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I

(Legislative acts)

DECISIONS

DECISION No 445/2014/EU OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**of 16 April 2014****establishing a Union action for the European Capitals of Culture for the years 2020 to 2033 and
repealing Decision No 1622/2006/EC**

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular the first indent of Article 167(5) thereof,

Having regard to the proposal from the European Commission,

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

Having regard to the opinions of the Committee of the Regions ⁽¹⁾,Acting in accordance with the ordinary legislative procedure ⁽²⁾,

Whereas:

- (1) The Treaty on the Functioning of the European Union (TFEU) aims at an ever closer union among the peoples of Europe and confers on the Union the task, inter alia, of contributing to the flowering of the cultures of the Member States, while respecting their national and regional diversity and at the same time bringing the common cultural heritage to the fore. In this respect, the Union, where necessary, supports and supplements Member States' action to improve the knowledge and dissemination of the culture and history of the European peoples.
- (2) The Commission Communication of 10 May 2007 on a European agenda for culture in a globalizing world, endorsed by the Council in its resolution of 16 November 2007 ⁽³⁾ and by the European Parliament in its resolution of 10 April 2008 ⁽⁴⁾, sets the objectives for future activities of the Union in the field of culture. Those activities should promote cultural diversity and intercultural dialogue, culture as a catalyst for creativity within the framework for growth and jobs and culture as a vital element in the Union's international relations.
- (3) The Unesco Convention on the Protection and Promotion of the Diversity of Cultural Expressions, which entered into force on 18 March 2007 and to which the Union is a party, aims at protecting and promoting cultural diversity, fostering interculturality and raising awareness of the value of cultural diversity at local, national and international levels.

⁽¹⁾ OJ C 113, 18.4.2012, p. 17 and OJ C 17, 19.1.2013, p. 97.

⁽²⁾ Position of the European Parliament of 12 December 2013 (not yet published in the Official Journal) and position of the Council at first reading of 24 March 2014 (not yet published in the Official Journal). Position of the European Parliament of 15 April 2014 (not yet published in the Official Journal).

⁽³⁾ OJ C 287, 29.11.2007, p. 1.

⁽⁴⁾ OJ C 247 E, 15.10.2009, p. 32.

- (4) Decision No 1622/2006/EC of the European Parliament and of the Council ⁽¹⁾ established an action for the European Capital of Culture event for the years 2007 to 2019.
- (5) The evaluations of the European Capitals of Culture, as well as the public consultation on the future of that action after 2019, have revealed that it has progressively become one of the most ambitious cultural initiatives in Europe as well as one of the most appreciated by European citizens. A new action should, therefore, be established to cover the years 2020-33.
- (6) In addition to the original objectives of the European Capitals of Culture, which were to highlight the richness and diversity of European cultures and the features those cultures share as well as to promote greater mutual understanding between European citizens, cities holding the title of European Capital of Culture ('the title') have also progressively added a new dimension by using the leverage effect of the title to stimulate their more general development in accordance with their respective strategies and priorities.
- (7) The objectives of the action established by this Decision should be fully in line with the objectives of the Creative Europe Programme established by Regulation (EU) No 1295/2013 of the European Parliament and of the Council ⁽²⁾, which aims to safeguard, develop and promote European cultural and linguistic diversity, to promote Europe's cultural heritage and to strengthen the competitiveness of the European cultural and creative sectors, in particular that of the audiovisual sector, with a view to supporting smart, sustainable and inclusive growth. The achievement of those objectives should also help to strengthen the feeling of belonging to a common cultural area and to stimulate intercultural dialogue and mutual understanding.
- (8) To achieve such objectives, it is important for the cities holding the title to seek to develop links between, on the one hand, their cultural and creative sectors, and, on the other hand, sectors such as education, research, environment, urban development or cultural tourism. In particular, past evidence has shown the potential of the European Capitals of Culture as a catalyst for local development and cultural tourism as highlighted in the Commission Communication of 30 June 2010 entitled 'Europe, the world's No 1 tourist destination — a new political framework for tourism in Europe', welcomed by the Council in its conclusions of 12 October 2010 and endorsed by the European Parliament in its resolution of 27 September 2011 ⁽³⁾.
- (9) It is also important for cities holding the title to seek to promote social inclusion and equal opportunities and to do their utmost to ensure the broadest possible involvement of all the components of civil society in the preparation and implementation of the cultural programme, with special attention being paid to young people and marginalised and disadvantaged groups.
- (10) The evaluations and the public consultation have also convincingly shown that the European Capitals of Culture have many potential benefits when they are carefully planned. They remain first and foremost a cultural initiative, but can also bring significant social and economic benefits, particularly when they are embedded in a long-term culture-led development strategy for the city concerned.
- (11) The European Capitals of Culture action has also been highly challenging. Staging a year-long programme of cultural activities is demanding and some cities holding the title have been more successful than others in capitalising on the potential. Therefore, that action should be reinforced in order to help all cities to make the most of the title.
- (12) The title should continue to be reserved to cities, irrespective of their size, but in order to reach a wider public and amplify the impact, it should also be possible, as before, for the cities concerned to involve their surrounding area.
- (13) The award of the title should continue to be based on a specifically created cultural programme, which should have a strong European dimension. That cultural programme should be part of a long-term strategy having a sustainable impact on local economic, cultural and social development.

⁽¹⁾ Decision No 1622/2006/EC of the European Parliament and of the Council of 24 October 2006 establishing a Community action for the European Capital of Culture event for the years 2007 to 2019 (OJ L 304, 3.11.2006, p. 1).

⁽²⁾ Regulation (EU) No 1295/2013 of the European Parliament and of the Council of 11 December 2013 establishing the Creative Europe Programme (2014 to 2020) and repealing Decisions No 1718/2006/EC, No 1855/2006/EC and No 1041/2009/EC (OJ L 347, 20.12.2013, p. 221).

⁽³⁾ OJ C 56 E, 26.2.2013, p. 41.

- (14) The two-stage selection process based on a chronological list of Member States and carried out by a panel of independent experts has proven to be fair and transparent. It has enabled cities to improve their applications between the pre-selection and the selection phase on the basis of expert advice received from that panel, and has ensured an equitable distribution of the title across all Member States. Furthermore, to safeguard the continuity of the European Capitals of Culture action and avoid the loss of experience and know-how which would result from all experts being replaced simultaneously, the replacement of experts should be staggered.
- (15) National expertise should continue to be ensured by enabling Member States to appoint up to two experts to a panel carrying out the selection and monitoring procedures.
- (16) The selection criteria should be made more explicit in order to provide candidate cities with better guidance regarding the objectives and requirements with which they need to comply in order to be awarded the title. Those criteria should also be easier to measure in order to help the panel in the selection and monitoring of cities. In this regard, there should be a particular focus on candidate cities' plans for legacy activities embedded in a long-term cultural policy strategy capable of generating a sustainable cultural, economic and social impact.
- (17) Candidate cities should explore the possibility, where appropriate, of seeking financial support from Union programmes and funds.
- (18) The preparation phase between the designation of a city and the year of the title is of crucial importance for the success of the European Capitals of Culture action. There is broad consensus among stakeholders that the accompanying measures introduced by Decision No 1622/2006/EC have been very useful for the cities concerned. Those measures should be further developed, in particular through more frequent monitoring meetings and visits to the cities by panel experts, and through an even stronger exchange of experience between past, present and future cities holding the title, as well as candidate cities. Designated cities could also develop further links with other cities holding the title.
- (19) The Melina Mercouri prize established by Decision No 1622/2006/EC has acquired a strong symbolic value which goes far beyond the actual amount awarded by the Commission. However, in order to ensure that the designated cities fulfil their commitments, the conditions for payment of the prize money should be made more stringent and explicit.
- (20) It is important that the cities concerned make clear in all their communication material that the action established by this Decision is a Union action.
- (21) The Commission's evaluations of the past European Capitals of Culture, which are based on data collected at a local level, have not been able to provide primary data on the impact of the title. Therefore, the cities themselves should be the key players in the evaluation process.
- (22) Past experience has shown that the participation of candidate countries can help to bring them closer to the Union by highlighting the common aspects of European cultures. The action established by this Decision should therefore be open to the participation of candidate countries and potential candidates after 2019.
- (23) However, during the period covered by this Decision, namely from 2020 to 2033, for reasons of equity with cities in the Member States, cities in candidate countries and potential candidates should only be allowed to participate in one competition for the title. Furthermore, likewise for reasons of equity with Member States, each candidate country or potential candidate should only be allowed to host the title once during that period.
- (24) Decision No 1622/2006/EC should be repealed. However, its provisions should continue to apply in relation to all cities which have already been, or are in the process of being, designated for the years up to 2019.
- (25) Since the objectives of this Decision, namely to safeguard and promote the diversity of cultures in Europe, to highlight the common features they share and to foster the contribution of culture to the long-term development of cities, cannot be sufficiently achieved by the Member States given the need, in particular, for common, clear and transparent criteria and procedures for selection and monitoring, as well as for a strong coordination between the Member States, but can rather, by reason of the scale and the expected effects of the action, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality as set out in that Article, this Decision does not go beyond what is necessary in order to achieve those objectives,

HAVE ADOPTED THIS DECISION:

Article 1

Establishment of the action

A Union action entitled 'European Capitals of Culture' is hereby established for the years 2020 to 2033 ('the action').

Article 2

Objectives

1. The general objectives of the action are:
 - (a) to safeguard and promote the diversity of cultures in Europe and to highlight the common features they share as well as to increase citizens' sense of belonging to a common cultural area;
 - (b) to foster the contribution of culture to the long-term development of cities in accordance with their respective strategies and priorities.
2. The specific objectives of the action are:
 - (a) to enhance the range, diversity and European dimension of the cultural offering in cities, including through transnational cooperation;
 - (b) to widen access to and participation in culture;
 - (c) to strengthen the capacity of the cultural sector and its links with other sectors;
 - (d) to raise the international profile of cities through culture.

Article 3

Access to the action

1. The competition for the title shall be open to cities, which may involve their surrounding areas.
2. The number of cities holding the title in a given year ('the year of the title') shall not exceed three.

The title shall be awarded each year to a maximum of one city in each of the two Member States appearing in the calendar set out in the Annex ('the calendar') and, in the relevant years, to one city from a candidate country or a potential candidate, or to one city from a country that accedes to the Union in the circumstances set out in paragraph 5.

3. Cities in Member States shall be entitled to hold the title for one year in accordance with the order of the Member States appearing in the calendar.
4. Cities in candidate countries and potential candidates which participate in the Creative Europe Programme or in the subsequent Union programmes supporting culture at the date of publication of the call for submission of applications referred to in Article 10(2) may apply for the title for one year in the framework of an open competition organised every third year in accordance with the calendar.

Cities in candidate countries and potential candidates shall only be allowed to participate in one competition during the period from 2020 to 2033.

Each candidate country or potential candidate shall only be allowed to host the title once during the period from 2020 to 2033.

5. Where a country accedes to the Union after 4 May 2014 but before 1 January 2027, it shall be entitled to host the title seven years after its accession in accordance with the rules and procedures applicable to Member States. The calendar shall be updated accordingly. Where a country accedes to the Union on or after 1 January 2027, it shall not be entitled to participate in the action as a Member State.

However, in years where there are already three cities holding the title in accordance with the calendar, cities in countries referred to in the first subparagraph shall only be entitled to hold the title in the next available year in the calendar, in the order of accession of those countries.

If a city from a country referred to in the first subparagraph has previously participated in a competition for candidate countries and potential candidates, it may not participate in any subsequent competition for Member States. Where, during the period from 2020 to 2033, a city from such a country has been designated to hold the title in accordance with paragraph 4, that country shall not be entitled, after its accession, to organise a competition as a Member State during that period.

If more than one country accedes to the Union on the same date and if there is no agreement on the order of participation in the action between those countries, the Council shall organise a draw.

Article 4

Application

1. A common application form based on the criteria laid down in Article 5 shall be prepared by the Commission and used by all candidate cities.

Where a candidate city involves its surrounding area, the application shall be made under the name of that city.

2. Every application shall be based on a cultural programme with a strong European dimension.

The cultural programme shall cover the year of the title and shall be created specifically for the title, in accordance with the criteria laid down in Article 5.

Article 5

Criteria

The criteria for the assessment of applications ('the criteria') shall be divided into the categories 'contribution to the long-term strategy', 'European dimension', 'cultural and artistic content', 'capacity to deliver', 'outreach' and 'management' as follows:

- (1) as regards the 'contribution to the long-term strategy' category, the following factors shall be taken into account:
 - (a) that a cultural strategy for the candidate city, which covers the action and includes plans for sustaining the cultural activities beyond the year of the title, is in place at the time of its application;
 - (b) the plans to strengthen the capacity of the cultural and creative sectors, including developing long-term links between the cultural, economic and social sectors in the candidate city;
 - (c) the envisaged long-term cultural, social and economic impact, including urban development, that the title would have on the candidate city;
 - (d) the plans for monitoring and evaluating the impact of the title on the candidate city and for disseminating the results of the evaluation;
- (2) as regards the 'European dimension' category, the following factors shall be assessed:
 - (a) the scope and quality of activities promoting the cultural diversity of Europe, intercultural dialogue and greater mutual understanding between European citizens;
 - (b) the scope and quality of activities highlighting the common aspects of European cultures, heritage and history, as well as European integration and current European themes;
 - (c) the scope and quality of activities featuring European artists, cooperation with operators or cities in different countries, including, where appropriate, cities holding the title, and transnational partnerships;
 - (d) the strategy to attract the interest of a broad European and international public;
- (3) as regards the 'cultural and artistic content' category, the following factors shall be assessed:
 - (a) a clear and coherent artistic vision and strategy for the cultural programme;
 - (b) the involvement of local artists and cultural organisations in the conception and implementation of the cultural programme;
 - (c) the range and diversity of the activities proposed and their overall artistic quality;
 - (d) the capacity to combine local cultural heritage and traditional art forms with new, innovative and experimental cultural expressions;

- (4) as regards the 'capacity to deliver' category, the candidate cities shall demonstrate that:
 - (a) the application has broad and strong political support and a sustainable commitment from the local, regional and national authorities;
 - (b) the candidate city has or will have an adequate and viable infrastructure to hold the title;
- (5) as regards the 'outreach' category, the following factors shall be assessed:
 - (a) the involvement of the local population and civil society in the preparation of the application and the implementation of the action;
 - (b) the creation of new and sustainable opportunities for a wide range of citizens to attend or participate in cultural activities, in particular young people, volunteers and the marginalised and disadvantaged, including minorities, with special attention being given to persons with disabilities and the elderly as regards the accessibility of those activities;
 - (c) the overall strategy for audience development, and in particular the link with education and the participation of schools;
- (6) as regards the 'management' category, the following factors shall be assessed:
 - (a) the feasibility of the fund-raising strategy and proposed budget, which includes, where appropriate, plans to seek financial support from Union programmes and funds, and covers the preparation phase, the year of the title, the evaluation and provisions for the legacy activities, and contingency planning;
 - (b) the envisaged governance and delivery structure for the implementation of the action which provides, inter alia, for appropriate cooperation between the local authorities and the delivery structure, including the artistic team;
 - (c) the procedures for the appointment of the general and artistic directors and their fields of action;
 - (d) that the marketing and communication strategy is comprehensive and highlights that the action is a Union action;
 - (e) that the delivery structure has staff with appropriate skills and experience to plan, manage and deliver the cultural programme for the year of the title.

Article 6

Expert panel

1. A panel of independent experts ('the panel') shall be established to carry out the selection and monitoring procedures.
2. The panel shall consist of 10 experts appointed by Union institutions and bodies ('the European experts') in accordance with paragraph 3.
3. After organising an open call for expressions of interest, the Commission shall propose a pool of potential European experts.

The European Parliament, the Council and the Commission shall select three experts each from that pool and appoint them in accordance with their respective procedures.

The Committee of the Regions shall select one expert from the pool and appoint that expert in accordance with its procedures.

When selecting European experts, each of those Union institutions and bodies shall seek to ensure complementarity of the competences, a balanced geographical distribution and gender balance in the overall composition of the panel.

4. In addition to the European experts, for the selection and monitoring of a city from a Member State, the Member State concerned shall be entitled to appoint up to two experts to the panel in accordance with its own procedures and in consultation with the Commission.
5. All experts shall:
 - (a) be citizens of the Union;
 - (b) be independent;

- (c) have substantial experience and expertise in:
 - (i) the cultural sector;
 - (ii) the cultural development of cities; or
 - (iii) the organisation of a European Capital of Culture event or an international cultural event of similar scope and scale;
 - (d) be in a position to devote an appropriate number of working days per year to the panel.
6. The panel shall designate its chairperson.
 7. The European experts shall be appointed for a period of three years.

Notwithstanding the first subparagraph, as regards the first establishment of the panel, the European Parliament shall appoint its experts for three years, the Commission for two years and the Council and the Committee of the Regions for one year.

8. All experts shall declare any actual or potential conflict of interest in respect of a specific candidate city. In the event of such a declaration, or if such a conflict of interest comes to light, the expert concerned shall resign and the relevant Union institution or body or Member State shall replace that expert for the remainder of the mandate, in accordance with the relevant procedure.

Article 7

Submission of applications in the Member States

1. Each Member State shall be responsible for the organisation of the competition between its cities in accordance with the calendar.
2. The Member States concerned shall publish a call for submission of applications at least six years before the year of the title.

By way of derogation from the first subparagraph, the Member States entitled to designate a city to hold the title in 2020 shall publish such a call as soon as possible after 4 May 2014.

Each call for submission of applications shall contain the application form referred to in Article 4(1).

The deadline for submitting applications by candidate cities under each call for submission of applications shall be scheduled at the earliest 10 months after its publication.

3. The Member States concerned shall notify the applications to the Commission.

Article 8

Pre-selection in the Member States

1. Each Member State concerned shall convene the panel for a pre-selection meeting with the candidate cities no later than five years before the year of the title.

By way of derogation from the first subparagraph, the Member States entitled to designate the cities to hold the title for the year 2020 may extend that deadline for a maximum of one year.

2. The panel, after assessing the applications in accordance with the criteria, shall agree on a shortlist of candidate cities and shall issue a pre-selection report on all the applications, providing, inter alia, recommendations to the short-listed candidate cities.
3. The panel shall submit the pre-selection report to the Member States concerned and to the Commission.
4. Each Member State concerned shall formally approve the shortlist based on the report of the panel.

Article 9

Selection in the Member States

1. The shortlisted candidate cities shall complete and revise their applications with a view to complying with the criteria as well as taking into account the recommendations contained in the pre-selection report, and shall submit them to the Member State concerned, which shall then transmit them to the Commission.

2. Each Member State concerned shall convene the panel for a selection meeting with the shortlisted candidate cities no later than nine months after the pre-selection meeting.

Where necessary, the Member State concerned, in consultation with the Commission, may extend that nine-month deadline for a reasonable period.

3. The panel shall assess the completed and revised applications.

4. The panel shall issue a selection report on the applications of the shortlisted candidate cities with a recommendation for the designation of a maximum of one city in the Member State concerned.

The selection report shall also contain recommendations to the city concerned regarding the progress to be made by the year of the title.

The panel shall submit the selection report to the Member State concerned and to the Commission.

5. Notwithstanding paragraph 4, if none of the candidate cities fulfils all the criteria, the panel may recommend that the title not be awarded for the year in question.

Article 10

Pre-selection and selection in candidate countries and potential candidates

1. The Commission shall be responsible for the organisation of the competition between cities in candidate countries and potential candidates.

2. The Commission shall publish in the *Official Journal of the European Union* a call for submission of applications at least six years before the year of the title.

Each call for submission of applications shall contain the application form referred to in Article 4(1).

The deadline for submitting applications under each call for submission of applications shall be scheduled at the earliest 10 months after its publication.

3. The pre-selection of the cities shall be carried out by the panel at least five years before the year of the title, on the basis of their respective applications. No meeting with the candidate cities shall be organised.

The panel, after assessing the applications in accordance with the criteria, shall agree on a shortlist of candidate cities and shall issue a pre-selection report on all the applications, providing, inter alia, recommendations to the shortlisted candidate cities.

The panel shall submit the pre-selection report to the Commission.

4. The shortlisted candidate cities shall complete and revise their applications with a view to complying with the criteria as well as taking into account the recommendations contained in the pre-selection report, and submit them to the Commission.

The Commission shall convene the panel for a selection meeting with the shortlisted candidate cities no later than nine months after the pre-selection meeting.

Where necessary, the Commission may extend that nine-month deadline for a reasonable period.

5. The panel shall assess the completed and revised applications.

6. The panel shall issue a selection report on the applications of the shortlisted candidate cities together with a recommendation for the designation of a maximum of one city in one candidate country or potential candidate.

The selection report shall also contain recommendations to the city concerned regarding the progress to be made by the year of the title.

The panel shall submit the selection report to the Commission.

7. Notwithstanding paragraph 6, if none of the candidate cities fulfils all the criteria, the panel may recommend that the title not be awarded for the year in question.

*Article 11***Designation**

1. Each Member State concerned shall designate one city to hold the title, on the basis of the recommendations contained in the selection report of the panel, and shall notify, no later than four years before the year of the title, the European Parliament, the Council, the Commission and the Committee of the Regions of that designation.

By way of derogation from the first subparagraph, the Member States entitled to designate the cities to hold the title for the year 2020 may extend that deadline for a maximum of one year.

2. In the case of candidate countries and potential candidates, the Commission shall designate one city to hold the title in the relevant years, on the basis of the recommendations contained in the selection report of the panel, and shall notify, no later than four years before the year of the title, the European Parliament, the Council and the Committee of the Regions of that designation.

3. The designations referred to in paragraphs 1 and 2 shall be accompanied by a justification based on the reports of the panel.

4. Where a city involves its surrounding area, the designation shall apply to the city.

5. Within two months of notification of designations, the Commission shall publish the list of the cities designated as European Capitals of Culture in the C series of the *Official Journal of the European Union*.

*Article 12***Cooperation between designated cities**

Cities designated for the same year shall seek to develop links between their cultural programmes and such cooperation may be considered in the framework of the monitoring procedure laid down in Article 13.

*Article 13***Monitoring**

1. The panel shall monitor the preparation of the designated cities for the year of the title and provide them with support and guidance from the time of their designation to the beginning of the year of the title.

2. To that end, the Commission shall convene three monitoring meetings which shall be attended by the panel and the designated cities, as follows:

- (a) three years before the year of the title;
- (b) 18 months before the year of the title;
- (c) two months before the year of the title.

The Member State or candidate country or potential candidate concerned may nominate an observer to attend those meetings.

The designated cities shall submit progress reports to the Commission six weeks before each monitoring meeting.

During the monitoring meetings, the panel shall take stock of the preparations and give advice with a view to helping the designated cities to develop a high-quality cultural programme and an effective strategy. The panel shall pay special attention to the recommendations laid down in the selection report and in any preceding monitoring reports referred to in paragraph 3.

3. After each monitoring meeting, the panel shall issue a monitoring report on the state of preparations and any steps to be taken.

The panel shall transmit its monitoring reports to the Commission, as well as to the designated cities and to the Member State or candidate country or potential candidate concerned.

4. In addition to the monitoring meetings, the Commission may organise visits by the panel to the designated cities whenever necessary.

*Article 14***Prize**

1. The Commission may award a pecuniary prize in honour of Melina Mercouri ('the prize') to a designated city, subject to the funding made available under the relevant multiannual financial framework.

The legal and financial aspects of the prize shall be dealt with in the framework of the respective Union programmes supporting culture.

2. The prize money shall be paid by the end of March of the year of the title, provided that the designated city concerned continues to honour the commitments it made at the application stage, complies with the criteria and takes into account the recommendations contained in the selection and monitoring reports.

The commitments made at the application stage shall be deemed to have been honoured by the designated city where no substantial change has been made to the programme and the strategy between the application stage and the year of the title, in particular where:

- (a) the budget has been maintained at a level capable of delivering a high-quality cultural programme in line with the application and the criteria;
- (b) the independence of the artistic team has been appropriately respected;
- (c) the European dimension has remained sufficiently strong in the final version of the cultural programme;
- (d) the marketing and communication strategy and the communication material used by the designated city clearly reflects the fact that the action is a Union action;
- (e) the plans for the monitoring and evaluation of the impact of the title on the designated city are in place.

*Article 15***Practical arrangements**

The Commission shall in particular:

- (a) ensure the overall coherence of the action;
- (b) ensure coordination between the Member States and the panel;
- (c) in the light of the objectives referred to in Article 2 and of the criteria, establish guidelines to assist with the selection and monitoring procedures in close cooperation with the panel;
- (d) provide technical support to the panel;
- (e) publish, on its website, all reports of the panel;
- (f) make public all relevant information and contribute to the visibility of the action at the European and international levels;
- (g) foster the exchange of experience and of good practices between past, present and future cities holding the title, as well as candidate cities, and promote wider dissemination of the cities' evaluation reports and lessons learned.

*Article 16***Evaluation**

1. Each city concerned shall be responsible for the evaluation of the results of its year as a European Capital of Culture.

The Commission shall establish common guidelines and indicators for the cities concerned based on the objectives referred to in Article 2 and on the criteria in order to ensure a coherent approach to the evaluation procedure.

The cities concerned shall draw up their evaluation reports and transmit them to the Commission by 31 December of the year following the year of the title.

The Commission shall publish the evaluation reports on its website.

2. In addition to the cities' evaluations, the Commission shall ensure that external and independent evaluations of the results of the action are produced on a regular basis.

The external and independent evaluations shall focus on placing all past European Capitals of Culture in a European context, allowing comparisons to be drawn and useful lessons to be learned for future European Capitals of Culture, as well as for all European cities. Those evaluations shall include an assessment of the action as a whole, including the efficiency of the processes involved in running it, its impact and ways in which it could be improved.

The Commission shall present to the European Parliament, the Council and the Committee of the Regions the following reports based on those evaluations, accompanied, if appropriate, by relevant proposals:

- (a) an initial interim report by 31 December 2024;
- (b) a second interim report by 31 December 2029;
- (c) an *ex post* report by 31 December 2034.

Article 17

Repeal and transitional provision

Decision No 1622/2006/EC is hereby repealed. It shall however continue to apply in the case of cities which have been designated or are in the process of being designated as European Capitals of Culture for the years from 2013 to 2019.

Article 18

Entry into force

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

Done at Strasbourg, 16 April 2014.

For the European Parliament
The President
M. SCHULZ

For the Council
The President
D. KOURKOULAS

ANNEX

CALENDAR

2020	Croatia	Ireland	
2021	Romania	Greece	Candidate country or potential candidate
2022	Lithuania	Luxembourg	
2023	Hungary	United Kingdom	
2024	Estonia	Austria	Candidate country or potential candidate
2025	Slovenia	Germany	
2026	Slovakia	Finland	
2027	Latvia	Portugal	Candidate country or potential candidate
2028	Czech Republic	France	
2029	Poland	Sweden	
2030	Cyprus	Belgium	Candidate country or potential candidate
2031	Malta	Spain	
2032	Bulgaria	Denmark	
2033	Netherlands	Italy	Candidate country or potential candidate

II

(Non-legislative acts)

REGULATIONS

COMMISSION REGULATION (EU) No 446/2014

of 2 May 2014

amending Regulation (EC) No 295/2008 of the European Parliament and of the Council concerning structural business statistics, and Commission Regulations (EC) No 251/2009 and (EU) No 275/2010, as regards the series of data to be produced and the criteria for evaluation of the quality of structural business statistics

(Text with EEA relevance)

THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EC) No 295/2008 of the European Parliament and of the Council of 11 March 2008 concerning structural business statistics ⁽¹⁾, and in particular Article 11(2)(a), (b), (d), (e) and (j) thereof,

Whereas:

- (1) Regulation (EC) No 295/2008 of the European Parliament and the Council established a common framework for the collection, transmission and evaluation of European statistics on the structure, activity, competitiveness and performance of businesses in the Union.
- (2) Commission Regulation (EC) No 251/2009 ⁽²⁾ established the frequency of the compilation of the multiannual structural business statistics and the breakdown of the results for the production of structural business statistics in order to produce data comparable and harmonised between Member States.
- (3) Commission Regulation (EU) No 275/2010 ⁽³⁾ laid down the criteria for the evaluation of quality and the contents of the quality reports to be provided by the Member States.
- (4) It is necessary to update the list of characteristics by specifying data series on the demography of enterprises with at least one employee to respond to the need for increased international comparability of results, especially for statistics on entrepreneurship. The first reference year, the frequency and the breakdown of results for these characteristics should also be established. Therefore, Annex IX to Regulation (EC) No 295/2008 and Annex I to Regulation (EC) No 251/2009 should be amended accordingly.
- (5) Experience has shown that the characteristics established in Annexes V to VII to Regulation (EC) No 295/2008 are not needed at the current annual frequency. The frequency should therefore be adapted to a compilation once every 10 years. Annex I to Regulation (EC) No 251/2009 should be amended accordingly.
- (6) The quality reports on the statistics compiled pursuant to Annexes V to VII of Regulation (EC) No 295/2008 are no longer needed on a yearly basis. Their frequency should therefore be adapted to a submission every 10 years in line with the data requirements. The Annex to Regulation (EU) No 275/2010 should be amended accordingly.

⁽¹⁾ OJ L 97, 9.4.2008, p. 13.

⁽²⁾ Commission Regulation (EC) No 251/2009 of 11 March 2009 implementing and amending Regulation (EC) No 295/2008 of the European Parliament and of the Council as regards the series of data to be produced for structural business statistics and the adaptations necessary after the revision of the statistical classification of products by activity (CPA) (OJ L 86, 31.3.2009, p. 170).

⁽³⁾ Commission Regulation (EU) No 275/2010 of 30 March 2010 implementing Regulation (EC) No 295/2008 of the European Parliament and of the Council, as regards the criteria for the evaluation of the quality of structural business statistics (OJ L 86, 1.4.2010, p. 1).

- (7) For the purposes of ensuring a better monitoring of progress in innovation in the context of the Europe 2020 strategy, Union and national stakeholders have called for a single integrated indicator. This indicator is, inter alia, meant to benchmark employment in innovative, high-growth enterprises across Europe and internationally. Providing the data underlying this new indicator is urgent so as to allow its use in the European Semester 2014. Regulation (EC) No 295/2008 should thus be amended accordingly.
- (8) The measures provided for in this Regulation are in accordance with the opinion of the European Statistical System Committee,

HAS ADOPTED THIS REGULATION:

Article 1

Annexes I, V, VI, VII and IX to Regulation (EC) No 295/2008 are amended in accordance with Annex I to this Regulation.

Article 2

Annexes I and II to Regulation (EC) No 251/2009 are amended in accordance with Annex II to this Regulation.

Article 3

The Annex to Regulation (EU) No 275/2010 is amended in accordance with Annex III to this Regulation.

Article 4

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, 2 May 2014.

For the Commission
The President
José Manuel BARROSO

ANNEX I

Annexes I, V, VI, VII and IX to Regulation (EC) No 295/2008 are amended as follows:

1. in Annex I, point 1 of Section 8 'Transmission of results' is replaced by the following:

'1. The results are to be transmitted within 18 months of the end of the calendar year of the reference period, except for the NACE Rev. 2 activity classes 64.11 and 64.19. For the NACE Rev. 2 activity classes 64.11 and 64.19 the transmission delay is 10 months. The transmission delay of the results on the activity classes covered by the NACE Rev. 2 groups 64.2, 64.3 and 64.9 and division 66 will be decided in accordance with the regulatory procedure with scrutiny referred to in Article 12(3).';

2. in Annex V, Section 5 is replaced by the following:

'SECTION 5

First reference year

The first reference year for which statistics are compiled for the characteristics listed in Section 4 is the calendar year 2008.';

3. Annex VI is amended as follows:

- (a) in Section 4(d) the word 'annual' is replaced by 'multi-yearly';
(b) Section 5 is replaced by the following:

'SECTION 5

First reference year

The first reference year for which statistics are compiled for the characteristics listed in Section 4 is the calendar year 2008.';

4. Annex VII is amended as follows:

- (a) in Sections 4(2) and 4(3) the word 'annual' is replaced by 'multi-yearly';
(b) Section 5 is replaced by the following:

'SECTION 5

First reference year

The first reference year for which statistics are compiled for the characteristics listed in Section 4 is the calendar year 2008.';

5. Annex IX is amended as follows:

- (a) the following characteristics are added to Section 5, point 1:

'11 01 0	Population of active enterprises having at least one employee in t
11 02 0	Number of active enterprises that have the first employee in t
11 03 0	Number of enterprises having no employees anymore from any point in time in t
11 04 1	Number of enterprises that had the first employee at any point in time in t – 1 and that had also at least one employee at any point in time in t
11 04 2	Number of enterprises that had the first employee at any point in time in t – 2 and that had also at least one employee at any point in time in t

11 04 3	Number of enterprises that had the first employee at any point in time in $t - 3$ and that had also at least one employee at any point in time in t
11 04 4	Number of enterprises that had the first employee at any point in time in $t - 4$ and that had also at least one employee at any point in time in t
11 04 5	Number of enterprises that had the first employee at any point in time in $t - 5$ and that had also at least one employee at any point in time in t
11 96 0	Number of high growth enterprises measured in employment in t'

(b) the following characteristics are added to Section 5, point 2:

16 01 0	Number of persons employed in t in the population of active enterprises having at least one employee at any point in time in t
16 01 1	Number of employees in t in the population of active enterprises having at least one employee at any point in time in t
16 02 0	Number of persons employed in t in the population of enterprises that have the first employee in t
16 02 1	Number of employees in t in the population of enterprises that have the first employee in t
16 03 0	Number of persons employed in t in the population of enterprises that have no employees anymore from any point in time in t
16 03 1	Number of employees in t in the population of enterprises that have no employees anymore from any point in time in t
16 04 1	Number of persons employed in t in the population of enterprises that had the first employee at any point in time in $t - 1$ and that have also at least one employee at any point in time in t
16 04 2	Number of persons employed in t in the population of enterprises that had the first employee at any point in time in $t - 2$ and that have also at least one employee at any point in time in t
16 04 3	Number of persons employed in t in the population of enterprises that had the first employee at any point in time in $t - 3$ and that have also at least one employee at any point in time in t
16 04 4	Number of persons employed in t in the population of enterprises that had the first employee at any point in time in $t - 4$ and that have also at least one employee at any point in time in t
16 04 5	Number of persons employed in t in the population of enterprises that had the first employee at any point in time in $t - 5$ and that have also at least one employee at any point in time in t
16 05 1	Number of persons employed in $t - 1$ in the population of enterprises that had the first employee at any point in time in $t - 1$ and that have also at least one employee at any point in time in t
16 05 2	Number of persons employed in $t - 2$ in the population of enterprises that had the first employee at any point in time in $t - 2$ and that have also at least one employee at any point in time in t
16 05 3	Number of persons employed in $t - 3$ in the population of enterprises that had the first employee at any point in time in $t - 3$ and that have also at least one employee at any point in time in t
16 05 4	Number of persons employed in $t - 4$ in the population of enterprises that had the first employee at any point in time in $t - 4$ and that have also at least one employee at any point in time in t
16 05 5	Number of persons employed in $t - 5$ in the population of enterprises that had the first employee at any point in time in $t - 5$ and that have also at least one employee at any point in time in t
16 96 1	Number of employees in high growth enterprises measured in employment in t'

- (c) Section 9 is replaced by the following:

‘SECTION 9

Preliminary results for characteristics related to enterprise deaths (11 93 0, 16 93 0 and 16 93 1) are to be transmitted within 18 months of the end of the calendar year of the reference period. Revised results for these characteristics, following the confirmation of enterprise deaths after two years of inactivity, are to be transmitted within 30 months of the same reference period.

Preliminary results for characteristics 11 03 0, 16 03 0 and 16 03 1 are to be transmitted within 20 months of the end of the calendar year of the reference period. Revised results for these characteristics, following the confirmation of the status after two years, are to be transmitted within 32 months of the same reference period.

All other results related to annual demographic statistics on enterprises with at least one employee are to be transmitted within 20 months of the end of the reference period.

Preliminary results for characteristics related to high growth enterprises measured in employment are to be transmitted within 12 months of the end of the reference period.

All other results are to be transmitted within 18 months of the end of the calendar year of the reference period.’

ANNEX II

Annex I to Regulation (EC) No 251/2009 is amended as follows:

1. point 1 is amended as follows:

(a) in the summary table, the title of series code 1D is replaced by the following:

‘Annual enterprise statistics for central banking and credit institutions classified in NACE Rev.2 64.19’

(b) the following series code is added to the summary table:

Series code	Title
‘1G	Annual enterprise statistics for insurance services and pension funds’

(c) the table labelled ‘**Annual enterprise statistics for central banking**’ is replaced by the following:

‘Annual enterprise statistics for central banking and credit institutions classified in NACE Rev.2 64.19
listed in Section 4, paragraphs 3 and 4 of Annex I to Regulation (EC) No 295/2008

Series 1D

Series name	Annual enterprise statistics for central banking and credit institutions classified in NACE Rev.2 64.19
First reference year	2013
Frequency	Annual
Activity coverage	NACE Rev.2 class 64.11 and 64.19
Characteristics	<p>Characteristic in Annex I section 4 paragraph 3:</p> <p>11 11 0 Number of enterprises</p> <p>Characteristics in Annex I section 4 paragraph 4:</p> <p>12 12 0 Production value</p> <p>12 15 0 Value added at factor cost</p> <p>12 17 0 Gross operating surplus</p> <p>13 11 0 Total purchases of goods and services</p> <p>13 13 1 Payments for agency workers</p> <p>13 31 0 Personnel costs</p> <p>13 32 0 Wages and salaries</p> <p>13 33 0 Social security costs</p> <p>15 11 0 Gross investment in tangible goods</p> <p>16 11 0 Number of persons employed</p> <p>16 13 0 Number of employees</p> <p>16 14 0 Number of employees in full-time equivalents</p>
Level of activity breakdown	NACE Rev.2 4-digit level (class)’

(d) the following table is added:

'Annual enterprise statistics for insurance services and pension funds listed in Section 4, paragraphs 3 and 4 of Annex I to Regulation (EC) No 295/2008

Series 1G

Series name	Annual enterprise statistics for insurance services and pension funds
First reference year	2013
Frequency	Annual
Activity coverage	NACE Rev.2 division 65
Characteristics	<p>Characteristic in Annex I section 4 paragraph 3:</p> <p>11 11 0 Number of enterprises</p> <p>Characteristics in Annex I section 4 paragraph 4:</p> <p>12 11 0 Turnover</p> <p>12 12 0 Production value</p> <p>12 15 0 Value added at factor cost</p> <p>12 17 0 Gross operating surplus</p> <p>13 11 0 Total purchases of goods and services</p> <p>13 13 1 Payments for agency workers</p> <p>13 31 0 Personnel costs</p> <p>13 32 0 Wages and salaries</p> <p>13 33 0 Social security costs</p> <p>15 11 0 Gross investment in tangible goods (NACE Rev.2 groups 65.1 and 65.2 excluded)</p> <p>16 11 0 Number of persons employed</p> <p>16 13 0 Number of employees (NACE Rev.2 groups 65.1 and 65.2 excluded)</p> <p>16 14 0 Number of employees in full-time equivalents</p>
Level of activity breakdown	NACE Rev.2 4-digit level (class)

2. points 5, 6 and 7 are amended as follows:

- (a) in the summary tables, the word 'Annual' is deleted;
- (b) the tables are amended as follows:
 - (i) in the titles and in the series names, the word 'Annual' is deleted;
 - (ii) under 'Frequency', the word 'Annual' is replaced by 'Every 10 years';

3. point 9 is amended as follows:

- (a) the following series are added to the summary table:

Series code	Title
'9E	Annual demographic statistics on enterprises with at least one employee, broken down by legal form
9F	Annual demographic statistics on enterprises with at least one employee, broken down by employee size classes

Series code	Title
9G	Annual preliminary results on deaths of enterprises with at least one employee, broken down by legal form
9H	Annual preliminary results on deaths of enterprises with at least one employee, broken down by employee size classes
9M	Annual statistics on high growth enterprises measured in employment
9P	Annual preliminary statistics on high growth enterprises measured in employment'

(b) the following tables are added:

'Annual demographic statistics on enterprises with at least one employee, broken down by legal form
listed in Section 5, paragraphs 1 and 2 of Annex IX to Regulation (EC) No 295/2008

Series 9E

Series name	Annual demographic statistics on enterprises with at least one employee, broken down by legal form
First reference year	2012
Frequency	Annual
Activity coverage	NACE Rev. 2 Sections B to N
Characteristics	11 01 0 Population of active enterprises having at least one employee in t 11 02 0 Number of active enterprises that have the first employee in t 11 03 0 Number of enterprises having no employees anymore in t 16 01 0 Number of persons employed in t in the population of active enterprises having at least one employee in t 16 01 1 Number of employees in t in the population of active enterprises having at least one employee in t 16 02 0 Number of persons employed in t in the population of enterprises that have the first employee in t 16 02 1 Number of employees in t in the population of enterprises that have the first employee in t 16 03 0 Number of persons employed in t in the population of enterprises that have no employees anymore in t 16 03 1 Number of employees in t in the population of enterprises that have no employees anymore in t
Level of activity breakdown	B MINING AND QUARRYING C MANUFACTURING 10 + 11 + 12 Manufacture of food products, beverages and tobacco products 13 + 14 Manufacture of textiles and wearing apparel

15	Manufacture of leather and related products
16	Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials
17 + 18	Manufacture of paper and paper products; printing and reproduction of recorded media
19	Manufacture of coke and refined petroleum products
20 + 21	Manufacture of chemicals and chemical products; manufacture of basic pharmaceutical products and pharmaceutical preparations
22	Manufacture of rubber and plastic products
23	Manufacture of other non-metallic mineral products
24 + 25	Manufacture of basic metals and fabricated metal products, except machinery and equipment
26 + 27	Manufacture of computer, electronic and optical products, manufacture of electrical equipment
28	Manufacture of machinery and equipment n.e.c.
29 + 30	Manufacture of motor vehicles, trailers, semi-trailers and other transport equipment
31 + 32	Manufacture of furniture and other manufacturing
33	Repair and installation of machinery and equipment
D	ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY
E	WATER SUPPLY; SEWERAGE, WASTE MANAGEMENT AND REMEDIATION ACTIVITIES
F	CONSTRUCTION
G	WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES AND MOTORCYCLES
45	Wholesale and retail trade and repair of motor vehicles and motorcycles
46	Wholesale trade, except of motor vehicles and motorcycles
47	Retail trade, except of motor vehicles and motorcycles
47.1	Retail sale in non-specialised stores
47.2	Retail sale of food, beverages and tobacco in specialised stores
47.3	Retail sale of automotive fuel in specialised stores
47.4	Retail sale of information and communication equipment in specialised stores
47.5	Retail sale of other household equipment in specialised stores

47.6	Retail sale of cultural and recreation goods in specialised stores
47.7	Retail sale of other goods in specialised stores
47.8	Retail sale via stalls and markets
47.9	Retail trade not in stores, stalls or markets
H	TRANSPORTATION AND STORAGE
49	Land transport and transport via pipelines
50	Water transport
51	Air transport
52	Warehousing and support activities for transportation
53	Postal and courier activities
I	ACCOMMODATION AND FOOD SERVICE ACTIVITIES
55	Accommodation
56	Food and beverage service activities
J	INFORMATION AND COMMUNICATION
58	Publishing activities
59	Motion picture, video and television programme production, sound recording and music publishing activities
60	Programming and broadcasting activities
61	Telecommunications
62	Computer programming, consultancy and related activities
62.0	Computer programming, consultancy and related activities
62.01	Computer programming activities
62.02	Computer consultancy activities
62.03	Computer facilities management activities
62.09	Other information technology and computer service activities
63	Information service activities
K_X_K642	FINANCIAL AND INSURANCE ACTIVITIES EXCLUDING ACTIVITIES OF HOLDING COMPANIES (NACE Rev.2 642)
64.1 + 64.3 + 64.9	Financial service activities, except insurance and pension funding excluding activities of holding companies
65	Insurance, reinsurance and pension funding, except compulsory social security

66	Activities auxiliary to financial services and insurance activities
L	REAL ESTATE ACTIVITIES
68	Real estate activities
68.1	Buying and selling of own real estate
68.2	Renting and operating of own or leased real estate
68.3	Real estate activities on a fee or contract basis
68.31	Real estate agencies
68.32	Management of real estate on a fee or contract basis
M	PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACTIVITIES
69	Legal and accounting activities
69.1	Legal activities
69.2	Accounting, bookkeeping and auditing activities; tax consultancy
70	Activities of head offices; management consultancy activities
70.1	Activities of head offices
70.2	Management consultancy activities
70.21	Public relations and communication activities
70.22	Business and other management consultancy activities
71	Architectural and engineering activities; technical testing and analysis
71.1	Architectural and engineering activities and related technical consultancy
71.11	Architectural activities
71.12	Engineering activities and related technical consultancy
71.2	Technical testing and analysis
72	Scientific research and development
72.1	Research and experimental development on natural sciences and engineering
72.11	Research and experimental development on biotechnology
72.19	Other research and experimental development on natural sciences and engineering
72.2	Research and experimental development on social sciences and humanities
73	Advertising and market research

73.1	Advertising
73.11	Advertising agencies
73.12	Media representation
73.2	Market research and public opinion polling
74	Other professional, scientific and technical activities
74.1	Specialised design activities
74.2	Photographic activities
74.3	Translation and interpretation activities
74.9	Other professional, scientific and technical activities n.e.c.
75	Veterinary activities
N	ADMINISTRATIVE AND SUPPORT SERVICE ACTIVITIES
77	Rental and leasing activities
77.1	Renting and leasing of motor vehicles
77.11	Renting and leasing of cars and light motor vehicles
77.12	Renting and leasing of trucks
77.2	Renting and leasing of personal and household goods
77.21	Renting and leasing of recreational and sports goods
77.22	Renting of video tapes and disks
77.29	Renting and leasing of other personal and household goods
77.3	Renting and leasing of other machinery, equipment and tangible goods
77.31	Renting and leasing of agricultural machinery and equipment
77.32	Renting and leasing of construction and civil engineering machinery and equipment
77.33	Renting and leasing of office machinery and equipment (including computers)
77.34	Renting and leasing of water transport equipment
77.35	Renting and leasing of air transport equipment
77.39	Renting and leasing of other machinery, equipment and tangible goods n.e.c.
77.4	Leasing of intellectual property and similar products, except copyrighted works
78	Employment activities

78.1	Activities of employment placement agencies
78.2	Temporary employment agency activities
78.3	Other human resources provision
79	Travel agency, tour operator and other reservation service and related activities
79.1	Travel agency and tour operator activities
79.11	Travel agency activities
79.12	Tour operator activities
79.9	Other reservation service and related activities
80	Security and investigation activities
80.1	Private security activities
80.2	Security systems service activities
80.3	Investigation activities
81	Services to buildings and landscape activities
81.1	Combined facilities support activities
81.2	Cleaning activities
81.21	General cleaning of buildings
81.22	Other building and industrial cleaning activities
81.29	Other cleaning activities
81.3	Landscape service activities
82	Office administrative, office support and other business support activities
82.1	Office administrative and support activities
82.11	Combined office administrative service activities
82.19	Photocopying, document preparation and other specialised office support activities
82.2	Activities of call centres
82.3	Organisation of conventions and trade shows
82.9	Business support service activities n.e.c.
82.91	Activities of collection agencies and credit bureaus
82.92	Packaging activities

	82.99 Other business support service activities n.e.c.. Special aggregates B_TO_N Business economy excluding NACE Rev.2 642 activities of holding companies B_TO_E Industry ICT_M ICT Manufacturing (NACE Rev.2: 261 + 262 + 263 + 264 + 268) G_TO_N_X_K642 Services of the business economy excluding NACE 642 activities of holding companies ICT_T ICT total (NACE Rev.2: 261 + 262 + 263 + 264 + 268 + 951 + 465 + 582 + 61 + 62 + 631) ICT_S ICT services (NACE Rev.2: 951 + 465 + 582 + 61 + 62 + 631) ICT_W ICT wholesale (NACE Rev.2 465)
Level of breakdown by legal form	1. Personally owned and no limit to personal liability 2. Private or publicly quoted joint stock companies with limited liability for those owning shares 3. Personally owned limited and unlimited liability partnerships. Included are also other level forms such as cooperatives, associations etc. 4. All of the above legal forms'

The data, besides data relating to characteristics 11 03 0, 16 03 0, 16 03 1, included in this series shall be transmitted within 20 months after the end of the reference year.

The data relating to characteristics 11 03 0, 16 03 0, 16 03 1 included in this series shall be transmitted within 32 months after the end of the reference year.

Annual demographic statistics on enterprises with at least one employee, broken down by employee size class listed in Section 5, paragraphs 1 and 2 of Annex IX to Regulation (EC) No 295/2008

Series 9F

Series name	Annual demographic statistics on enterprises with at least one employee, broken down by employee size class
First reference year	2012 2013 for characteristics 11 04 1, 16 04 1 and 16 05 1 2014 for characteristics 11 04 2, 16 04 2 and 16 05 2 2015 for characteristics 11 04 3, 16 04 3 and 16 05 3 2016 for characteristics 11 04 4, 16 04 4 and 16 05 4 2017 for characteristics 11 04 5, 16 04 5 and 16 05 5
Frequency	Annual
Activity coverage	NACE Rev.2 Sections B to N
Characteristics	11 01 0 Population of active enterprises having at least one employee in t 11 02 0 Number of active enterprises that have the first employee in t

11 03 0	Number of enterprises having no employees anymore in t
11 04 1	Number of enterprises that had the first employee in t – 1 and that had also at least one employee in t
11 04 2	Number of enterprises that had the first employee in t – 2 and that had also at least one employee in t
11 04 3	Number of enterprises that had the first employee in t – 3 and that had also at least one employee in t
11 04 4	Number of enterprises that had the first employee in t – 4 and that had also at least one employee in t
11 04 5	Number of enterprises that had the first employee in t – 5 and that had also at least one employee in t
16 01 0	Number of persons employed in t in the population of active enterprises having at least one employee in t
16 01 1	Number of employees in t in the population of active enterprises having at least one employee in t
16 02 0	Number of persons employed in t in the population of enterprises that have the first employee in t
16 02 1	Number of employees in t in the population of enterprises that have the first employee in t
16 03 0	Number of persons employed in t in the population of enterprises that have no employees anymore in t
16 03 1	Number of employees in t in the population of enterprises that have no employees anymore in t
16 04 1	Number of persons employed in t in the population of enterprises that had the first employee in t – 1 and that have also at least one employee in t
16 04 2	Number of persons employed in t in the population of enterprises that had the first employee in t – 2 and that have also at least one employee in t
16 04 3	Number of persons employed in t in the population of enterprises that had the first employee in t – 3 and that have also at least one employee in t
16 04 4	Number of persons employed in t in the population of enterprises that had the first employee in t – 4 and that have also at least one employee in t
16 04 5	Number of persons employed in t in the population of enterprises that had the first employee in t – 5 and that have also at least one employee in t
16 05 1	Number of persons employed in t – 1 in the population of enterprises that had the first employee in t – 1 and that have also at least one employee in t
16 05 2	Number of persons employed in t – 2 in the population of enterprises that had the first employee in t – 2 and that have also at least one employee in t

	16 05 3 Number of persons employed in $t - 3$ in the population of enterprises that had the first employee in $t - 3$ and that have also at least one employee in t 16 05 4 Number of persons employed in $t - 4$ in the population of enterprises that had the first employee in $t - 4$ and that have also at least one employee in t 16 05 5 Number of persons employed in $t - 5$ in the population of enterprises that had the first employee in $t - 5$ and that have also at least one employee in t
Level of activity breakdown	See series 9E
Level of breakdown by size classes	Number of employees: Between 1 and 4, Between 5 and 9, 10 or more, Total

The data, besides data relating to characteristics 11 03 0, 16 03 0, 16 03 1, included in this series shall be transmitted within 20 months after the end of the reference year.

The data relating to characteristics 11 03 0, 16 03 0, 16 03 1 included in this series shall be transmitted within 32 months after the end of the reference year.

Annual preliminary results on deaths of enterprises with at least one employee, broken down by legal form listed in Section 5, paragraphs 1 and 2 of Annex IX to Regulation (EC) No 295/2008

Series 9G

Series name	Annual preliminary results on deaths of enterprises with at least one employee, broken down by legal form
First reference year	2012
Frequency	Annual
Activity coverage	NACE Rev.2 Sections B to N
Characteristics	11 03 0 Number of enterprises having no employees anymore in t 16 03 0 Number of persons employed in t in the population of enterprises that have no employees anymore in t 16 03 1 Number of employees in t in the population of enterprises that have no employees anymore in t
Level of activity breakdown	See series 9E
Level of breakdown by legal status	1. Personally owned and no limit to personal liability 2. Private or publicly quoted joint stock companies with limited liability for those owning shares 3. Personally owned limited and unlimited liability partnerships. Included are also other level forms such as cooperatives, associations etc. 4. All of the above legal forms

Data included in this series shall be transmitted within 20 months after the end of the reference year.

Annual preliminary results on deaths of enterprises with at least one employee, broken down by employee size class listed in Section 5, paragraphs 1 and 2 of Annex IX to Regulation (EC) No 295/2008

Series 9H

Series name	Annual preliminary results on deaths of enterprises with at least one employee, broken down by employee size class
First reference year	2012
Frequency	Annual
Activity coverage	NACE Rev.2 Sections B to N
Characteristics	11 03 0 Number of enterprises having no employees anymore in t 16 03 0 Number of persons employed in t in the population of enterprises that have no employees anymore in t 16 03 1 Number of employees in t in the population of enterprises that have no employees anymore in t
Level of activity breakdown	See series 9E
Level of breakdown by size classes	Number of employees: Between 1 and 4, Between 5 and 9, 10 or more, Total

Data included in this series shall be transmitted within 20 months after the end of the reference year.

Annual statistics on high growth enterprises measured in employment listed in Section 5, paragraphs 1 and 2 of Annex IX to Regulation (EC) No 295/2008.

Series 9M

Series name	Annual statistics on high growth enterprises measured in employment
First reference year	2012
Frequency	Annual
Activity coverage	NACE Rev.2 Sections B to N, and division S95
Characteristics	11 96 0 Number of high growth enterprises measured in employment in t 16 96 1 Number of employees in the population of high growth enterprises measured in employment in t
Level of activity breakdown	NACE Rev. 2 3-digit level (Groups) NACE Rev. 2 2-digit level (Divisions) NACE Rev. 2 1-digit level (Sections) Special aggregate B to N, plus S95 (business economy)

Data on high growth enterprises measured in employment included in this series shall be transmitted within 18 months after the end of the reference year.

Series 9P

Series name	Annual preliminary statistics on high growth enterprises measured in employment
First reference year	2013
Frequency	Annual
Activity coverage	NACE Rev.2 Sections B to N, and division S95
Characteristics	11 96 0 Number of high growth enterprises measured in employment in t
	16 96 1 Number of employees in the population of high growth enterprises measured in employment in t
Level of activity breakdown	See series 9M

Data on high growth enterprises measured in employment included in this series shall be transmitted within 12 months after the end of the reference year.'

ANNEX III

Section II of the Annex to Regulation (EU) No 275/2010 is replaced by the following:

‘SECTION II

Timeline

Every year starting from 2011, the Commission (Eurostat) shall supply the Member States, by the end of January, with quality reports on reference years $t - 3$, in accordance with the ESS standard quality report structure partly pre-filled with quantitative indicators and other information available to the Commission (Eurostat) on Annexes I, II, III, IV, VIII and IX. For these Annexes, Member States shall supply the Commission (Eurostat) every year, by 31 March, with the completed quality reports.

Every 10 years starting from 2021, the Commission (Eurostat) shall supply the Member States, by the end of January, with quality reports on reference years $t - 3$, in accordance with the ESS standard quality report structure partly pre-filled with quantitative indicators and other information available to the Commission (Eurostat) on Annexes V, VI and VII. For these Annexes, Member States shall supply the Commission (Eurostat) every 10 years starting from 2021, by 31 March with the completed quality reports.’

COMMISSION IMPLEMENTING REGULATION (EU) No 447/2014**of 2 May 2014****on the specific rules for implementing Regulation (EU) No 231/2014 of the European Parliament and of the Council establishing an Instrument for Pre-accession assistance (IPA II)**

THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EU) No 231/2014 of the European Parliament and of the Council of 11 March 2014 establishing an Instrument for Pre-accession Assistance (IPA II) ⁽¹⁾ and in particular Article 12 thereof,

Whereas:

- (1) Regulation (EU) No 236/2014 of the European Parliament and of the Council ⁽²⁾ lays down rules and procedures for the implementation of assistance which are common to all nine instruments for external action. Additional specific rules should be laid down for addressing the specific situations in particular for indirect management, for cross-border cooperation programmes financed under the policy area 'regional and territorial cooperation' and rural development programmes financed under the policy area 'agriculture and rural development'.
- (2) In order to ensure that pre-accession assistance is implemented in all beneficiaries listed in Annex I to the Regulation (EU) No 231/2014 (hereafter 'the IPA II beneficiaries') in the same way and respecting the principles of sound financial management, the Commission and the IPA II beneficiaries should conclude arrangements in the form of framework and sector-specific agreements laying down the principles for their cooperation under this Regulation.
- (3) The Commission should support the IPA II beneficiaries in their efforts to develop their capacity to manage Union funds according to the principles and rules provided for in Union legislation. To this effect and where appropriate, the Commission should entrust budget implementation tasks to the IPA II beneficiaries.
- (4) The ownership of the programming and implementation of IPA II assistance should primarily lay with the IPA II beneficiaries which should establish the required structures and authorities and submit requests to the Commission to be entrusted with budget implementation tasks.
- (5) It is therefore necessary to set out specific rules for entrusting budget implementation tasks to the IPA II beneficiaries in accordance with Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽³⁾ and Commission Delegated Regulation (EU) No 1268/2012 ⁽⁴⁾.
- (6) The conditions that need to be met by an acceding country are incumbent to ensure an overall quality of public financial management.
- (7) It is necessary to define specific rules for establishing financial corrections and the procedure to be applied towards the IPA II beneficiaries when implementing Union assistance under indirect management.
- (8) In order to ensure the effectiveness, efficiency, coherence and coordination of the implementation of Union pre-accession financial assistance provided under Regulation (EU) No 231/2014 (hereinafter referred to as 'IPA II assistance'), Regulation (EU) No 236/2014 should be complemented by detailed rules on monitoring and evaluation.
- (9) Specific rules for reporting are necessary in order to further detail the reporting requirements to be complied with by the IPA II beneficiary.

⁽¹⁾ OJ L 77, 15.3.2014, p. 11.

⁽²⁾ Regulation (EU) No 236/2014 of the European Parliament and of the Council of 11 March 2014 laying down common rules and procedures for the implementation of the Union's instruments for financing external action (OJ L 77, 15.3.2014, p. 95).

⁽³⁾ Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 (OJ L 298, 26.10.2012, p. 1).

⁽⁴⁾ Commission Delegated Regulation (EU) No 1268/2012 of 29 October 2012 on the rules of application of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union (OJ L 362, 31.12.2012, p. 1).

- (10) Specific rules concerning the transparency and visibility of IPA II assistance should be defined in order to comply effectively with Regulation (EC) No 45/2001 of the European Parliament and of the Council ⁽¹⁾, Regulation (EU, Euratom) No 966/2012 and Delegated Regulation (EU) No 1268/2012.
- (11) IPA II assistance should be used, inter alia, to promote cross-border cooperation between IPA II beneficiaries as well as between IPA II beneficiaries and Member States or countries falling within the scope of the European Neighbourhood Instrument established by Regulation (EU) No 232/2014 of the European Parliament and of the Council ⁽²⁾. The roles and responsibilities of the intervening actors need to be specified, taking into account the different situations in particular as regards cross-border cooperation between IPA II beneficiaries and Member States.
- (12) IPA II assistance under rural development programmes in the policy area 'agriculture and rural development' should promote a gradual alignment with the *acquis* on the Common Agricultural Policy. Specific rules are necessary to finance operations of a similar nature to those under the European Agriculture Fund for Rural Development, through management and control systems resembling the respective structures with functions of a similar nature in the Member States.
- (13) In order to allow for timely programming and implementation of the IPA II 2014 programmes, this Regulation should enter into force on the third day following its publication in the *Official Journal of the European Union*.
- (14) The measures provided for in this Regulation are in accordance with the opinion of the IPA II Committee,

HAS ADOPTED THIS REGULATION:

TITLE I

SUBJECT MATTER AND GENERAL FRAMEWORK FOR IMPLEMENTATION OF IPA ASSISTANCE

CHAPTER I

Subject matter and definitions

Article 1

Subject matter

This Regulation lays down specific rules establishing uniform conditions for implementing Regulation (EU) No 231/2014 and detailed rules implementing Regulation (EU) No 236/2014 with regards to methods of implementation, financial management, monitoring, evaluation and reporting, transparency and visibility of IPA II assistance as well as specific rules for cross-border cooperation in the policy area 'regional and territorial cooperation' and assistance under rural development programmes in the policy area 'agriculture and rural development'.

Article 2

Definitions

For the purposes of this Regulation the following definitions shall apply:

- (a) 'IPA II beneficiary' means one of the beneficiaries listed in Annex I to Regulation (EU) No 231/2014;
- (b) 'programme' means an action programme, individual, special or support measures provided for in Articles 2 and 3 of Regulation (EU) No 236/2014;
- (c) 'framework agreement' means an arrangement concluded between the Commission and an IPA II beneficiary applying to all IPA II policy areas and laying down the principles of the financial cooperation between the IPA II beneficiary and the Commission under this Regulation;
- (d) 'sectoral agreement' means an arrangement concluded between the Commission and an IPA II beneficiary relating to a specific IPA II policy area or programme, setting out the rules and procedures to be respected which are not contained in the framework agreement or financing agreements;

⁽¹⁾ Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data (OJ L 8, 12.1.2001, p. 1).

⁽²⁾ Regulation (EU) No 232/2014 of the European Parliament and the Council establishing the European Neighbourhood Instrument (OJ L 77, 15.3.2014, p. 27).

- (e) 'policy area(s)' means the main areas of cooperation addressed by actions funded by IPA II assistance, as provided for in Article 3(1) of Regulation (EU) No 231/2014;
- (f) 'authorities' means public entities or bodies of an IPA II beneficiary or a Member State at national, regional or local level;
- (g) 'major project' means a project comprising of a series of works, activities or services which is intended, in itself, to accomplish a definite and indivisible task of a precise economic or technical nature, which has clearly identified goals and whose total cost exceeds that which is specified in the Framework Agreement;
- (h) 'participating countries' means the IPA II beneficiaries alone or the IPA II beneficiaries together with the Member State(s) or with the countries falling within the scope of the European Neighbourhood Instrument participating in a multi-annual programme for cross-border cooperation jointly drawn up by the participating countries;
- (i) 'financing agreement' means an annual or multi-annual agreement concluded between the Commission and an IPA II beneficiary, for implementing the Union's financial assistance through an action falling within the scope of this Regulation.

CHAPTER II

General Framework for Implementation of IPA II Assistance

Article 3

Principles of Union financing

1. IPA II assistance shall support the implementation of the IPA II beneficiaries' reform efforts as referred to in Article 1 of Regulation (EU) No 231/2014. Specific programmes and stand-alone actions may require both IPA II beneficiary and Union financial contributions.
2. An expenditure item financed under Regulation (EU) No 231/2014 shall not be subject to any other financing under the Union budget.

Article 4

Principle of ownership

1. The ownership of the programming and implementation of IPA II assistance lays primarily with the IPA II beneficiary.
2. The IPA II beneficiary shall appoint a National IPA Coordinator (NIPAC), who shall be the main counterpart of the Commission for the overall process of: strategic planning, coordination of programming, monitoring of implementation, evaluation and reporting of IPA II assistance.

The NIPAC shall:

- (a) ensure coordination within the IPA II beneficiary's administration and with other donors and a close link between the use of IPA II assistance and the general accession process;
- (b) coordinate the participation of IPA II beneficiaries in the relevant territorial cooperation programmes, in particular cross-border cooperation programmes referred to in points (a) to (c) of Article 27 and, if appropriate, transnational or interregional cooperation programmes established and implemented under Regulation (EU) No 1299/2013. The NIPAC may delegate this coordination task to a territorial cooperation coordinator or operating structure as appropriate;
- (c) ensure that the objectives set out in the actions or programmes proposed by the IPA II beneficiaries are coherent with the objectives in the Country Strategy Papers and take due account of the relevant macro-regional and sea basin strategies;
- (d) endeavour that the IPA II beneficiary's administration takes all necessary steps to facilitate the implementation of the related programmes.

The NIPAC shall be a high-ranking representative of the government or the national administration of the IPA II beneficiary with the appropriate authority.

3. To provide a strengthened basis for the management of pre-accession assistance and national funds, the Commission and the IPA II beneficiary shall engage in a dialogue on public financial management. In this respect, the Commission shall assess the level of compliance of the administration of the IPA II beneficiary with the principles of an open and orderly public financial management system. Where the administration complies with those requirements only in part, the IPA II beneficiary and the authorising officer responsible shall agree on the necessary measures to address the identified deficiencies.

Article 5

Framework agreements and sectoral agreements

1. The Commission and the IPA II beneficiary shall conclude a framework agreement setting out specific arrangements for the management, control, supervision, monitoring, evaluation, reporting and audit of IPA II assistance committing the IPA II beneficiary to transpose into its legal order the relevant Union regulatory requirements. The framework agreement may be complemented by sectoral agreements setting out specific provisions for the management and implementation of IPA II assistance in specific policy areas or programmes.

2. IPA II assistance shall only be granted to the IPA II beneficiary after the framework agreement referred to in paragraph 1 has entered into force. Where sectoral agreements are concluded, IPA II assistance under the policy area or programme concerned shall be granted after the entry into force of both the framework agreement and the applicable sectoral agreement.

3. The framework agreement shall apply to all financing agreements referred to in Article 6. Sectoral agreements, where relevant, shall apply to all financing agreements concluded in relation to the policy area or programme covered by the sectoral agreement.

4. The framework agreement and, where relevant, sectoral agreements shall lay down, in particular, detailed provisions concerning:

- (a) the structures and authorities needed for the management, control, supervision, monitoring, evaluation, reporting and audit of IPA II assistance, as well as their functions and responsibilities;
- (b) conditions and control requirements for:
 - (i) the establishment of the required structures and authorities by the IPA II beneficiary in order to allow for entrusting budget implementation tasks of IPA II assistance;
 - (ii) the monitoring, suspension or termination of the budget implementation tasks entrusted;
- (c) programming and implementation of IPA II assistance and in particular provisions concerning aid intensities, rates of Union contribution and eligibility;
- (d) procurement, grant and other award procedures, in accordance with Articles 1(3), 8 and 10 of Regulation (EU) No 236/2014;
- (e) rules on taxes, customs duties and other fiscal charges in accordance with Article 5 of Regulation (EU) No 236/2014;
- (f) requirements for payments, examination and acceptance of accounts and financial corrections procedures and decommitment of unused funds;
- (g) protection of the financial interests of the Union, as provided for in Article 7 of Regulation (EU) No 236/2014, and provisions on the reporting of fraud and other irregularities;
- (h) transparency, visibility, information and publicity requirements.

Article 6

Financing decisions and financing agreements

1. The Commission decisions adopting programmes shall meet the requirements necessary to constitute financing decisions in accordance with Article 84(3) of Regulation (EU, Euratom) No 966/2012 and Article 94 of Delegated Regulation (EU) No 1268/2012.

2. Where such decisions adopt multi-annual action programmes with split commitments for the policy areas referred to in points (a) to (c) of Article 3 of Regulation (EU) No 231/2014 the programmes shall, where appropriate, include an indicative list of major projects. The Commission shall adopt a decision on the approval of the financial contribution to the selected major project.

3. Financing agreements shall provide, inter alia, the terms on which the IPA II assistance shall be managed, including the applicable methods of implementation, aid intensities, implementation deadlines, as well as rules on the eligibility of expenditure. Where programmes are implemented under indirect management by an IPA II beneficiary, the financing agreement shall include the required provisions of Article 40 of Delegated Regulation (EU) No 1268/2012.

4. Financing agreements for cross-border cooperation programmes as referred to in Title VI, Chapter II may also be signed by the Member State hosting the managing authority of the relevant programme. A single financing agreement for cross-border cooperation programmes as referred to in Title VI, Chapter III, may be signed by all the participating countries in a particular programme.

TITLE II

INDIRECT MANAGEMENT BY IPA II BENEFICIARIES

CHAPTER I

Management and control systems

Article 7

Structures and authorities

1. The IPA II beneficiary shall establish the following structures and authorities needed for the management, control, supervision, monitoring, evaluation, reporting and internal audit of IPA II assistance:

- (a) the National IPA Coordinator (NIPAC);
- (b) the National Authorising Officer (NAO);
- (c) the Operating Structures.

2. The NAO shall establish a management structure composed of a National Fund and a support office for the NAO.

3. The IPA II beneficiary shall provide for an audit authority.

4. The IPA II beneficiary shall ensure adequate segregation of duties between and within the structures and authorities referred to in paragraphs 1 to 3.

Article 8

Functions and responsibilities of the National IPA Coordinator

In addition to the functions provided for in Article 4(2), the NIPAC shall take measures to ensure that the objectives set out in the actions or programmes for which budget implementation tasks have been entrusted are appropriately addressed during the implementation of IPA II assistance.

Article 9

Functions and responsibilities of the National Authorising Officer

1. The NAO shall bear the overall responsibility for the financial management of IPA II assistance in the IPA II beneficiary and for ensuring the legality and regularity of expenditure.

2. The NAO shall be a high-ranking representative of the government or the national administration of the IPA II beneficiary with the appropriate authority.

3. The NAO shall, in particular, be responsible for:

- (a) the management of IPA II accounts and financial operations;
- (b) the effective functioning of the internal control systems for the implementation of IPA II assistance;

- (c) putting into place effective and proportionate anti-fraud measures taking into account the risks identified;
- (d) launching the process provided for in Article 14.

4. The NAO shall follow up the reports of the audit authority referred to in Article 12 and shall provide an annual management declaration to the Commission. The annual management declaration shall be drawn up per programme, in the form specified in the Framework Agreement, based on actual supervision by the NAO of the internal control systems throughout the financial year.

At the end of the implementation of a programme, the NAO shall provide a final statement of expenditure.

Article 10

Functions and responsibilities of the operating structures

1. Operating structure(s) shall be established by the IPA II beneficiary to implement and manage the IPA II assistance.
2. The operating structure shall be responsible for the implementation, information and visibility, monitoring and reporting of programmes, and the evaluation thereof whenever relevant, in accordance with the principle of sound financial management, and for ensuring the legality and regularity of the expenditure incurred in the implementation of the programmes under its responsibility.

Article 11

Functions and responsibilities of the management structure

1. The National Fund shall be located in a national level ministry of the IPA II beneficiary with central budgetary competence. It shall support the NAO in fulfilling his/her tasks in particular those referred to in point (a) of Article 9(3).
2. The NAO support office shall assist the NAO in fulfilling his/her tasks in particular those referred to in point (b) of Article 9(3).

Article 12

Functions and responsibilities of the audit authority

1. In accordance with point (c) of the first subparagraph of Article 60(2) of Regulation (EU, Euratom) No 966/2012, the structures and authorities referred to in Article 7(1) established by the IPA II beneficiary and the management structure referred to in Article 7(2) established by the NAO shall be subject to an independent external audit performed by the audit authority referred to in Article 7(3) which shall be independent from the aforementioned structures and authorities. The IPA II beneficiary shall ensure that the Head of the audit authority possesses adequate competence, knowledge and experience in the field of audit.
2. The audit authority shall carry out audits on the management and control system(s), on actions, transactions and on the annual accounts in line with internationally accepted auditing standards and in accordance with an audit strategy prepared on a tri-annual basis. The audit strategy shall be updated annually.
3. The audit authority shall prepare an annual audit activity report and an annual audit opinion drawn up in accordance with internationally accepted auditing standards.
4. At the end of the implementation of a programme, the audit authority shall prepare a final audit activity report and provide an audit opinion on the final statement of expenditure.

CHAPTER II

Specific provisions relating to entrusting budget implementation tasks

Article 13

Conditions for entrusting an IPA II beneficiary with budget implementation tasks

1. The Commission entrusts budget implementation tasks to an IPA II beneficiary by concluding a financing agreement in accordance with the provisions of Articles 60(1) and (2), 61 and point (b) of Article 184(2) of Regulation (EU, Euratom) No 966/2012.
2. The IPA II beneficiary shall guarantee a level of protection of the financial interests of the Union equivalent to that required under Regulation (EU, Euratom) No 966/2012 and Delegated Regulation (EU) No 1268/2012 and shall set up the necessary structures ensuring the effective functioning of internal control systems.

3. The management, control, supervision and audit systems set up in the IPA II beneficiary shall provide for an effective internal control system which includes at least the following five areas:

- (a) control environment;
- (b) risk management;
- (c) control activities;
- (d) information and communication;
- (e) monitoring activities.

Article 14

Entrusting budget implementation tasks

1. The NAO, on behalf of the IPA II beneficiary, shall be responsible for submitting to the Commission a request for being entrusted with budget implementation tasks in accordance with Article 13.

2. Before submitting the request referred to in paragraph 1, the NAO shall ensure that the management structure and relevant operating structure(s) satisfy the requirements in points (a), (b) and (d) of the first subparagraph of Article 60(2) of Regulation (EU, Euratom) No 966/2012 and those of Article 13(3) of this Regulation.

3. Before the Commission entrusts budget implementation tasks of IPA II assistance, it shall review the request referred to in paragraph 1 and the established structures and authorities referred to in Article 7 and shall, for the purposes of the *ex ante* assessment pursuant to Article 61(1) of Regulation (EU, Euratom) No 966/2012, obtain evidence that the requirements set out in points (a) to (d) of the first subparagraph of Article 60(2) of Regulation (EU, Euratom) No 966/2012 and those of Article 13(3) of this Regulation are fulfilled.

For entrusting budget implementation tasks of IPA II assistance, the Commission may rely on an *ex ante* assessment carried out with regard to an earlier financing agreement with the IPA II beneficiary or an *ex ante* assessment carried out with regard to the conferral of management powers decided under Council Regulation (EC) No 1085/2006 ⁽¹⁾. The Commission shall request additional evidence if those assessments do not address all the requirements.

4. The NAO shall monitor the continued fulfilment by the management structure and operating structure(s) of the requirements referred to in paragraph 2. In case of failure to satisfy these requirements, the NAO shall inform the Commission without delay, and take any appropriate safeguard measures regarding payments made or contracts signed.

5. The Commission shall monitor the compliance with Article 60(2) and (3) of Regulation (EU, Euratom) No 966/2012 and may take appropriate remedial measures, including suspension or termination of parts of the financing agreement at any time if the requirements are no longer fulfilled.

TITLE III

FINANCIAL MANAGEMENT

CHAPTER I

Financial contribution by the Union

Article 15

Eligibility of expenditure

1. Prior to the conclusion of the relevant financing agreement in accordance with Article 13, contracts and addenda signed, expenditure incurred and payments made by the IPA II beneficiary, shall not be eligible for funding under Regulation (EU) No 231/2014.

2. The following expenditure shall not be eligible for funding under Regulation (EU) No 231/2014:

- (a) purchase of land and existing buildings, except where duly justified by the nature of the action in the financing decision;
- (b) other expenditure as may be provided for in the sectoral or financing agreements.

⁽¹⁾ Council Regulation (EC) No 1085/2006 of 17 July 2006 establishing an instrument for pre-accession assistance (IPA) (OJ L 210, 31.7.2006, p. 82.)

CHAPTER II

Rules relating to indirect management by the IPA II beneficiary

Article 16

Reporting on suspected fraud and other irregularities

The IPA II beneficiary shall report suspected fraud and other irregularities which have been the subject of a primary administrative or judicial finding, without delay, to the Commission and keep the latter informed of the progress of administrative and legal proceedings. Reporting shall be done by electronic means using the module provided by the Commission for this purpose.

Article 17

Financial corrections

1. In order to ensure that the IPA II funds have been used in accordance with the applicable rules, the Commission shall apply financial correction mechanisms.
2. A financial correction may arise from the following:
 - (a) identification of a specific error, irregularity or fraud;
 - (b) identification of a weakness or deficiency in the management and control systems of the IPA II beneficiary.
3. The Commission shall apply the financial corrections on the basis of identification of amounts unduly spent and on the basis of financial implications for the budget. Where such amounts cannot be identified precisely in order to apply individual corrections, the Commission may apply flat-rate corrections or corrections based on an extrapolation of the findings.
4. Financial corrections shall be made as appropriate by compensation.
5. When deciding the amount of a correction, the Commission shall take into account the nature and gravity of the specific error or irregularity and/or the extent and financial implications of the weaknesses or the deficiencies found in the management and control system in the programme concerned.

TITLE IV

MONITORING, EVALUATION AND REPORTING

CHAPTER I

Monitoring

Article 18

IPA monitoring committee

1. The Commission and the IPA II beneficiary shall set up an IPA monitoring committee no later than six months after the entry into force of the first financing agreement.
2. The IPA monitoring committee shall review the overall effectiveness, efficiency, quality, coherence, coordination and compliance of the implementation of all actions towards meeting their objectives. For this purpose, it shall, where relevant, base itself on the information provided by the sectoral monitoring committees. It may make recommendations for corrective actions whenever needed.
3. The IPA monitoring committee shall be composed of representatives of the Commission, the NIPAC and other relevant national authorities and bodies of the IPA II beneficiary and, where relevant, international organisations, including international financial institutions and other stakeholders, such as civil society and private sector organisations.
4. A representative of the Commission and the NIPAC shall co-chair the IPA monitoring committee meetings.
5. The IPA monitoring committee shall adopt its rules of procedure.
6. The IPA monitoring committee shall meet at least once a year. Ad hoc meetings may also be convened at the initiative of the Commission or of the IPA II beneficiary, in particular on a thematic basis.

*Article 19***Sectoral monitoring committees**

1. Under indirect management by IPA II beneficiaries, sectoral monitoring committees shall be set up by the IPA II beneficiary by policy area or by programme no later than six months after the entry into force of the first financing agreement related to the respective policy area or programme. When appropriate, sectoral monitoring committees may be set up on an ad hoc basis under other implementation methods.
2. Each sectoral monitoring committee shall review the effectiveness, efficiency, quality, coherence, coordination and compliance of the implementation of the actions in the policy area or programme and their consistency with the relevant sector strategies. It shall measure progress in relation to achieving the objectives of the actions and their expected outputs, results and impact by means of indicators related to a baseline situation, as well as progress with regard to financial execution. The sectoral monitoring committee shall report to the IPA monitoring committee and may make proposals on any corrective action to ensure the achievement of the objectives of the actions and enhance the efficiency, effectiveness, impact and sustainability of the assistance provided.
3. The sectoral monitoring committee shall be composed of representatives of relevant national authorities and bodies, other stakeholders such as economic, social and environmental partners and, where relevant, international organisations, including international financial institutions and civil society. The Commission shall participate in the work of the committee. A senior representative of the IPA II beneficiary shall chair the sectoral monitoring committee meetings. Depending on the policy area or programme, the Commission may co-chair the committee meetings.
4. Each sectoral monitoring committee shall adopt its rules of procedure.
5. The sectoral monitoring committees shall meet at least twice a year. Ad hoc meetings may also be convened.

*Article 20***Other monitoring activities**

Other monitoring platforms may be set up where appropriate. Their activities shall be reported to the IPA monitoring committee.

*CHAPTER II***Evaluation***Article 21***Principles**

1. IPA II assistance shall be subject to evaluations, in accordance with Article 30(4) of Regulation (EU, Euratom) No 966/2012 with the aim of improving its relevance, coherence, quality, efficiency, effectiveness, Union added value, consistency and synergy with the relevant policy dialogue.
2. Evaluations may be carried out at policy, strategic, thematic, sectoral, programme and operational level as well as at country or regional level.
3. The results of evaluations shall be taken into account by the IPA monitoring committee and the sectoral monitoring committees.

*Article 22***Evaluations by the IPA II beneficiary under indirect management**

1. An IPA II beneficiary which has been entrusted budget implementation tasks of IPA II assistance shall be responsible for conducting evaluations of the programmes it manages.
2. The IPA II beneficiary shall draw up an evaluation plan presenting the evaluation activities which it intends to carry out in the different phases of the implementation.

CHAPTER III

Reporting

Article 23

Annual reports on implementation of IPA II assistance by IPA II beneficiaries under indirect management

1. By 15 February of the following financial year, the IPA II beneficiary shall in accordance with points (a) to (c) of the first subparagraph of Article 60(5) of Regulation (EU, Euratom) No 966/2012 provide the Commission with:
 - (a) an annual report on the implementation of the tasks entrusted;
 - (b) annual financial reports or statements on accrual basis as specified in the financing agreement, drawn up for the expenditure incurred in the execution of the tasks entrusted;
 - (c) an annual management declaration, as provided for by Article 9(4);
 - (d) a summary of the reports on the audits and controls carried out by the management structure, providing a sound basis for the management declaration. Such summary shall include an analysis of the nature and extent of errors and weaknesses identified in systems, corrective action taken or planned as well as the follow-up given to the reports issued by the audit authority.
2. By 15 March of the following financial year, IPA II beneficiary shall provide the Commission with an audit opinion in accordance with Article 60(5) of Regulation (EU, Euratom) No 966/2012.
3. At the end of the implementation of each programme, the IPA II beneficiary shall submit a final report which shall cover the whole period of implementation and may include the last annual report.
4. Depending on the action or programme under its responsibility, the operating structure may be required to draw up a comprehensive annual report covering the full financial year, to be submitted by the NIPAC to the Commission, after examination by the responsible sectoral monitoring committee.

TITLE V

TRANSPARENCY AND VISIBILITY

Article 24

Information, publicity and transparency

1. Any actor implementing IPA II assistance as defined in points (a) to (c) of Article 58(1) of Regulation (EU, Euratom) No 966/2012 shall fulfil the requirements on information, publicity and transparency in accordance with Article 35(2) of Regulation (EU, Euratom) No 966/2012, and ensure appropriate visibility of the actions.
2. In the case of indirect management by an IPA II beneficiary, the operating structures shall be responsible for publishing information on recipients of Union funds in accordance with Articles 21 and 22 of Delegated Regulation (EU) No 1268/2012. The operating structures shall ensure that the recipient is informed that it will be included in the published list of recipients. Any personal data included in this list shall be processed in accordance with the requirements of Regulation (EC) No 45/2001.
3. The country/multi-country strategy papers and any revision thereof as well as programmes, shall be public documents, where applicable, and shall be made available to the general public and civil society.

Article 25

Visibility and communication

1. The Commission and the IPA II beneficiary shall agree on a coherent plan of communication activities to make available and actively publicise information about IPA II assistance in the IPA II beneficiary.
2. The IPA II beneficiary shall report on its visibility and communication activities to the IPA monitoring committee and the sectoral monitoring committees.

TITLE VI

CROSS-BORDER COOPERATION

CHAPTER I

General provisions*Article 26***Definitions**

1. For the purposes of this Title the following definitions shall apply:
 - (a) 'operation' means a project, contract, action or group of projects selected by the joint monitoring committee or the contracting authority of the programme concerned, or under its responsibility, that contribute to the objectives, as regards the cross-border cooperation programmes under point (a) of Article 27, of the priority axis or priority axes to which it relates or, as regards cross-border cooperation programmes in points (b) or (c) of Article 27 of a thematic priority or thematic priorities to which it relates;
 - (b) 'beneficiary' means a public or private body, responsible for initiating or initiating and implementing operations; in the context of State aid schemes (as defined in Article 2(13) of Regulation (EU) No 1303/2013 of the European Parliament and of the Council⁽¹⁾), the term 'beneficiary' means the body which receives the aid, as far as cross-border cooperation programmes involving Member States are concerned.
2. For the purposes of Chapters I and II of this Title, as far as cross-border cooperation programmes involving Member States are concerned, 'public expenditure', 'programming', 'Partnership Agreement', and 'document' shall be used in accordance with the definitions given in Article 2 of Regulation (EU) No 1303/2013.

*Article 27***Form of assistance**

Assistance shall be provided to one of the following forms of cross-border cooperation:

- (a) cross-border cooperation between one or more Member States and one or more IPA II beneficiaries as provided for in Chapter II;
- (b) cross-border cooperation between two or more IPA II beneficiaries as provided for in Chapter III;
- (c) cross-border cooperation between an IPA II beneficiary and countries under the European Neighbourhood Instrument as provided for in Chapter III.

*Article 28***Aid intensity and rate of IPA II assistance**

1. The Commission decision adopting a cross-border cooperation programme for the forms of cooperation referred to in Article 27 shall fix the co-financing rate and the maximum amount of IPA II assistance, based either on:
 - (a) total eligible expenditure, including public and private expenditure; or
 - (b) public eligible expenditure.
2. For cross-border cooperation programmes under point (a) of Article 27, the Union co-financing rate at the level of each priority axis of a cross-border cooperation programme as referred to in Article 34(2) shall not be less than 20 % and not higher than 85 % of the eligible expenditure.

⁽¹⁾ 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).

3. For cross-border cooperation programmes under points (b) and (c) of Article 27, the Union co-financing rate at the level of each thematic priority shall not be less than 20 % and not higher than 85 % of the eligible expenditure. For technical assistance the co-financing rate shall be 100 %.

Article 29

Thematic priorities and concentration of IPA II assistance

1. Thematic priorities of IPA II assistance shall be those defined in Annex III to Regulation (EU) No 231/2014.
2. A maximum of 4 thematic priorities shall be selected for each cross-border cooperation programme.

Article 30

Geographical coverage

The list of eligible regions shall be included in the relevant cross-border cooperation programme which shall be as follows:

- (a) for cross-border cooperation programmes referred to in point (a) of Article 27, Nomenclature of Territorial Units for Statistics (NUTS) level 3 regions or, in the absence of NUTS classification, equivalent areas along land borders or along maritime borders separated by a maximum of 150 km, without prejudice to potential adjustments needed to ensure the coherence and continuity of cross-border programmes established for the 2007-2013 programming period;
- (b) for cross-border cooperation programmes referred to in points (b) and (c) of Article 27, the eligible regions shall be established in the relevant cross-border cooperation programme, as appropriate.

Article 31

Preparation, assessment, approval and amendment of cross-border cooperation programmes

1. Thematic priorities for each cross-border cooperation programme shall be agreed between the participating countries for each border or group of borders based on the thematic priorities as defined in Annex III to Regulation (EU) No 231/2014.
2. The Commission shall assess the consistency of cross-border cooperation programmes with this Regulation, their effective contribution to the selected thematic priorities in Annex III to Regulation (EU) No 231/2014, and also, as far as participating Member States are concerned, the relevant Partnership Agreement.
3. The Commission shall make observations within three months of the date of submission of the cross-border cooperation programme. The participating countries shall provide to the Commission all necessary additional information and, where appropriate, revise the proposed cross-border cooperation programme.
4. When approving each cross-border cooperation programme following its formal submission, the Commission has to ensure that any of its observations have been adequately taken into account.
5. Requests for amendment of cross-border cooperation programmes submitted by the participating countries shall be duly substantiated and shall in particular set out the expected impact of the changes to the cross-border cooperation programme on achieving its objectives. These requests shall be accompanied by the revised programme. Paragraphs 2 and 3 shall apply to amendments of cross-border cooperation programmes.

Article 32

Technical assistance

1. Each cross-border cooperation programme shall include a specific budget allocation for technical assistance operations, including preparation, management, monitoring, evaluation, information, communication, networking, complaint resolution, control and audit activities related to the implementation of the programme and activities to reinforce the administrative capacity for implementing the programme. IPA II assistance may also be used by the participating countries to support actions for the reduction of administrative burden for beneficiaries, including electronic data exchange systems, and actions to reinforce the capacity of, and exchange best practices between, authorities in the participating countries and of beneficiaries to administer and use the IPA II assistance. These actions may concern preceding and subsequent programming periods.
2. By way of derogation from Article 15(1), the expenditure for technical assistance to support the preparation of a cross-border cooperation programme and the setting-up of management and control systems may be eligible before the date of adoption of the Commission decision for the approval of the a cross-border cooperation programme, but not earlier than 1 January 2014.

CHAPTER II

Cross-border cooperation between Member States and IPA II beneficiaries

Article 33

Applicable provisions

1. As far as the Member State(s) participating in a cross-border cooperation programme under this Chapter are concerned, in particular the Member State where the managing authority shall be located, the rules applicable to the European territorial cooperation goal provided for in Regulation (EU) No 1303/2013 and Regulation (EU) No 1299/2013 of the European Parliament and of the Council ⁽¹⁾ shall apply, as provided for in this Chapter. Where such rules refer to the European Structural and Investment Funds as defined in Article 1 of Regulation (EU) No 1303/2013, for the purposes of this Chapter, IPA II assistance is also considered to be covered.
2. As far as the IPA II beneficiaries participating in a cross-border cooperation programme under this Chapter are concerned, the rules applicable to the European territorial cooperation apply, as provided for in this Chapter, without prejudice to reasoned derogations set out in the relevant financing agreement.

Article 34

Programming

1. Cross-border cooperation programmes shall be drawn up in accordance with the partnership principle as set out in Article 5(1) and (2) of Regulation (EU) No 1303/2013 and in accordance with Article 8(2) to (4), (7), (9) and (10) of Regulation (EU) No 1299/2013.
2. Cross-border cooperation programmes shall consist of priority axes. Without prejudice to Article 32, a priority axis shall correspond to a thematic priority referred to in Article 29. Within a priority axis, where appropriate and in order to increase its impact and effectiveness through a coherent integrated approach, elements of other thematic priorities may be added.
3. Cross-border cooperation programmes may carry out actions of community-led local development in the meaning of Articles 32 to 35 of Regulation (EU) No 1303/2013, of joint action plans in the meaning of Articles 104 to 109 of that Regulation and of integrated territorial investments in the meaning of Article 36 of that Regulation, taking into account the underlying principles of these instruments and Articles 9 to 11 of Regulation (EU) No 1299/2013. The specific rules and conditions shall be agreed between the Commission and the participating countries for each cross-border cooperation programme.
4. Cross-border cooperation programmes shall be submitted electronically to the Commission by the Member State where the programme's managing authority shall be located.
5. The European Investment Bank (EIB) may, at the request of participating countries, participate in the preparation of, as well as in activities relating to the preparation of operations, in particular major projects.

The Commission may consult the EIB before the adoption of cross-border cooperation programmes.

Article 35

Technical assistance

The amount of IPA II assistance to be allocated to technical assistance shall be limited to 10 % of the total amount allocated to the cross-border cooperation programme, but shall not be less than EUR 1 500 000.

Article 36

Implementation mode and designation of programme authorities

1. Cross-border cooperation programmes under this Chapter shall be implemented under shared management. Consequently, Member States and the Commission shall be responsible for the management and control of programmes in accordance with their respective responsibilities as provided for in Regulation (EU, Euratom) No 966/2012 and Delegated Regulation (EU) No 1268/2012 and in this Regulation.

Articles 73 and 74 of Regulation (EU) No 1303/2013 concerning the responsibilities of the Member States under shared management shall apply to the Member State where the managing authority is located.

⁽¹⁾ Regulation (EU) No 1299/2013 of the European Parliament and of the Council of 17 December 2013 on specific provisions for the support from the European Regional Development Fund to the European territorial cooperation goal (OJ L 347, 20.12.2013, p. 259).

Article 75 of Regulation (EU) No 1303/2013 concerning the powers and responsibilities of the Commission under shared management shall apply.

2. The participating countries in a cross-border cooperation programme shall designate, for the purposes of Article 123(1) of Regulation (EU) No 1303/2013, a single managing authority; for the purpose of Article 123(2) of that Regulation, a single certifying authority; and for the purpose of Article 123(4) of that Regulation, a single audit authority.

3. The managing authority and the audit authority shall be situated in the same Member State. The participating countries in a cross-border cooperation programme may designate the single managing authority to carry out the functions of the certifying authority.

The procedure for the designation of the managing authority and, where appropriate, of the certifying authority, set out in Article 124 of Regulation (EU) No 1303/2013, shall be carried out by the Member State in which the authority is located.

Designations provided for in this Article shall be without prejudice to the apportionment of liabilities in relation to the application of financial corrections among the participating countries as provided for in the cross-border cooperation programme.

Article 37

Functions of the programme authorities

1. Article 125 of Regulation (EU) No 1303/2013 and Article 23(1), (2), (4) and (5) of Regulation (EU) No 1299/2013 concerning the functions of the managing authority shall apply.

2. Article 126 of Regulation (EU) No 1303/2013 and Article 24 of Regulation (EU) No 1299/2013 concerning the functions of the certifying authority shall apply.

The certifying authority shall receive the payments made by the Commission and shall, as a general rule, make payments to the lead beneficiary in accordance with Article 132 of Regulation (EU) No 1303/2013.

3. Article 127 of Regulation (EU) No 1303/2013 and Article 25 of Regulation (EU) No 1299/2013 concerning the functions of the audit authority shall apply.

Article 38

Joint monitoring committee

1. Within three months of the date of notification to the Member State of the decision approving cross-border co-operation programme, the participating countries shall set up a Joint monitoring committee (hereinafter referred to as 'JMC').

2. The JMC shall be composed of representatives of the Commission, the NIPAC and other relevant national authorities and bodies of the IPA II beneficiary], the participating Member State(s) and, where relevant, international financial institutions and other stakeholders, including civil society and private sector organisations.

3. The JMC shall be chaired by a representative of one of the participating countries or of the managing authority.

4. The Commission shall participate in the work of the JMC in an advisory capacity.

5. If the EIB contributes to a programme, it may participate in the work of the JMC in an advisory capacity.

6. The JMC shall review the overall effectiveness, quality and coherence of the implementation of all actions towards meeting the objectives set out in the cross-border programme, the financing agreements and the relevant strategy paper(s). It may make recommendations for corrective actions whenever needed.

Articles 49 and 110 of Regulation (EU) No 1303/2013 concerning its functions shall also apply.

The JMC and the managing authority shall carry out monitoring by reference to indicators laid down in the relevant cross-border cooperation programme, in accordance with Article 16 of Regulation (EU) No 1299/2013.

7. The JMC shall adopt its rules of procedure.

8. The JMC shall meet at least once a year. Additional meetings may also be convened at the initiative of one of the participating countries or of the Commission, in particular on a thematic basis.

*Article 39***Selection of operations**

1. Operations under cross-border cooperation programmes shall be selected by the JMC.

The JMC may set up a steering committee acting under its responsibility for the selection of operations.

2. Selected operations shall involve beneficiaries from at least two participating countries, at least one of which shall be from a Member State. An operation may be implemented in a single participating country, provided that cross-border impacts and benefits are identified.
3. Beneficiaries shall cooperate in the development and implementation of operations. In addition, they shall cooperate in either the staffing or the financing of operations.

*Article 40***Beneficiaries**

1. Where there are two or more beneficiaries for an operation in a cross-border cooperation programme, one of them shall be designated by all the beneficiaries as the lead beneficiary.
2. The lead beneficiary shall carry out the following tasks:
 - (a) lay down the arrangements with other beneficiaries in an agreement comprising provisions that, inter alia, guarantee the sound financial management of the funds allocated to the operation, including the arrangements for recovering amounts unduly paid;
 - (b) assume responsibility for ensuring implementation of the entire operation;
 - (c) ensure that expenditure presented by all beneficiaries has been incurred in implementing the operation and corresponds to the activities agreed between all the beneficiaries, and in accordance with the document provided by the managing authority as provided for in paragraph 6;
 - (d) ensure that the expenditure presented by other beneficiaries has been verified by a controller(s) where this verification is not carried out by the managing authority in accordance with Article 23(1) of Regulation (EU) No 1299/2013.
3. If not otherwise specified in the arrangements referred to in point (a) of paragraph (2), the lead beneficiary shall ensure that the other beneficiaries receive the total amount of the public support as quickly as possible and in full. No amount shall be deducted or withheld and no specific charge or other charge with equivalent effect shall be levied that would reduce those amounts for the other beneficiaries.
4. Lead or sole beneficiaries shall be located in a participating country.
5. Notwithstanding Article 39(2) of this Regulation, an European grouping of territorial cooperation set up in accordance with Regulation (EC) No 1082/2006 of the European Parliament and of the Council ⁽¹⁾ or another legal body established under the laws of one of the participating countries may apply as sole beneficiary for an operation provided that it is set up by public authorities and bodies from at least two participating countries.
6. The managing authority shall provide to the lead or sole beneficiary for each operation a document setting out the conditions for support of the operation, including the specific requirements concerning the products or services to be delivered under the operation, the financing plan and the time-limit for execution.

*Article 41***Evaluation**

1. Evaluations shall be carried out by internal or external experts that are functionally independent of the authorities responsible for programme implementation. All evaluations shall be made public.
2. The participating countries shall jointly carry out an *ex ante* evaluation in accordance with Article 55 of Regulation (EU) No 1303/2013.
3. Article 56 of Regulation (EU) No 1303/2013 concerning evaluation during the programming period shall apply.
4. Article 57 of Regulation (EU) No 1303/2013 concerning evaluation *ex post* shall apply.

⁽¹⁾ Regulation (EC) No 1082/2006 of the European Parliament and of the Council of 5 July 2006 on a European grouping of territorial co-operation (EGTC) (OJ L 210, 31.7.2006, p. 19).

*Article 42***Reporting, information and communication**

1. Article 14 of Regulation (EU) No 1299/2013 concerning implementation reports shall apply.
2. The annual review meeting shall be organised in accordance with Article 15 of Regulation (EU) No 1299/2013.
3. By 31 January, 31 July and 31 October of each year, the managing authority shall transmit electronically to the Commission for monitoring purposes, for each cross-border programme and by priority axis:
 - (a) the total and public eligible cost of the operations and the number of operations selected for support;
 - (b) the total eligible expenditure declared by beneficiaries to the managing authority.

In addition, the transmission made by 31 January shall contain the data referred to in points (a) and (b) broken down by category of intervention. This transmission shall be considered to fulfil the requirement for the submission of financial data referred to in Article 50(2) of Regulation (EU) No 1303/2013.

A forecast of the amount for which the managing authority expects to submit payment applications for the current financial year and the subsequent financial year shall accompany the transmissions to be made by 31 January and 31 July.

The cut-off date for the data submitted under this paragraph shall be the end of the month preceding the month of submission.

4. The managing authority shall coordinate the tasks linked to the requirements on information, publicity and transparency under Article 24(1) and (3) of this Regulation.

By way of derogation from Article 25 of this Regulation, the managing authority shall be responsible for the information and communication activities as set out in Articles 115 and 116 of Regulation (EU) No 1303/2013.

*Article 43***Eligibility and durability**

1. By way of derogation from Article 15(1) of this Regulation, expenditure shall be eligible for funding under IPA II cross-border cooperation assistance:
 - (a) if it has been incurred by a beneficiary from a Member State and paid between 1 January 2014 and 31 December 2022; or
 - (b) if it has been incurred by a beneficiary from an IPA II beneficiary and paid after the submission of the cross-border cooperation programme.
2. In addition to the rules set out in Article 15(2) of this Regulation, IPA II cross-border cooperation assistance shall not support:
 - (a) interest on debt;
 - (b) value added tax (VAT) except where it is non-recoverable under national VAT legislation;
 - (c) the decommissioning and the construction of nuclear power stations;
 - (d) investment to achieve the reduction of greenhouse gas emissions from activities falling under Annex I to Directive 2003/87/EC of the European Parliament and of the Council ⁽¹⁾;
 - (e) the manufacturing, processing and marketing of tobacco and tobacco products;
 - (f) undertakings in difficulties as defined under Union State aid rules;
 - (g) investment in airport infrastructure unless related to environmental protection or accompanied by investment necessary to mitigate or reduce its negative environmental impact.

By way of derogation from Article 15(2) of this Regulation, the purchase of land not built on and land built on in the amount up to 10 % of the total eligible expenditure for the operation concerned shall be eligible for funding under IPA II cross-border cooperation assistance. For derelict sites and for those formerly in industrial use which comprise buildings, this limit shall be increased to 15 %. In exceptional and duly justified cases, this limit may be raised above the respective preceding percentages for operations concerning environmental conservation.

⁽¹⁾ Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Council Directive 96/61/EC (OJ L 275, 25.10.2003, p. 32).

3. Operations shall not be selected for IPA II assistance where they have been physically completed or fully implemented before the application for funding under the cross-border cooperation programme is submitted by the beneficiary to the managing authority, irrespective of whether all related payments have been made by the beneficiary.
4. Articles 61, 65(4) and (6) to (9) and (11), 66 to 68, 69(1) and (2) and 71 of Regulation (EU) No 1303/2013 concerning grants shall apply.
5. In addition to Article 6(2) of this Regulation, the financing agreements for cross-border cooperation programmes under this Chapter shall establish the hierarchy of eligibility rules applicable to the cross-border cooperation programme concerned in accordance with the principles set out in Article 18 of Regulation (EU) No 1299/2013.
6. Article 19 of Regulation (EU) No 1299/2013 concerning staff costs shall also apply.

Article 44

Eligibility depending on location

1. Operations, subject to the derogations referred to in paragraphs 2 and 3, shall be located in the programme area comprising the part of the territory of the participating countries as defined in the relevant cross-border cooperation programme (the 'programme area').
2. The managing authority may accept that all or part of an operation is implemented outside the programme area, provided that all the following conditions are satisfied:
 - (a) the operation is for the benefit of the programme area;
 - (b) the total amount allocated under the cross-border cooperation programme to operations located outside the programme area does not exceed 20 % of the support from the Union at programme level;
 - (c) the obligations of the managing and audit authorities in relation to management, control and audit concerning the operation are fulfilled by the cross-border cooperation programme authorities or they enter into agreements with authorities in the Member State or third country in which the operation is implemented.
3. For operations concerning technical assistance, promotional activities and capacity-building, expenditure may be incurred outside the programme area provided that the conditions in points (a) and (c) of paragraph 2 are fulfilled.

Article 45

Procurement

1. For the award of service, supply and work contracts, by beneficiaries the procurement procedures shall follow the provisions of Chapter 3 of Title IV of Part Two of Regulation (EU, Euratom) No 966/2012 and of Chapter 3 of Title II of Part Two of Delegated Regulation (EU) No 1268/2012 which apply in the whole programme area, both on the Member State and on the IPA II beneficiary/ies' territory.
2. For the award of service, supply and work contracts by the managing authority under the specific budget allocation for technical assistance operations, the procurement procedures applied by the managing authority may either be those referred to in paragraph 1 or those of its national law.

Article 46

Financial management, decommitment, examination and acceptance of accounts, closure and financial corrections

1. Article 76 of Regulation (EU) No 1303/2013 concerning budget commitments shall apply.
2. Articles 77 to 80, 82 to 83, 129 to 132, 134 to 135 and 142 of Regulation (EU) No 1303/2013 concerning payments shall apply. In addition, Article 27(1) of Regulation (EU) No 1299/2013 concerning payments into a single account shall apply. Article 28 of Regulation (EU) No 1299/2013 concerning the use of the euro shall apply.
3. Concerning pre-financing, following the Commission decision adopting the cross-border cooperation programme, a single pre-financing amount shall be paid by the Commission.

The pre-financing shall amount to 50 % of the first three budgetary commitments to the programme.

The pre-financing amount may be paid in two instalments, where necessary, according to budgetary needs.

The total amount paid as pre-financing shall be reimbursed to the Commission if no payments application under the cross-border cooperation programme is sent within 24 months of the date on which the Commission pays the first instalment of the pre-financing amount.

4. Articles 86 to 88 and 136 of Regulation (EU) No 1303/2013 concerning decommitment shall apply.
5. Articles 84 and 137 to 141 of Regulation (EU) No 1303/2013 concerning the examination and acceptance of accounts as well as closure shall apply.
6. Articles 85, 122(2) and 143 to 147 of Regulation (EU) No 1303/2013 concerning financial corrections and recoveries shall apply. Article 27(2) and (3) of Regulation (EU) No 1299/2013 shall also apply.

Article 47

Management and control systems and audit

1. Articles 72 and 122(1) and (3) of Regulation (EU) No 1303/2013 concerning the general principles of management and control systems shall apply.
2. Article 128 of Regulation (EU) No 1303/2013 concerning the cooperation between the Commission and the audit authorities shall apply.
3. Article 148 of Regulation (EU) No 1303/2013 concerning the proportional control of cross-border cooperation programmes shall apply.

Article 48

Discontinuation of cross-border cooperation programmes

1. Where none of the participating IPA II beneficiaries has concluded the financing agreement by the end of the year following the year of the adoption of the programme, the Commission shall discontinue the cross-border cooperation programme.

European Regional Development Fund annual instalments already committed shall remain available for their normal lifetime but may be used only for activities which take place exclusively in the Member States concerned and contracted before the Commission discontinuation decision. The managing authority shall transmit the final report within three months of the closure of the contracts to the Commission which shall proceed in conformity with paragraphs 2 and 3.

2. Where the cross-border cooperation programme cannot be implemented owing to problems arising in relations between participating countries and in other duly justified cases, the Commission may decide to discontinue the programme before the expiry date of the period of execution, at the request of the JMC or on its own initiative after having consulted the JMC.

Where the programme is discontinued, the managing authority shall transmit the final report within six months following the Commission's decision. After clearing the previous pre-financing payments, the Commission shall pay the final balance or, where appropriate, issue the recovery order. The Commission shall also decommit the balance of commitments.

As an alternative, it may be decided to reduce the programme's allocation to the programme scope in accordance with Article 31(5).

3. In the cases referred to in paragraphs 1 and 2, non-committed support from European Regional Development Fund corresponding to annual instalments not yet committed or annual instalments committed and decommitted totally or partially during the same budgetary year, which have not been re-allocated to another programme of the same category of external cooperation programmes shall be allocated to the internal cross-border cooperation programmes in accordance with Article 4 of Regulation (EU) No 1299/2013.

IPA II assistance corresponding to annual instalments not yet committed or annual instalments committed and decommitted totally or partially during the same budgetary year shall be used to finance other programmes or projects eligible for IPA II assistance.

CHAPTER III

Cross-border cooperation between IPA II beneficiaries or between IPA II beneficiaries and countries under the European Neighbourhood Instrument

Article 49

Programming

1. Cross-border cooperation programmes shall be drawn up in accordance with the model programme provided by the Commission and shall be prepared jointly by the participating countries and submitted to the Commission by electronic means.

2. A cross-border cooperation programme shall consist of thematic priorities in accordance with Article 29.

Article 50

Technical assistance

The amount of IPA II assistance to be allocated to technical assistance shall be limited to 10 % of the total amount allocated to the cross-border cooperation programme.

Article 51

Implementation modes

1. Cross-border cooperation programmes referred to in points (b) and (c) of Article 27, shall be implemented under direct or indirect management.
2. Cross-border cooperation programmes shall be managed by one contracting authority as defined in the Commission implementing decision approving the relevant cross-border cooperation programme.

Article 52

Structures and authorities

1. The following structures shall be involved in the management of cross-border cooperation programmes in the IPA II beneficiaries:
 - (a) the NIPACs of the countries participating in the cross-border cooperation programme as referred to in Article 4 and, where applicable, the territorial cooperation coordinators;
 - (b) the NAO and the management structure as referred to in Article 7 of the participating IPA II beneficiary in which the contracting authority is located when the cross-border programme is implemented in indirect management;
 - (c) the operating structures in all the participating countries which shall cooperate closely in the programming and implementation of the relevant cross-border cooperation programme. In case of indirect management the operating structure shall include a contracting authority;
 - (d) the audit authority as referred to in Article 7(3) when the cross-border programme is implemented in indirect management. Where it does not have the authorisation to carry out the functions provided for in Article 12, it shall be assisted by a group of auditors comprising a representative of each country participating in the cross-border cooperation programme.
2. The IPA II beneficiaries and countries under the European Neighbourhood Instrument participating in a cross-border cooperation programme shall establish a JMC which shall also fulfil the role of the sectoral monitoring committee referred to in Article 19.
3. A Joint Technical Secretariat shall be set up to assist the Commission, the operating structures and the JMC.
4. The roles and responsibilities of these structures shall be defined in the Framework Agreement referred to in Article 5.
5. Under indirect management, the participating countries shall conclude a bilateral arrangement setting out their respective responsibilities for implementing the relevant cross-border cooperation programme. The minimum requirements for such bilateral arrangement shall be defined in the Framework Agreement referred to in Article 5.

Article 53

Selection of operations

1. Operations selected under a cross-border cooperation programme shall deliver clear cross-border impacts and benefits.
2. Operations under cross-border cooperation programmes shall be selected by the contracting authority through calls for proposals covering the whole eligible area.
3. Participating countries may also identify operations outside call for proposals. In that event, the operations shall be specifically mentioned in the cross-border cooperation programme referred to in Article 49.

4. Operations selected for cross-border cooperation shall involve beneficiaries from at least two participating countries. Beneficiaries shall cooperate in the development and implementation of operations. In addition, they shall cooperate in either the staffing or the financing of operations or both.
5. An operation may be implemented in a single participating country, provided that cross-border impacts and benefits are identified.

Article 54

Beneficiaries

1. For cross-border cooperation programmes referred to in point (b) of Article 27, the beneficiaries shall be established in an IPA II beneficiary. For cross-border cooperation programmes referred to in point (c) of Article 27, the beneficiary shall be established in an IPA II beneficiary or in a European Neighbourhood Instrument country.
2. One of the beneficiaries participating in a given operation shall be designated by all the beneficiaries as the lead beneficiary.
3. The lead beneficiary shall assume responsibility for ensuring the financial implementation of the entire operation, monitor that the operation is implemented in accordance with the conditions set out in the contract and lay down the arrangements with other beneficiaries to guarantee the sound financial management of the funds allocated to the operation, including the arrangements for recovering amounts unduly paid.

TITLE VII

AGRICULTURE AND RURAL DEVELOPMENT

Article 55

Specific provisions on rural development programmes

1. As part of the policy area 'agriculture and rural development', rural development programmes shall be drawn up at national level, prepared by the relevant authorities designated by the IPA II beneficiary and submitted to the Commission after consulting the appropriate interested parties.
2. Rural development programmes shall be implemented by the IPA II beneficiaries on the basis of indirect management in accordance with Article 58(1) of Regulation (EU, Euratom) No 966/2012 and shall finance selected types of actions as provided for under Regulation (EU) No 1305/2013 of the European Parliament and of the Council ⁽¹⁾.
3. The operating structure to be established in accordance with Article 10 shall, for rural development programmes, consist of the following separate authorities operating in close cooperation:
 - (a) the Managing Authority, being a public body acting at national level, to be in charge of preparing and implementing the programmes, including selection of measures and publicity, coordination, evaluation, monitoring and reporting of the programme concerned and managed by a senior official with exclusive responsibilities; and
 - (b) the IPA Rural Development Agency with functions of a similar nature as a paying agency in the Member States being in charge of publicity, selection of projects as well as authorisation, control and accounting of commitments and payments and execution of payments.
4. By way of derogation from Article 15(1) expenditure for technical assistance to support the preparation of rural development programmes and the setting up of management and control systems may be eligible before the date of adoption of the Commission decision for the approval of the rural development programme, but not earlier than 1 January 2014.
5. In determining the share of public expenditure as a percentage of total eligible cost of investment, account shall not be taken of national aid to facilitate access to loans granted without any Union contribution provided under Regulation (EU) No 231/2014.
6. Investment projects under rural development programmes shall remain eligible for Union financing provided they do not, within five years from the final payment by the operating structure, undergo a substantial modification.

⁽¹⁾ Regulation EU No 1305/2013 of the European Parliament and of the Council of 17 December 2013 on support for rural development by the European Agricultural Funds for Rural Development. (EAFRD) and repealing Council Regulation (EC) No 1698/2005, (OJ L 347, 20.12.2013, p. 487).

TITLE VIII

FINAL PROVISIONS

*Article 56***Entry into force and application**

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

It shall apply from 1 January 2014.

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

Done at Brussels, 2 May 2014.

For the Commission

The President

José Manuel BARROSO

COMMISSION IMPLEMENTING REGULATION (EU) No 448/2014**of 2 May 2014****amending Implementing Regulation (EU) No 1035/2011 by updating references to the Annexes to the Chicago Convention****(Text with EEA relevance)**

THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EC) No 550/2004 of the European Parliament and of the Council of 10 March 2004 on the provision of air navigation services in the single European sky (the service provision Regulation) ⁽¹⁾, and in particular Articles 4, 6 and 7 thereof,

Having regard to Regulation (EC) No 216/2008 of the European Parliament and of the Council of 20 February 2008 on common rules in the field of civil aviation and establishing a European Aviation Safety Agency, and repealing Council Directive 91/670/EEC, Regulation (EC) No 1592/2002 and Directive 2004/36/EC ⁽²⁾, and in particular Article 8b(6) thereof,

Whereas:

- (1) Commission Implementing Regulation (EU) No 1035/2011 ⁽³⁾ establishes implementing rules for the provision of air navigation services. Those implementing rules give effect to the standards and obligations provided for in the Convention on International Civil Aviation, signed in Chicago on 7 December 1944 (the Chicago Convention), in accordance with objectives laid down in Article 1(3) of Regulation (EC) No 549/2004 of the European Parliament and of the Council ⁽⁴⁾ and Article 2(2)(d) of Regulation (EC) No 216/2008 of the European Parliament and of the Council ⁽⁵⁾.
- (2) The International Civil Aviation Organisation (ICAO) has recently amended Annexes 3, 4, 10, 11, 14 and 15 to the Chicago Convention. The amendments of Annexes 3, 4, 10, 11, amendment 11-A of Annex 14 and Annex 15 entered into force on 14 November 2013, whereas amendment 11-B of Annex 14 is due to enter into force on 14 November 2014.
- (3) As set out in recital 14 of Implementing Regulation (EU) No 1035/2011, pending the full transposition of the relevant standards of the ICAO into Union law, air navigation services should operate in compliance with the relevant ICAO standards. That also applies with respect to the revised standards resulting from the recent amendments of the Annexes to the Chicago Convention. References to the Convention contained in Implementing Regulation (EU) No 1035/2011 should therefore be updated accordingly.
- (4) The measures provided for in this Regulation are in accordance with the opinion of the Single Sky Committee established by Article 5 of Regulation (EC) No 549/2004,

HAS ADOPTED THIS REGULATION:

Article 1

The Annexes to Implementing Regulation (EU) No 1035/2011 are amended as set out in the Annex to this Regulation.

⁽¹⁾ OJ L 96, 31.3.2004, p. 10.

⁽²⁾ OJ L 79, 19.3.2008, p. 1.

⁽³⁾ Commission Implementing Regulation (EU) No 1035/2011 of 17 October 2011 laying down common requirements for the provision of air navigation services and amending Regulations (EC) No 482/2008 and (EU) No 691/2010 (OJ L 271, 18.10.2011, p. 23).

⁽⁴⁾ Regulation (EC) No 549/2004 of the European Parliament and of the Council of 10 March 2004 laying down the framework for the creation of the single European sky (the framework Regulation) (OJ L 96, 31.3.2004, p. 1).

⁽⁵⁾ Regulation (EC) No 216/2008 of the European Parliament and of the Council of 20 February 2008 on common rules in the field of civil aviation and establishing a European Aviation Safety Agency, and repealing Council Directive 91/670/EEC, Regulation (EC) No 1592/2002 and Directive 2004/36/EC (OJ L 79, 19.3.2008, p. 1).

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, 2 May 2014.

For the Commission

The President

José Manuel BARROSO

ANNEX

1. In Annex I, point 2.2.1, the second paragraph is replaced by the following:

‘The information listed in points (a) and (b) shall be consistent with the national or functional airspace block performance plan referred to in Article 11 of Regulation (EC) No 549/2004 and, as far as safety data is concerned, consistent with the State Safety Programme referred to in Standard 3.1.1 of Annex 19 to the Convention on International Civil Aviation, as applicable.’

2. In Annex II, point 4, subparagraphs (b) and (c) are replaced by the following:

‘(b) Annex 10 on aeronautical telecommunications, Volume II on communication procedures including those with PANS Status in its sixth edition of October 2001, including all amendments up to and including No 88-A;

(c) Annex 11 on air traffic services in its 13th edition of July 2001, including all amendments up to and including No 49 and Implementing Regulation (EU) No 923/2012 (*) as applicable.

(*) Commission Implementing Regulation (EU) No 923/2012 of 26 September 2012 laying down the common rules of the air and operational provisions regarding services and procedures in air navigation and amending Implementing Regulation (EU) No 1035/2011 and Regulations (EC) No 1265/2007, (EC) No 1794/2006, (EC) No 730/2006, (EC) No 1033/2006 and (EU) No 255/2010 (OJ L 281, 13.10.2012, p. 1).’

3. In Annex III, Point 2, subparagraphs (a), (b) and (c) are replaced by the following:

‘(a) Without prejudice to Implementing Regulation (EU) No 923/2012, Annex 3 on meteorological services for international air navigation in its 18th edition of July 2013, including all amendments up to and including No 76;

(b) Annex 11 on air traffic services in its 13th edition of July 2001, including all amendments up to and including No 49 and Implementing Regulation (EU) No 923/2012 as applicable;

(c) Without prejudice to Regulation (EU) No 139/2014 (**) Annex 14 on aerodromes in the following versions:

(i) Volume I on aerodrome design and operations in its 6th edition of July 2013, including all amendments up to and including No 11-A and as of 13 November 2014, also including amendment 11-B;

(ii) Volume II on heliports in its 4th edition of July 2013, including all amendments up to and including No 5.

(**) Commission Regulation (EU) No 139/2014 of 12 February 2014 laying down requirements and administrative procedures related to aerodromes pursuant to Regulation (EC) No 216/2008 of the European Parliament and of the Council (OJ L 44, 14.2.2014, p. 1).’

4. In Annex IV, point 2, subparagraph (b) is replaced by the following:

‘(b) the following Annexes to the Convention on International Civil Aviation as far as they are relevant for the provision of aeronautical information services in the airspace concerned:

(i) Annex 3 on meteorological services for international air navigation in its 18th edition of July 2013, including all amendments up to and including No 76;

(ii) Annex 4 on aeronautical charts in its 11th edition of July 2009, including all amendments up to and including No 57;

(iii) without prejudice to Regulation (EU) No 73/2010, Annex 15 on aeronautical information series in its 14th edition of July 2013, including all amendments up to and including No 37.’

5. In Annex V, point 3, subparagraphs (a) to (e) are replaced by the following:

‘(a) Volume I on radio navigation aids in its 6th edition of July 2006, including all amendments up to and including No 88-A;

(b) Volume II on communication procedures including those with PANS status in its 6th edition of October 2001, including all amendments up to and including No 88-A;

- (c) Volume III on communications systems in its 2nd edition of July 2007 including all amendments up to and including No 88-A;
 - (d) Volume IV on surveillance radar and collision avoidance systems in its 4th edition of July 2007, including all amendments up to and including No 88-A;
 - (e) Volume V on aeronautical radio frequency spectrum utilisation in its 3rd edition of July 2013, including all amendments up to and including No 88-A.
-

COMMISSION IMPLEMENTING REGULATION (EU) No 449/2014**of 2 May 2014****amending Implementing Regulation (EU) No 498/2012 on the allocation of tariff-rate quotas applying to exports of wood from the Russian Federation to the European Union**

THE EUROPEAN COMMISSION,

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

Having regard to Council Decision 2012/105/EU of 14 December 2011 on the signing, on behalf of the Union, and provisional application of the Agreement in the form of an Exchange of Letters between the European Union and the Russian Federation relating to the administration of tariff-rate quotas applying to exports of wood from the Russian Federation to the European Union and the Protocol between the European Union and the Government of the Russian Federation on technical modalities pursuant to that Agreement ⁽¹⁾, and in particular Article 4 thereof,

Whereas:

- (1) On 22 August 2012, the Russian Federation acceded to the World Trade Organisation. The commitments of the Russian Federation include tariff-rate quotas for the export of specified types of coniferous wood, a share of which has been allocated for exports to the Union. The modalities for the administration of those tariff-rate quotas are laid down in the Agreement in the form of an Exchange of Letters between the European Union and the Russian Federation relating to the administration of tariff-rate quotas applying to exports of wood from the Russian Federation to the European Union ⁽²⁾ (the Agreement) and in the Protocol ⁽³⁾ between the European Union and the Government of the Russian Federation on technical modalities pursuant to the Agreement (the Protocol). The Agreement and the Protocol were signed on 16 December 2011. They have been applied provisionally from the date of the accession of the Russian Federation to the World Trade Organisation.
- (2) Pursuant to Article 4 of Decision 2012/105/EU, Commission Implementing Regulation (EU) No 498/2012 ⁽⁴⁾ has laid down the rules on the allocation of tariff-rate quotas applying to exports of wood from the Russian Federation to the European Union. That Regulation will cease to apply on the date on which the Protocol ceases to be applied provisionally.
- (3) While the Agreement and the Protocol continue to be applied provisionally, pending the completion of the procedures for their conclusion, the experience gained with the implementation of Implementing Regulation (EU) No 498/2012 during the first three quota periods has revealed the need to amend Article 15 of that Regulation to take into account the low utilisation rate of the tariff-rate quotas during the first three quota periods. The suspension of the reduction of import ceilings provided for in Articles 13 and 14 during quota period 2015 is necessary to promote the full utilisation by traditional importers in particular of the tariff-rate quotas allocated to exports to the Union.
- (4) Implementing Regulation (EU) No 498/2012 should therefore be amended accordingly.
- (5) The measures provided for in this Implementing Regulation are in accordance with the opinion of the Wood Committee established by Council Decision 2012/105/EU,

⁽¹⁾ Council Decision 2012/105/EU of 14 December 2011 on the signing, on behalf of the Union, and provisional application of the Agreement in the form of an Exchange of Letters between the European Union and the Russian Federation relating to the administration of tariff-rate quotas applying to exports of wood from the Russian Federation to the European Union and the Protocol between the European Union and the Government of the Russian Federation on technical modalities pursuant to that Agreement (OJ L 57, 29.2.2012, p. 1).

⁽²⁾ Agreement in the form of an Exchange of Letters between the European Union and the Russian Federation relating to the administration of tariff-rate quotas applying to exports of wood from the Russian Federation to the European Union (OJ L 57, 29.2.2012, p. 3).

⁽³⁾ Protocol between the European Union and the Government of the Russian Federation on technical modalities pursuant to the Agreement in the form of an Exchange of Letters between the European Union and the Russian Federation relating to the administration of tariff-rate quotas applying to exports of wood from the Russian Federation to the European Union (OJ L 57, 29.2.2012, p. 5).

⁽⁴⁾ Commission Implementing Regulation (EU) No 498/2012 of 12 June 2012 on the allocation of tariff-rate quotas applying to exports of wood from the Russian Federation to the European Union (OJ L 152, 13.6.2012, p. 28).

HAS ADOPTED THIS REGULATION:

Article 1

Article 15 of Implementing Regulation (EU) No 498/2012 is replaced by the following:

'Article 15

1. Should the conditions for reduction of import ceilings provided for in Articles 13 and 14 be both met simultaneously, only the higher reduction (R_i or r_i) shall be applied.
2. The provisions of Articles 13 and 14 shall not apply during the first quota period following the first three quota periods.'

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, 2 May 2014.

For the Commission

The President

José Manuel BARROSO

COMMISSION IMPLEMENTING REGULATION (EU) No 450/2014**of 30 April 2014****amending for the 213th time Council Regulation (EC) No 881/2002 imposing certain specific restrictive measures directed against certain persons and entities associated with the Al-Qaida network**

THE EUROPEAN COMMISSION,

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

Having regard to Council Regulation (EC) No 881/2002 of 27 May 2002 imposing certain specific restrictive measures directed against certain persons and entities associated with the Al-Qaida network ⁽¹⁾, and in particular Article 7(1)(a) and Article 7a(5) thereof,

Whereas:

- (1) Annex I to Regulation (EC) No 881/2002 lists the persons, groups and entities covered by the freezing of funds and economic resources under that Regulation.
- (2) On 15 April 2014, the Sanctions Committee of the United Nations Security Council (UNSC) decided to remove one person from its list of persons, groups and entities to whom the freezing of funds and economic resources should apply after considering the de-listing request submitted by this person and the Comprehensive Report of the Ombudsperson established pursuant to UNSC Resolution 1904(2009).
- (3) Annex I to Regulation (EC) No 881/2002 should therefore be updated accordingly,

HAS ADOPTED THIS REGULATION:

Article 1

Annex I to Regulation (EC) No 881/2002 is amended in accordance with the Annex to this Regulation.

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, 30 April 2014.

*For the Commission,
On behalf of the President,
Head of the Service for Foreign Policy Instruments*

⁽¹⁾ OJ L 139, 29.5.2002, p. 9.

ANNEX

In Annex I to Regulation (EC) No 881/2002 the following entry under the heading 'Natural persons' is deleted:

'Youssef Ben Abdul Baki Ben Youcef **Abdaoui** (*alias* (a) Abu Abdullah, (b) Abdellah, (c) Abdullah, (d) Abou Abdullah, (e) Abdullah Youssef). Address: Via Torino 8/B, Cassano Magnago (VA), Italy. Date of birth: 4.9.1966. Place of birth: Kairouan, Tunisia. Nationality: Tunisian. Passport No: G025057 (Tunisian passport issued on 23.6.1999, expired on 5.2.2004). National Identification No: AO 2879097 (Italian Identity Card valid until 30.10.2012. Other information: (a) Italian fiscal code: BDA YSF 66P04 Z352Q; (b) Inadmissible to the Schengen area; (c) Mother's name is Fatima Abdaoui; (d) Member of an organization operating in Italy directly linked with The Organization of Al-Qaeda in the Islamic Maghreb. Date of designation referred to in Article 2a(4)(b): 25.6.2003.'

COMMISSION IMPLEMENTING REGULATION (EU) No 451/2014**of 2 May 2014****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 Council Regulation (EC) No 1234/2007 of 22 October 2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation) ⁽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, 2 May 2014.

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

⁽¹⁾ OJ L 299, 16.11.2007, p. 1.

⁽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	CL	173,8
	MA	40,5
	MK	102,8
	TN	109,1
	TR	97,3
	ZZ	104,7
0707 00 05	MA	35,6
	TR	133,7
	ZZ	84,7
0709 93 10	MA	70,8
	TR	112,1
	ZA	31,4
	ZZ	71,4
0805 10 20	EG	49,6
	IL	91,1
	MA	48,7
	TN	64,4
	TR	63,3
	ZZ	63,4
0805 50 10	MA	35,6
	TR	89,9
	ZZ	62,8
0808 10 80	AR	118,6
	BR	86,6
	CL	104,3
	CN	98,7
	MK	30,8
	NZ	147,4
	US	158,7
	ZA	118,0
	ZZ	107,9

⁽¹⁾ Nomenclature of countries laid down by Commission Regulation (EC) No 1833/2006 (OJ L 354, 14.12.2006, p. 19). Code 'ZZ' stands for 'of other origin'.

DECISIONS

POLITICAL AND SECURITY COMMITTEE DECISION ATALANTA/2/2014

of 29 April 2014

on the acceptance of a third State's contribution to the European Union military operation to contribute to the deterrence, prevention and repression of acts of piracy and armed robbery off the Somali coast (Atalanta) and amending Decision ATALANTA/3/2009

(2014/244/CFSP)

THE POLITICAL AND SECURITY COMMITTEE,

Having regard to the Treaty on European Union, and in particular the third paragraph of Article 38 thereof,

Having regard to Council Joint Action 2008/851/CFSP of 10 November 2008 on a European Union military operation to contribute to the deterrence, prevention and repression of acts of piracy and armed robbery off the Somali coast ⁽¹⁾, and in particular Article 10 thereof,

Having regard to the Political and Security Committee Decision ATALANTA/3/2009 of 21 April 2009 on the setting up of the Committee of Contributors for the European Union military operation to contribute to the deterrence, prevention and repression of acts of piracy and armed robbery off the Somali coast (Atalanta) (2009/369/CFSP) ⁽²⁾,

Whereas:

- (1) Pursuant to Article 10(2) of Joint Action 2008/851/CFSP, the Council authorised the Political and Security Committee (PSC) to take the relevant decisions on the acceptance of the proposed contributions by third States.
- (2) Following a recommendation on a contribution from New Zealand by the EU Operation Commander on 11 March 2014 and the advice from the European Union Military Committee on 25 March 2014, the contribution from New Zealand should be accepted.
- (3) Political and Security Committee Decision ATALANTA/3/2009 should therefore be amended in order to delete the Annex listing the third States whose contributions have been accepted.
- (4) In accordance with Article 5 of Protocol No 22 on the position of Denmark, annexed to the Treaty on European Union and to the Treaty on the Functioning of the European Union, Denmark does not participate in the elaboration and implementation of decisions and actions of the Union which have defence implications,

HAS ADOPTED THIS DECISION:

Article 1

1. The contribution from New Zealand to the European Union military operation to contribute to the deterrence, prevention and repression of acts of piracy and armed robbery off the Somali coast (Atalanta) is accepted and is considered to be significant.
2. New Zealand is exempted from financial contributions to the budget of Atalanta.

Article 2

Political and Security Committee Decision ATALANTA/3/2009 is amended as follows:

- (1) in the second hyphen of Article 2(1) the terms ‘, as referred to in the Annex’ are deleted;
- (2) the Annex is deleted.

⁽¹⁾ OJ L 301, 12.11.2008, p. 33.

⁽²⁾ OJ L 112, 6.5.2009, p. 9.

Article 3

This Decision shall enter into force on the date of its adoption.

Done at Brussels, 29 April 2014.

For the Political and Security Committee

The Chairperson

W. STEVENS

COMMISSION IMPLEMENTING DECISION**of 28 April 2014****on the recognition of the legal and supervisory framework of Brazil as equivalent to the requirements of Regulation (EC) No 1060/2009 of the European Parliament and of the Council on credit rating agencies****(Text with EEA relevance)****(2014/245/EU)**

THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies ⁽¹⁾, and in particular Article 5(6) thereof,

Whereas:

- (1) On 22 October 2012 the Commission granted a mandate to the European Securities and Markets Authority (ESMA), requesting its advice with regard to the technical assessment of the legal and supervisory framework of Brazil in respect of credit rating agencies (CRAs).
- (2) In its technical advice delivered on 31 May 2013, ESMA indicated that in its outcomes, the Brazilian legal and supervisory framework in respect of credit rating agencies is comparable to that laid down in Regulation (EC) No 1060/2009.
- (3) Pursuant to the second subparagraph of Article 5(6) of Regulation (EC) No 1060/2009, three conditions need to be fulfilled in order to consider a third country legal and supervisory framework equivalent to the requirements of that Regulation.
- (4) According to the first condition, CRAs in third countries must be subject to authorisation or registration and to effective supervision and enforcement on an ongoing basis. The Brazilian legal and regulatory framework for credit rating agencies consists of Regulation ICVM 521 of the Securities and Exchange Commission of Brazil (Comissão de Valores Mobiliários, CVM), adopted on 25 April 2012 on the basis of Law no. 6.385 of 1976. The regulatory framework obliges CRAs to comply with all provisions of the International Organisation of Securities Commissions (IOSCO) Code of Conduct. All relevant laws and regulations have entered into force. According to this regulatory framework, CRAs have to be registered and are supervised on an ongoing basis by the CVM. The Brazilian legal and supervisory framework endows CVM with a comprehensive range of powers allowing it to investigate whether CRAs comply with their legal obligations. The CVM may examine and extract examples of accounting records, books or documents as well as any other files and it may request information or clarifications under penalty of a fine, without prejudice to other penalties. The CVM's powers also include carrying out inspections, with or without previous notice, to enable effective supervision and enforcement of CRAs and the power to sanction CRAs in breach of the applicable rules. The CVM may impose a number of penalties to CRAs and anyone directly involved in the rating process, ranging from warnings, fines and suspensions to de-registration of the CRA. Should the CVM verify that a crime has been committed, it must refer the matter to the Public Attorney's Office ('Ministério Público'). The CVM, upon request, may also take part in legal disputes involving the securities market, where its activities can range from the collection of evidence to the issuance of legal opinions. CRAs must submit to the CVM an annual reference form, as well as event based information, such as where a significant change in methodology occurs; the decision to discontinue a credit rating; or where a preliminary opinion was not used by an issuer when disclosing a transaction. As of September 2013, all CRAs have submitted their updated reference forms to CVM and it has received event-driven information submissions. CVM reviewed

⁽¹⁾ OJ L 302, 17.11.2009, p. 1.

the documents and has asked one CRA to clarify an identified conflict of interest, which the CRA complied with. The cooperation agreement concluded between ESMA and CVM provides for information exchange with regard to enforcement and supervisory measures taken against cross border CRAs. On this basis, it should be considered that CRAs in Brazil are subject to authorisation or registration requirements equivalent to those laid down in Regulation (EC) No 1060/2009 and the Brazilian supervisory and enforcement arrangements applicable to CRAs are effectively applied and enforced.

- (5) According to the second condition, CRAs in the third country must be subject to legally binding rules which are equivalent to those set out in Articles 6 to 12 and Annex I to Regulation (EC) No 1060/2009, with the exception of Articles 6a, 6b, 8a, 8b, 8c and 11a, point (ba) of point 3 and points 3a and 3b of Section B of Annex I to that Regulation. When assessing the fulfilment of this condition due regard should be paid to Article 2(1) of Regulation (EU) No 462/2013 of the European Parliament and of the Council ⁽¹⁾ in respect of the date of application of certain provisions of Regulation (EC) No 1060/2009. With regard to corporate governance, the Brazilian legal and supervisory framework requires CRAs as part of their registration procedure to have a corporate governance structure with a minimum of two directors, one of which must be independent and responsible for compliance with the rules. The Brazilian legal and supervisory framework, which requires mandatory compliance with the IOSCO code, obliges CRAs to have in place adequate arrangements for the management of conflicts of interest. A CRA's code of conduct must provide for the adoption of mechanisms to identify, eliminate, manage and disclose situations involving conflicts of interest. The Brazilian framework also contains detailed rules on outsourcing, record keeping and confidentiality. CRAs are required to establish a review function for reviewing rating methodologies and the Brazilian framework contains a wide range of disclosure requirements with regard to credit ratings and rating activities, for example the requirement to distribute in a timely manner its ratings decisions, to publish a document based on the historical performance of ratings and to make public an annual report including information on its activities. Therefore, the Brazilian legal and supervisory framework should achieve the same outcomes as Regulation (EC) No 1060/2009 in respect of the management of conflicts of interest, the organisational processes and procedures that a CRA needs to have in place, the quality of ratings and of rating methodologies, the disclosure of credit ratings and the general and periodic disclosure of credit rating activities and. It should provide for equivalent protection in terms of integrity, transparency, good governance of CRAs and reliability of the credit rating activities.
- (6) According to the third condition, the regulatory regime in the third country must prevent interference by the supervisory authorities and other public authorities of that third country with the content of credit rating and methodologies. Any such interference would be contrary to the lawfulness principle, enshrined in the Brazilian Constitution, which provides that public authorities can only act if established by law. As far as it can be ascertained there is no legal provision empowering CVM or any other public authority to influence the content of credit rating or methodologies.
- (7) In view of the factors examined, the conditions laid down in the second subparagraph of Article 5(6) of Regulation (EC) No 1060/2009 can be considered to be met by the Brazilian legal and supervisory framework for credit rating agencies. Therefore, the Brazilian legal and supervisory framework for CRAs should be considered equivalent to the legal and supervisory framework established by Regulation (EC) No 1060/2009. The Commission, informed by ESMA, should continue to monitor the evolution of the Brazilian legal and supervisory framework for CRAs and the fulfilment of the conditions on the basis of which this decision has been taken.
- (8) The measures provided for in this Decision are in accordance with the opinion of the European Securities Committee,

HAS ADOPTED THIS DECISION:

Article 1

For the purposes of Article 5 of Regulation (EC) No 1060/2009, the legal and supervisory framework for credit rating agencies in force in Brazil shall be considered as equivalent to the requirements of Regulation (EC) No 1060/2009.

⁽¹⁾ Regulation (EU) No 462/2013 of the European Parliament and of the Council of 21 May 2013 amending Regulation (EC) No 1060/2009 on credit rating agencies (OJ L 146, 31.5.2013, p. 1).

Article 2

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

Done at Brussels, 28 April 2014.

For the Commission
The President
José Manuel BARROSO

COMMISSION IMPLEMENTING DECISION**of 28 April 2014****on the recognition of the legal and supervisory framework of Argentina as equivalent to the requirements of Regulation (EC) No 1060/2009 of the European Parliament and of the Council on credit rating agencies****(Text with EEA relevance)****(2014/246/EU)**

THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies ⁽¹⁾, and in particular Article 5(6) thereof,

Whereas:

- (1) On 22 October 2012 the Commission granted a mandate to the European Securities and Markets Authority (ESMA) requesting its advice with regard to the technical assessment of the legal and supervisory framework of Argentina in respect of credit rating agencies (CRAs).
- (2) In its technical advice delivered on 31 May 2013 and in the update to that technical advice delivered on 18 December 2013, ESMA indicated that in its outcomes, the Argentinian legal and supervisory framework in respect of credit rating agencies is comparable to that laid down in Regulation (EC) No 1060/2009.
- (3) Pursuant to the second subparagraph of Article 5(6) of Regulation (EC) No 1060/2009, three conditions need to be fulfilled in order to consider a third country legal and supervisory framework equivalent to the requirements of that Regulation.
- (4) According to the first condition, CRAs in third countries must be subject to authorisation or registration and subject to effective supervision and enforcement on an ongoing basis. The Argentinian legal and regulatory framework has been in place since 1992. It was recently revised and strengthened, and currently consists of Law No 26.831 (the 'Capital Markets Law'), adopted on 29 November 2012, supplemented by Decree No 1023/13 of 29 July 2013, which establishes general principles on the Argentinean capital markets including high-level principles to be applied to CRAs, and the new implementing National Securities Commission (Comision Nacional de Valores, CNV) regulations, which were adopted by the General Resolution No 622/2013, all in force. CRAs must also comply with all provisions of the International Organisation of Securities Commissions (IOSCO) Code of Conduct. According to this regulatory framework, CRAs have to be registered and are supervised on an ongoing basis by CNV. Law No 26.831 sets out CNV's supervisory and sanctioning competences. The CNV is empowered to carry out inspections and investigations in respect of natural or legal persons subject to its supervisory authority, request the aid of law enforcement authorities, initiate legal actions and report crimes. The CNV carries out on-site and desk inspections for each registered CRA biannually. The CNV may, in case of breach of the applicable provisions, impose penalties such as fines or a prohibition for a minimum period of five years to carry out the activities as director, manager, auditor or member of the rating committee. The CNV can also suspend temporarily or permanently those responsible as well as withdraw the CRAs registrations or authorisation. The CNV keeps a public register of enforcement cases on its website, which indicates when cases are initiated, the final decision reached and penalties imposed. The cooperation agreement concluded between ESMA and CNV provides for information exchange with regard to enforcement and supervisory measures taken against cross border CRAs. On this basis, it should be considered that CRAs in Argentina are subject to registration requirements equivalent to those laid down in Regulation (EC) No 1060/2009 and the Argentinian supervisory and enforcement arrangements applicable to CRAs are effectively applied and enforced.

⁽¹⁾ OJ L 302, 17.11.2009, p. 1.

- (5) According to the second condition, CRAs in the third country must be subject to legally binding rules which are equivalent to those set out in Articles 6 to 12 and Annex I to Regulation (EC) No 1060/2009, with the exception of Articles 6a, 6b, 8a, 8b, 8c and 11a, point (ba) of point 3 and points 3a and 3b of Section B of Annex I to that Regulation. When assessing the fulfilment of this condition due regard should be paid to Article 2(1) of Regulation (EU) No 462/2013 of the European Parliament and of the Council ⁽¹⁾ in respect of the date of application of certain provisions of Regulation (EC) No 1060/2009. The Argentinian legal and supervisory framework requires CRAs to be governed by a board of directors, responsible for ensuring sound and prudent management of the CRA, that rating activities are independent and that conflicts of interest are adequately identified, managed, disclosed and eliminated. CRAs must adopt adequate and efficient organisational and administrative arrangements for this purpose and also submit and maintain information on actual and potential conflicts of interest related to the members of the rating committee, members of the board, managers and employees through the Financial Information Highway ('Autopista de la informacion financiera'). CRAs must establish and maintain a permanent and efficient compliance function which operates independently and reports directly to the board. With regard to organisational processes and procedures, the Argentinian legal and supervisory framework contains detailed rules on outsourcing, record keeping and confidentiality. CRAs are required to perform a review of their rating methodologies, models and key rating assumptions at least once a year and also monitor and revise their ratings at least four times a year. The Argentinian framework contains a wide range of disclosure requirements with regard to credit ratings and rating activities, such as the mandatory use of rating categories, the requirement for credit ratings to be published immediately after the deliberation of the rating committee and for all ratings and their rating reports to be submitted for publication through the Financial Information Highway on CNV's webpage. Therefore, the Argentinian legal and supervisory framework should achieve the same outcomes as Regulation (EC) No 1060/2009 in respect of the management of conflicts of interest, the organisational processes and procedures that a CRA needs to have in place, the quality of ratings and of rating methodologies, the disclosure of credit ratings and the general and periodic disclosure of credit rating activities. It thus provides for equivalent protection in terms of integrity, transparency, good governance of CRAs and reliability of the credit rating activities.
- (6) According to the third condition, the regulatory regime in the third country must prevent interference by the supervisory authorities and other public authorities of that third country with the content of credit rating and methodologies. CNV is an administrative body and consequently is subject to Law 19.549 of 3 April 1972, the Administrative Procedure Law. CNV acts through administrative acts, within the scope of the powers delegated to it. As far as it can be ascertained there is no legal provision empowering CNV or any other public authority to influence the content of credit ratings or methodologies.
- (7) In view of the factors examined, the conditions laid down in the second subparagraph of Article 5(6) of Regulation (EC) No 1060/2009 can be considered to be met by the Argentinian legal and supervisory framework for CRAs. Therefore, the Argentinian legal and supervisory framework for credit rating agencies should be considered equivalent to the legal and supervisory framework established by Regulation (EC) No 1060/2009. The Commission, informed by ESMA, should continue monitoring the evolution of the Argentinian legal and supervisory framework for CRAs and the fulfilment of the conditions on the basis of which this decision has been taken.
- (8) The measures provided for in this Decision are in accordance with the opinion of the European Securities Committee,

HAS ADOPTED THIS DECISION:

Article 1

For the purposes of Article 5 of Regulation (EC) No 1060/2009, the legal and supervisory framework for credit rating agencies in force in Argentina shall be considered as equivalent to the requirements of Regulation (EC) No 1060/2009.

⁽¹⁾ Regulation (EU) No 462/2013 of the European Parliament and of the Council of 21 May 2013 amending Regulation (EC) No 1060/2009 on credit rating agencies (OJ L 146, 31.5.2013, p. 1).

Article 2

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

Done at Brussels, 28 April 2014.

For the Commission

The President

José Manuel BARROSO

COMMISSION IMPLEMENTING DECISION**of 28 April 2014****on the recognition of the legal and supervisory framework of Mexico as equivalent to the requirements of Regulation (EC) No 1060/2009 of the European Parliament and of the Council on credit rating agencies****(Text with EEA relevance)****(2014/247/EU)**

THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies ⁽¹⁾, and in particular Article 5(6) thereof,

Whereas:

- (1) On 22 October 2012 the Commission granted a mandate to the European Securities and Markets Authority (ESMA), requesting its advice with regard to the technical assessment of the legal and supervisory framework of Mexico in respect of credit rating agencies (CRAs).
- (2) In its technical advice delivered on 31 May 2013, ESMA indicated that in its outcomes, the Mexican legal and supervisory framework in respect of CRAs is comparable to that laid down in Regulation (EC) No 1060/2009.
- (3) Pursuant to the second subparagraph of Article 5(6) of Regulation (EC) No 1060/2009, three conditions need to be fulfilled in order to consider a third country legal and supervisory framework equivalent to the requirements of that Regulation.
- (4) According to the first condition, CRAs in third countries must be subject to authorisation or registration and to effective supervision and enforcement on an ongoing basis. CRAs have been regulated and supervised by the Mexican Banking and Securities Commission (Comisión Nacional Bancaria y de Valores, CNBV) since July 1993. Since December 1999, they have to obtain prior authorisation of the CNBV in order to operate and provide credit rating services. On 17 February 2013, the currently applicable amended Regulation on credit rating agencies (Disposiciones Aplicables a las Instituciones Calificadoras de Valores) was published by CNBV in its official journal and has entered into force. The CNBV is empowered to investigate any actions or issues that might constitute or could constitute a breach of the law. The CNBV has the power to request any type of information and documents, carry out on-site inspections and summon before it any person who might contribute to the investigation. CRAs can be permanently or temporarily barred, suspended or have their license revoked. The CNBV is also empowered to impose administrative fines. The CNBV has implemented annual compliance reviews of the registered CRAs, on the basis of which it has made observations and imposed sanctions. The cooperation agreement concluded between ESMA and CNBV provides for information exchange with regard to enforcement and supervisory measures taken against cross border CRAs. On this basis, it should be considered that CRAs in Mexico are subject to authorisation or registration requirements equivalent to those laid down in Regulation (EC) No 1060/2009 and the Mexican supervisory and enforcement arrangements applicable to CRAs are effectively applied and enforced.
- (5) According to the second condition, CRAs in the third country must be subject to legally binding rules which are equivalent to those set out in Articles 6 to 12 and Annex I to Regulation (EC) No 1060/2009, with the exception of Articles 6a, 6b, 8a, 8b, 8c and 11a, point (ba) of point 3 and points 3a and 3b of Section B of Annex I to that Regulation. When assessing the fulfilment of this condition due regard should be paid to Article 2(1) of Regulation (EU) No 462/2013 of the European Parliament and of the Council ⁽²⁾ in respect of the date of application of certain provisions of Regulation (EC) No 1060/2009. The Mexican framework with regard to corporate governance requires CRAs to have a board of directors, consisting of maximum 21 directors and of which at

⁽¹⁾ OJ L 302, 17.11.2009, p. 1.

⁽²⁾ Regulation (EU) No 462/2013 of the European Parliament and of the Council of 21 May 2013 amending Regulation (EC) No 1060/2009 on credit rating agencies (OJ L 146, 31.5.2013, p. 1).

least 25 % shall meet the requirements of independence. The independent directors shall amongst others be competent for the development of the credit rating policy and the methodologies, the effectiveness of the internal control system and monitoring the compliance and governance processes. Conflicts of interest must be identified and eliminated and, if applicable, the compliance officer is to be informed of any potential conflict of interest that could influence ratings. When a CRA identifies conflicts of interest that might influence its ratings, it must abstain from providing its services. The Mexican framework contains extensive organisational requirements concerning record keeping and confidentiality, and provides that CRAs remain fully liable for any outsourced activities. Entities providing outsourcing services to CRAs are also subject to supervision by the CNBV. CRAs are required to establish a formal review function for reviewing rating methodologies and models and the Mexican framework contains a wide range of disclosure requirements with regard to credit ratings and rating activities. Therefore, the Mexican legal and supervisory framework should achieve the same outcomes as Regulation (EC) No 1060/2009 in respect of the management of conflicts of interest, the organisational processes and procedures that a CRA needs to have in place, the quality of ratings and of rating methodologies, the disclosure of credit ratings and the general and periodic disclosure of credit rating activities. It thus provides for equivalent protection in terms of integrity, transparency, good governance of credit rating agencies and reliability of the credit rating activities.

- (6) According to the third condition, the regulatory regime in the third country must prevent interference by the supervisory authorities and other public authorities of that third country with the content of credit rating and methodologies. The Mexican Constitution establishes that administrative authorities are only allowed to act when they have an express authority or power set forth under applicable law. As far as it can be ascertained there is no legal provision empowering CNBV or any other public authority to influence the content of credit rating or methodologies.
- (7) In view of the factors examined, the conditions laid down in the second subparagraph of Article 5(6) of Regulation (EC) No 1060/2009 can be considered to be met by the Mexican legal and supervisory framework for CRAs. Therefore, the Mexican legal and supervisory framework for CRAs should be considered equivalent to the legal and supervisory framework established by Regulation (EC) No 1060/2009. The Commission, informed by ESMA, should continue to monitor the evolution of the Mexican legal and supervisory framework for CRAs and the fulfilment of the conditions on the basis of which this decision has been taken.
- (8) The measures provided for in this Decision are in accordance with the opinion of the European Securities Committee,

HAS ADOPTED THIS DECISION:

Article 1

For the purposes of Article 5 of Regulation (EC) No 1060/2009, the legal and supervisory framework for credit rating agencies in force in Mexico shall be considered as equivalent to the requirements of Regulation (EC) No 1060/2009.

Article 2

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

Done at Brussels, 28 April 2014.

For the Commission
The President
José Manuel BARROSO

COMMISSION IMPLEMENTING DECISION**of 28 April 2014****on the recognition of the legal and supervisory framework of Singapore as equivalent to the requirements of Regulation (EC) No 1060/2009 of the European Parliament and of the Council on credit rating agencies****(Text with EEA relevance)****(2014/248/EU)**

THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies ⁽¹⁾, and in particular Article 5(6) thereof,

Whereas:

- (1) On 22 October 2012 the Commission granted a mandate to the European Securities and Markets Authority (ESMA), requesting its advice with regard to the technical assessment of the legal and supervisory framework of Singapore in respect of credit rating agencies (CRAs).
- (2) In its technical advice delivered on 31 May 2013, ESMA indicated that in its outcomes, the Singaporean legal and supervisory framework in respect of CRAs is comparable to that laid down in Regulation (EC) No 1060/2009.
- (3) Pursuant to the second subparagraph of Article 5(6) of Regulation (EC) No 1060/2009, three conditions need to be fulfilled in order to consider a third country legal and supervisory framework equivalent to the requirements of that Regulation.
- (4) According to the first condition, CRAs in third countries must be subject to authorisation or registration and to effective supervision and enforcement on an ongoing basis. The Singaporean legal and regulatory framework for CRAs came into force on 17 January 2012. The Monetary Authority of Singapore (MAS), which is the central bank of Singapore, has the power to issue secondary legislation on the basis of the Securities and Futures Act (SFA). CRAs are required to obtain a capital markets services (CMS) licence under the SFA to carry out credit rating services in Singapore and are supervised on an ongoing basis by MAS. MAS regulations applicable to CRAs, as CMS licensees, include the Securities and Futures (Licensing and Conduct of Business) Regulations and the Securities and Futures (Financial and Margin Requirements for Holders of Capital Markets Services Licenses) Regulations, as well as a legally binding Code of Conduct for CRAs. The Singaporean legal and supervisory framework endows MAS with a comprehensive range of powers allowing it to investigate whether CRAs comply with their legal obligations, in addition to the obligations of the CRAs to inform MAS of any changes in its particulars on an ongoing basis and to file financial information with MAS. The MAS has the power to inspect a CMS licensee and CRAs must allow MAS full access to their books, accounts and documents and give such information and facilities as may be required to conduct the inspection. The MAS has the authority to make copies or take possession of any of the books produced and can invoke investigation powers to require the production of documents. By April 2012, three CRAs were licensed in Singapore and in the first eight months of 2013, MAS carried out one on-site inspection. In addition, MAS is empowered to issue written instructions to a CRA not pertaining to the content of a credit rating, rating outlook or methodologies, if it considers it necessary or expedient in the interests of the public or for the protection of investors, revoke the licence or suspend the activities of a CRA, publish information relating to any breach by a CRA of its regulatory obligations. MAS can refer matters to the relevant national authorities for criminal investigation and prosecution. The cooperation agreement concluded between ESMA and MAS provides for information exchange with regard to enforcement and supervisory

⁽¹⁾ OJ L 302, 17.11.2009, p. 1.

measures taken against cross border CRAs. On this basis, it should be considered that CRAs in Singapore are subject to authorisation or registration requirements equivalent to those laid down in Regulation (EC) No 1060/2009 and the Singaporean supervisory and enforcement arrangements applicable to CRAs are effectively applied and enforced.

- (5) According to the second condition, CRAs in the third country must be subject to legally binding rules which are equivalent to those set out in Articles 6 to 12 and Annex I to Regulation (EC) No 1060/2009, with the exception of Articles 6a, 6b, 8a, 8b, 8c and 11a, point (ba) of point 3 and points 3a and 3b of Section B of Annex I to that Regulation. When assessing the fulfilment of this condition due regard should be paid to Article 2(1) of Regulation (EU) No 462/2013 of the European Parliament and of the Council ⁽¹⁾ in respect of the date of application of certain provisions of Regulation (EC) No 1060/2009. With regard to corporate governance, the Singaporean legal and supervisory framework provides for a general obligation for the CRAs, their officers and staff to fulfil their tasks independently and the effective independence of directors is achieved through requirements for specific policies and shall be demonstrated to the MAS. CRAs have to seek the approval of MAS for the appointment of a CEO or director, whereby MAS takes into account the individual's experience, expertise and past performance. MAS also has the power to demand the removal of the CEO, directors or other officers of the CRA if it considers that those persons failed to discharge their duties, such as with regard to conflicts of interest and the review and compliance function. Extensive provisions are in place in the Singaporean legal and supervisory framework regarding the identification, elimination, management and disclosure of actual or potential conflicts of interest. That framework also requires CRAs to establish a rigorous and formal review function for reviewing rating methodologies and contains a number of organisational requirements to ensure compliance with the laws and rules applicable as well as disclosure requirements such as on the information to be published when issuing credit ratings and annual disclosures concerning its rating activities. Therefore, the Singaporean legal and supervisory framework should achieve the same outcomes as Regulation (EC) No 1060/2009 in respect of the management of conflicts of interest, the organisational processes and procedures that a CRA needs to have in place, the quality of ratings and of rating methodologies, the disclosure of credit ratings and the general and periodic disclosure of credit rating activities. It thus provides for equivalent protection in terms of integrity, transparency, good governance of CRAs and reliability of the credit rating activities.
- (6) According to the third condition, the regulatory regime in the third country must prevent interference by the supervisory authorities and other public authorities of that third country with the content of credit rating and methodologies. As far as it can be ascertained there is no legal provision empowering MAS or any other public authority to influence the content of credit rating or methodologies. Any act by MAS outside of its powers may be subject to judicial review.
- (7) In view of the factors examined, the conditions laid down in the second subparagraph of Article 5(6) of Regulation (EC) No 1060/2009 can be considered to be met by the Singaporean legal and supervisory framework for CRAs. Therefore, the Singaporean legal and supervisory framework for CRAs should be considered equivalent to the legal and supervisory framework established by Regulation (EC) No 1060/2009. The Commission, informed by ESMA, should continue to monitor the evolution of the Singapore legal and supervisory framework for CRAs and the fulfilment of the conditions on the basis of which this decision has been taken.
- (8) The measures provided for in this Decision are in accordance with the opinion of the European Securities Committee,

HAS ADOPTED THIS DECISION:

Article 1

For the purposes of Article 5 of Regulation (EC) No 1060/2009, the legal and supervisory framework for credit rating agencies in force in Singapore shall be considered as equivalent to the requirements of Regulation (EC) No 1060/2009.

⁽¹⁾ Regulation (EU) No 462/2013 of the European Parliament and of the Council of 21 May 2013 amending Regulation (EC) No 1060/2009 on credit rating agencies (OJ L 146, 31.5.2013, p. 1).

Article 2

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

Done at Brussels, 28 April 2014.

For the Commission
The President
José Manuel BARROSO

COMMISSION IMPLEMENTING DECISION**of 28 April 2014****on the recognition of the legal and supervisory framework of Hong Kong as equivalent to the requirements of Regulation (EC) No 1060/2009 of the European Parliament and of the Council on credit rating agencies****(Text with EEA relevance)****(2014/249/EU)**

THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies ⁽¹⁾, and in particular Article 5(6) thereof,

Whereas:

- (1) On 22 October 2012 the Commission granted a mandate to the European Securities and Markets Authority (ESMA), requesting its advice with regard to the technical assessment of the legal and supervisory framework of Hong Kong in respect of credit rating agencies (CRAs).
- (2) In its technical advice delivered on 31 May 2013, ESMA indicated that in its outcomes, the Hong Kong legal and supervisory framework in respect of CRAs is comparable to that laid down in Regulation (EC) No 1060/2009.
- (3) Pursuant to the second subparagraph of Article 5(6) of Regulation (EC) No 1060/2009, three conditions need to be fulfilled in order to consider a third country legal and supervisory framework equivalent to the requirements of that Regulation.
- (4) According to the first condition, CRAs in third countries must be subject to authorisation or registration and to effective supervision and enforcement on an ongoing basis. The Hong Kong legal and regulatory framework for CRAs consists of the Securities and Futures Ordinance (SFO) and the Code of Conduct for Persons Providing Credit Rating Services (COC), the relevant amendments to which came into effect on 1 June 2011. CRAs and their rating analysts who provide credit rating services in Hong Kong are required to be licensed for providing credit rating services and are subject to supervision by the Securities and Futures Commission (SFC) of Hong Kong. The Hong Kong legal and supervisory framework endows SFC with a comprehensive range of powers allowing it to investigate whether CRAs comply with their legal obligations. The SFC can compel both unregulated and regulated persons to produce information and documents relevant to the investigation, including trade records, bank records, telephone records, internet records and beneficial ownership information. This power applies to both persons under investigation or whom the SFC has reasonable cause to believe are in possession of information relevant to the investigation. In addition, where there is fear of destruction or removal of evidence, flight of target or other concerns, the SFC has the power to access private premises of both unregulated and regulated persons upon the grant of a search warrant by a judicial authority. In addition, the SFC has a full range of powers to take criminal, civil, administrative and other actions. This includes the administrative power to impose disciplinary sanctions against persons licensed or registered with the SFC, to impose restrictions on licensed or registered persons regarding their business activities, to revoke or suspend a licensed or registered person's licence or registration and to reprimand, impose obligations or fine the licensed or registered person up to a maximum of 10 million Hong Kong dollars or three times of profit gained or loss avoided. The SFC also has the power to apply to the relevant court for injunctive or remedial orders. The SFC conducts, in addition to onsite inspections, offsite supervision through interactions with licensed CRAs to understand their business models and plans and the risks inherent in such activities, with a view to identifying and assessing the risks arising from their business activities. Information on licensed CRAs is collected through filings with the SFC, including but not limited to annual audited accounts and annual control review reports. The SFC also follows up on complaints and self-reported breaches. Since the Hong Kong CRA regime became effective on 1 June 2011, all licensed CRAs are

⁽¹⁾ OJ L 302, 17.11.2009, p. 1.

subject to ongoing supervision and enforcement powers of the SFC. The cooperation agreement concluded between ESMA and SFC provides for information exchange with regard to enforcement and supervisory measures taken against cross border CRAs. On this basis, it should be considered that CRAs in Hong Kong are subject to authorisation or registration requirements equivalent to those laid down in Regulation (EC) No 1060/2009 and the Hong Kong supervisory and enforcement arrangements applicable to CRAs are effectively applied and enforced.

- (5) According to the second condition, CRAs in the third country must be subject to legally binding rules which are equivalent to those set out in Articles 6 to 12 and Annex I to Regulation (EC) No 1060/2009, with the exception of Articles 6a, 6b, 8a, 8b, 8c and 11a, point (ba) of point 3 and points 3a and 3b of Section B of Annex I to that Regulation. When assessing the fulfilment of this condition due regard should be paid to Article 2(1) of Regulation (EU) No 462/2013 of the European Parliament and of the Council ⁽¹⁾ in respect of the date of application of certain provisions of Regulation (EC) No 1060/2009. The Hong Kong legal and supervisory framework lays down detailed corporate governance requirements. The board of directors and responsible officers for the regulated activities bear primary responsibility for ensuring the maintenance of appropriate standards of conduct and adherence to proper procedures by the CRA. CRAs must have two responsible officers, both of whom have to be approved by the SFC, and at least one of them has to be an executive director under the SFO. Extensive provisions are in place regarding conflicts of interest, requiring CRAs to identify and eliminate or manage conflicts of interest and to be organised in a manner that ensures its business interest does not impair the independence and accuracy of its credit ratings as well as organisational requirements, including outsourcing, record keeping and confidentiality. In terms of organisational requirements, the General SFC Code and COC lay down requirements CRAs must fulfil such as those regarding policies and procedures for ensuring compliance with legal obligations and a permanent and effective compliance function. CRAs are also required to establish a review function responsible for periodically reviewing rating methodologies and models and significant changes thereto. The Hong Kong legal and supervisory framework contains a broad range of disclosure requirements, such as public disclosure of the ratings and annual public disclosures on the rating and ancillary activities. Therefore, the Hong Kong legal and supervisory framework should achieve the same outcomes as Regulation (EC) No 1060/2009 in respect of the management of conflicts of interest, the organisational processes and procedures that a CRA needs to have in place, the quality of ratings and of rating methodologies, the disclosure of credit ratings and the general and periodic disclosure of credit rating activities. It thus should provide for equivalent protection in terms of integrity, transparency, good governance of CRAs and reliability of the credit rating activities.
- (6) According to the third condition, the regulatory regime in the third country must prevent interference by the supervisory authorities and other public authorities of that third country with the content of credit rating and methodologies. Sections 4 and 5 of the SFO set out the regulatory objectives and functions and powers of the SFC respectively, which do not include any power for the SFC to interfere in any credit rating issued by a CRA or in a rating methodology of that CRA. As far as it can be ascertained there is no legal provision empowering SFC or any other public authority to influence the content of credit rating or methodologies.
- (7) In view of the factors examined, the conditions laid down in the second subparagraph of Article 5(6) of Regulation (EC) No 1060/2009 can be considered to be met by the Hong Kong legal and supervisory framework for CRAs. Therefore, the Hong Kong legal and supervisory framework for CRAs should be considered equivalent to the legal and supervisory framework established by Regulation (EC) No 1060/2009. The Commission, informed by ESMA, should continue to monitor the evolution of the Hong Kong legal and supervisory framework for CRAs and the fulfilment of the conditions on the basis of which this decision has been taken.
- (8) The measures provided for in this Decision are in accordance with the opinion of the European Securities Committee,

HAS ADOPTED THIS DECISION:

Article 1

For the purposes of Article 5 of Regulation (EC) No 1060/2009, the legal and supervisory framework for credit rating agencies in force in Hong Kong shall be considered as equivalent to the requirements of Regulation (EC) No 1060/2009.

⁽¹⁾ Regulation (EU) No 462/2013 of the European Parliament and of the Council of 21 May 2013 amending Regulation (EC) No 1060/2009 on credit rating agencies (OJ L 146, 31.5.2013, p. 1).

Article 2

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

Done at Brussels, 28 April 2014.

For the Commission
The President
José Manuel BARROSO

COMMISSION IMPLEMENTING DECISION**of 29 April 2014****amending Decision 2010/221/EU as regards the approval of national measures for preventing the introduction of ostreid herpesvirus 1 μ var (OsHV-1 μ Var) into certain areas of Ireland and the United Kingdom***(notified under document C(2014) 2763)***(Text with EEA relevance)****(2014/250/EU)**

THE EUROPEAN COMMISSION,

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

Having regard to Council Directive 2006/88/EC of 24 October 2006 on animal health requirements for aquaculture animals and products thereof, and on the prevention and control of certain diseases in aquatic animals ⁽¹⁾, and in particular Article 43(2) thereof,

Whereas:

- (1) Commission Decision 2010/221/EU ⁽²⁾ allows certain Member States to apply placing on the market and import restrictions on consignments of aquatic animals in order to prevent the introduction of certain diseases into their territory.
- (2) Member States can apply such restrictions provided that they have either demonstrated that their territory, or certain demarcated areas of their territory, are free of such diseases or they have established an eradication programme to obtain such freedom.
- (3) Annexes I and III to Decision 2010/221/EU list areas in Ireland and the United Kingdom with approved national measures to control ostreid herpesvirus 1 μ var (OsHV-1 μ Var).
- (4) As OsHV-1 μ Var still was considered to be an emerging disease with many uncertainties and the surveillance programmes approved by Decision 2010/221/EU had not been fully evaluated, the Commission Implementing Decision 2013/213/EU ⁽³⁾ allowed the restrictions related to OsHV-1 μ Var for those areas to apply until 30 April 2014.
- (5) Currently available scientific knowledge indicates that OsHV-1 μ Var is still the agent detected in most samples collected from mortality events in juvenile oysters and spat, and that the overall mortality rate due to this disease has decreased and stabilised over the last two years. Furthermore, the surveillance programmes for Ireland and the United Kingdom show that there are a significant number of production areas for Pacific oysters that have remained free of the disease. Those programmes indicate that application of the movement restrictions currently in place has been effective. However, some uncertainties remain in relation to the epidemiology of the disease and with regard to the most adequate measures needed to ensure its effective control. Therefore, a more comprehensive scientific evaluation of the situation is considered necessary, including a new scientific opinion from the European Food Safety Authority (EFSA).
- (6) Based on the available scientific and epidemiological evidence on the evolution of OsHV-1 μ Var in the Union, and pending a new EFSA scientific opinion, it is appropriate to prolong the period of validity of the measures currently in force whereby Member States can apply specific restrictions related to this disease. This period should be limited to two more years until 30 April 2016.

⁽¹⁾ OJ L 328, 24.11.2006, p. 14.

⁽²⁾ Commission Decision 2010/221/EU of 15 April 2010 approving national measures for limiting the impact of certain diseases in aquaculture animals and wild aquatic animals in accordance with Article 43 of Council Directive 2006/88/EC (OJ L 98, 24.4.2010, p. 7).

⁽³⁾ Commission Implementing Decision 2013/213/EU of 29 April 2013 amending Decision 2010/221/EU as regards the approval of national measures for preventing the introduction of ostreid herpesvirus 1 μ var (OsHV-1 μ var) into certain areas of Ireland and the United Kingdom (OJ L 120, 1.5.2013, p. 16).

- (7) Commission Implementing Decision 2014/12/EU ⁽¹⁾ has confirmed the disease-free status with regard to OsHV-1 μ Var of the following territories of the United Kingdom by listing them in Annex I to Decision 2010/221/EU: (i) the territory of Great Britain except Whitstable Bay in Kent, Blackwater Estuary in Essex and Poole Harbour in Dorset; (ii) the area of Larne Lough in the territory of Northern Ireland; and (iii) the territory of Guernsey.
- (8) According to the declaration notified to the Commission by the United Kingdom, the surveillance programme for OsHV-1 μ Var demonstrates disease free status with exception of the infected areas and shall no longer be applied as indicated in Annex III to Decision 2010/221/EU.
- (9) The entry of the United Kingdom in Annex III to Decision 2010/221/EU should therefore be removed.
- (10) Decision 2010/221/EU should be amended accordingly.
- (11) The measures provided for in this Decision are in accordance with the opinion of the Standing Committee on the Food Chain and Animal Health,

HAS ADOPTED THIS DECISION:

Article 1

In Article 3a(2) of Decision 2010/221/EU, the date '30 April 2014' is replaced by '30 April 2016'.

Article 2

In Annex III to Decision 2010/221/EU the entry of United Kingdom concerning ostreid herpesvirus 1 μ var (OsHV-1 μ Var) is deleted.

Article 3

This Decision shall apply from 1 May 2014.

Article 4

This Decision is addressed to the Member States.

Done at Brussels, 29 April 2014.

For the Commission
Tonio BORG
Member of the Commission

⁽¹⁾ Commission Implementing Decision 2014/12/EU of 14 January 2014 amending Decision 2010/221/EU as regards national measures for preventing the introduction of certain aquatic animal diseases into parts of Ireland, Finland, Sweden and the United Kingdom (OJ L 11, 16.1.2014, p. 6).

COMMISSION IMPLEMENTING DECISION**of 29 April 2014****on the clearance of the accounts of the paying agencies of Member States concerning expenditure financed by the European Agricultural Fund for Rural Development (EAFRD) for the 2013 financial year***(notified under document C(2014) 2785)*

(2014/251/EU)

THE EUROPEAN COMMISSION,

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

Having regard to Council Regulation (EC) No 1290/2005 of 21 June 2005 on the financing of the common agricultural policy ⁽¹⁾, and in particular Article 30 thereof,Having regard to Regulation (EU) No 1306/2013 of the European Parliament and of the Council of 17 December 2013 on the financing, management and monitoring of the common agricultural policy and repealing Council Regulations (EEC) No 352/78, (EC) No 165/94, (EC) No 2799/98, (EC) No 814/2000, (EC) No 1290/2005 and (EC) No 485/2008 ⁽²⁾, and in particular Article 119(1) thereof,Having regard to Commission Regulation (EC) No 885/2006 ⁽³⁾, and in particular Article 10 thereof,

After consulting the Committee on the Agricultural Funds,

Whereas:

- (1) Article 119(1) second subparagraph of Regulation (EU) No 1306/2013 as amended by Article 8 of Regulation (EU) No 1310/2013 of the European Parliament and of the Council of 17 December 2013 laying down certain transitional provisions on support for rural development by the European Agricultural Fund for Rural Development (EAFRD), amending Regulation (EU) No 1305/2013 of the European Parliament and of the Council as regards resources and their distribution in respect of the year 2014 and amending Council Regulation (EC) No 73/2009 and Regulations (EU) No 1307/2013, (EU) No 1306/2013 and (EU) No 1308/2013 of the European Parliament and of the Council as regards their application in the year 2014 ⁽⁴⁾, provides that Article 30 of Regulation (EC) No 1290/2005 applies for the financial clearance of the expenditure incurred and payments made for agricultural financial year 2013.
- (2) Under Article 30 of Regulation (EC) No 1290/2005 (as referred to in Article 119(1) second subparagraph of Regulation (EU) No 1306/2013, amended by Article 8 of Regulation (EU) No 1310/2013), the Commission, on the basis of the annual accounts submitted by the Member States, accompanied by the information required for the clearance of accounts and a certificate regarding the completeness, accuracy and veracity of the accounts and the reports established by the certification bodies, clears the accounts of the paying agencies referred to in Article 6 of the said Regulation.
- (3) Pursuant to Article 5 of Commission Regulation (EC) No 883/2006 of 21 June 2006 laying down detailed rules for the application of Council Regulation (EC) No 1290/2005 as regards the keeping of accounts by the paying agencies, declarations of expenditure and revenue and the conditions for reimbursing expenditure under the EAGF and the EAFRD ⁽⁵⁾, the financial year for the EAGF accounts begins on 16 October of year N – 1 and ends on 15 October of year N. In the framework of clearing the accounts, for the purpose of aligning the reference period for EAFRD expenditure with that of the EAGF, account should be taken for the 2013 financial year of expenditure incurred by the Member States between 16 October 2012 and 15 October 2013.

⁽¹⁾ OJ L 209, 11.8.2005, p. 1.⁽²⁾ OJ L 347, 20.12.2013, p. 549.⁽³⁾ OJ L 171, 23.6.2006, p. 90.⁽⁴⁾ OJ L 347, 20.12.2013, p. 865.⁽⁵⁾ OJ L 171, 23.6.2006, p. 1.

- (4) The second subparagraph of Article 10(2) of Regulation (EC) No 885/2006 provides that the amounts that are recoverable from, or payable to, each Member State, in accordance with the accounts clearance decision referred to in the first subparagraph of Article 10(1) of the said Regulation, shall be established by deducting the intermediate payments in respect of the financial year concerned from the expenditure recognised for the same year in accordance with paragraph 1. The Commission shall deduct that amount from or add it to the following intermediate payment.
- (5) The Commission has checked the information submitted by the Member States and it has communicated to the Member States before 31 March 2014 the results of its verifications, along with the necessary amendments.
- (6) The annual accounts and the accompanying documents permit the Commission to take, for certain paying agencies, a decision on the completeness, accuracy and veracity of the annual accounts submitted. Annex I lists the amounts cleared by Member States and the amounts to be recovered from or paid to the Member States.
- (7) The information submitted by certain other paying agencies requires additional inquiries and their accounts cannot be cleared in this decision. Annex II lists the paying agencies concerned.
- (8) The Commission, in accordance with Article 27 of Regulation (EC) No 1290/2005, may reduce or temporarily suspend interim payments to the Member States. It should inform the Member State accordingly. In taking the present decision, the Commission should take into account the amounts reduced or suspended in order to avoid all inappropriate or untimely payments, reimbursing amounts which could later be the object of financial correction. In particular, the second and third quarterly declarations of 2013 included respectively the amounts of EUR 753 591,20 and EUR 532 237,50 for the Rural Development Programme Lazio (CCI 2007IT06RP0005). These amounts were also included in the annual declaration for FY2013. The amounts in question were subject to reduction under Article 27(3) of Regulation (EC) No 1290/2005 and Article 41 of Regulation (EU) No 1306/2013 by Commission Decision C(2013) 8989 on the basis of irregular funding and Commission Decision C(2014) 1278 on the basis of not observing time limits for mandatory verification. Since the procedure pursuant to Article 31 of Regulation (EC) No 1290/2005 is still ongoing, these reductions should be maintained.
- (9) Article 10(1) second and third subparagraph of Regulation (EC) No 885/2006 provide that the financial clearance decision determines the amounts to be charged to the EU and to the Member State concerned pursuant to Articles 32 and 33 of Regulation (EC) No 1290/2005. In accordance with Article 119(1) second subparagraph of Regulation (EU) No 1306/2013, the procedure under Article 30 of Regulation (EC) No 1290/2005 continues to apply to expenditure incurred and payments made for agricultural FY 2013. During agricultural FY 2013 Articles 32 and 33 were in force, therefore the amounts resulting from their application should be taken into account in the financial clearance decision in relation to FY 2013.
- (10) Pursuant to Article 33(8) of Regulation (EC) No 1290/2005, 50 % of the financial consequences of non-recovery of irregularities should be borne by the Member State concerned if the recovery of those irregularities has not taken place prior to the closure of a rural development programme within 4 years of the primary administrative or judicial finding, or within 8 years if the recovery is taken to the national courts, or on the closure of the programme if those deadlines expire prior such closure. Article 33(4) of the said Regulation obliges Member States to submit to the Commission, together with the annual accounts, a summary report on the recovery procedures undertaken in response to irregularities. Detailed rules on the application of the Member States' reporting obligation of the amounts to be recovered are laid down in Regulation (EC) No 885/2006. Annex III to the said Regulation provides the table that had to be provided in 2014 by the Member States. On the basis of the tables completed by the Member States, the Commission should decide on the financial consequences of non-recovery of irregularities older than 4 or 8 years respectively. To this effect, the present decision is without prejudice to the possible further conformity clearance decisions that the Commission may take pursuant to Article 33(5) of Regulation (EC) No 1290/2005.
- (11) Pursuant to Article 33(7) of Regulation (EC) No 1290/2005 and by virtue of Article 10 of Regulation (EC) No 885/2006, after closure of a rural development programme Member States may decide not to pursue recovery. Such a decision may only be taken if the costs already and likely to be incurred total more than the amount to be recovered or if the recovery proves impossible owing to the insolvency, recorded and recognised under national law, of the debtor or the persons legally responsible for the irregularity. If that decision has been taken within 4 years of the primary administrative or judicial finding, or within 8 years if the recovery is taken to the national courts, 100 % of the financial consequences of the non-recovery should be borne by the EU budget. In the summary report referred to in Article 33(4) of Regulation (EC) No 1290/2005 the amounts for which the

Member State decided not to pursue recovery and the grounds for the decision are shown. These amounts are not charged to the Member States concerned and are consequently to be borne by the EU budget. To this effect, the present decision is without prejudice to the possible further conformity clearance decisions that the Commission may take pursuant to Article 33(5) of the said Regulation.

- (12) Pursuant to Article 24(4) of Regulation (EC) No 1290/2005 (as referred to in Article 34(2) of Regulation (EU) No 1306/2013, amended by Article 8 of Regulation (EU) No 1310/2013), the combined total of prefinancing and intermediate payments should not exceed 95 % of the EAFRD's contribution to each rural development programme.
- (13) In accordance with Article 26(3)(b) of Regulation (EC) No 1290/2005 (as referred to in Article 36(3)(b) of Regulation (EU) No 1306/2013, intermediate payments shall be made without overrun of the total financial programmed EAFRD contribution to each priority. Furthermore, pursuant to Article 17(4) of Regulation (EC) No 883/2006, without prejudice to the ceiling provided for in Article 24(4) of Regulation (EC) No 1290/2005 (as referred to in Article 34(2) of Regulation (EU) No 1306/2013, where the combined total of declarations of expenditure exceeds the total programmed for a rural development programme priority, the amount to be paid shall be capped at the amount programmed for that priority. The financial plan for Axis 2 for the Rural Development Programme 2007PT06RP0001 was exceeded by EUR 913 212,81 in the quarterly declaration for Q3 2013. This amount was not paid out by the Commission. A new financial plan has not been approved and adopted by the Commission. The amount of EUR 913 212,81 included in the annual declaration for FY 2013 should accordingly be excluded from the financial clearance decision for FY2013. It would be subject to a later reimbursement by the Commission following the adoption of the new financial plan.
- (14) In accordance with Article 30(2) of Regulation (EC) No 1290/2005, the present decision is without prejudice to the possible further conformity clearance decisions that the Commission may take to exclude from European Union financing expenditure not effected in accordance with European Union rules,

HAS ADOPTED THIS DECISION:

Article 1

With the exception of the paying agencies referred to in Article 2, the accounts of the paying agencies of the Member States concerning expenditure financed by the European Agricultural Fund for Rural Development (EAFRD) in respect of the 2013 financial year, are hereby cleared.

The amounts which are recoverable from, or payable to, each Member State under each rural development programme pursuant to this decision, including those resulting from the application of Article 33(8) of Regulation (EC) No 1290/2005, are set out in Annex I.

Article 2

For the 2013 financial year, the accounts of the Member States' paying agencies in respect of expenditure per Rural Development programme financed by the EAFRD, set out in Annex II, are disjoined from this Decision and shall be the subject of a future clearance of accounts Decision.

Article 3

The present decision is without prejudice to the possible further conformity clearance decisions that the Commission may take pursuant to Article 31 of Regulation (EC) No 1290/2005 to exclude from European Union financing expenditure not effected in accordance with European Union rules.

Article 4

This Decision is addressed to the Member States.

Done at Brussels, 29 April 2014.

For the Commission
Dacian CIOLOŞ
Member of the Commission

Cleared EAFRD expenditure by Rural Development programme for financial year 2013

Amount to be recovered from or paid to the Member State per programme

Approved programmes with declared expenditure for EAFRD

In Euro

MS	CCI	Expenditure 2013	Corrections	Total	Non-reusable amounts	Accepted amount cleared for FY 2013	Interim payments reimbursed to the Member State for the financial year	Amount to be recovered from (–) of paid to (+) the Member State (*)
		i	ii	iii = i + ii	iv	v = iii – iv	vi	vii = v – vi
AT	2007AT06RPO001	526 093 587,02	0,00	526 093 587,02	0,00	526 093 587,02	526 228 598,38	– 135 011,36
BE	2007BE06RPO001	17 530 612,03	0,00	17 530 612,03	0,00	17 530 612,03	17 530 604,51	7,52
BE	2007BE06RPO002	24 009 543,25	0,00	24 009 543,25	0,00	24 009 543,25	24 020 335,79	– 10 792,54
CY	2007CY06RPO001	22 911 162,41	0,00	22 911 162,41	0,00	22 911 162,41	22 911 162,05	0,36
CZ	2007CZ06RPO001	371 656 567,14	0,00	371 656 567,14	0,00	371 656 567,14	371 656 234,34	332,80
DE	2007DE06RAT001	502 729,46	0,00	502 729,46	0,00	502 729,46	502 729,47	– 0,01
DE	2007DE06RPO003	74 073 468,14	0,00	74 073 468,14	0,00	74 073 468,14	74 028 548,75	44 919,39
DE	2007DE06RPO004	189 496 395,12	0,00	189 496 395,12	0,00	189 496 395,12	189 496 395,12	0,00
DE	2007DE06RPO007	177 835 416,54	0,00	177 835 416,54	0,00	177 835 416,54	177 835 470,52	– 53,98
DE	2007DE06RPO009	3 098 847,36	0,00	3 098 847,36	0,00	3 098 847,36	3 098 852,43	– 5,07
DE	2007DE06RPO010	35 055 715,71	0,00	35 055 715,71	0,00	35 055 715,71	35 055 224,07	491,64
DE	2007DE06RPO011	120 203 444,24	0,00	120 203 444,24	0,00	120 203 444,24	120 203 444,24	0,00
DE	2007DE06RPO012	133 868 923,35	0,00	133 868 923,35	0,00	133 868 923,35	133 868 924,53	– 1,18
DE	2007DE06RPO015	51 957 366,10	0,00	51 957 366,10	0,00	51 957 366,10	51 957 366,11	– 0,01
DE	2007DE06RPO017	35 530 668,81	0,00	35 530 668,81	0,00	35 530 668,81	35 530 668,81	0,00
DE	2007DE06RPO018	4 837 457,91	0,00	4 837 457,91	0,00	4 837 457,91	4 837 457,91	0,00
DE	2007DE06RPO019	186 767 637,25	0,00	186 767 637,25	0,00	186 767 637,25	186 767 637,25	0,00

In Euro								
MS	CCI	Expenditure 2013	Corrections	Total	Non-reusable amounts	Accepted amount cleared for FY 2013	Interim payments reimbursed to the Member State for the financial year	Amount to be recovered from (-) of paid to (+) the Member State (*)
		i	ii	iii = i + ii	iv	v = iii - iv	vi	vii = v - vi
DE	2007DE06RPO020	126 784 016,99	0,00	126 784 016,99	0,00	126 784 016,99	126 784 016,99	0,00
DE	2007DE06RPO021	46 018 979,79	0,00	46 018 979,79	0,00	46 018 979,79	46 019 446,34	- 466,55
DE	2007DE06RPO023	107 488 779,90	0,00	107 488 779,90	0,00	107 488 779,90	107 488 779,93	- 0,03
EE	2007EE06RPO001	126 354 432,67	0,00	126 354 432,67	0,00	126 354 432,67	126 354 622,82	- 190,15
ES	2007ES06RAT001	2 699 506,08	0,00	2 699 506,08	0,00	2 699 506,08	2 699 506,08	0,00
ES	2007ES06RPO002	39 287 287,70	0,00	39 287 287,70	0,00	39 287 287,70	39 287 347,33	- 59,63
ES	2007ES06RPO004	9 948 454,64	0,00	9 948 454,64	0,00	9 948 454,64	10 278 838,70	- 330 384,06
ES	2007ES06RPO005	30 429 329,43	0,00	30 429 329,43	0,00	30 429 329,43	30 429 329,44	- 0,01
ES	2007ES06RPO006	12 276 812,82	0,00	12 276 812,82	0,00	12 276 812,82	12 276 812,82	0,00
ES	2007ES06RPO007	133 356 956,86	0,00	133 356 956,86	0,00	133 356 956,86	133 356 929,78	27,08
ES	2007ES06RPO008	120 063 594,07	0,00	120 063 594,07	0,00	120 063 594,07	120 063 595,49	- 1,42
ES	2007ES06RPO009	42 760 315,52	0,00	42 760 315,52	0,00	42 760 315,52	42 760 312,36	3,16
ES	2007ES06RPO010	93 302 082,46	0,00	93 302 082,46	0,00	93 302 082,46	93 415 736,90	- 113 654,44
ES	2007ES06RPO011	96 056 143,10	0,00	96 056 143,10	0,00	96 056 143,10	96 056 116,07	27,03
ES	2007ES06RPO012	9 605 181,55	0,00	9 605 181,55	0,00	9 605 181,55	9 605 181,33	0,22
ES	2007ES06RPO013	40 890 414,45	0,00	40 890 414,45	0,00	40 890 414,45	41 008 945,50	- 118 531,05
ES	2007ES06RPO014	18 968 083,85	0,00	18 968 083,85	0,00	18 968 083,85	18 968 084,47	- 0,62
ES	2007ES06RPO015	17 440 397,34	0,00	17 440 397,34	0,00	17 440 397,34	17 439 870,09	527,25
ES	2007ES06RPO016	7 378 938,80	0,00	7 378 938,80	0,00	7 378 938,80	7 378 941,52	- 2,72
ES	2007ES06RPO017	22 321 331,40	0,00	22 321 331,40	0,00	22 321 331,40	22 320 969,57	361,83
FI	2007FI06RPO001	331 806 407,76	0,00	331 806 407,76	0,00	331 806 407,76	331 853 661,89	- 47 254,13

In Euro								
MS	CCI	Expenditure 2013	Corrections	Total	Non-reusable amounts	Accepted amount cleared for FY 2013	Interim payments reimbursed to the Member State for the financial year	Amount to be recovered from (-) of paid to (+) the Member State (*)
		i	ii	iii = i + ii	iv	v = iii - iv	vi	vii = v - vi
FI	2007FI06RPO002	2 333 555,42	0,00	2 333 555,42	0,00	2 333 555,42	2 333 555,42	0,00
FR	2007FR06RPO001	870 561 273,84	0,00	870 561 273,84	0,00	870 561 273,84	871 240 472,64	- 679 198,80
FR	2007FR06RPO002	15 945 548,51	0,00	15 945 548,51	0,00	15 945 548,51	15 945 581,19	- 32,68
FR	2007FR06RPO003	16 566 211,10	0,00	16 566 211,10	0,00	16 566 211,10	16 566 211,15	- 0,05
FR	2007FR06RPO004	12 870 693,06	0,00	12 870 693,06	0,00	12 870 693,06	12 884 347,90	- 13 654,84
FR	2007FR06RPO005	23 716 944,57	0,00	23 716 944,57	0,00	23 716 944,57	23 716 945,03	- 0,46
FR	2007FR06RPO006	47 353 734,75	0,00	47 353 734,75	0,00	47 353 734,75	47 354 604,75	- 870,00
HU	2007HU06RPO001	488 440 120,46	0,00	488 440 120,46	0,00	488 440 120,46	488 367 811,52	72 308,94
IE	2007IE06RPO001	321 600 879,23	0,00	321 600 879,23	0,00	321 600 879,23	321 597 909,38	2 969,85
IT	2007IT06RAT001	5 739 453,45	0,00	5 739 453,45	0,00	5 739 453,45	5 739 453,45	0,00
IT	2007IT06RPO001	26 101 736,62	0,00	26 101 736,62	0,00	26 101 736,62	26 115 464,35	- 13 727,73
IT	2007IT06RPO002	13 934 964,22	0,00	13 934 964,22	0,00	13 934 964,22	13 934 964,04	0,18
IT	2007IT06RPO003	74 412 930,10	0,00	74 412 930,10	0,00	74 412 930,10	74 412 930,43	- 0,33
IT	2007IT06RPO004	20 028 568,61	0,00	20 028 568,61	0,00	20 028 568,61	20 036 023,32	- 7 454,71
IT	2007IT06RPO005	42 156 869,89	1 285 828,70	40 871 041,19	0,00	40 871 041,19	40 873 284,25	- 2 243,06
IT	2007IT06RPO006	15 828 545,98	0,00	15 828 545,98	0,00	15 828 545,98	15 842 357,78	- 13 811,80
IT	2007IT06RPO007	92 277 508,99	0,00	92 277 508,99	0,00	92 277 508,99	92 277 640,74	- 131,75
IT	2007IT06RPO008	19 576 025,89	0,00	19 576 025,89	0,00	19 576 025,89	19 577 291,91	- 1 266,02
IT	2007IT06RPO009	60 493 655,95	0,00	60 493 655,95	0,00	60 493 655,95	60 493 655,95	0,00
IT	2007IT06RPO010	53 571 538,99	0,00	53 571 538,99	0,00	53 571 538,99	52 847 443,99	724 095,00
IT	2007IT06RPO011	11 452 008,76	0,00	11 452 008,76	0,00	11 452 008,76	11 452 028,81	- 20,05

In Euro								
MS	CCI	Expenditure 2013	Corrections	Total	Non-reusable amounts	Accepted amount cleared for FY 2013	Interim payments reimbursed to the Member State for the financial year	Amount to be recovered from (-) of paid to (+) the Member State (*)
		i	ii	iii = i + ii	iv	v = iii - iv	vi	vii = v - vi
IT	2007IT06RPO012	44 748 298,33	0,00	44 748 298,33	0,00	44 748 298,33	44 845 581,90	- 97 283,57
IT	2007IT06RPO013	3 056 780,14	0,00	3 056 780,14	0,00	3 056 780,14	3 056 780,11	0,03
IT	2007IT06RPO014	77 784 956,83	0,00	77 784 956,83	0,00	77 784 956,83	77 784 953,83	3,00
IT	2007IT06RPO015	16 279 466,81	0,00	16 279 466,81	0,00	16 279 466,81	16 287 891,49	- 8 424,68
IT	2007IT06RPO016	72 589 147,74	0,00	72 589 147,74	0,00	72 589 147,74	72 678 747,80	- 89 600,06
IT	2007IT06RPO017	64 873 608,54	0,00	64 873 608,54	0,00	64 873 608,54	64 878 548,52	- 4 939,98
IT	2007IT06RPO018	104 574 776,80	0,00	104 574 776,80	0,00	104 574 776,80	104 574 775,63	1,17
IT	2007IT06RPO019	141 147 110,44	0,00	141 147 110,44	0,00	141 147 110,44	141 281 980,21	- 134 869,77
IT	2007IT06RPO020	140 867 300,26	0,00	140 867 300,26	0,00	140 867 300,26	141 031 688,43	- 164 388,17
IT	2007IT06RPO021	164 995 430,68	0,00	164 995 430,68	0,00	164 995 430,68	165 079 479,78	- 84 049,10
LT	2007LT06RPO001	251 014 977,59	0,00	251 014 977,59	0,00	251 014 977,59	251 016 471,02	- 1 493,43
LU	2007LU06RPO001	10 062 399,48	0,00	10 062 399,48	0,00	10 062 399,48	10 106 570,17	- 44 170,69
LV	2007LV06RPO001	182 447 017,03	0,00	182 447 017,03	0,00	182 447 017,03	182 447 017,03	0,00
MT	2007MT06RPO001	9 622 621,42	0,00	9 622 621,42	0,00	9 622 621,42	9 622 621,42	0,00
NL	2007NL06RPO001	99 472 352,79	0,00	99 472 352,79	0,00	99 472 352,79	99 726 051,61	- 253 698,82
PL	2007PL06RPO001	1 806 188 697,68	0,00	1 806 188 697,68	0,00	1 806 188 697,68	1 806 191 428,81	- 2 731,13
PT	2007PT06RAT001	4 131 731,46	0,00	4 131 731,46	0,00	4 131 731,46	4 131 731,31	0,15
PT	2007PT06RPO001	44 696 408,92	913 212,81	43 783 196,11	0,00	43 783 196,11	43 783 186,91	9,20
PT	2007PT06RPO002	586 470 491,24	0,00	586 470 491,24	0,00	586 470 491,24	586 462 206,07	8 285,17
PT	2007PT06RPO003	22 073 226,85	0,00	22 073 226,85	0,00	22 073 226,85	22 073 205,64	21,21
SE	2007SE06RPO001	181 801 899,32	0,00	181 801 899,32	0,00	181 801 899,32	181 801 843,62	55,70

In Euro

MS	CCI	Expenditure 2013	Corrections	Total	Non-reusable amounts	Accepted amount cleared for FY 2013	Interim payments reimbursed to the Member State for the financial year	Amount to be recovered from (–) of paid to (+) the Member State (*)
		i	ii	iii = i + ii	iv	v = iii – iv	vi	vii = v – vi
SI	2007SI06RPO001	125 941 693,50	0,00	125 941 693,50	0,00	125 941 693,50	126 090 950,22	– 149 256,72
SK	2007SK06RPO001	195 379 480,69	0,00	195 379 480,69	0,00	195 379 480,69	195 379 530,67	– 49,98
UK	2007UK06RPO001	531 265 484,57	0,00	531 265 484,57	0,00	531 265 484,57	531 374 046,06	– 108 561,49
UK	2007UK06RPO002	58 821 232,49	0,00	58 821 232,49	0,00	58 821 232,49	58 821 401,09	– 168,60
UK	2007UK06RPO003	112 691 696,58	0,00	112 691 696,58	0,00	112 691 696,58	123 600 128,53	– 10 908 431,95
UK	2007UK06RPO004	47 804 760,73	0,00	47 804 760,73	0,00	47 804 760,73	47 807 176,80	– 2 416,07

(*) Where payments have reached 95 % of the total EAFRD contribution for a Rural Development Programme — Article 24(4) of Regulation (EC) No 1290/2005 (as referred to in Article 34(2) of Regulation (EU) No 1306/2013, amended by Article 8 of Regulation (EU) No 1310/2013), the balance will be settled during the closure of the programme.

ANNEX II

Clearance of the Paying Agencies' accounts**Financial year 2013 — EAFRD**

List of the Paying Agencies and programmes for which the accounts are disjoined and are subject of a later clearance decision

Member State	Paying Agency	Programme
Bulgaria	State Fund Agriculture (SFA)	2007BG06RPO001
Denmark	Danish AgriFish Agency (DAFA)	2007DK06RPO001
Spain	Dirección General de Fondos Agrarios de la Consejería de Agricultura, PESCA y Medio Ambiente de la Junta de Andalucía Organismo Pagador de la Comunidad Autónoma del Principado de Asturias	2007ES06RPO001 2007ES06RPO003
Greece	Payment and Control Agency for Guidance and Guarantee Community Aids (O.P.E.K.E.P.E.)	2007GR06RPO001
Romania	Paying Agency for Rural Development and Fishery (PARDF)	2007RO6RPO001

