Commission Implementing Regulation (EU) 2018/1507 of 10 October 2018 on exceptional market support measures for the eggs and poultrymeat sectors in Poland

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on exceptional market support measures for the eggs and poultrymeat sectors in Poland

THE EUROPEAN COMMISSION,

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

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

Whereas:

(1) Between 3 December 2016 and 16 March 2017, 65 outbreaks of highly pathogenic avian influenza of subtype H5 were confirmed and notified by Poland. The species affected are ducks, geese, turkeys, *Gallus domesticus* chickens and laying hens.

(2) Poland immediately and efficiently took all the necessary animal health and veterinary measures required in accordance with Council Directive 2005/94/EC[(2)].

(3) In particular, Poland took control, monitoring and preventive measures and established protection and surveillance zones ('the regulated zones') pursuant to Commission Implementing Decisions (EU) 2016/2219[(3)], (EU) 2016/2367[(4)], (EU) 2017/14[(5)], (EU) 2017/116[(6)], (EU) 2017/155[(7)], (EU) 2017/247[(8)], (EU) 2017/417[(9)] and (EU) 2017/554[(10)].

(4) In applying those measures, Poland managed to contain and eradicate the spread of the disease. The Union and national animal health and veterinary measures were applied until 22 May 2017 in all relevant holdings.

(5) Poland informed the Commission that the necessary health and veterinary measures, which had been applied to contain and eradicate the spread of the disease, had affected a very large number of operators and that those operators suffered income losses not eligible for Union financial contribution under Regulation (EU) No 652/2014 of the European Parliament and of the Council[(11)].

(6) On 17 July 2017, the Commission received a formal request from Poland for part-financing of certain exceptional measures pursuant to Article 220(3) of Regulation (EU) No 1308/2013. On 11 April 2018, 10 May 2018 and 19 June 2018 the Polish authorities clarified their request.

(7) As a result of the animal health and veterinary measures applied, fallowing periods were prolonged, placing of birds was prohibited and movements were restricted on holdings

of all types of poultry in the regulated zones established following outbreaks of highly pathogenic avian influenza of subtype H5. This concerned the following species: ducks, geese, turkeys and *Gallus domesticus* chickens and laying hens. This led to a loss of production in these poultry holdings. It is therefore appropriate to compensate these losses.

(8) In accordance with Article 220(5) of Regulation (EU) No 1308/2013, the Union part-financing has to be equivalent to 50 % of the expenditure borne by Poland for the exceptional market support measures. The maximum quantities eligible for financing in respect of each exceptional market support measure should be fixed by the Commission after scrutinising the request received from Poland.

(9) To avoid any risk of overcompensation, the flat rate amount should be based on technical and economic studies or accounting documents and fixed at an appropriate level for each animal and product according to the categories of animals produced.

(10) To avoid any risk of double funding, losses suffered should not have been compensated by state aid or insurance and the Union part-financing under this Regulation should be limited to eligible animals and products for which no Union financial contribution has been received under Regulation (EU) No 652/2014.

(11) The extent and duration of the exceptional market support measures provided for in this Regulation should be limited to what is strictly necessary to support the market. In particular, the exceptional market support measures should apply only to the production of poultry in the holdings located in the regulated zones and for the duration of the animal health and veterinary measures laid down in the Union and Polish legislation relevant to the 65 outbreaks of highly pathogenic avian influenza confirmed between 3 December 2016 and 16 March 2017, and to the respective regulated zones.

(12) For the sake of a sound budgetary management of these exceptional market support measures, only those payments made by Poland to beneficiaries by 30 September 2019 at the latest, should be eligible for Union part-financing. Article 5(2) of Commission Delegated Regulation (EU) No 907/2014[(12)] should not be applicable.

(13) In order to ensure the eligibility and the correctness of the payments, Poland should carry out *ex ante* checks.

(14) To allow the Union to perform its financial control, Poland should communicate to the Commission the clearance of payments.

(15) Since the restrictions related to the outbreaks of avian influenza came into force at different dates in the regulated zones concerned and since this Regulation does not provide for a deadline for the submission of the applications for aid, it is appropriate for the purposes of Article 29(4) of Delegated Regulation (EU) No 907/2014, to consider the date of entry into force of this Regulation as the operative event for the exchange rate regarding the amounts set out in this Regulation.

(16) In order to ensure an immediate implementation of the measures laid down in this Regulation by Poland, this Regulation should enter into force on the day following that of its publication in the *Official Journal of the European Union*.

(17) The measures provided for in this Regulation are in accordance with the opinion of the Committee for the Common Organisation of the Agricultural Markets,

HAS ADOPTED THIS REGULATION:

Article 1

The Union shall provide part-financing equivalent to 50 % of the expenditure borne by Poland to support the market of eggs and poultrymeat seriously affected by the 65 outbreaks of highly pathogenic avian influenza of subtype H5 which were detected and notified by Poland between 3 December 2016 and 16 March 2017.

Article 2

Expenditure borne by Poland shall be eligible for Union part-financing only:

(a) for the duration of the application of animal health and veterinary measures referred to in Union and Polish legislation listed in the Annex and related to the period laid down in Article 1; and

(b) for those poultry holdings that have been subject to the animal health and veterinary measures and located in the zones referred to in Union and Polish legislation listed in the Annex (‘the regulated zones’); and

(c) if it has been paid by Poland to the beneficiaries by 30 September 2019 at the latest. Article 5(2) of Delegated Regulation (EU) No 907/2014 shall not apply; and

(d) if the animal or product, for the period referred to in point (a), has not benefitted from any compensation by means of state aid or insurance and for which no Union financial contribution has been received under Regulation (EU) No 652/2014.

Article 3

The maximum level of Union part-financing shall be EUR 1,411 million, for the loss of production of poultry located in the regulated zones. The following flat rates shall apply:

(a) EUR 0,0059 per day per laying hen falling within CN code 0105 94 00 up to a maximum of 186 598 animals;

(b) EUR 0,0085 per day per broiler chicken falling within the CN code 0105 94 00, up to a maximum of 474 567 animals;

(c) EUR 0,01075 per day per fattening duck falling within the CN code 0105 99 10; up to a maximum of 246 131 animals;

(d) EUR 0,0126 per day per fattening goose falling within the CN code 0105 99 20, up to a maximum of 4 622 animals;

(e) EUR 0,1757 per day per breeding goose falling within the CN code 0105 99 20 up to a maximum of 55 307 animals;

(f) EUR 0,0333 per day per turkey falling within the CN code 0105 99 30, and up to a maximum of 485 343 animals.