



Amendment of Delegated Regulation (EU) 2015/1829

**Expert Group on Agricultural Markets,
in particular aspects falling under the CMO Regulation**

26 March 2024

*European Commission
Directorate-General for Agriculture and Rural Development (DG AGRI)*

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1. Context

- Pending a revision of the Basic Act (Reg. 1144/2014), the Commission intends to **improve the implementation of the promotion policy.**
- Needs identified under Delegated Regulation 2015/1829:
 - **Clarification of the eligibility** criteria under which proposing organisations may submit a proposal, in particular the ‘continuations rule’
 - **Modernization of financial management** of programmes, in particular to include lump sums
 - Strengthening the commitment to ensure **the absence of conflict of interests**

2. Overview of the amendment: purpose (1/2)

Eligibility criteria

Article 1:

- Clarification of the 'continuations rule'
- Addition of new means by which agri-food sector bodies are representative of the products or sectors

Lump sums

Article 4:

- Introduction of a possibility for using lump sums
- For lump sums, determination of criteria for costs to be eligible for Union funding
- Introduction of methods for establishing the amounts of lump sums
- Introducing a possibility that the annual work programme decides mandatory use of lump sums

Conflict of interest

Article 1 and Article 2

- Strengthening the requirements to ensure the absence of conflict of interests during the preparation of proposals and implementation of programmes

2. Overview of the amendment: legal elements (2/2)

Eligibility criteria

Article 1:

- Replacement of paragraphs 1(d) and 4

Lump sums

Article 4:

- Replacement of paragraph 1
- Addition of new paragraphs 2, 3 and 4
- Paragraphs 2 and 3 become respectively paragraph 5 and 6

Conflict of interest

Article 1:

- Addition of a new paragraph 5

Article 2:

- Replacement of paragraph 1

2.1 Amendments relating to eligibility criteria (1/2)

- **Article 1(1)(d) is replaced to define additional means by which the agri-food sector bodies are representative of sector(s) concerned by the programme:**
 - the means of receiving mandatory financial contributions from producers or
 - the means of having been conferred the mission to promote products or sectors by national law.

2.1 Amendments relating to eligibility criteria 2/2

- **Article 1(4) is replaced to clarify the conditions for receiving support to information and promotion programmes on the same product or scheme, carried out in parallel or consecutively on whole or a part of the territory of the same target country:**
 - A proposing organisation shall not receive support for more than two information and promotion programmes on the same product or scheme, carried out in parallel or consecutively on the territory of the same target country.
 - After having received support for the second time, proposing organisation shall not be eligible for support unless:
 - the period between the end date of the implementation of the previous programme and the starting date of implementation of the new programme is at least 12 months, and
 - the previous programme is completed before the application form for the new programme is submitted.

2.2 Amendments relating to lump sums (1/3)

- In Article 4:
 - **paragraph 1 is replaced to introduce 2 forms, which grants may take:**
 - reimbursement of costs actually incurred by a beneficiary and
 - lump sums.
 - **a new paragraph 2 is added to determine criteria, which have to be met for costs to be eligible for Union funding when grants take the form of lump sums:**
 - 4 criteria: - they have to be indicated the estimated overall budget,
 - they are necessary for the implementation,
 - they comply with the tax and social obligation law,
 - they are reasonable, justified and comply with the principle of sound financial management.

2.2 Amendments relating to lump sums (2/3)

- **In Article 4, a new paragraph 3 is added to determine the ways, in which lump sums shall be established:**
 - (a) a fair, equitable and verifiable calculation method based on:
 - (i) statistical data, other objective information or an expert judgement; or
 - (ii) verified historical data of individual beneficiaries; or
 - (iii) the application of the usual cost accounting practices of individual beneficiaries;
 - (b) in accordance with the rules for application of corresponding sums applicable in Union policies for similar activities;
 - (c) in accordance with the rules for application of corresponding lump sums applied under schemes for grants funded entirely by the Member State for similar activities.

2.2 Amendments relating to lump sums (3/3)

- **In Article 4:**
 - a new paragraph 4 is added to provide for a possibility that the annual work programme decides about the mandatory use of lump sums.
 - paragraph 2 and 3 become respectively paragraph 5 and 6.

2.3 Amendments relating to conflict of interest

- **In Article 1, paragraph 5 is added to introduce a new requirement:**
 - the proposing organisation shall ensure the absence of conflict of interests during the preparation of a proposal submitted for evaluation as well as during the implementation of the programme.
- **In Article 2, paragraph 1 is replaced to add a new requirement :**
 - the proposing organisations should take all measures to prevent a situation where the impartial and objective preparation of proposals is compromised for reasons of conflict of interest and to inform Member States about the measures taken before the conclusion of the contracts for the implementation of simple programmes.

3. Next steps

- Consideration on the input given in the meeting with the Expert Group
- Formal consultation of Commission services [April]
- If needed, another exchange of views with the Expert Group on Agricultural Markets
- 4-week publication at the better Regulation portal for a feedback from stakeholders [May]
- Adoption by the European Commission
- 2-months + 2-months long scrutiny period of the EU Council and the European Parliament
- Publication

Thank you for your attention.



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