to implement these principles, and the internal rules and practices adopted by each Eurosystem central bank.

(3) Guideline ECB/2002/6 [1] lays down minimum ethics standards for the Eurosystem central banks when conducting monetary policy operations and foreign exchange operations with the ECB's foreign reserves, and when managing the ECB's foreign reserve assets. The Governing Council considers it necessary to extend these minimum ethics standards to the performance of all tasks conferred on the Eurosystem to ensure that the same ethics standards apply to the members of the bodies and staff members involved in the performance of Eurosystem tasks and to safeguard the reputation of the Eurosystem as a whole. Guideline ECB/2002/6 should therefore be replaced by this Guideline.

(4) In addition, the existing minimum standards concerning the prevention of misuse of inside information laid down in Guideline ECB/2002/6 should be developed further to reinforce the prevention of such misuse by members of the ECB's or NCBs' bodies or their staff members and to exclude potential conflicts of interest arising from private financial transactions. For this purpose, the Eurosystem Ethics Framework should clearly define the main concepts as well as the roles and responsibilities of the different bodies involved. Moreover, it should specify, beyond the general prohibition on misusing inside information, additional restrictions for persons having access to inside information. The Eurosystem Ethics Framework should also lay down the requirements for compliance monitoring and the reporting of cases of non-compliance.

(5) The Eurosystem Ethics Framework should also include minimum standards concerning the avoidance of conflicts of interest and the acceptance of gifts and hospitality.

[1] Guideline ECB/2002/6 of 26 September 2002 on minimum standards for the European Central Bank and national central banks when conducting monetary policy operations, foreign exchange operations with the ECB's foreign reserves and managing the ECB's foreign reserve assets (OJ L 270, 8.10.2002, p. 14).

(6) The Eurosystem Ethics Framework should apply in the performance of the Eurosystem tasks. It is desirable that the Eurosystem central banks apply equivalent standards to staff members or external agents engaged in the performance of non-Eurosystem tasks.

(7) The provisions of this Guideline are without prejudice to the applicable national legislation. Where an NCB is prevented by reason of the applicable national legislation from implementing a provision of this Guideline, it should inform the ECB thereof. In addition, the NCB concerned should consider taking reasonable measures at its disposal to overcome the obstacle under national law.

(8) The provisions of this Guideline are without prejudice to the Code of Conduct for the members of the Governing Council ([1]).

(9) While the Eurosystem Ethics Framework is limited to the performance of Eurosystem tasks, the Governing Council has adopted an equivalent ethics framework for the performance of supervisory tasks by the ECB and national competent authorities as part of the Single Supervisory Mechanism ([2]),

HAS ADOPTED THIS GUIDELINE:

CHAPTER I

GENERAL PROVISIONS

Article 1

Definitions

For the purposes of this Guideline:

(1) 'Eurosystem central bank' means the ECB and the NCBs of the Member States whose currency is the euro;

(2) 'Eurosystem tasks' means the tasks entrusted to the Eurosystem according to the Treaty and the Statute of the European System of Central Banks and of the European Central Bank;

(3) 'inside information' means any market sensitive information pertaining to the performance of Eurosystem tasks by the Eurosystem central banks which has not been made public or is not accessible to the public;

(4) 'market sensitive information' means information of a precise nature the publication of which is likely to have a significant effect on the prices of assets or prices in the financial markets;

(5) 'insider' means any member of a body or staff member who has access to inside information other than on a one-off basis;

(6) 'staff member' means any person who has an employment relationship with a Eurosystem central bank with the exception of those that are solely entrusted with tasks not related to the performance of Eurosystem tasks;

(7) 'member of bodies' means the members of decision-making and other internal bodies of Eurosystem central banks other than staff members;

(8) 'financial corporations' has the same meaning as defined in Chapter 2, paragraph 2.55 of Regulation (EU) No 549/2013 of the European Parliament and of the Council ([3]);

(9) 'conflict of interest' means a situation where members of bodies or staff members have personal interests which may influence or appear to influence the impartial and objective performance of their duties;

([1]) European Central Bank Code of Conduct for the members of the Governing Council (OJ C 123, 24.5.2002, p. 9).
([2]) Guideline (EU) 2015/856 of the European Central Bank of 12 March 2015 laying down the principles of an Ethics Framework for the Single Supervisory Mechanism (ECB/2015/12) (see page 29 of this Official Journal).
([3]) Regulation (EU) No 549/2013 of the European Parliament and of the Council of 21 May 2013 on the European system of national and regional accounts in the European Union (OJ L 174, 26.6.2013, p. 1).

(10) 'personal interest' means any benefit or potential benefit, of a financial or non-financial nature, for the members of bodies or staff members, their family members and other relatives or for their circle of friends and close acquaintances;

(11) 'advantage' means any gift, hospitality or other benefit of a financial or non-financial nature which objectively improves the financial, legal or personal situation of the recipient and to which the recipient is not otherwise entitled.

Article 2

Scope of application

1. This Guideline shall apply to the Eurosystem central banks in the performance of their Eurosystem tasks. In this regard, internal rules adopted by the Eurosystem central banks in the fulfilment of the provisions of this Guideline shall apply to the members of their bodies and to their staff members.

2. The Eurosystem central banks shall aim, to the extent legally feasible, to extend the obligations defined in implementation of the provisions of this Guideline to persons involved in the performance of Eurosystem tasks who are not staff members of the Eurosystem central banks.

3. The provisions of this Guideline are without prejudice to the application by the Eurosystem central banks of more stringent ethics rules to the members of their bodies and staff members.

Article 3

Roles and responsibilities

1. The Governing Council lays down the principles of the Eurosystem Ethics Framework in this Guideline and establishes best practices on how to implement these principles in view of its responsibility for determining the corporate and ethics culture at Eurosystem level.

2. The Audit Committee, the Internal Auditors Committee and the Organisational Development Committee shall be involved in the application and monitoring of the Eurosystem Ethics Framework in accordance with their respective mandates.

3. The Eurosystem central banks shall specify the roles and responsibilities of the bodies, units and staff members involved at local level in the implementation, application and monitoring of the Eurosystem Ethics Framework.

Article 4

Communication and raising awareness

1. The Eurosystem central banks shall formulate their internal rules implementing this Guideline in a clear and transparent manner, communicate them to the members of their bodies and their staff members and ensure that they are easily accessible.

2. The Eurosystem central banks shall take appropriate measures to raise the awareness of the members of their bodies and their staff members so that they understand their obligations under the Eurosystem Ethics Framework.

Article 5

Compliance monitoring

1. The Eurosystem central banks shall monitor compliance with the rules implementing this Guideline. The monitoring shall include, as appropriate, the conduct of regular and/or ad hoc compliance checks. The Eurosystem central banks shall establish adequate procedures to promptly respond to and address cases of non-compliance.

2. The monitoring of compliance shall be without prejudice to internal rules allowing for internal investigations where a member of a body or a staff member is suspected of having breached the rules implementing this Guideline.

Article 6

Reporting of cases of non-compliance and follow-up

1. The Eurosystem central banks shall adopt internal procedures for the reporting of cases of non-compliance with the rules implementing this Guideline including rules on whistleblowing in accordance with the applicable laws and regulations.

2. The Eurosystem central banks shall adopt measures to ensure the appropriate protection of persons reporting cases of non-compliance.

3. The Eurosystem central banks shall ensure that cases of non-compliance are followed up, including as appropriate the imposition of proportionate disciplinary measures in accordance with the applicable disciplinary rules and procedures.

4. The Eurosystem central banks shall report any major incident related to non-compliance with the rules implementing this Guideline without undue delay via the Organisational Development Committee to the Governing Council in accordance with the applicable internal procedures. In urgent cases, a Eurosystem central bank may report a major incident related to non-compliance directly to the Governing Council. In any event, the Eurosystem central banks shall inform the Audit Committee in parallel.

CHAPTER II

RULES ON THE PREVENTION OF MISUSE OF INSIDE INFORMATION

Article 7

General prohibition on misusing inside information

1. The Eurosystem central banks shall ensure that the members of their bodies and their staff members are prohibited from misusing inside information.

2. The prohibition on misusing inside information shall cover, as a minimum: (a) the use of inside information for private transactions for one's own account or for the account of third parties; (b) the disclosure of inside information to any other person unless such disclosure is made in the course of carrying out professional duties on a need-to-know basis; and (c) the use of inside information in order to recommend or induce other persons to enter into private financial transactions.

Article 8

Specific restrictions for insiders

1. The Eurosystem central banks shall ensure that access to inside information is restricted to those members of bodies and staff members who need access to this information for the performance of their duties.

2. The Eurosystem central banks shall ensure that all insiders are subject to specific restrictions with regard to critical private financial transactions. A private financial transaction shall be deemed critical when it is or may be perceived to be closely related to the performance of Eurosystem tasks. The Eurosystem central banks shall establish in their internal rules a list of such critical transactions which shall include in particular:

(a) transactions in shares and bonds issued by financial corporations established in the Union;

(b) foreign exchange transactions, transactions in gold, the trading of euro area government securities;

(c) short-term trading, i.e. the purchase and subsequent sale or the sale and subsequent purchase of the same financial instrument within a specified reference period;

(d) transactions in derivatives related to the financial instruments listed under (a) to (c) and collective investment schemes the main purpose of which is to invest in such financial instruments.

3. The Eurosystem central banks shall adopt internal rules laying down the specific restrictions for insiders taking into account effectiveness, efficiency and proportionality considerations. Such specific restrictions may comprise any or a combination of the following:

(a) the prohibition of specific financial transactions;

(b) a prior authorisation requirement for specific financial transactions;

(c) an *ex ante* or *ex post* reporting requirement for specific financial transactions; and/or

(d) embargo periods for specific financial transactions.

4. The Eurosystem central banks may choose to apply these specific restrictions to staff members other than insiders.

5. The Eurosystem central banks shall ensure that their lists of critical private financial transactions may be adjusted at short notice to reflect the decisions of the Governing Council.

6. The Eurosystem central banks shall specify in their internal rules the conditions and safeguards under which members of bodies and staff members who entrust the management of their private financial transactions to an independent third party under a written asset management agreement are exempt from the specific restrictions laid down in this Article.

CHAPTER III

RULES ON THE AVOIDANCE OF CONFLICTS OF INTEREST

Article 9

Conflicts of interest

1. The Eurosystem central banks shall have a mechanism in place to avoid a situation in which a candidate being considered for an appointment as a staff member has a conflict of interest resulting from previous occupational activities or from personal relationships.

2. The Eurosystem central banks shall adopt internal rules requiring the members of their bodies and their staff members to avoid during their employment any situation liable to give rise to a conflict of interest and to report such situations. The Eurosystem central banks shall ensure that, when a conflict of interest is reported, appropriate measures are available to avoid such conflict, including relief from duties relating to the relevant matter.

3. The Eurosystem central banks shall have a mechanism in place to assess and avoid possible conflicts of interest arising from post-employment occupational activities undertaken by the members of their bodies and of their senior staff members reporting directly to the executive level.

4. The Eurosystem central banks shall, where relevant, have a mechanism in place to assess and avoid potential conflicts of interest arising from occupational activities undertaken by their staff members during unpaid leave.

CHAPTER IV

RULES ON THE ACCEPTANCE OF GIFTS AND HOSPITALITY

Article 10

Prohibition on receiving advantages

1. The Eurosystem central banks shall adopt internal rules prohibiting the members of their bodies and their staff members from soliciting, receiving or accepting a promise related to receiving for themselves or any other person any advantage connected in any way with the performance of their official duties.

2. The Eurosystem central banks may specify in their internal rules exemptions from the prohibition laid down in paragraph 1 as regards advantages offered by central banks, Union institutions bodies or agencies, international organisations and government agencies, and as regards advantages of a customary or negligible value offered by the private sector, provided in the latter case that these advantages are neither frequent nor from the same source. Eurosystem central banks shall ensure that these exemptions do not influence and may not be perceived as influencing the independence and impartiality of the members of their bodies and of their staff members.

CHAPTER V

FINAL PROVISIONS

Article 11

Repeal

Guideline ECB/2002/6 is hereby repealed.

Article 12

Taking effect and implementation

1. This Guideline shall take effect on the day of its notification to the NCBs.

2. The Eurosystem central banks shall take the necessary measures to implement and comply with this Guideline and apply them from 18 March 2016. NCBs shall inform the ECB of any obstacles for the implementation of this Guideline and shall notify the ECB of the texts and means relating to those measures by 18 January 2016 at the latest.

Article 13

Reporting and review

1. The NCBs shall report annually to the ECB on the implementation of this Guideline.

2. The Governing Council shall review this Guideline at least every three years.

Article 14

Addressees

This Guideline is addressed to all Eurosystem central banks.

Done at Frankfurt am Main, 12 March 2015.

For the Governing Council of the ECB
The President of the ECB
Mario DRAGHI

GUIDELINE (EU) 2015/856 OF THE EUROPEAN CENTRAL BANK

of 12 March 2015

laying down the principles of an Ethics Framework for the Single Supervisory Mechanism (ECB/2015/12)

THE GOVERNING COUNCIL OF THE EUROPEAN CENTRAL BANK,

Having regard to Council Regulation (EU) No 1024/2013 of 15 October 2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions [1] (hereinafter the 'SSM Regulation'), and in particular Article 6(1) in conjunction with Article 6(7) thereof,

Whereas:

(1) The European Central Bank (ECB) attaches the utmost importance to a corporate governance approach that places accountability, transparency and the highest ethics standards at the centre of the Single Supervisory Mechanism (SSM). Adherence to these principles is a key element of the SSM's credibility and essential to securing the trust of European citizens.

(2) Against this background, it is considered necessary to establish an ethics framework for the SSM laying down ethics standards the compliance with which safeguards its credibility and reputation as well as public confidence in the integrity and impartiality of the members of the bodies and staff members of the ECB and the national competent authorities (NCAs) of the Member States participating in the SSM (hereinafter the 'SSM Ethics Framework'). The SSM Ethics Framework should be composed of this Guideline laying down the principles, a set of best practices on how to implement these principles, and the internal rules and practices adopted by the ECB and each NCA.

(3) Minimum standards concerning the prevention of misuse of inside information should reinforce the prevention of such misuse by members of the ECB's or NCAs' bodies or their staff members and exclude potential conflicts of interest arising from private financial transactions. For this purpose, the SSM Ethics Framework should clearly define the main concepts as well as the roles and responsibilities of the different bodies involved. Moreover, it should specify, beyond the general prohibition on misusing inside information, additional restrictions for persons having access to inside information. The SSM Ethics Framework should also lay down the requirements for compliance monitoring and the reporting of cases of non-compliance.

(4) The SSM Ethics Framework should also include minimum standards concerning the avoidance of conflicts of interest and the acceptance of gifts and hospitality.

(5) The SSM Ethics Framework should apply in the performance of the supervisory tasks. It is desirable that the ECB and the NCAs apply equivalent standards to staff members or external agents engaged in the performance of other tasks.

(6) The provisions of this Guideline are without prejudice to the applicable national legislation. Where an NCA is prevented by reason of the applicable national legislation from implementing a provision of this Guideline, it should inform the ECB thereof. In addition, the NCA concerned should consider taking reasonable measures at its disposal to overcome the obstacle under national law.

(7) The provisions of this Guideline are without prejudice to the Code of Conduct for the members of the Governing Council [2] and the Code of Conduct for the Members of the Supervisory Board [3].

(8) While the SSM Ethics Framework is limited to the performance of supervisory tasks, the Governing Council has adopted an equivalent ethics framework for the performance of Eurosystem tasks by the ECB and national central banks [4],

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[1] OJ L 287, 29.10.2013, p. 63.
[2] European Central Bank Code of Conduct for the members of the Governing Council (OJ C 123, 24.5.2002, p. 9).
[3] Code of Conduct for the Members of the Supervisory Board of the European Central Bank (OJ C 93, 20.3.2015, p. 2).
[4] Guideline (EU) 2015/855 of the European Central Bank of 12 March 2015 laying down the principles of a Eurosystem Ethics Framework and repealing Guideline ECB/2002/6 on minimum standards for the European Central Bank and national central banks when conducting monetary policy operations, foreign exchange operations with the ECB's foreign reserves and managing the ECB's foreign reserve assets (ECB/2015/11) (see page 23 of this Official Journal).

HAS ADOPTED THIS GUIDELINE:

CHAPTER I

GENERAL PROVISIONS

Article 1

Definitions

For the purposes of this Guideline:

(1) 'national competent authority' (NCA) means a national competent authority as defined in point (2) of Article 2 of the SSM Regulation. This definition is without prejudice to arrangements under national law which assign certain supervisory tasks to a national central bank (NCB) not designated as an NCA. A reference to an NCA in this Guideline shall in this case apply as appropriate to the NCB for the tasks assigned to it by national law;

(2) 'inside information' means any market sensitive information pertaining to the performance of supervisory tasks conferred on the ECB which has not been made public or is not accessible to the public;

(3) 'market sensitive information' means information of a precise nature the publication of which is likely to have a significant effect on the prices of assets or prices in the financial markets;

(4) 'insider' means any member of a body or staff member who has access to inside information other than on a one-off basis;

(5) 'staff member' means any person who has an employment relationship with the ECB or an NCA with the exception of those that are solely entrusted with tasks not related to the performance of supervisory tasks under the SSM Regulation;

(6) 'member of bodies' means the members of decision-making and other internal bodies of the ECB or the NCAs other than staff members;

(7) 'financial corporations' has the same meaning as defined in Chapter 2, paragraph 2.55 of Regulation (EU) No 549/2013 of the European Parliament and of the Council ([1]);

(8) 'conflict of interest' means a situation where members of bodies or staff members have personal interests which may influence or appear to influence the impartial and objective performance of their duties.

(9) 'personal interest' means any benefit or potential benefit, of a financial or non-financial nature, for the members of bodies or staff members, their family members and other relatives or for their circle of friends and close acquaintances;

(10) 'advantage' means any gift, hospitality or other benefit of a financial or non-financial nature which objectively improves the financial, legal or personal situation of the recipient and to which the recipient is not otherwise entitled.

Article 2

Scope of application

1. This Guideline shall apply to the ECB and the NCAs in the performance of the supervisory tasks conferred on the ECB. In this regard, internal rules adopted by the ECB and the NCAs in the fulfilment of the provisions of this Guideline shall apply to the members of their bodies and to their staff members.

2. The ECB and the NCAs shall aim, to the extent legally feasible, to extend the obligations defined in implementation of the provisions of this Guideline to persons involved in the performance of supervisory tasks who are not staff members.

3. The provisions of this Guideline are without prejudice to the application by the ECB or the NCAs of more stringent ethics rules to the members of their bodies and staff members.

([1]) Regulation (EU) No 549/2013 of the European Parliament and of the Council of 21 May 2013 on the European system of national and regional accounts in the European Union (OJ L 174, 26.6.2013, p. 1).

Article 3

Roles and responsibilities

1. The Governing Council lays down the principles of the SSM Ethics Framework in this Guideline and establishes best practices on how to implement these principles in view of its responsibility for determining the corporate and ethics culture at SSM level.

2. The Audit Committee, the Internal Auditors Committee and the Organisational Development Committee shall be involved in the application and monitoring of the Ethics Framework for the SSM in accordance with their respective mandates.

3. The ECB and the NCAs shall specify the roles and responsibilities of the bodies, units and staff members involved at local level in the implementation, application and monitoring of the Ethics Framework for the SSM.

Article 4

Communication and raising awareness

1. The ECB and the NCAs shall formulate their internal rules implementing this Guideline in a clear and transparent manner, communicate them to the members of their bodies and their staff members and ensure that they are easily accessible.

2. The ECB and the NCAs shall take appropriate measures to raise the awareness of the members of their bodies and their staff members so that they understand their obligations under the Ethics Framework for the SSM.

Article 5

Compliance monitoring

1. The ECB and the NCAs shall monitor compliance with the rules implementing this Guideline. The monitoring shall include, as appropriate, the conduct of regular and/or ad hoc compliance checks. The ECB and the NCAs shall establish adequate procedures to promptly respond to and address cases of non-compliance.

2. The monitoring of compliance shall be without prejudice to internal rules allowing for internal investigations where a member of a body or a staff member is suspected of having breached the rules implementing this Guideline.

Article 6

Reporting of cases of non-compliance and follow-up

1. The ECB and the NCAs shall adopt internal procedures for the reporting of cases of non-compliance with the rules implementing this Guideline including rules on whistleblowing in accordance with the applicable laws and regulations.

2. The ECB and the NCAs shall adopt measures to ensure the appropriate protection of persons reporting cases of non-compliance.

3. The ECB and the NCAs shall ensure that cases of non-compliance are followed-up, including as appropriate the imposition of proportionate disciplinary measures in accordance with the applicable disciplinary rules and procedures.

4. The ECB and the NCAs shall report any major incident related to non-compliance with the rules implementing this Guideline without undue delay via the Organisational Development Committee and the Supervisory Board to the Governing Council in accordance with the applicable internal procedures. In urgent cases, the ECB or an NCA may report a major incident related to non-compliance directly to the Governing Council. In any event, the ECB and NCAs shall inform the Audit Committee in parallel.

CHAPTER II

RULES ON THE PREVENTION OF MISUSE OF INSIDE INFORMATION

Article 7

General prohibition on misusing inside information

1. The ECB and the NCAs shall ensure that the members of their bodies and their staff members are prohibited from misusing inside information.

2. The prohibition on misusing inside information shall cover, as a minimum: (a) the use of inside information for private transactions for one's own account or for the account of third parties; (b) the disclosure of inside information to any other person unless such disclosure is made in the course of carrying out professional duties on a need-to-know basis; and (c) the use of inside information in order to recommend or induce other persons to enter into private financial transactions.

Article 8

Specific restrictions for insiders

1. The ECB and the NCAs shall ensure that access to inside information is restricted to those members of bodies and staff members who need access to this information for the performance of their duties.

2. The ECB and the NCAs shall ensure that all insiders are subject to specific restrictions with regard to critical private financial transactions. A private financial transaction shall be deemed critical when it is or may be perceived to be closely related to the performance of supervisory tasks. The ECB and the NCAs shall establish in their internal rules a list of such critical transactions which shall include in particular:

(a) transactions in shares and bonds issued by financial corporations established in the Union,

(b) short-term trading, i.e. the purchase and subsequent sale or the sale and subsequent purchase of the same financial instrument within a specified reference period;

(c) transactions in derivatives related to the financial instruments listed under (a) and collective investment schemes the main purpose of which is to invest in such financial instruments.

3. The ECB and the NCAs shall adopt internal rules laying down the specific restrictions for insiders taking into account effectiveness, efficiency and proportionality considerations. Such specific restrictions may comprise any or a combination of the following:

(a) the prohibition of specific financial transactions;

(b) a prior authorisation requirement for specific financial transactions;

(c) an *ex-ante* or *ex-post* reporting requirement for specific financial transactions; and/or

(d) embargo periods for specific financial transactions.

4. The ECB and the NCAs may choose to apply these specific restrictions to staff members other than insiders.

5. The ECB and the NCAs shall ensure that their lists of critical private financial transactions may be adjusted at short notice to reflect the decisions of the Governing Council.

6. The ECB and the NCAs shall specify in their internal rules the conditions and safeguards under which members of bodies and staff members who entrust the management of their private financial transactions to an independent third party under a written asset management agreement are exempt from the specific restrictions laid down in this Article.

CHAPTER III

RULES ON THE AVOIDANCE OF CONFLICTS OF INTEREST

Article 9

Conflicts of interest

1. The ECB and the NCAs shall have a mechanism in place to avoid a situation in which a candidate being considered for an appointment as a staff member has a conflict of interest resulting from previous occupational activities or from personal relationships.

2. The ECB and the NCAs shall adopt internal rules requiring the members of their bodies and their staff members to avoid during their employment any situation liable to give rise to a conflict of interest and to report such situations. The ECB and the NCAs shall ensure that, when a conflict of interest is reported, appropriate measures are available to avoid such conflict, including the relief from duties for the relevant matter.

3. The ECB and the NCAs shall have a mechanism in place to assess and avoid possible conflicts of interest arising from post-employment occupational activities undertaken by the members of their bodies and of their senior staff members reporting directly to the executive level.

4. The ECB and the NCAs shall, where relevant, have a mechanism in place to assess and avoid potential conflicts of interest arising from occupational activities undertaken by their staff members during unpaid leave.

CHAPTER IV

RULES ON THE ACCEPTANCE OF GIFTS AND HOSPITALITY

Article 10

Prohibition on receiving advantages

1. The ECB and the NCAs shall adopt internal rules prohibiting the members of their bodies and their staff members from soliciting, receiving or accepting a promise related to receiving for themselves or any other person any advantage connected in any way with the performance of their official duties.

2. The ECB and the NCAs may specify in their internal rules exemptions from the prohibition laid down in paragraph 1 as regards advantages offered by central banks, Union institutions bodies or agencies, international organisations and government agencies, or as regards advantages of a customary or negligible value offered by the private sector provided in the latter case that these advantages are neither frequent nor from the same source. The ECB and the NCAs shall ensure that these exemptions do not influence or may not be perceived as influencing the independence and impartiality of the members of their bodies and of their staff members.

3. By way of derogation from paragraph 2, no exemptions shall be made for advantages offered by credit institutions to ECB or NCA staff members during on-site inspections or audit missions except hospitality of a negligible value offered during work-related meetings.

CHAPTER V

FINAL PROVISIONS

Article 11

Taking effect and implementation

1. This Guideline shall take effect on the day of its notification to the NCAs.

2. The ECB and the NCAs shall take the necessary measures to implement and comply with this Guideline and apply them from 18 March 2016. NCAs shall inform the ECB of any obstacles for the implementation of this Guideline and shall notify the ECB of the texts and means relating to those measures by 18 January 2016 at the latest.

Article 12

Reporting and review

1. The NCAs shall report annually to the ECB on the implementation of this Guideline.

2. The Governing Council shall review this Guideline at least every three years.

Article 13

Addressees

This Guideline is addressed to the ECB and the NCAs.

Done at Frankfurt am Main, 12 March 2015.

For the Governing Council of the ECB
The President of the ECB
Mario DRAGHI

ACTS ADOPTED BY BODIES CREATED BY INTERNATIONAL AGREEMENTS

DECISION No 1 OF THE EU-SERBIA STABILISATION AND ASSOCIATION COUNCIL

of 21 October 2013

adopting its rules of procedure [2015/857]

THE STABILISATION AND ASSOCIATION COUNCIL,

Having regard to the Stabilisation and Association Agreement between the European Communities and its Member States, of the one part, and the Republic of Serbia (hereinafter referred to as 'Serbia'), of the other part (hereinafter referred to as the 'Agreement'), and in particular Articles 119, 120, 122 and 124 thereof,

Whereas that Agreement entered into force on 1 September 2013.

HAS ADOPTED THIS DECISION:

Article 1

Chairmanship

The Stabilisation and Association Council shall be chaired alternately for periods of 12 months by the President of the Foreign Affairs Council of the European Union, on behalf of the European Union and its Member States and the European Atomic Energy Community, and by a representative of the Government of Serbia. The first period shall begin on the date of the first Stabilisation and Association Council meeting and end on 31 December 2013.

Article 2

Meetings

The Stabilisation and Association Council shall meet at ministerial level once a year. Special sessions of the Stabilisation and Association Council may be held at the request of either Party, if the Parties so agree. Unless otherwise agreed by the Parties, each session of the Stabilisation and Association Council shall be held at the usual venue for meetings of the Council of the European Union on a date agreed by both Parties. Meetings of the Stabilisation and Association Council shall be jointly convened by the Secretaries of the Stabilisation and Association Council in agreement with the Chairman.

Article 3

Representation

The members of the Stabilisation and Association Council, if unable to attend, may be represented. If a member wishes to be so represented, he shall notify the Chairman of the name of his representative before the meeting at which he is to be so represented. The representative of a member of the Stabilisation and Association Council shall exercise all the rights of that member.

Article 4

Delegations

The members of the Stabilisation and Association Council may be accompanied by officials. Before each meeting, the Chairman shall be informed of the intended composition of the delegation of each Party. A representative of the European Investment Bank shall attend the meetings of the Stabilisation and Association Council, as an observer, when matters which concern the Bank appear on the agenda. The Stabilisation and Association Council may invite non-members to attend its meetings in order to provide information on particular subjects.

Article 5

Secretariat

An official of the General Secretariat of the Council of the European Union and an official of the Mission of Serbia to the European Union shall act jointly as Secretaries of the Stabilisation and Association Council.

Article 6

Correspondence

Correspondence addressed to the Stabilisation and Association Council shall be sent to the Chairman of the Stabilisation and Association Council at the address of the General Secretariat of the Council of the European Union.

The two Secretaries shall ensure that correspondence is forwarded to the Chairman of the Stabilisation and Association Council and, where appropriate, circulated to other members of the Stabilisation and Association Council. Correspondence so circulated shall be sent to the Secretariat-General of the Commission, the Permanent Representations of the Member States and the Mission of Serbia to the European Union.

Communications from the Chairman of the Stabilisation and Association Council shall be sent to the addressees by the two Secretaries and circulated, where appropriate, to the other members of the Stabilisation and Association Council as indicated in the second paragraph.

Article 7

Publicity

Unless otherwise decided, the meetings of the Stabilisation and Association Council shall not be public.

Article 8

Agendas for meetings

1. The Chairman shall draw up a provisional agenda for each meeting. It shall be forwarded by the Secretaries of the Stabilisation and Association Council to the addressees referred to in Article 6 not later than 15 days before the beginning of the meeting. The provisional agenda shall include the items in respect of which the Chairman has received a request for inclusion on the agenda not later than 21 days before the beginning of the meeting, although items shall not be written into the provisional agenda unless the supporting documentation has been forwarded to the Secretaries not later than the date of despatch of the agenda. The agenda shall be adopted by the Stabilisation and Association Council at the beginning of each meeting. An item other than those appearing on the provisional agenda may be placed on the agenda if the two Parties so agree.

2. The Chairman may, in agreement with the two Parties, shorten the time limits specified in paragraph 1 in order to take account of the requirements of a particular case.

Article 9

Minutes

Draft minutes of each meeting shall be drawn up by the two Secretaries. The minutes shall, as a general rule, indicate in respect of each item on the agenda:

the documentation submitted to the Stabilisation and Association Council,

statements requested for entry by a member of the Stabilisation and Association Council,

the decisions taken and recommendations made, the statements agreed upon and the conclusions adopted.

The draft minutes shall be submitted to the Stabilisation and Association Council for approval. When approved, the minutes shall be signed by the Chairman and the two Secretaries. The minutes shall be filed in the archives of the General Secretariat of the Council of the European Union, which will act as depository of the documents of the Stabilisation and Association Council. A certified copy shall be forwarded to each of the addressees referred to in Article 6.

Article 10

Decisions and recommendations

1. The Stabilisation and Association Council shall take its decisions and make recommendations by common agreement of the Parties. The Stabilisation and Association Council may take decisions or make recommendations by written procedure if both Parties so agree.

2. The decisions and recommendations of the Stabilisation and Association Council, within the meaning of Article 121 of the Stabilisation and Association Agreement, shall be entitled respectively 'Decision' and 'Recommendation' followed by a serial number, by the date of their adoption and by a description of their subject matter. The decisions and recommendations of the Stabilisation and Association Council shall be signed by the Chairman and authenticated by the two Secretaries. Decisions and recommendations shall be forwarded to each of the addressees referred to in Article 6 above. Each Party may decide on the publication of decisions and recommendations of the Stabilisation and Association Council in its respective official publication.

Article 11

Languages

The official languages of the Stabilisation and Association Council shall be the official languages of the two Parties. Unless otherwise decided, the Stabilisation and Association Council shall base its deliberations on documentation drawn up in those languages.

Article 12

Expenses

The European Union and Serbia shall each defray the expenses they incur by reason of their participation in the meetings of the Stabilisation and Association Council, both with regard to staff, travel and subsistence expenditure and to postal and telecommunications expenditure. Expenditure in connection with interpreting at meetings, translation and reproduction of documents shall be borne by the European Union, with the exception of expenditure in connection with interpreting or translation into or from the Serbian language, which shall be borne by Serbia. Other expenditure relating to the organisation of meetings shall be borne by the Party hosting the meetings.

Article 13

Stabilisation and Association Committee

1. A Stabilisation and Association Committee is hereby established in order to assist the Stabilisation and Association Council in carrying out its duties. It shall be composed of representatives of the Council of the European Union and of representatives of the European Commission, on the one hand, and of representatives of the Government of Serbia on the other, normally at senior civil servant level.

2. The Stabilisation and Association Committee shall prepare the meetings and the deliberations of the Stabilisation and Association Council, implement the decisions of the Stabilisation and Association Council where appropriate and, in general, ensure continuity of the association relationship and the proper functioning of the Stabilisation and Association Agreement. It shall consider any matter referred to it by the Stabilisation and Association Council as well as any other matter which may arise in the course of the day-to-day implementation of the Stabilisation and Association Agreement. It shall submit proposals or any draft decisions or recommendations for adoption to the Stabilisation and Association Council.

3. In cases where the Stabilisation and Association Agreement refers to an obligation to consult or a possibility of consultation, such consultation may take place within the Stabilisation and Association Committee. The consultation may continue in the Stabilisation and Association Council if the two Parties so agree.

4. The rules of procedure of the Stabilisation and Association Committee are annexed to this Decision.

Article 14

Joint Consultative Committee composed of representatives of the European Economic and Social Committee and of Serbia's social partners and other civil society organisations

1. A Joint Consultative Committee composed of representatives of the European Economic and Social Committee and of Serbia's social partners and other civil society organisations is hereby established, entrusted with the task of assisting the Stabilisation and Association Council with a view to promoting dialogue and cooperation between the social partners and other civil society organisations, in the European Union and Serbia. Such dialogue and cooperation shall encompass all relevant aspects of relations between the European Union and Serbia, as they arise in the context of the implementation of the Stabilisation and Association Agreement. Such dialogue and cooperation shall be aimed in particular at:

(a) preparing Serbian social partners and other civil society organisations for activity in the framework of future membership of the European Union;

(b) preparing Serbian social partners and other civil society organisations for their participation in the work of the European Economic and Social Committee after the accession of Serbia;

(c) exchanging information on issues of mutual interest, in particular on up-to-date state of play on the accession process as well as preparation of Serbian social partners and other civil society organisations for this process;

(d) encouraging exchanges of experience, good practices and structured dialogue between a) Serbian social partners and other civil society organisations and b) social partners and other civil society organisations from Member States, including through networking in specific areas where direct contacts and cooperation might prove the most effective way of solving particular problems;

(e) discussing any other relevant matters proposed by any side, as they can arise in the context of implementation of the Stabilisation and Association Agreement and in the framework of the Pre-accession strategy.

2. The Joint Consultative Committee referred to in paragraph 1 shall comprise nine representatives of the European Economic and Social Committee and nine representatives of Serbia's social partners and other civil society organisations. The Joint Consultative Committee may also invite observers.

3. The Joint Consultative Committee referred to in paragraph 1 shall carry out its tasks on the basis of consultation by the Stabilisation and Association Council or, with regard to promoting dialogue between economic and social circles, on its own initiative.

4. Members shall be chosen to ensure that the Joint Consultative Committee referred to in paragraph 1 is as faithful a reflection as possible of the various social partners and other civil society organisations, in both the European Union and Serbia. Official nominations of Serbian members shall be made by the government of Serbia based on proposals from social partners and other civil society organisations. Those proposals shall be based on inclusive and transparent selection procedures among social partners and other civil society organisations.

5. The Joint Consultative Committee referred to in paragraph 1 shall be co-chaired by a member of the European Economic and Social Committee and a representative of Serbia's social partners and other civil society organisations.

6. The Joint Consultative Committee referred to in paragraph 1 shall adopt its Rules of Procedure.

7. The European Economic and Social Committee, on the one hand, and the Serbian Government, on the other hand, shall each defray the expenses they incur by reason of the participation of their delegates in the meetings of the Joint Consultative Committee and of its working groups with regard to staff, travel and subsistence expenditure.

8. Detailed arrangements on interpretation and translation costs shall be set out in the rules of procedure of the Joint Consultative Committee referred to in paragraph 1. Other expenditure relating to the material organisation of meetings shall be borne by the Party which hosts the meetings.

Article 15

Joint Consultative Committee composed of representatives of the Committee of the Regions of the European Union and of Serbian local and regional authorities

1. A Joint Consultative Committee composed of representatives of the Committee of the Regions of the European Union and of Serbian local and regional authorities is hereby established with the task of assisting the Stabilisation and Association Council with a view to promoting dialogue and cooperation between the local and regional authorities in the European Union and those in Serbia. Such dialogue and cooperation shall be aimed in particular at:

(a) preparing Serbian local and regional authorities for activity in the framework of future membership of the European Union;

(b) preparing Serbian local and regional authorities for their participation in the work of the Committee of the Regions after the accession of Serbia;

(c) exchanging information on current issues of mutual interest, in particular on up-to-date state of play concerning the accession process and those policy areas where the Treaties provide that the Committee of the Regions shall be consulted as well as preparation of Serbian local and regional authorities for these policies;

(d) encouraging multilateral structured dialogue between a) Serbian local and regional authorities and b) local and regional authorities from the Member States, including through networking in specific areas where direct contacts and cooperation between Serbian local and regional authorities and the local and regional authorities from Member States might prove the most effective way of addressing specific topics of mutual interest;

(e) providing regular exchange of information on inter-regional cooperation between Serbian local and regional authorities and local and regional authorities from Member States;

(f) encouraging exchange of experience and knowledge in the policy areas where the Treaty on the Functioning of the European Union provides that the Committee of the Regions shall be consulted, between i) Serbian local and regional authorities and ii) local and regional authorities from Member States, in particular know-how and techniques concerning preparation of local and regional development plans or strategies and most efficient use of the pre-accession and Structural Funds;

(g) assisting Serbian local and regional authorities by means of information exchange on the practical implementation of the principle of subsidiarity in all aspects of life on local and regional level;

(h) discussing any other relevant matters proposed by any side, as they can arise in the context of implementation of the Stabilisation and Association Agreement and in the framework of the Pre-accession strategy.

2. The Joint Consultative Committee referred to in paragraph 1 shall comprise seven representatives of the Committee of the Regions, on the one hand, and seven elected representatives of the local and regional authorities of Serbia, on the other hand. An equal number of alternate members shall be appointed.

3. The Joint Consultative Committee referred to in paragraph 1 shall carry out its activities on the basis of consultation by the Stabilisation and Association Council or, as concerns the promotion of the dialogue between the local and regional authorities, on its own initiative.

4. The Joint Consultative Committee referred to in paragraph 1 may make recommendations to the Stabilisation and Association Council.

5. Members shall be chosen to ensure that the Joint Consultative Committee referred to in paragraph 1 is a faithful reflection of the various levels of local and regional authorities in both the European Union and Serbia. Official nominations of Serbian members shall be made by the government of Serbia based on proposals from organisations representing local and regional authorities in Serbia. Those proposals shall be based on inclusive and transparent selection procedures among representatives holding local or regional electoral mandates.

6. The Joint Consultative Committee referred to in paragraph 1 shall adopt its Rules of Procedure.

7. The Joint Consultative Committee referred to in paragraph 1 shall be co-chaired by a member of the Committee of the Regions and a representative of the local and regional authorities of Serbia.

8. The Committee of the Regions, on the one hand, and the Government of Serbia, on the other hand, shall each defray the expenses incurred by reason of the participation of their delegates and supporting staff in the meetings of the Joint Consultative Committee referred to in paragraph 1, in particular with regard to travel and subsistence expenditure.

9. Detailed arrangements on interpretation and translation costs shall be set out in the rules of procedure of the Joint Consultative Committee referred to in paragraph 1. Other expenditure relating to the material organisation of meetings shall be borne by the Party which hosts the meetings.

Done at Luxembourg, on 21 October 2013.

For the Stabilisation and Association Committee

The Chairman

C. ASHTON

ANNEX

RULES OF PROCEDURE OF THE STABILISATION AND ASSOCIATION COMMITTEE

Article 1

Chairmanship

The Stabilisation and Association Committee shall be chaired over alternately for periods of 12 months by a representative of the European Commission, on behalf of the European Union and its Member States and the European Atomic Energy Community, and by a representative of the Government of Serbia. The first period shall begin on the date of the first Stabilisation and Association Council meeting and end on 31 December 2013.

Article 2

Meetings

The Stabilisation and Association Committee shall meet when circumstances require, with the agreement of both Parties. Each meeting of the Stabilisation and Association Committee shall be held at a time and place agreed by both Parties. Meetings of the Stabilisation and Association Committee shall be convened by the Chairman.

Article 3

Delegations

Before each meeting, the Chairman shall be informed of the intended composition of the delegation of each Party.

Article 4

Secretariat

An official of the European Commission and an official of the Serbian Government shall act jointly as Secretaries of the Stabilisation and Association Committee. All communications to and from the Chairman of the Stabilisation and Association Committee provided for in this Decision shall be forwarded to the Secretaries of the Stabilisation and Association Committee and to the Secretaries and the Chairman of the Stabilisation and Association Council.

Article 5

Publicity

Unless otherwise decided, the meetings of the Stabilisation and Association Committee shall not be public.

Article 6

Agendas for meetings

1. The Chairman shall draw up a provisional agenda for each meeting. It shall be forwarded by the Secretaries of the Stabilisation and Association Committee to the addressees referred to in Article 4 not later than 15 days before the beginning of the meeting. The provisional agenda shall include the items in respect of which the Chairman has received a request for inclusion on the agenda not later than 21 days before the beginning of the meeting, although items shall not be written into the provisional agenda unless the supporting documentation has been forwarded to the Secretaries not later than the date of dispatch of the agenda. The Stabilisation and Association Committee may ask experts to attend its meetings in order to provide information on particular subjects. The agenda shall be adopted by the Stabilisation and Association Committee at the beginning of each meeting. An item other than those appearing on the provisional agenda may be placed on the agenda if the two Parties so agree.

2. The Chairman may, in agreement with the two Parties, shorten the time limits specified in paragraph 1 in order to take account of the requirements of a particular case.

Article 7

Minutes

Minutes shall be taken for each meeting and shall be based on a summing up by the Chairman of the conclusions arrived at by the Stabilisation and Association Committee. When approved by the Stabilisation and Association Committee, the minutes shall be signed by the Chairman and by the Secretaries and filed by each of the Parties. A copy of the minutes shall be forwarded to each of the addressees referred to in Article 4.

Article 8

Decisions and recommendations

In the specific cases where the Stabilisation and Association Committee is empowered by the Stabilisation and Association Council under Article 122 of the Stabilisation and Association Agreement to take decisions or make recommendations, those acts shall be entitled respectively 'Decision' and 'Recommendation', followed by a serial number, by the date of their adoption and by a description of their subject matter. Decisions and recommendations shall be made by common agreement between the Parties. The Stabilisation and Association Committee may take decisions or make recommendations by written procedure if both Parties so agree. The decisions and recommendations of the Stabilisation and Association Committee shall be signed by the Chairman and authenticated by the two Secretaries and shall be forwarded to the addressees referred to in Article 4. Each Party may decide on the publication of the decisions and recommendations of this Stabilisation and Association Committee in its respective official publication.

Article 9

Expenses

The European Union and Serbia shall each defray the expenses they incur by reason of their participation in the meetings of the Stabilisation and Association Committee, both with regard to staff, travel and subsistence expenditure and to postal and telecommunications expenditure. Expenditure in connection with interpreting at meetings, translation and reproduction of documents shall be borne by the European Union, with the exception of expenditure in connection with interpreting or translation into or from the Serbian language, which shall be borne by Serbia. Other expenditure relating to the organisation of meetings shall be borne by the Party hosting the meetings.

Article 10

Subcommittees and special groups

The Stabilisation and Association Committee may create subcommittees or special groups to work under the authority of the Stabilisation and Association Committee, to which they shall report after each of their meetings. The Stabilisation and Association Committee may decide to abolish any existing subcommittees or groups, lay down or modify their terms of reference or set up further subcommittees or groups to assist it in carrying out its duties. These subcommittees and groups shall not have any decision-making powers.

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