Regulation (EU) No 335/2014 of the European Parliament and of the Council of 11 March 2014 amending Council Regulation (EC) No 1198/2006 on the European Fisheries Fund, as regards certain provisions relating to financial management for certain Member States experiencing or threatened with serious difficulties with respect to their financial stability

REGULATION (EU) No 335/2014 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

of 11 March 2014

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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 Article 43(2) 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 opinion of the European Economic and Social Committee[(1)],

Acting in accordance with the ordinary legislative procedure[(2)],

Whereas:

(1) The unprecedented global financial crisis and economic downturn have seriously damaged economic growth and financial stability and provoked a strong deterioration in financial and economic conditions in several Member States. In particular, certain Member States are experiencing serious difficulties, or are threatened with such difficulties. In particular, they face problems in their economic growth and financial stability and a deterioration in their deficit and debt position.

(2) Important measures have been taken pursuant to Article 122(2) and Articles 136 and 143 of the Treaty on the Functioning of the European Union in order to counterbalance the negative effects of the crisis. However, pressure on national financial resources is increasing and appropriate steps are needed to alleviate it through the maximum and optimal use of funding from the European Fisheries Fund, established by Council Regulation (EC) No 1198/2006[(3)].

(3) In order to facilitate the management of Union funding, to help accelerate investments in Member States and regions and to improve the availability of funding to the economy, Regulation (EC) No 1198/2006 was amended by Regulation (EU) No 387/2012 of the European Parliament and of the Council[(4)]. That amendment allowed the increase of interim and final payments from the European Fisheries Fund by an amount

Changes to legislation: *There are currently no known outstanding effects for the Regulation (EU) No 335/2014 of the European Parliament and of the Council. (See end of Document for details)*

corresponding to 10 percentage points above the actual co-financing rate for each priority axis for Member States which are facing serious difficulties with respect to their financial stability and which request to benefit from that measure.

(4) Regulation (EC) No 1198/2006 allows for the application of that increased co-financing rate until 31 December 2013. However, since certain Member States still face serious difficulties with respect to their financial stability, the application of the increased co-financing rate should not be limited to the end of 2013.

(5) Member States receiving financial assistance should also benefit from the increase of the co-financing rate until the end of the eligibility period and should be able to claim it in their requests for payment of the final balance, even if the financial assistance is no longer provided.

(6) Regulation (EC) No 1198/2006 should therefore be amended accordingly.

(7) Given the unprecedented nature of the crisis, swift adoption of support measures is needed. Therefore it is appropriate that this Regulation should enter into force on the day of its publication in the *Official Journal of the European Union*,

HAVE ADOPTED THIS REGULATION:

Article 1

Regulation (EC) No 1198/2006 is amended as follows:

(1) in Article 76(3), the introductory phrase is replaced by the following:

3. By way of derogation from Article 53(3), at the request of a Member State, interim payments shall be increased by an amount corresponding to 10 percentage points above the co-financing rate applicable to each priority axis, up to a maximum of 100 %, to be applied to the amount of eligible public expenditure newly declared in each certified statement of expenditure submitted provided that the Member State, on or after 31 December 2013, fulfils one of the following conditions:;

(2) in Article 77, paragraph 2 is replaced by the following:

2. By way of derogation from Article 53(3), at the request of a Member State, payments of the final balance shall be increased by an amount corresponding to 10 percentage points above the co-financing rate applicable to each priority axis, up to a maximum of 100 %, to be applied to the amount of eligible public expenditure newly declared in each certified statement of expenditure submitted provided that the Member State, on or after 31 December 2013, fulfils one of the conditions laid down in points (a), (b) and (c) of Article 76(3).;

(3) Article 77a is amended as follows:

(a) paragraph 2 is replaced by the following:

2. The derogation referred to in Articles 76(3) and 77(2) shall be granted by the Commission upon the written request of a Member State fulfilling one of the conditions laid down in points (a), (b) and (c) of Article 76(3).;

(b) paragraph 5 is deleted.