COMMISSION REGULATION (EC) No 324/2003

of 20 February 2003

establishing the eligibility criteria for the expenditure of the Community reference laboratories receiving financial assistance under Article 28 of Decision 90/424/EEC and establishing the procedures for the submission of expenditure and the conduct of audits

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Decision 90/424/EEC of 26 June 1990 on expenditure in the veterinary field [1], as last amended by Decision 2001/572/EC [2], and in particular Article 28(2) thereof,

Whereas:

(1) Community financial aid should be granted to the Community reference laboratories designated by the Community to assist them in carrying out the functions and duties laid down in:

— Council Directive 92/35/EEC of 29 April 1992 laying down control rules and measures to combat African horse sickness [3], as last amended by the Act of Accession of Austria, Sweden and Finland,

— Council Directive 92/46/EEC of 16 June 1992 laying down the health rules for the production and placing on the market of raw milk, heat-treated milk and milk-based products [4], as last amended by Directive 96/23/EC [5],

— Council Directive 92/66/EEC of 14 July 1992 introducing Community measures for the control of Newcastle disease [6], as last amended by the Act of Accession of Austria, Sweden and Finland,

— Council Directive 92/117/EEC of 17 December 1992 concerning measures for protection against certain zoonoses and specified zoonotic agents in animals and products of animal origin in order to prevent outbreaks of food-borne infections and intoxications [7], as last amended by Directive 1999/72/EC [8],

— Council Directive 92/119/EEC of 17 December 1992 introducing general Community measures for the control of certain animal diseases and specific measures relating to swine vesicular disease [9], as last amended by Decision 95/1/EC, Euratom, ECSC [10],

— Council Decision 93/383/EEC of 14 June 1993 on reference laboratories for the monitoring of marine biotoxins [11], as last amended by Decision 1999/312/EC [12],

— Council Directive 93/53/EEC of 24 June 1993 introducing minimum Community measures for the control of certain fish diseases [13],

— Council Directive 95/70/EC of 22 December 1995 introducing minimum Community measures for the control of certain diseases affecting bivalve molluscs [14],

— Council Directive 96/23/EC of 29 April 1996 on measures to monitor certain substances and residues thereof in live animals and animal products [15],

— Council Decision 96/463/EC of 23 July 1996 designating the reference body responsible for collaborating in rendering uniform the testing methods and the assessment of the results for pure-bred breeding animals of the bovine species [16],

— Council Decision 1999/313/EC of 29 April 1999 on reference laboratories for monitoring bacteriological and viral contamination of bivalve molluscs [17],

— Council Decision 2000/258/EC of 20 March 2000 designating a specific institute responsible for elaborating criteria for standardising serological tests to control the efficiency of rabies vaccines [18],

— Council Directive 2000/75/EC of 20 November 2000 laying down specific provisions for the control and eradication of bluetongue [19],

— Council Directive 2001/89/EC of 23 October 2001 on Community measures for the control of classical swine fever [20],

[1] OJ L 224, 18.8.1990, p. 19.
[2] OJ L 203, 28.7.2001, p. 16.
[3] OJ L 157, 10.6.1992, p. 19.
[4] OJ L 268, 14.9.1992, p. 1.
[5] OJ L 125, 23.5.1996, p. 10.
[6] OJ L 260, 5.9.1992, p. 1.
[7] OJ L 62, 15.3.1993, p. 38.
[8] OJ L 210, 10.8.1999, p. 12.
[9] OJ L 62, 15.3.1993, p. 69.
[10] OJ L 1, 1.1.1995, p. 1.
[11] OJ L 166, 8.7.1993, p. 31.
[12] OJ L 120, 8.5.1999, p. 37.
[13] OJ L 175, 19.7.1993, p. 23.
[14] OJ L 332, 30.12.1995, p. 33.
[15] OJ L 125, 23.5.1996, p. 10.
[16] OJ L 192, 2.8.1996, p. 19.
[17] OJ L 120, 8.5.1999, p. 40.
[18] OJ L 95, 15.4.2000, p. 40.
[19] OJ L 327, 22.12.2000, p. 74.
[20] OJ L 316, 1.12.2001, p. 5.

— Council Directive 2002/60/EC laying down specific provisions for the control of African swine fever and amending Directive 92/119/EEC as regards Teschen disease and African swine fever [1],

— Regulation (EC) No 999/2001 of the European Parliament and of the Council 22 May 2001 laying down rules for the prevention, control and eradication of certain transmissible spongiform encephalopathies [2], as last amended by Regulation (EC) No 1326/2001 [3].

(2) Financial assistance for the organisation of yearly workshops in the area of responsibility of the Community reference laboratories should also be included.

(3) The level of financial assistance for the operation of certain Community reference laboratories is fixed on an annual basis by specific decisions in the field of veterinary public health, animal health and residues.

(4) The Community reference laboratories designated are under the supervision of the Member States' competent authorities.

(5) The aim of this Regulation is to:

— define within the limits of this financial assistance, the type of expenditure which is eligible for the Community financing of the laboratory (staff, capital equipment, consumables, comparative tests, overheads) and for the organisation of workshops (travel and daily allowances),

— establish the procedures for the submission of expenditure and for the conduct of audits.

(6) A sound financial management justifies the application of these criteria from the beginning of 2003 for the establishment of the eligible expenditures incurred during the same year.

(7) For financial control purposes, Articles 8 and 9 of Council Regulation (EC) No 1258/1999 of 17 May 1999 on the financing of the common agricultural policy [4] are applicable.

(8) The measures provided for in this Regulation are in accordance with the opinion of the Standing Committee on the Food Chain and Animal Health,

HAS ADOPTED THIS REGULATION:

Article 1

Within the limits of the annual financial assistance granted to the laboratories, the eligibility rules mentioned below shall apply to expenditure linked to staff, capital equipment, consumables, shipment of samples for the comparative tests, and to overheads.

1. Staff

Costs for staff, irrespective of status, are limited to actual wage costs effectively paid (remuneration, wages, social charges and pension costs) for scientific staff, postgraduates, technicians and administrative staff specifically allocated, entirely or in part, to Community tasks, as set out in the approved work programme.

All staff working time dedicated to Community tasks must be recorded and certified on a basis of minimum 12 months and 1 600 hours/year. This must be done at least once a month by the appointed project leader or a duly authorised senior member of the beneficiary's staff.

2. Capital equipment

Equipment purchased, leased or rented may be charged as a direct cost. The reimbursable amount for leased or rented equipment may not exceed the amount at which the equipment could have been purchased for the duration of the test. Reimbursable costs will be calculated as follows:

$$\frac{A \times C \times D}{B}$$

A = period in months for which the equipment is to be used for the project, from the date of delivery. Eligibility shall be restricted to equipment actually paid for during the period covered by Community financial assistance.

B = depreciation period of 60 months (36 months in the case of computer equipment costing less than EUR 25 000).

C = cost of equipment without VAT.

D = percentage use of the equipment for the project.

Non-recoverable VAT paid by the beneficiary will be regarded as eligible expenditure.

3. Consumables

Reimbursement will be based on actual costs without VAT incurred during the period in question. The beneficiary must also indicate the percentage of the laboratory's total consumables budget accounted for by the different items.

[1] OJ L 192, 20.7.2002, p. 27.
[2] OJ L 147, 31.5.2001, p. 1.
[3] OJ L 177, 30.6.2001, p. 60.
[4] OJ L 160, 26.6.1999, p. 103.

All other expenditure on administration, business travel and secretarial services are considered to be covered by 'overheads'.

4. Comparative tests

On presentation of supporting documents, reimbursement will be based on the actual costs without VAT of forwarding samples in connection with these tests.

5. Overheads

A flat-rate contribution of 7 % of actual reimbursable costs based on all the direct costs listed above (items 1 to 4) will be made automatically.

Article 2

In order to qualify for Community financial assistance, the beneficiary shall submit and certify expenditure every year.

Provided that the action plans are efficiently carried out and that the beneficiaries supply all the necessary information to the Commission within the time limits laid down, the Community financial assistance for the operation of the laboratory shall be paid as follows:

(a) a pre-financing of 70 % of the total amount may be paid at the request of the beneficiary;

(b) the balance will be paid following presentation by the beneficiary of a financial report certified by the laboratory director, supporting documents for the comparative tests and a technical report;

(c) the certified financial report shall be submitted in accordance with Annex I to this Regulation and no later than 31 March of the year following the end of the period for which the financial assistance was granted;

(d) when the time limit is not respected, the contribution shall be reduced by 25 % on 1 May, 50 % on 1 June, 75 % on 1 July and 100 % on 1 September.

Apart from the expenditure for the comparative tests, a certified copy of the relevant documentation (invoices, salary statements, attendance sheets, etc.) must be kept by the technical director. The expenditure submitted must be recorded in the beneficiary's cost-accounting system and the beneficiary must retain all supporting documents for five years for audit purposes. These documents, testifying to all the costs and hours spent as shown in the application for reimbursement, must be sent to the Commission on request.

Article 3

Within the limits of the annual financial assistance granted for the organisation of a workshop, the eligibility rules mentioned in Annex II shall apply to expenditure for travel and daily allowances for a maximum of two invited participants per Member State.

Article 4

Provided that the workshop has been efficiently organised and that all the necessary information is supplied to the Commission by the beneficiary within the time limits laid down, the Community financial assistance for the organisation of workshops shall be paid as follows:

(a) a pre-financing of 70 % of the total amount may be paid at the request of the beneficiary within 60 days before the fixed date of the workshop;

(b) the balance will be paid after acceptance by the Commission of the financial supporting documents and of a technical report on the use of the financial assistance;

(c) the financial supporting documents shall be submitted in accordance with Annex III to this Regulation and no later than three months after the workshop;

(d) when the time limit is not respected, the contribution will be reduced by 25 % for a delay of one month in relation to the scheduled date of submission of the documents, 50 % for two months, 75 % for three months and 100 % for four months.

Article 5

The Commission may carry out audits in accordance with Article 9 of Regulation (EC) No 1258/1999.

Article 6

This Regulation shall enter into force on the 20th day following its publication in the *Official Journal of the European Union*.

It shall apply from 1 January 2003.

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

Done at Brussels, 20 February 2003.

For the Commission

David BYRNE

Member of the Commission