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Acts whose titles are printed in light type are those relating to day-to-day management of agricultural matters, and are generally valid for a limited period.

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I

(Legislative acts)

REGULATIONS

REGULATION (EU) 2018/1091 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**of 18 July 2018****on integrated farm statistics and repealing Regulations (EC) No 1166/2008 and (EU) No 1337/2011****(Text with EEA relevance)**

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 338 thereof,

Having regard to the proposal from the European Commission,

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

Acting in accordance with the ordinary legislative procedure ⁽¹⁾,

Whereas:

- (1) Regulation (EC) No 1166/2008 of the European Parliament and of the Council ⁽²⁾ establishes a framework for European statistics on the structure of agricultural holdings up to 2016. That Regulation should therefore be repealed.
- (2) The programme of European surveys on the structure of agricultural holdings, which has been carried out in the Union since 1966, should be continued in order to examine the trends in the structure of agricultural holdings at the Union level and to provide the statistical knowledge base necessary for the design, implementation, monitoring, evaluation and review of related policies, in particular the common agricultural policy (CAP), including rural development measures, as well as environmental, climate change adaptation and mitigation and land use policies of the Union and some Sustainable Development Goals (SDGs). Such a knowledge base is also required in order to estimate the impact of those policies on the female workforce on agricultural holdings.
- (3) The collection of statistical data, in particular concerning the structure of farms, should aim, amongst other objectives, to inform the decision-making process with updated data with a view to future CAP reforms.
- (4) An international evaluation of agricultural statistics led to setting up the Food and Agriculture Organization's (FAO) Global Strategy to Improve Agricultural and Rural Statistics that was endorsed by the United Nations Statistics Committee (UNSC) in 2010. European agricultural statistics should, where appropriate, follow the recommendations of the Global Strategy to Improve Agricultural and Rural Statistics, as well as those of the FAO World Programme for the Census of Agriculture 2020.

⁽¹⁾ Position of the European Parliament of 3 July 2018 (not yet published in the Official Journal) and decision of the Council of 16 July 2018.

⁽²⁾ Regulation (EC) No 1166/2008 of the European Parliament and of the Council of 19 November 2008 on farm structure surveys and the survey on agricultural production methods and repealing Council Regulation (EEC) No 571/88 (OJ L 321, 1.12.2008, p. 14).

- (5) Regulation (EC) No 223/2009 of the European Parliament and of the Council ⁽¹⁾ provides for a framework for the development, production and dissemination of European statistics, based on common statistical principles. It establishes quality criteria, and refers to the need to minimise the response burden on survey respondents and to contribute to the more general objective of a reduction of administrative burdens.
- (6) A multipurpose statistical programme on agricultural holdings should be set up for the next decade to provide the framework for harmonised, comparable and coherent statistics. Those statistics should be targeted towards policy needs.
- (7) The Strategy for Agricultural Statistics for 2020 and beyond, set up by the European Statistical System Committee (ESSC) in November 2015, envisages the adoption of two framework Regulations covering all aspects of agricultural statistics, with the exception of the Economic Accounts for Agriculture. This Regulation is one of those framework Regulations.
- (8) For the purposes of harmonisation and comparability of information on the structure of agricultural holdings and in order to meet the current needs of the Single Common Market Organisation and in particular the fruit and wine sector, Regulation (EU) No 1337/2011 of the European Parliament and of the Council ⁽²⁾ should be integrated with the structural information at the level of agricultural holdings from 2023 onwards and replaced by this Regulation. It is therefore necessary to repeal that Regulation.
- (9) Comparable statistics from all Member States on the structure of agricultural holdings are important to determine the development of the CAP. Therefore standard classifications and common definitions should be used insofar as possible for variables.
- (10) The statistical data records relating to agricultural holdings enable core and module data to be cross-tabulated, therefore allowing for information to be retrieved based on variables such as the gender of the manager of the agricultural holding, that manager's age, the ownership structure and size of the agricultural holding and the uptake of environmental measures. A disaggregation of results will be possible for the criteria included in the core data and for combinations of criteria.
- (11) The collection of information on year of birth, year when classified as manager of the agricultural holding and gender could provide data for the development of actions in respect of generational renewal and gender-related aspects.
- (12) Amongst other reasons, for the purposes of updating the basic registers of agricultural holdings and the rest of the information required for the stratification of samples, a census of agricultural holdings should be carried out in the Union at least every 10 years. The most recent census took place in 2009/2010.
- (13) Member States in which the periods of fieldwork for the survey reference year 2020 overlap with the work planned for the 10-year population census should have the possibility to bring the farming survey forward a year so as to avoid the heavy burden of conducting two major data collections at the same time.
- (14) In order to avoid placing an unnecessary burden on agricultural holdings and national administrations, thresholds should be established. Properly analysing the structure of European agriculture requires that 98 % of the utilised agricultural area and the livestock on farms should be covered by the statistics. In some Member States, this means that the thresholds listed in this Regulation are too high. However, the agricultural holdings below those thresholds are so small that a sample data collection to be carried out once per decade is sufficient to allow the estimation of their structure and the impact on production, resulting in the reduction of costs and burdens while still enabling the design of effective policy action to support and maintain small farming structures.
- (15) The areas used for agricultural production should be covered by integrated farm statistics, including the land used by two or more agricultural holdings because common rights apply.

⁽¹⁾ Regulation (EC) No 223/2009 of the European Parliament and of the Council of 11 March 2009 on European statistics and repealing Regulation (EC, Euratom) No 1101/2008 of the European Parliament and of the Council on the transmission of data subject to statistical confidentiality to the Statistical Office of the European Communities, Council Regulation (EC) No 322/97 on Community Statistics, and Council Decision 89/382/EEC, Euratom establishing a Committee on the Statistical Programmes of the European Communities (OJ L 87, 31.3.2009, p. 164).

⁽²⁾ Regulation (EU) No 1337/2011 of the European Parliament and of the Council of 13 December 2011 concerning European statistics on permanent crops and repealing Council Regulation (EEC) No 357/79 and Directive 2001/109/EC of the European Parliament and of the Council (OJ L 347, 30.12.2011, p. 7).

- (16) It is necessary to receive information about the affiliation of an agricultural holding to a group of enterprises, the entities of which are controlled by a parent entity.
- (17) In order to reduce the burden on respondents, the National Statistical Institutes (NSIs) and other national authorities should have access to administrative data, to the extent that those data are necessary for the development, production and dissemination of European statistics, in accordance with Article 17a of Regulation (EC) No 223/2009.
- (18) Member States or responsible national authorities should endeavour to modernise data collection modes on agricultural holdings insofar as possible. The use of digital solutions in that regard should be promoted.
- (19) For the purposes of flexibility for the European agricultural statistical system, and for the simplification and modernisation of agricultural statistics, the variables to be collected should be allocated to different collection groups (core data and modules) varying in frequency or representativeness, or both.
- (20) The response burden and costs can be further reduced by reusing data from the year directly preceding or following the reference year. This would be particularly relevant for aspects where no large changes are expected from one year to the next.
- (21) For the purpose of flexibility and to reduce the burden on respondents, the NSIs and other national authorities, the Member States should be allowed to use statistical surveys, administrative records and any other sources, methods or innovative approaches including scientifically based and well documented methods such as imputation, estimation and modelling.
- (22) The collection of information on nutrient and water use and agricultural production methods applied on agricultural holdings should be improved in order to provide additional statistics for the development of agro-environmental policy and to enhance the quality of agro-environmental indicators.
- (23) For geocoding of agricultural holdings, the Statistical Units theme in accordance with Annex III to Directive 2007/2/EC of the European Parliament and of the Council ⁽¹⁾ should be used.
- (24) The Commission is to respect the confidentiality of the data transmitted in line with Regulation (EC) No 223/2009. The necessary protection of confidentiality of data should be ensured, among other means, by limiting the use of the location parameters to spatial analysis of information and by appropriate aggregation when publishing statistics. For that reason, a harmonised approach to the protection of confidentiality and quality aspects for data dissemination should be developed while making efforts to render online access to official statistics easy and user-friendly.
- (25) Any processing of personal data under this Regulation is subject to Regulation (EU) 2016/679 of the European Parliament and of the Council ⁽²⁾ and provisions adopted in accordance with that Regulation, and/or Regulation (EC) No 45/2001 of the European Parliament and of the Council ⁽³⁾, as the case may be.
- (26) Regulation (EC) No 1893/2006 of the European Parliament and of the Council ⁽⁴⁾ establishes the statistical classification of economic activities in the Union referred to in this Regulation for the purpose of defining the relevant population of agricultural holdings.
- (27) In accordance with Regulation (EC) No 1059/2003 of the European Parliament and of the Council ⁽⁵⁾, territorial units should be defined in accordance with the Nomenclature of Territorial Units for Statistics (NUTS) classification.

⁽¹⁾ Directive 2007/2/EC of the European Parliament and of the Council of 14 March 2007 establishing an Infrastructure for Spatial Information in the European Community (INSPIRE) (OJ L 108, 25.4.2007, p. 1).

⁽²⁾ Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (OJ L 119, 4.5.2016, p. 1).

⁽³⁾ 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).

⁽⁴⁾ Regulation (EC) No 1893/2006 of the European Parliament and of the Council of 20 December 2006 establishing the statistical classification of economic activities NACE Revision 2 and amending Council Regulation (EEC) No 3037/90 as well as certain EC Regulations on specific statistical domains (OJ L 393, 30.12.2006, p. 1).

⁽⁵⁾ Regulation (EC) No 1059/2003 of the European Parliament and of the Council of 26 May 2003 on the establishment of a common classification of territorial units for statistics (NUTS) (OJ L 154, 21.6.2003, p. 1).

- (28) Funding should be required from both the Member States and the Union over a number of years in order to carry out the data collection. Provision should therefore be made for a Union grant to support that programme through the European Agricultural Guarantee Fund under Regulation (EU) No 1306/2013 of the European Parliament and of the Council ⁽¹⁾.
- (29) This Regulation lays down a financial envelope for the entire duration of the relevant multiannual financial framework (MFF) which is to constitute the prime reference amount, within the meaning of point 17 of the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on cooperation on budgetary discipline, on cooperation in budgetary matters and on sound financial management ⁽²⁾, for the European Parliament and the Council during the annual budgetary procedure. This Regulation makes a provision for establishing the budget for further data collections in the context of the subsequent MFF.
- (30) Economic aspects of this Regulation should be reviewed for the period post-2020 taking into account the new MFF and other relevant changes to Union instruments. Based on that review, the Commission should consider proposing relevant changes to this Regulation.
- (31) Since the objective of this Regulation, namely the systematic production of European statistics on agricultural holdings in the Union, cannot be sufficiently achieved by the Member States but can rather, for reasons of consistency and comparability, be better achieved at the 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 Regulation does not go beyond what is necessary in order to achieve that objective.
- (32) Regulation (EC) No 223/2009 provides for a reference framework for European statistics and requires Member States to comply with the statistical principles and quality criteria specified in that Regulation. Quality reports are essential for assessing, improving and communicating on the quality of European statistics. The ESSC has endorsed a European Statistical System (ESS) standard for Quality Reports Structure, in accordance with Article 12 of Regulation (EC) No 223/2009. That ESS standard should contribute to the harmonisation of quality reporting under this Regulation.
- (33) An impact assessment has been performed in accordance with the principle of sound financial management, in order to focus the statistical programme established by this Regulation on the need for effectiveness in achieving the objectives and in order to incorporate budgetary constraints from the design phase onwards.
- (34) In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission in respect of specifying the descriptions of variables listed in this Regulation and the technical elements of the data to be provided, establishing the descriptions of the variables and other practical arrangements for the collection of ad-hoc data as laid down in this Regulation, as well as setting out the practical arrangements for and contents of the quality reports. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council ⁽³⁾. When exercising those powers, the Commission should take into account aspects such as cost and administrative burdens on agricultural holdings and Member States.
- (35) In order to take into account emerging data needs mainly stemming from new developments in agriculture, revised legislation and changing policy priorities, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union (TFEU) should be delegated to the Commission in respect of amending the detailed topics listed in this Regulation and supplementing the relevant module data by specifying the information to be provided on an ad-hoc basis as set out in this Regulation. In order to provide for compatibility and facilitate the use of other data sources, the power to adopt acts in accordance with Article 290 TFEU should be delegated to the Commission in respect of amending the variables listed in this Regulation. When exercising that power, the Commission should take into account aspects such as cost and administrative burdens on agricultural holdings and Member States. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level, and that those consultations be conducted in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on

⁽¹⁾ 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 (OJ L 347, 20.12.2013, p. 549).

⁽²⁾ OJ C 373, 20.12.2013, p. 1.

⁽³⁾ Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).

Better Law-Making ⁽¹⁾. In particular, in order to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council receive all documents at the same time as Member States' experts, and their experts systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts.

(36) The European Data Protection Supervisor has been consulted and adopted an opinion on 20 November 2017 ⁽²⁾.

(37) The ESSC has been consulted,

HAVE ADOPTED THIS REGULATION:

Article 1

Subject matter

This Regulation establishes a framework for European statistics at the level of agricultural holdings and provides for the integration of information on the structure with that on production methods, rural development measures, agro-environmental aspects and other related information.

Article 2

Definitions

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

- (a) 'farm' or 'agricultural holding' means a single unit, both technically and economically, that has a single management and that undertakes economic activities in agriculture in accordance with Regulation (EC) No 1893/2006 belonging to groups A.01.1, A.01.2, A.01.3, A.01.4, A.01.5 or to the 'maintenance of agricultural land in good agricultural and environmental condition' of group A.01.6 within the economic territory of the Union, either as its primary or secondary activity. Regarding activities of class A.01.49, only the activities 'Raising and breeding of semi-domesticated or other live animals' (with the exception of raising of insects) and 'Bee-keeping and production of honey and beeswax' are included;
- (b) 'common land agricultural unit' means an entity of land on which common rights apply and which is used by two or more agricultural holdings for agricultural production, but is not allocated amongst them;
- (c) 'region' means the territorial unit of the Nomenclature of Territorial Units for Statistics (NUTS), defined in accordance with Regulation (EC) No 1059/2003;
- (d) 'livestock unit' means a standard measurement unit that allows for the aggregation of the various categories of livestock in order for them to be compared; the coefficients for establishing the livestock units for individual livestock categories are listed in Annex I;
- (e) 'utilised agricultural area' or 'UAA' means the land area used for farming, including arable land, permanent grassland, permanent crops, and other utilised agricultural land;
- (f) 'reference year' means a calendar year to which the reference periods refer;
- (g) 'kitchen garden' means areas used for food production intended for one's own consumption;
- (h) 'module' means one or more data sets organised in order to cover topics;
- (i) 'topic' means the content of the information to be collected about the statistical units, each topic covering a number of detailed topics;
- (j) 'detailed topic' means the detailed content of the information to be collected about the statistical units related to a specific topic, each detailed topic covering a number of variables;
- (k) 'variable' means a characteristic of a unit being observed that may assume more than one of a set of values.

⁽¹⁾ OJ L 123, 12.5.2016, p. 1.

⁽²⁾ OJ C 14, 16.1.2018, p. 6.

*Article 3***Coverage**

1. The data required by this Regulation shall cover 98 % of the total UAA (excluding kitchen gardens) and 98 % of the livestock units of each Member State.
2. In order to meet those requirements, Member States shall provide data representative of the agricultural holdings and common land agricultural units that meet at least one of the physical thresholds listed in Annex II with regard to the size of agricultural land or the number of livestock units.
3. By way of exception, where the frame specified under paragraph 2 represents more than 98 % of the national agricultural production, measured by the Standard Output in accordance with Commission Delegated Regulation (EU) No 1198/2014 ⁽¹⁾, Member States may, subject to prior approval by the Commission (Eurostat), establish higher physical or corresponding economic thresholds to reduce the frame, as long as the 98 % coverage of the total UAA (excluding kitchen gardens) and 98 % of the livestock units of the Member States is reached.
4. Where the frame specified under paragraph 2 of this Article does not represent 98 % of the UAA and 98 % of the livestock units, Member States shall extend the frame in accordance with Article 6 by establishing lower thresholds than those referred to in paragraph 2 of this Article, or by establishing additional thresholds, or both.

*Article 4***Data sources and methods**

1. For the purpose of obtaining the data referred to in this Regulation, Member States shall use one or more of the following sources or methods, provided that the information allows for the production of statistics that meet the quality requirements laid down in Article 11:
 - (a) statistical surveys;
 - (b) the administrative data sources specified in paragraph 2 of this Article;
 - (c) other sources, methods or innovative approaches.
2. Member States may use information from the integrated administration and control system (IACS) established by Regulation (EU) No 1307/2013 of the European Parliament and of the Council ⁽²⁾, the system for the identification and registration of bovine animals established by Regulation (EC) No 1760/2000 of the European Parliament and of the Council ⁽³⁾ and the system for the identification and registration of ovine and caprine animals established by Council Regulation (EC) No 21/2004 ⁽⁴⁾, the vineyard register implemented in accordance with Article 145 of Regulation (EU) No 1308/2013 of the European Parliament and of the Council ⁽⁵⁾, and the organic farming registers set up pursuant to Council Regulation (EC) No 834/2007 ⁽⁶⁾. Member States may also use administrative sources associated with specific rural development measures.
3. Member States which decide to use the sources, methods or innovative approaches referred to in point (c) of paragraph 1 shall inform the Commission (Eurostat) during the year preceding the reference year and shall provide details concerning the quality of the data obtained from that source, method or innovative approach and the data collection methods to be used.

⁽¹⁾ Commission Delegated Regulation (EU) No 1198/2014 of 1 August 2014 supplementing Council Regulation (EC) No 1217/2009 setting up a network for the collection of accountancy data on the incomes and business operation of agricultural holdings in the European Union (OJ L 321, 7.11.2014, p. 2).

⁽²⁾ Regulation (EU) No 1307/2013 of the European Parliament and of the Council of 17 December 2013 establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy and repealing Council Regulation (EC) No 637/2008 and Council Regulation (EC) No 73/2009 (OJ L 347, 20.12.2013, p. 608).

⁽³⁾ Regulation (EC) No 1760/2000 of the European Parliament and of the Council of 17 July 2000 establishing a system for the identification and registration of bovine animals and regarding the labelling of beef and beef products and repealing Council Regulation (EC) No 820/97 (OJ L 204, 11.8.2000, p. 1).

⁽⁴⁾ Council Regulation (EC) No 21/2004 of 17 December 2003 establishing a system for the identification and registration of ovine and caprine animals and amending Regulation (EC) No 1782/2003 and Directives 92/102/EEC and 64/432/EEC (OJ L 5, 9.1.2004, p. 8).

⁽⁵⁾ 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 (OJ L 347, 20.12.2013, p. 671).

⁽⁶⁾ Council Regulation (EC) No 834/2007 of 28 June 2007 on organic production and labelling of organic products and repealing Regulation (EEC) No 2092/91 (OJ L 189, 20.7.2007, p. 1).

4. National authorities responsible for fulfilling the requirements of this Regulation shall have the right to access and use data, promptly and free of charge, including individual data on agricultural holdings and personal data on their holders contained in administrative files compiled on their national territory pursuant to Article 17a of Regulation (EC) No 223/2009. The national authorities and the owners of the administrative records shall establish the necessary cooperation mechanisms.

Article 5

Core structural data

1. Member States shall collect and provide the core structural data ('core data') related to the agricultural holdings referred to in Article 3(2) and (3), for the reference years 2020, 2023 and 2026, as listed in Annex III. The core data collection for the reference year 2020 shall be carried out as a census.

2. The core data collections for the reference years 2023 and 2026 may be carried out on samples. In that case, Member States shall ensure that the weighted results are statistically representative of agricultural holdings within each region and are designed to meet the precision requirements set out in Annex V.

3. When a variable listed in Annex III has a low or zero prevalence in a Member State, that variable may be excluded from the data collection subject to the Member State concerned providing information duly justifying its exclusion to the Commission (Eurostat) in the calendar year preceding the reference year.

4. The Commission shall be empowered to adopt implementing acts specifying the descriptions of variables listed in Annex III.

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 17(2) not later than 28 February 2019 for the reference year 2020, not later than 31 December 2021 for the reference year 2023, and not later than 31 December 2024 for the reference year 2026.

5. The Commission is empowered to adopt delegated acts in accordance with Article 16 concerning amendments of the variables listed in Annex III where necessary for the purpose of harmonisation with the data sources specified in Article 4(2), for the years 2023 and 2026. In exercising its power, the Commission shall ensure that such delegated acts only replace variables listed in Annex III that can no longer be derived from the specified data sources. In the event of replacement, the Commission shall ensure that the new variables can be derived from the data sources specified in Article 4(2). It shall further ensure that such delegated acts are duly justified and do not impose significant additional burdens or costs on the Member States or on the respondents.

6. Those delegated acts shall be adopted by 30 September 2021 for the reference year 2023 and by 30 September 2024 for the reference year 2026.

Article 6

Frame extension

1. Member States that extend the frame in accordance with Article 3(4) shall provide core data on the agricultural holdings included in that frame extension for the reference year 2020, covering the information specified in Annex III.

2. The data collection on the agricultural holdings in the frame extension may be carried out on samples. In that case, Member States shall ensure that the weighted results are statistically representative of agricultural holdings within each region and are designed to meet the precision requirements set out in Annex V.

Article 7

Module data

1. Member States shall collect and provide the modules on the topics and detailed topics listed in Annex IV for the following reference years:

- (a) 'Labour force and other gainful activities' module for 2020, 2023 and 2026;
- (b) 'Rural development' module for 2020, 2023 and 2026;

- (c) 'Animal housing and manure management' module for 2020 and 2026;
 - (d) 'Irrigation' module for 2023;
 - (e) 'Soil management practices' module for 2023;
 - (f) 'Machinery and equipment' module for 2023;
 - (g) 'Orchard' module for 2023;
 - (h) 'Vineyard' module for 2026.
2. The scope of those data collections shall include the agricultural holdings referred to in Article 3(2) and (3).
3. The data collection of modules may be carried out on samples of agricultural holdings. In that case Member States shall ensure that the weighted results are statistically representative of agricultural holdings within each region and are designed to meet the precision requirements set out in Annex V.
4. The modules shall be collected from sub-samples of the agricultural holdings for which core data is collected. The modules shall reflect the situation in the reference year but may be based on the year directly preceding or following the reference year for the modules referred to in points (f), (g) and (h) of paragraph 1 of this Article. In any case, each record providing information on modules shall be accompanied by the core data listed in Annex III.
5. Member States with at least 1 000 hectares of any of the individual crops, referred to under the detailed topics of the 'Orchard' module in Annex IV, producing entirely or mainly for the market, shall carry out the 'Orchard' module for that particular crop.
6. Member States with at least 1 000 hectares of vineyards planted with vines with grapes for wine, producing entirely or mainly for the market shall carry out the 'Vineyard' module.
7. Member States with less than 2 % irrigable area of the UAA, and with no NUTS 2 level regions with at least 5 % of irrigable area of the UAA, shall be exempted from carrying out the 'Irrigation' module.
8. The Member States shall inform the Commission (Eurostat) of cases referred to in paragraphs 5, 6 and 7 by the end of June of the year preceding the respective reference year.
9. When a variable has a low or zero prevalence in a Member State, that variable may be excluded from the data collection subject to providing information duly justifying the exclusion to the Commission (Eurostat) in the calendar year preceding the reference year.

Article 8

Technical specification concerning the module data

1. The Commission may adopt implementing acts specifying the following technical elements of the data to be provided for each module and the corresponding topic and detailed topic listed in Annex IV:
- (a) the list of variables;
 - (b) the descriptions of variables.

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 17(2) not later than 28 February 2019 for the reference year 2020, not later than 31 December 2021 for the reference year 2023 and not later than 31 December 2024 for the reference year 2026.

2. When adopting the implementing acts specifying the list of variables in accordance with paragraph 1, the Commission shall ensure that the overall number of core and module variables does not exceed 300 variables in 2020, 470 variables in 2023 and 350 variables in 2026.
3. For the years 2023 and 2026, the Commission is empowered to adopt delegated acts in accordance with Article 16 concerning amendments of the detailed topics listed in Annex IV. In exercising its power, the Commission

shall ensure that such delegated acts do not significantly increase the burden imposed by the number of variables. In particular, the Commission shall ensure that the delegated acts do not lead to an increase in the number of variables referred to in paragraph 2 of this Article, and that a maximum of 20 % of the detailed topics listed in Annex IV are changed for each module by means of delegated acts. However, if 20 % represents less than one detailed topic then one detailed topic may nevertheless be changed.

4. Those delegated acts shall be adopted by 30 September 2021 for the reference year 2023 and by 30 September 2024 for the reference year 2026.

5. The implementing acts referred to in paragraphs 1 and 2 and the delegated acts referred to in paragraph 3 shall not impose significant additional costs which result in a disproportionate and unjustified burden on agricultural holdings and on Member States.

Article 9

Ad-hoc data

1. The Commission is empowered to adopt delegated acts in accordance with Article 16 supplementing the module data set out in Annex IV, if collection of additional information is deemed necessary. Those delegated acts shall specify:

- (a) the topics and detailed topics to be provided in the ad-hoc module and the reasons for such additional statistical needs;
- (b) the reference year.

2. The Commission is empowered to adopt delegated acts referred to in paragraph 1 starting with the reference year 2023 and at three year intervals. It shall not propose ad-hoc modules for reference years during which data collection is carried out as a census.

3. The Commission may adopt implementing acts to provide:

- (a) a list of variables not exceeding 20 variables to be transmitted to the Commission (Eurostat) and the corresponding measurement units;
- (b) the descriptions of variables;
- (c) the precision requirements;
- (d) the reference periods;
- (e) the transmission dates.

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 17(2) not later than 12 months before the beginning of the reference year.

4. The delegated acts referred to in paragraph 1 of this Article and the implementing acts referred to paragraph 3 of this Article shall not impose significant additional costs which result in a disproportionate and unjustified burden on agricultural holdings and on Member States.

Article 10

Reference period

The collected information shall refer to a single reference year that is common to all Member States by referring to the situation during a specified timeframe or date as follows:

- (a) For land variables, the use of the land shall refer to the reference year. In the case of successive crops from the same piece of land, the land use shall refer to a crop that is harvested during the reference year, regardless of when the crop in question is sown.
- (b) For variables on irrigation and soil management practices, the reference period is a 12-month period ending within the reference year, to be established by each Member State with a view to covering the related production cycles.

- (c) For variables on livestock, animal housing and manure management a common reference day within the reference year shall be established by each Member State. The variables on manure management shall refer to a 12-month period including that date.
- (d) For variables on labour force, a 12-month reference period ending on a reference day within the reference year shall be established by each Member State.
- (e) For variables on rural development measures implemented in the individual agricultural holdings, the reference period shall be the three-year period ending on 31 December of the reference year.
- (f) For all other variables, a common reference day within the reference year shall be established by each Member State.

Article 11

Quality

1. Member States shall take the necessary measures to ensure the quality of the transmitted data and metadata.
2. For the purposes of this Regulation, the quality criteria defined in Article 12(1) of Regulation (EC) No 223/2009 shall apply.
3. The Commission (Eurostat) shall assess the quality of the data and metadata transmitted.
4. For that purpose, Member States shall transmit a quality report describing the statistical process to the Commission (Eurostat), for each reference year covered by this Regulation, and in particular:
 - (a) metadata describing the methodology used and how technical specifications were achieved by reference to those laid down by this Regulation;
 - (b) information on compliance with the minimum requirements for the sampling frames used, including in developing and updating them, as laid down in this Regulation;

The Commission may adopt implementing acts setting out the practical arrangements for, and the contents of, the quality reports. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 17(2) and shall not impose significant additional burdens or costs on the Member States.

5. Member States shall inform the Commission (Eurostat) as soon as possible about any relevant information or change with regard to the implementation of this Regulation that could influence the quality of the data transmitted.
6. At the request of the Commission (Eurostat), Member States shall provide necessary additional clarification to evaluate the quality of the statistical information.

Article 12

Data and metadata transmission and deadlines

1. For the reference year 2020, Member States shall transmit validated core and module data and a quality report to the Commission (Eurostat) within 15 months after the end of the reference year.
2. For the reference years 2023 and 2026, Member States shall transmit validated core and module data and a quality report to the Commission (Eurostat) within 12 months after the end of the reference year.
3. The data transmitted to the Commission (Eurostat) shall be at the level of individual agricultural holdings. The module and the ad-hoc data shall be linked to the core data listed in Annex III at the individual agricultural holding level for the same reference year. The records provided shall include the extrapolation factors and information on stratification.
4. Member States shall transmit the data and metadata using a technical format specified by the Commission (Eurostat). The data and metadata shall be provided to the Commission (Eurostat) through the single entry point services.

*Article 13***Union contribution**

1. For the implementation of this Regulation, the Union shall provide grants to the national statistical institutes and other national authorities referred to in Article 5(2) of Regulation (EC) No 223/2009, for:
 - (a) developing or implementing data requirements, or both;
 - (b) developing methodologies for modernising statistical systems aiming at higher quality or lower costs and reducing the administrative burden for producing integrated farm statistics by using the sources and methods referred to in Article 4.
2. Member States shall receive grants from the Union towards covering the cost of data collections specified in Articles 5, 6 and 7, within the scope of the financial envelope specified in Article 14.
3. The Union financial contribution referred to in paragraph 2 shall not exceed 75 % of the eligible costs, subject to the maximum amounts specified in paragraphs 4 and 5.
4. For the combined costs of the 2020 core data and module data collections, the Union financial contribution shall be limited to the maximum amounts specified below:
 - (a) EUR 50 000 each for Luxembourg and Malta;
 - (b) EUR 1 000 000 each for Austria, Croatia, Ireland and Lithuania;
 - (c) EUR 2 000 000 each for Bulgaria, Germany, Hungary, Portugal and the United Kingdom;
 - (d) EUR 3 000 000 each for Greece, Spain and France;
 - (e) EUR 4 000 000 each for Italy, Poland and Romania;
 - (f) EUR 300 000 each for all other Member States.
5. For the core data and module data collections in 2023 and 2026, the maximum amounts specified in paragraph 4 shall be reduced by 50 %, subject to the provisions under the MFF post-2020.
6. For the collection of the ad-hoc data specified in Article 9, the Union shall provide grants to the national statistical institutes and other national authorities referred to in Article 5(2) of Regulation (EC) No 223/2009 towards covering the cost of the implementation of an ad-hoc data collection. That Union financial contribution shall not exceed 90 % of the eligible costs.
7. The Union financial contribution for the grants referred to in paragraph 2 of this Article shall be provided by the European Agricultural Guarantee Fund under point (d) of Article 4(2) of Regulation (EU) No 1306/2013.

*Article 14***Financial envelope**

1. The Union financial envelope for the implementation of the programme of data collections for the reference year 2020, including the appropriations necessary for the management, maintenance and development of the database systems used within the Commission to process the data supplied by the Member States under this Regulation, shall be EUR 40 000 000 for the period 2018-2020, covered by the MFF 2014-2020.
2. Following the date of entry into force of the MFF after 2020, the amount for the period post-2020 shall be fixed by the European Parliament and the Council on a proposal from the Commission.

*Article 15***Protection of the financial interests of the Union**

1. The Commission shall take appropriate measures ensuring that, when actions financed under this Regulation are implemented, the financial interests of the Union are protected by the application of preventive measures against fraud, corruption and any other illegal activities, through consistent and effective checks and, if irregularities are detected, through the recovery of the amounts wrongly paid and, where appropriate, through effective, proportionate and dissuasive administrative and financial penalties.

2. The Commission or its representatives and the Court of Auditors shall have the power of audit, on the basis of documents and on-the-spot checks, over all grant beneficiaries, contractors and subcontractors and third parties who have, directly or indirectly, received Union funds under the Programme.
3. The European Anti-Fraud Office (OLAF) may carry out investigations, including on-the-spot checks and inspections on economic operators concerned directly or indirectly by such funding in accordance with the procedures laid down in Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council ⁽¹⁾ and in Council Regulation (Euratom, EC) No 2185/96 ⁽²⁾ with a view to establishing whether there has been fraud, corruption or any other illegal activity affecting the financial interests of the Union in connection with a grant agreement or grant decision or contract funded, directly or indirectly, within the framework of this Regulation.
4. Cooperation agreements with third countries and international organisations and grant agreements and grant decisions resulting from the implementation of this Regulation shall expressly empower the Commission, the Court of Auditors and OLAF to conduct such audits, on-the-spot checks and inspections.
5. Where the implementation of an action is outsourced or sub-delegated, in whole or in part, or where it requires the award of a procurement contract or financial support to be given to a third party, the contract, grant agreement or grant decision shall include the contractor's or beneficiary's obligation to impose explicit acceptance of those powers of the Commission, the Court of Auditors and OLAF on any third party involved.
6. Paragraphs 4 and 5 shall apply without prejudice to paragraphs 1, 2 and 3.

Article 16

Exercise of the delegation

1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.
2. The power to adopt delegated acts referred to in Article 5(6), Article 8(3) and Article 9(1) shall be conferred on the Commission for a period of five years from 27 August 2018. The Commission shall draw up a report in respect of the delegation of power not later than nine months before the end of the five-year period. The delegation of power shall be tacitly extended for periods of an identical duration, unless the European Parliament or the Council opposes such extension not later than three months before the end of each period.
3. The delegation of power referred to in Article 5(6), Article 8(3) and Article 9(1) may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the *Official Journal of the European Union* or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.
4. Before adopting a delegated act, the Commission shall consult experts designated by each Member State in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making.
5. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.
6. A delegated act adopted pursuant to Article 5(6), Article 8(3) and Article 9(1) shall enter into force only if no objection has been expressed either by the European Parliament or by the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.

⁽¹⁾ Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF) and repealing Regulation (EC) No 1073/1999 of the European Parliament and of the Council and Council Regulation (Euratom) No 1074/1999 (OJ L 248, 18.9.2013, p. 1).

⁽²⁾ Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities (OJ L 292, 15.11.1996, p. 2).

*Article 17***Committee procedure**

1. The Commission shall be assisted by the ESSC established by Regulation (EC) No 223/2009. That Committee shall be a committee within the meaning of Regulation (EU) No 182/2011.
2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.

*Article 18***Report from the Commission**

By 31 December 2024, the Commission shall, after consulting the ESSC, submit a report on the implementation and achievement of the objectives of this Regulation to the European Parliament and to the Council.

*Article 19***Derogations**

By way of derogation from Article 5, Article 6(1), points (a), (b) and (c) of Article 7(1), Article 8(2), Article 12(1), Article 13(4), Article 14(1) and Annex V, the references to the year 2020 shall be replaced by references to the year 2019, if necessary, for Greece and Portugal.

*Article 20***Repeal**

1. Regulation (EU) No 1337/2011 is repealed with effect from 1 January 2022.
2. Regulation (EC) No 1166/2008 is repealed with effect from 1 January 2019.
3. References to the repealed Regulations shall be construed as references to this Regulation.

*Article 21***Entry into force**

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, 18 July 2018.

For the European Parliament
The President
A. TAJANI

For the Council
The President
J. BOGNER-STRAUSS

ANNEX I

Livestock unit coefficients

Type of animal	Characteristic of animal	Coefficient
Bovine animals	Less than 1 year old	0,400
	1 to less than 2 years old	0,700
	Male, 2 years old and over	1,000
	Heifers, 2 years old and over	0,800
	Dairy cows	1,000
	Non-dairy cows	0,800
Sheep and goats		0,100
Pigs	Piglets, live weight of under 20 kg	0,027
	Breeding sows, live weight 50 kg and over	0,500
	Other pigs	0,300
Poultry	Broilers	0,007
	Laying hens	0,014
	Other poultry	
	Turkeys	0,030
	Ducks	0,010
	Geese	0,020
	Ostriches	0,350
	Other poultry fowls n.e.c.	0,001
Rabbits, breeding females		0,020

ANNEX II

List of the physical thresholds ⁽¹⁾

Item	Threshold
UAA	5 ha
Arable land	2 ha
Potatoes	0,5 ha
Fresh vegetables and strawberries	0,5 ha
Aromatic, medicinal and culinary plants, flowers and ornamental plants, seeds and seedlings, nurseries	0,2 ha
Fruit trees, berries, nut trees, citrus fruit trees, other permanent crops excluding nurseries, vineyards and olive trees	0,3 ha
Vineyards	0,1 ha
Olive trees	0,3 ha
Greenhouses	100 m ²
Cultivated mushrooms	100 m ²
Livestock	1,7 livestock units

⁽¹⁾ The thresholds are applicable to the group of items as listed.

ANNEX III

Core structural data: Variables

General variables					Units/Categories for values
Survey information					
–	Agricultural holding identifier				Agricultural holding ID
Location of the agricultural holding					
–	Geographical location				The cell code of the INSPIRE statistical units grid for pan-European usage.
–	NUTS 3 region				NUTS 3 code
–	The agricultural holding has areas designated as facing natural constraints under Regulation (EU) No 1305/2013.				L/M/O/N ⁽¹⁾
Legal personality of the agricultural holding					
–	Legal and economic responsibility of the agricultural holding is assumed by a:				
–	Natural person who is sole holder, where the agricultural holding is independent				yes/no
–	–	If yes, is the holder also the manager			yes/no
–	–	–	If no, is the manager a member of the holder's family?		yes/no
–	–	–	–	If yes, is the manager the spouse of the holder?	yes/no
–	Shared ownership				yes/no
–	Two or more natural persons who are partners, where the agricultural holding is a holding-group				yes/no
–	Legal person				yes/no
–	–	If yes, is the agricultural holding part of an enterprise group?			yes/no
–	The agricultural holding is a common land unit				yes/no
–	The holder is a beneficiary of EU support for land or animals on the agricultural holding and thus included in IACS				yes/no
	The holder is a young farmer or new entrant into farming who has received financial support for this purpose under the CAP in the previous three years				yes/no
Manager of the agricultural holding					
–	Year of birth				year
–	Sex				male/female

General variables		Units/Categories for values
–	Farm work on the agricultural holding (apart from household work)	AWU bands ⁽²⁾
	Year when classified as manager of agricultural holding	year
–	Agricultural training of manager	training codes
–	Vocational training undertaken during the last 12 months	yes/no
Type of tenure of the UAA (in relation to the holder)		
–	Farming on own land	ha
–	Farming on rented land	ha
–	Share farming or other tenure modes	ha
–	Common land	ha
Organic farming		yes/no
–	Total UAA of the agricultural holding on which organic farming production methods are applied and certified according to national or European Union rules	ha
–	Total UAA of the agricultural holding that is under conversion to organic production methods to be certified according to national or European Union rules	ha
	Participation in other environmental certification schemes	yes/no

⁽¹⁾ L – Areas other than mountain areas facing significant natural constraints; M – less-favoured mountainous area; O – Other areas affected by specific constraints; N – normal area (non-LFA) This classification may be adapted in the future in the light of developments on CAP.

⁽²⁾ Annual Work Unit (AWU) percentage band 2: (> 0-< 25), (≥ 25-< 50), (≥ 50-< 75), (≥ 75-< 100), (100).

Variables of land				Total main area	of which organic farming certified and/or under conversion
UAA				ha	ha
–	Arable land			ha	ha
–	–	Cereals for the production of grain (including seed)		ha	ha
–	–	–	Common wheat and spelt	ha	ha
–	–	–	Durum wheat	ha	ha
–	–	–	Rye and winter cereal mixtures (maslin)	ha	
–	–	–	Barley	ha	
–	–	–	Oats and spring cereal mixtures (mixed grain other than maslin)	ha	
–	–	–	Grain maize and corn-cob mix	ha	

Variables of land				Total main area	of which organic farming certified and/or under conversion
–	–	–	Triticale	ha	
–	–	–	Sorghum	ha	
–	–	–	Other cereals n.e.c. (buckwheat, millet, canary seed, etc.)	ha	
–	–	–	Rice	ha	
–	–	Dry pulses and protein crops for the production of grain (including seed and mixtures of cereals and pulses)		ha	ha
–	–	–	Field peas, beans and sweet lupins	ha	
–	–	Root crops		ha	ha
–	–	–	Potatoes (including seed potatoes)	ha	ha
–	–	–	Sugar beet (excluding seed)	ha	ha
–	–	–	Other root crops n.e.c.	ha	
–	–	Industrial crops		ha	ha
–	–	–	Oilseeds	ha	ha
–	–	–	– Rape and turnip rape seeds	ha	
–	–	–	– Sunflower seed	ha	
–	–	–	– Soya	ha	ha
–	–	–	– Linseed (oilflax)	ha	
–	–	–	– Other oilseed crops n.e.c.	ha	
–	–	–	Fibre crops	ha	
–	–	–	– Fibre flax	ha	
–	–	–	– Hemp	ha	
–	–	–	– Cotton	ha	
–	–	–	– Other fibre crops n.e.c.	ha	
–	–	–	Tobacco	ha	
–	–	–	Hops	ha	
–	–	–	Aromatic, medicinal and culinary plants	ha	
–	–	–	Energy crops n.e.c.	ha	
–	–	–	Other industrial crops n.e.c.	ha	

Variables of land				Total main area	of which organic farming certi- fied and/or under conversion
–	–	Plants harvested green from arable land		ha	ha
–	–	–	Temporary grasses and grazings	ha	ha
–	–	–	Leguminous plants harvested green	ha	ha
–	–	–	Green maize	ha	
–	–	–	Other cereals harvested green (excluding green maize)	ha	
–	–	–	Other plants harvested green from arable land n.e.c.	ha	
–	–	Fresh vegetables (including melons) and strawberries		ha	ha
–	–	–	Fresh vegetables (including melons) and strawber- ries grown in rotation with horticultural crops (market gardening)	ha	
–	–	–	Fresh vegetables (including melons) and strawber- ries grown in rotation with non-horticultural crops (open field)	ha	
–	–	Flowers and ornamental plants (excluding nurseries)		ha	
–	–	Seeds and seedlings		ha	ha
–	–	Other arable land crops n.e.c.		ha	
–	–	Fallow land		ha	
–	Permanent grassland			ha	ha
–	–	Pasture and meadow, excluding rough grazings		ha	ha
–	–	Rough grazings		ha	ha
–	–	Permanent grassland no longer used for production pur- poses and eligible for the payment of subsidies		ha	
–	Permanent crops (including young and temporarily abandoned plantations, excluding areas producing for own consumption only)			ha	ha
–	–	Fruits, berries and nuts (excluding citrus fruits, grapes and strawberries)		ha	ha
–	–	–	Pome fruits	ha	
–	–	–	Stone fruits	ha	
–	–	–	Fruits from subtropical and tropical climate zones	ha	
–	–	–	Berries (excluding strawberries)	ha	
–	–	–	Nuts	ha	

Variables of land					Total main area	of which organic farming certi- fied and/or under conversion
–	–	Citrus fruits			ha	ha
–	–	Grapes			ha	
–	–	–	Grapes for wines		ha	ha
–	–	–	–	Grapes for wines with protected designation of origin (PDO)	ha	
–	–	–	–	Grapes for wines with protected geo- graphical indication (PGI)	ha	
–	–	–	–	Grapes for other wines n.e.c. (without PDO/PGI)	ha	
–	–	–	Grapes for table use		ha	
–	–	–	Grapes for raisins		ha	
–	–	Olives			ha	ha
–	–	Nurseries			ha	
–	–	Other permanent crops including other permanent crops for human consumption			ha	
–	–	–	Christmas trees		ha	
–	Kitchen gardens				ha	
Other farmland					ha	
–	Unutilised agricultural land				ha	
–	Wooded area				ha	
–	–	Short rotation coppices			ha	
–	Other land (land occupied by buildings, farmyards, tracks, ponds and other non-productive areas)				ha	
Special agricultural holding areas						
–	Cultivated mushrooms				ha	
UAA under glass or high accessible cover					ha	
–	Vegetables, including melons and strawberries under glass or high accessible cover				ha	ha
–	Flowers and ornamental plants (excluding nurseries) under glass or high accessible cover				ha	
–	Other arable land crops under glass or high accessible cover				ha	
–	Permanent crops under glass or high accessible cover				ha	
–	Other UAA under glass or high accessible cover n.e.c.				ha	

Variables of land				Total main area	of which organic farming certi- fied and/or under conversion
Irrigation on cultivated outdoor area					
–	Total irrigable area			ha	
Variables of livestock				Total number of animals	of which organic farming certi- fied and/or under conversion
Bovine animals					head
–	Bovine animals less than one year			head	
–	Bovine animals, 1 to less than 2 years			head	
–	–	Male bovine animals, 1 to less than 2 years		head	
–	–	Heifers, 1 to less than 2 years		head	
–	Male bovine animals two years old and over			head	
–	Female bovine 2 years and over			head	
–	–	Heifers two years old and over		head	
–	–	Cows		head	
–	–	–	Dairy cows	head	head
–	–	–	Non-dairy cows	head	head
–	–	–	Buffalo-cows	head	yes/no
Sheep and goats					
–	Sheep (all ages)			head	head
–	–	Breeding females		head	
–	–	Other sheep		head	
–	Goats (all ages)			head	head
–	–	Breeding females		head	
–	–	Other goats		head	
Pigs					head
–	Piglets, live weight of under 20 kg			head	
–	Breeding sows, live weight 50 kg and over			head	
–	Other pigs			head	

Variables of livestock			Total number of animals	of which organic farming certified and/or under conversion
Poultry				head
–	Broilers		head	head
–	Laying hens		head	head
–	Other poultry		head	
–	–	Turkeys	head	
–	–	Ducks	head	
–	–	Geese	head	
–	–	Ostriches	head	
–	–	Other poultry fowls n.e.c.	head	
Rabbits				
–	Breeding females		head	
Bees			hives	
Deer			yes/no	
Fur animals			yes/no	
Livestock n.e.c.			yes/no	

ANNEX IV

Topics and detailed topics within the module data

Module	Topic	Detailed topic
Labour force and other gainful activities	Farm management	Holder
		Labour input
		Gender balance
		Safety measures, including farm safety plan
	Family labour force	Labour input
		Number of persons involved
		Gender balance
	Non-family labour force	Labour input
		Number of persons employed
		Gender balance
		Non-regular labour force employed by the farm
		Labour input by contractors
	Other gainful activities directly related to the agricultural holding	Types of activities
		Importance to the agricultural holding
		Labour input
	Other gainful activities not directly related to the agricultural holding	Labour input
Rural development	Agricultural holdings supported by rural development measures	Advisory, farm management and farm relief services
		Farm and business development
		Quality schemes for agricultural products and food-stuffs
		Investments in physical assets
		Restoring agriculture production potential damaged by natural disasters and catastrophic events and introduction of appropriate prevention actions
		Investments in forest area development and improvement of the viability forests
		Agri-environment payments climate
		Organic farming
		Payments link to Natura 2000 and the water framework directive

Module	Topic	Detailed topic
Animal housing and manure management		Payments to areas facing natural or other specific constraints
		Animal welfare
		Risk management
	Animal housing	Bovine housing
		Pig housing
		Laying hen housing
	Nutrient use and manure on the farm	UAA fertilised
		Manure exported from and imported to the agricultural holding
		Organic and waste based fertilizers other than manure
	Manure application techniques	Incorporation time per type of spread
	Facilities for manure	Manure storage facilities and capacity
Irrigation	Irrigation practices	Availability of irrigation
		Irrigation methods
		Sources of irrigation water
		Technical parameters of the irrigation equipment
	Crops irrigated during a 12 months period	Cereals for the production of grain
		Dry pulses and protein crops for the production of grain
		Root crops
		Industrial crops
		Plants harvested green from arable land
		Other arable land crops
		Permanent grassland
		Permanent crops
Soil Management practices	Soil Management practices on outdoor land	Tillage methods
		Soil cover on arable land
		Crop rotation on arable land
		Ecological focus area

Module	Topic	Detailed topic
Machinery and equipment	Machinery	Internet facilities
		Basic machinery
		Use of precision farming
		Machinery for livestock management
		Storage for agricultural products
	Equipment	Equipment used for production of renewable energy on agricultural holdings
Orchard	Pome fruits	Apples: Area by age of plantations
		Apples: Area by density of trees
		Pears: Area by age of plantations
		Pears: Area by density of trees
	Stone fruits	Peaches: Area by age of plantations
		Peaches: Area by density of trees
		Nectarines: Area by age of plantations
		Nectarines: Area by density of trees
		Apricots: Area by age of plantations
		Apricots: Area by density of trees
	Citrus fruits	Oranges: Area by age of plantations
		Oranges: Area by density of trees
		Small citrus fruit: Area by age of plantations
		Small citrus fruit: Area by density of trees
		Lemons: Area by age of plantations
		Lemons: Area by density of trees
	Olives	Area by age of plantations
		Area by density of trees
	Grapes for table use and raisins	Grapes for table use: Area by age of plantations
		Grapes for table use: Area by density of vines
		Grapes for raisins: Area by age of plantations
		Grapes for raisins: Area by density of vines

Module	Topic	Detailed topic
Vineyard	Grapes for wine	Area and age
	Grape varieties	Number of varieties
		Code and area

ANNEX V

Precision requirements

The core data (in 2023 and 2026) and the module data shall be statistically representative for the relevant populations of agricultural holdings as defined in the precision table below at the level of NUTS 2 regions in terms of the size and the type of the agricultural holdings, in accordance with Council Regulation (EC) No 1217/2009 ⁽¹⁾, Commission Delegated Regulation (EU) No 1198/2014 and Commission Implementing Regulation (EU) 2015/220 ⁽²⁾.

The precision requirements apply to the variables in the table below.

The data in the frame extension in 2020 shall be statistically representative for the relevant population at the level of NUTS 2 regions as defined in the precision table below.

In addition, the precision requirements defined in the table apply to all NUTS 2 regions with at least:

- 5 000 agricultural holdings in the relevant population for the 'Orchard' and 'Vineyard' modules;
- 10 000 agricultural holdings in the relevant population for the core data, for all other modules and for the data in the frame extension.

For NUTS 2 regions with fewer agricultural holdings the precision requirements defined in the table apply to the associated NUTS 1 regions with at least:

- 500 agricultural holdings in the relevant population for the 'Orchard' and 'Vineyard' modules;
- 1 000 agricultural holdings in the relevant population for core data, all other modules and the data in the frame extension.

A national precision of maximum 5 % relative standard error is required for those variables of the 'Orchard' and 'Vineyard' modules with no applicable precision requirement for any NUTS 2 and NUTS 1 regions.

A national precision of a maximum of 7,5 % relative standard error is required for all variables of the other modules with no applicable precision requirement for any NUTS 2 and NUTS 1 regions for any variable.

Precision table

Relevant population	Variables for which precision requirements apply	Prevalence in the relevant population	Relative standard error
Core data in 2023 and 2026 and Labour force and other gainful activities module			
As defined by Article 5 for the core data and by Article 7 for the 'Labour force and other gainful activities module'.	Land variables <ul style="list-style-type: none"> — Cereals for the production of grain (including seed) — Oilseeds — Plants harvested green from arable land — Fresh vegetables (including melons), strawberries, flowers and ornamental plants (excluding nurseries) — Permanent grassland excluding rough grazings 	7,5 % or more of the UAA in the region	< 5 %

⁽¹⁾ Council Regulation (EC) No 1217/2009 of 30 November 2009 setting up a network for the collection of accountancy data on the incomes and business operation of agricultural holdings in the European Community (OJ L 328, 15.12.2009, p. 27).

⁽²⁾ Commission Implementing Regulation (EU) 2015/220 of 3 February 2015 laying down rules for the application of Council Regulation (EC) No 1217/2009 setting up a network for the collection of accountancy data on the incomes and business operation of agricultural holdings in the European Union (OJ L 46, 19.2.2015, p. 1).

Relevant population	Variables for which precision requirements apply	Prevalence in the relevant population	Relative standard error
	<ul style="list-style-type: none"> — Fruits, berries, nuts and citrus fruits (excluding grapes and strawberries) — Grapes — Olives 		
	Livestock variables <ul style="list-style-type: none"> — Dairy cows — Non-dairy cows — Other bovine animals (bovine animals less than 1 year, bovine animals 1 to less than 2 years, male bovine animals 2 years old and over, heifers 2 years old and over) — Breeding sows live weight 50 kg and over — Piglets live weight of under 20 kg and other pigs — Sheep and goats — Poultry 	7,5 % or more of the livestock units in the region and 5 % or more of the variable in the country	< 5 %

Core data for frame extension in 2020

As defined by Article 6	Land variables <ul style="list-style-type: none"> — Arable land — Permanent grassland excluding rough grazings — Permanent crops 	7,5 % or more of the UAA in the region	< 7,5 %
	Livestock variables <ul style="list-style-type: none"> — Total livestock units 	5 % or more of the variable in the country	< 7,5 %

Rural development module and
Machinery and equipment module

As defined by Article 7	Land variables as for the 'Labour force and other gainful activities' module	7,5 % or more of the UAA in the region	< 7,5 %
	Livestock variables as for the 'Labour force and other gainful activities' module	7,5 % or more of the livestock units in the region and 5 % or more of the variable in the country	< 7,5 %

Animal housing and manure management module

The subset of the population of agricultural holdings defined by Article 7 with at least one of the following: bovine animals, pigs, sheep, goats, poultry	Livestock variables as for the 'Labour force and other gainful activities' module	7,5 % or more of the livestock units in the region and 5 % or more of the variable in the country	< 7,5 %
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Relevant population	Variables for which precision requirements apply	Prevalence in the relevant population	Relative standard error
Irrigation module			
The subset of the population of agricultural holdings defined by Article 7 with irrigable area	Land variables — Total irrigable area	7,5 % or more of the UAA in the region	< 7,5 %
Soil management practices module			
The subset of the population of agricultural holdings defined by Article 7 with arable land	Land variables — Arable land	7,5 % or more of the UAA in the region	< 7,5 %
Orchard module			
The subset of the population of agricultural holdings defined by Article 7 with any of the individual orchard variables that meet the threshold specified in Article 7(5)	Orchard variables — The orchard variables among apples, pears, apricots, peaches, nectarines, oranges, small citrus fruits, lemons, olives, grapes for table use, grapes for raisins that meet the threshold specified in Article 7(5)	5 % or more of the UAA in the region	< 7,5 %
Vineyard module			
The subset of the population of agricultural holdings defined by Article 7 with grapes for wine	Vineyard variables — Grapes for wine	5 % or more of the UAA in the region	< 7,5 %

**REGULATION (EU) 2018/1092 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL
of 18 July 2018**

**establishing the European Defence Industrial Development Programme aiming at supporting the
competitiveness and innovation capacity of the Union's defence industry**

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 173 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) In its Communication of 30 November 2016 on a European Defence Action Plan, the Commission committed itself to complementing, leveraging and consolidating collaborative efforts by Member States in developing defence capabilities to respond to security challenges, as well as to fostering a competitive, innovative and efficient defence industry throughout the Union. It proposed, in particular, to launch a European Defence Fund (the 'Fund') to support investment in joint research and in the joint development of defence equipment and technologies, thereby encouraging joint procurement and joint maintenance of defence equipment and technologies. The Fund would not replace national efforts in this regard and should act as an incentive for Member States to cooperate and invest more in defence. The Fund would support cooperation during the whole cycle of defence product and technology development, thereby fostering synergies and cost effectiveness. The objective would be to deliver capabilities, ensure a competitive and innovative basis for the defence industry across the Union, including by cross-border cooperation and participation of small and medium-sized enterprises (SMEs), and to contribute to greater European defence cooperation.
- (2) In order to foster the competitiveness, efficiency and innovation capacity of the Union's defence industry, which contributes to the Union's strategic autonomy, a European Defence Industrial Development Programme (the 'Programme') should be established. The Programme should aim to enhance the competitiveness of the Union's defence industry, contributing to the improvement of defence capabilities, inter alia, in relation to cyber defence, by supporting cooperation between undertakings throughout the Union, including SMEs and middle capitalisation companies (mid-caps), research centres and universities, and collaboration between Member States, in the development phase of defence products and technologies, thus facilitating better exploitation of economies of scale in the defence industry and promoting the standardisation of defence systems while improving their interoperability. The development phase, which follows the research and technology phase, entails significant risks and costs that hamper the further exploitation of the results of research and adversely impact the competitiveness of the Union's defence industry. By supporting the development phase, the Programme would contribute to a better exploitation of the results of defence research and would help to cover the gap between research and production. It would also promote all forms of innovation, since the positive effects of such support can be expected to spill over into the civilian sector. The Programme complements activities carried out in accordance with Article 182 of the Treaty on the Functioning of the European Union and it does not cover the production or procurement of defence products or technologies.
- (3) In order to achieve more innovative solutions and to foster an open internal market, the Programme should provide strong support to the cross-border participation of SMEs and help create new market opportunities.
- (4) The Programme should cover a two-year period from 1 January 2019 to 31 December 2020. The financial amount for the implementation of the Programme should be determined for that period.

⁽¹⁾ OJ C 129, 11.4.2018, p. 51.

⁽²⁾ Position of the European Parliament of 3 July 2018 (not yet published in the Official Journal) and Decision of the Council of 16 July 2018.

- (5) This Regulation lays down a financial envelope for the entire duration of the Programme, which is to constitute the prime reference amount, within the meaning of point 17 of the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management ⁽¹⁾, for the European Parliament and the Council during the annual budgetary procedure.
- (6) When implementing the Programme, all funding instruments should be used in accordance with Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽²⁾, with a view to maximising the development of defence products and technologies. However, in view of the two-year duration of the Programme, the use of financial instruments could raise practical difficulties. Consequently, during that initial period, priority should be given to the use of grants and, in exceptional circumstances, to public procurement. Financial instruments could be an appropriate tool for use in the Fund after 2020.
- (7) The Commission may entrust part of the implementation of the Programme to entities referred to in point (c) of Article 58(1) of Regulation (EU, Euratom) No 966/2012.
- (8) After agreeing on common defence capability priorities at Union-level, particularly through the Capability Development Plan, also taking into account the Coordinated Annual Review on Defence, and with a view to fulfilling the EU's Level of Ambition as agreed by the Council in its conclusions of 14 November 2016 and endorsed by the European Council on 15 December 2016, Member States identify and consolidate military requirements and set the technical specifications of the project.
- (9) Member States should, where appropriate, also appoint a project manager, such as an international project management organisation, for example the Organisation for Joint Armament Cooperation, or an entity, such as the European Defence Agency, to lead the work related to the development of a collaborative action supported by the Programme. Where such an appointment is made, the Commission should consult the project manager on progress made with regard to the action prior to executing the payment to the beneficiary of the eligible action so that the project manager can ensure that the time-frames are respected by the beneficiaries.
- (10) The Union financial support should not affect the transfer of defence-related products within the Union in accordance with Directive 2009/43/EC of the European Parliament and of the Council ⁽³⁾, or the export of defence products, equipment or technologies. Nor should it affect the discretion of Member States regarding policy on the transfer within the Union and the export of such products, including in line with the common rules governing control of exports of military technology and equipment laid down in Council Common Position 2008/944/CFSP ⁽⁴⁾.
- (11) As the objective of the Programme is to support the competitiveness and efficiency of the Union defence industry by de-risking the development phase of cooperative projects, actions related to the development of a defence product or technology, namely feasibility studies and other accompanying measures, design (including the technical specifications on which the design is based), system prototyping, testing, qualification, certification and increasing efficiency over the life cycle of a defence product or technology, should be eligible for funding under the Programme. The upgrade of existing defence products and technologies, including the interoperability thereof, should also be eligible for funding under the Programme. Actions for the upgrade of existing defence products and technologies should be eligible only where pre-existing information needed to carry out the action is not subject to any restriction in a way that limits the ability to carry out the action.
- (12) Given that the aim of the Programme is, in particular, to enhance cooperation between undertakings across Member States, an action should be eligible for funding under the Programme only if it is to be carried out by a consortium of at least three undertakings based in at least three different Member States.
- (13) Cross-border collaboration between undertakings in the development of defence products and technologies has often been hampered by the difficulty to agree on common technical specifications or standards. The absence or

⁽¹⁾ OJ C 373, 20.12.2013, p. 1.

⁽²⁾ 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).

⁽³⁾ Directive 2009/43/EC of the European Parliament and of the Council of 6 May 2009 simplifying terms and conditions of transfers of defence-related products within the Community (OJ L 146, 10.6.2009, p. 1).

⁽⁴⁾ Council Common Position 2008/944/CFSP of 8 December 2008 defining common rules governing control of exports of military technology and equipment (OJ L 335, 13.12.2008, p. 99).

paucity of common technical specifications or standards has led to increased complexity, delays and inflated costs in the development phase. For actions involving a higher level of technological readiness, an agreement on common technical specifications should be a primary condition to be eligible for funding under the Programme. Feasibility studies and actions which aim to support the establishment of common technical specifications or standards should also be eligible for funding under the Programme.

- (14) In order to ensure that, in the implementation of this Regulation, the international obligations of the Union and its Member States are respected, actions relating to products or technologies of which the use, development or production are prohibited by international law should not be eligible for funding under the Programme. In that respect, the eligibility of actions for the development of new defence products or technologies, such as those that are specifically designed to carry out lethal strikes without any human control over the engagement decisions, should also be subject to developments in international law.
- (15) As the Programme aims to enhance the competitiveness and efficiency of the Union's defence industry, only entities which are established in the Union and are not subject to control by a third country or by a third-country entity should, in principle, be eligible for funding. Additionally, in order to ensure the protection of essential security and defence interests of the Union and its Member States, the infrastructure, facilities, assets and resources used by the beneficiaries and subcontractors in an action funded under the Programme, should not be located on the territory of a third country.
- (16) In certain circumstances, it should be possible to derogate from the principle that beneficiaries and subcontractors involved in an action are not subject to control by a third country or by a third-country entity. In that context, undertakings established in the Union that are controlled by a third country or by a third-country entity should be able to be eligible for funding provided that relevant, strict conditions relating to the security and defence interests of the Union and its Member States, as established in the framework of the Common Foreign and Security Policy pursuant to Title V of the Treaty on European Union (TEU), including in terms of strengthening the European Defence Technological and Industrial Base, are fulfilled. The participation of such undertakings should not contravene the objectives of the Programme. Beneficiaries should provide all relevant information about the infrastructure, facilities, assets and resources to be used in the action. Member States' concerns regarding security of supply should also be taken into account.
- (17) Cooperation between beneficiaries and subcontractors involved in the action and undertakings which are established in a third country or which are controlled by a third country or by a third-country entity should also be subject to relevant conditions relating to the security and defence interests of the Union and its Member States. In that context, there should be no unauthorised access by a third country or a third-country entity to classified information relating to the execution of the action. Access to classified information is authorised in accordance with the relevant security rules applicable to European Union classified information and to information classified according to national security classifications.
- (18) Eligible actions developed in the context of Permanent Structured Cooperation in the institutional framework of the Union would ensure enhanced cooperation between undertakings in the different Member States on a continuous basis and would thus directly contribute to the objectives of the Programme. Such actions should therefore be eligible for an increased funding rate. Eligible actions developed with an appropriate level of participation of mid-caps and SMEs, and in particular cross-border SMEs, support the opening up of the supply chains and contribute to the objectives of the Programme. Such actions should therefore be eligible for an increased funding rate, including to compensate for the increased risk and the increased administrative burden.
- (19) If a consortium wishes to participate in an eligible action under the Programme and financial assistance of the Union is to take the form of a grant, the consortium should appoint one of its members as a coordinator. The coordinator should be the principal point of contact with the Commission.
- (20) The promotion of innovation and technological development in the Union defence industry should enable the skills and know-how in the Union's defence industry to be maintained and developed and should contribute to strengthening its technological and industrial autonomy. In that context, the Programme could also help identify where the Union is dependent on third countries for the development of defence products and technologies. Such promotion of innovation and technological development should also take place in a manner consistent with the security and defence interests of the Union. Accordingly, an action's contribution to those interests and to the

defence capability priorities agreed by Member States within the framework of the Common Foreign and Security Policy should serve as an award criterion. Within the Union, common defence capability priorities are identified in particular through the Capability Development Plan. Other Union processes such as the Coordinated Annual Review on Defence and the Permanent Structured Cooperation support the implementation of relevant priorities through enhanced cooperation. Where appropriate, regional and international priorities, including those in the NATO context, may also be taken into account, on condition that they serve the Union's security and defence interests and do not prevent any Member State from participating, while also taking account of the need to avoid unnecessary duplication.

- (21) The Member States work individually and jointly on the development, production and operational use of unmanned aircraft, vehicles and vessels. Operational use in this context comprises carrying out strikes on military targets. The research and development associated with the development of such systems, including both military and civilian systems, have been supported by Union funds. It is planned that this will continue, possibly also under the Programme. Nothing in this Regulation should hinder the legitimate use of such defence products or technologies developed under the Programme.
- (22) In order to ensure that the funded actions are viable, Member States' commitment to effectively contribute to the financing of the action should be established in writing for example by a letter of intent by the Member States concerned.
- (23) In order to ensure that the funded actions contribute to the competitiveness and efficiency of the European defence industry, they should be market-oriented, demand driven and commercially viable in the medium to long term, including for dual-use technologies. The eligibility criteria should therefore take into account the fact that Member States intend to procure the final defence product, or use the technology, in a coordinated way, while the award criteria should take into account the fact that Member States commit politically or legally, to jointly use, own or maintain the final defence product or technology.
- (24) All award criteria should be taken into account when evaluating actions proposed for funding under the Programme. Since those criteria are not eliminatory, proposed actions that fail to satisfy one or several of those criteria should not be automatically excluded.
- (25) The financial assistance of the Union under the Programme should not exceed 20 % of the eligible cost of the action where it relates to system prototyping, which is often the most costly action in the development phase. However, it should be possible to cover the totality of the eligible costs for other actions in the development phase. In both instances, eligible costs should be understood within the meaning of Article 126 of Regulation (EU, Euratom) No 966/2012.
- (26) As the Programme should complement research activities, in particular in the defence area, and for the sake of consistency and administrative simplification, the same rules as those in the Preparatory Action on Defence Research (PADR) and the Horizon 2020 Framework Programme for Research and Innovation (2014-2020) ('Horizon 2020') should, to the extent possible, apply to the Programme. It is therefore appropriate to allow for the reimbursement of indirect costs at a flat rate of 25 % as under PADR and Horizon 2020.
- (27) As Union support aims to enhance the competitiveness of the defence sector and concerns only the specific development phase, the Union should not have ownership of or intellectual property rights in the defence products or technologies resulting from the funded actions. The applicable intellectual property rights regime is to be agreed contractually by the beneficiaries. Interested Member States should also have the possibility to participate in follow-up cooperative procurement. Furthermore, the results of actions funded under the Programme should not be subject to control or restriction by a third country or a third-country entity.
- (28) The Commission should establish a two-year work programme in line with the objectives of the Programme. The work programme should set out in detail the categories of projects to be funded under the Programme, including defence products and technologies such as remotely piloted systems, satellite communications, positioning, navigation and timing, autonomous access to space and permanent earth observation, energy sustainability, and cyber and maritime security, as well as high-end military capabilities in the air, land, maritime and joint domains, including enhanced situational awareness, protection, mobility, logistics and medical support and strategic enablers.

- (29) The Commission should be assisted in the establishment of the work programme by a committee of Member States ('committee'). The Commission should endeavour to find solutions which command the widest possible support within the committee. In that context, the committee may meet in the format of national defence experts to provide specific assistance to the Commission. It is for the Member States to designate their respective representatives on that committee. Committee members should be given early and effective opportunities to examine the draft implementing acts and express their views.
- (30) In light of the Union policy on SMEs as being key to ensuring economic growth, innovation, job creation, and social integration in the Union and the fact that the actions supported typically require trans-national collaboration, it is of importance that the work programme reflect and enable open and transparent cross-border access and participation of SMEs, and that therefore at least 10 % of the overall budget benefit such actions, allowing SMEs to be included in the value chains of the actions. A category of projects should be specifically dedicated to SMEs.
- (31) To ensure the success of the Programme, the Commission should endeavour to maintain a dialogue with a broad spectrum of Europe's industry, including SMEs and non-traditional suppliers to the defence sector.
- (32) In order to benefit from its expertise in the defence sector, and in accordance with the competences attributed to it by the TEU, the European Defence Agency should be invited as observer in the committee. The European External Action Service should also be invited to assist.
- (33) As a general rule, for the selection of actions to be funded by the Programme, the Commission or the entities referred to in point (c) of Article 58(1) of Regulation (EU, Euratom) No 966/2012 should organise competitive calls as provided for in that Regulation, and should ensure that the administrative procedures are kept as simple as possible and incur a minimum amount of additional expenses. However, in certain duly justified and exceptional circumstances, Union funding may also be granted in accordance with Article 190 of Commission Delegated Regulation (EU) No 1268/2012 ⁽¹⁾.
- (34) After evaluation of the proposals with the help of independent experts, whose security credentials should be validated by Member States, the Commission should select the actions to be funded under the Programme. The Commission should establish a database of independent experts. The database should not be made public. The independent experts should be appointed on the basis of their skills, experience and knowledge, taking account of the tasks to be assigned to them. As far as possible, when appointing the independent experts, the Commission should take appropriate measures to seek a balanced composition within the expert groups and evaluation panels in terms of variety of skills, experience, knowledge, geographical diversity and gender, taking into account the situation in the field of the action. An appropriate rotation of experts and appropriate private-public sector balance should also be sought. In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission as regards the adoption and the implementation of the work programme, as well as for awarding the funding to selected actions. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council ⁽²⁾. Member States should be informed of the evaluation results and progress in the funded actions.
- (35) The examination procedure should be used for the adoption of those implementing acts taking into account their substantial implications for the implementation of this Regulation.
- (36) The Commission should draw up an implementation report at the end of the Programme, examining the financial activities in terms of their financial implementation results and where possible, their impact. The implementation report should also analyse the cross-border participation of SMEs and mid-caps in actions under the Programme as well as the participation of SMEs and mid-caps in the global value chain. The report should also include information on the origin of beneficiaries and the distribution of the generated intellectual property rights.

⁽¹⁾ 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).

⁽²⁾ Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by the Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).

- (37) The financial interests of the Union should be protected through proportionate measures throughout the expenditure cycle, including the prevention, detection and investigation of irregularities, the recovery of funds lost, wrongly paid or incorrectly used and, where appropriate, administrative and financial penalties.
- (38) The Commission and the Member States should ensure the widest possible promotion of the Programme in order to increase its effectiveness and thus to improve the competitiveness of the defence industry and defence capabilities of the Member States.
- (39) Since the objectives of this Regulation cannot be sufficiently achieved by the Member States in view of the costs and associated risks but can rather 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 TEU. In accordance with the principle of proportionality as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve those objectives,

HAVE ADOPTED THIS REGULATION:

Article 1

Subject matter

This Regulation establishes a European Defence Industrial Development Programme (the 'Programme') for Union action covering the period from 1 January 2019 to 31 December 2020.

Article 2

Definitions

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

- (1) 'system prototype' means a model of a product or technology that can demonstrate performance in an operational environment;
- (2) 'qualification' means the entire process of demonstrating that the design of a defence product, tangible or intangible component or technology meets the specified requirements, providing objective evidence by which particular requirements of a design are demonstrated to have been met;
- (3) 'certification' means the process by which a national authority certifies that the defence product, tangible or intangible component or technology complies with the applicable regulations;
- (4) 'undertaking' means an entity, regardless of its legal status or the way in which it is financed, which is engaged in an economic activity, and which is established in the Member State in which it is incorporated, in accordance with the national law of that Member State;
- (5) 'executive management structure' means a body of an undertaking appointed in accordance with national law, and, where applicable, reporting to the chief executive officer, which is empowered to establish the undertaking's strategy, objectives and overall direction, and which oversees and monitors management decision-making;
- (6) 'third-country entity' means an entity established in a third country or, where it is established in the Union, having its executive management structures in a third country;
- (7) 'control' means the ability to exercise a decisive influence on an undertaking, directly, or indirectly through one or more intermediate undertakings;
- (8) 'small and medium-sized enterprises' or 'SMEs' means small and medium-sized enterprises as defined in Article 2 of the Annex to Commission Recommendation 2003/361/EC ⁽¹⁾;
- (9) 'middle-capitalisation company' or 'mid-cap' means an enterprise that is not a SME and that has up to 3 000 employees, where the staff headcount is calculated in accordance with Articles 3 to 6 of the Annex to Recommendation 2003/361/EC;
- (10) 'consortium' means a collaborative grouping of undertakings constituted to carry out an action under the Programme.

⁽¹⁾ Commission Recommendation 2003/361/EC of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises (OJ L 124, 20.5.2003, p. 36).

*Article 3***Objectives**

The Programme shall have the following objectives:

- (a) to foster the competitiveness, efficiency and innovation capacity of the defence industry throughout the Union, which contributes to the Union's strategic autonomy, by supporting actions in their development phase;
- (b) to support and leverage cooperation, including across borders, between undertakings, including SMEs and mid-caps, throughout the Union, and collaboration between Member States, in the development of defence products or technologies, while strengthening and improving the agility of defence supply and value chains, and fostering the standardisation of defence systems and their interoperability.

Such cooperation shall take place in line with defence capability priorities agreed by Member States within the framework of the Common Foreign and Security Policy and particularly in the context of the Capability Development Plan.

In that context, regional and international priorities, when they serve the Union's security and defence interests as determined under the Common Foreign and Security Policy, and taking into account the need to avoid unnecessary duplication, may also be taken into account, where appropriate, wherever they do not exclude the possibility of participation of any Member State;

- (c) to foster better exploitation of the results of defence research and contribute to development after the research phase, thereby supporting the competitiveness of the European defence industry on the internal market and the global marketplace, including by consolidation, where appropriate.

*Article 4***Budget**

The financial envelope for the implementation of the Programme for the period from 1 January 2019 to 31 December 2020 shall be EUR 500 million in current prices.

The annual appropriations shall be authorised by the European Parliament and the Council within the limits of the multiannual financial framework.

*Article 5***General financing provisions**

1. The Union's financial assistance may be provided through the types of financing envisaged by Regulation (EU, Euratom) No 966/2012, in particular grants and, in exceptional circumstances, public procurement.
2. The types of financing referred to in paragraph 1 and the methods of implementation, shall be chosen on the basis of their ability to achieve the specific objectives of the actions and to deliver results, taking into account, in particular, the costs of controls, the administrative burden and the risk of conflict of interests.
3. The Union's financial assistance shall be implemented by the Commission as provided for by Regulation (EU, Euratom) No 966/2012 directly or indirectly by entrusting budget implementation tasks to the entities listed in point (c) of Article 58(1) of that Regulation.
4. Member States shall, where appropriate, appoint a project manager. The Commission shall consult the project manager on the progress achieved in connection with the action before executing the payment to the eligible beneficiaries.

*Article 6***Eligible actions**

1. The Programme shall provide support for actions by beneficiaries in the development phase covering both new defence products and technologies and the upgrade of existing products and technologies provided that the use of pre-existing information needed to carry out the action for the upgrade is not subject to a restriction by a third country or by a third-country entity, directly, or indirectly through one or more intermediary undertakings.

An eligible action shall relate to one or more of the following:

- (a) studies, such as feasibility studies, and other accompanying measures;
- (b) the design of a defence product, tangible or intangible component or technology as well as the technical specifications on which such design has been developed, including partial tests for risk reduction in an industrial or representative environment;
- (c) the system prototyping of a defence product, tangible or intangible component or technology;
- (d) the testing of a defence product, tangible or intangible component or technology;
- (e) the qualification of a defence product, tangible or intangible component or technology;
- (f) the certification of a defence product, tangible or intangible component or technology;
- (g) the development of technologies or assets increasing efficiency across the life cycle of defence products and technologies.

2. Actions as referred to in paragraph 1 shall be carried out by undertakings cooperating within a consortium of at least three eligible entities which are established in at least three different Member States. At least three of those eligible entities established in at least two different Member States shall not be controlled, directly or indirectly, by the same entity or shall not control each other.

3. The consortium as referred to in paragraph 2 shall offer proof of viability by demonstrating that the costs of the action that are not covered by Union support are to be covered by other means of financing, such as by Member States' contributions.

4. With regard to actions referred to in points (c) to (g) of paragraph 1, the consortium shall provide proof of their contribution to the competitiveness of the European defence industry by demonstrating that at least two Member States intend to procure the final product or to use the technology in a coordinated way, including through joint procurement where applicable.

5. Actions as referred to in point (b) of paragraph 1 shall be based on common requirements jointly agreed by at least two Member States. Actions as referred to in points (c) to (g) of paragraph 1 shall be based on common technical specifications jointly agreed by the Member States that are to co-finance or that intend to jointly procure the final product or to jointly use the technology, as referred to in paragraphs 3 and 4, thereby strengthening the standardisation and interoperability of systems.

6. Actions for the development of products and technologies the use, development or production of which is prohibited by international law shall not be eligible for funding under the Programme.

Article 7

Eligible entities

1. Beneficiaries and subcontractors involved in the action shall be public or private undertakings established in the Union.

2. The infrastructure, facilities, assets and resources of the beneficiaries and subcontractors involved in the action which are used for the purposes of the actions funded under the Programme shall be located on the territory of the Union for the entire duration of the action, and their executive management structures shall be established in the Union.

3. For the purposes of the actions funded under the Programme, the beneficiaries and subcontractors involved in the action shall not be subject to control by a third country or by a third-country entity.

4. By derogation from paragraph 3 of this Article, and subject to Article 15(2), an undertaking established in the Union and controlled by a third country or by a third-country entity shall be eligible as a beneficiary or subcontractor involved in the action only if guarantees approved by the Member State in which it is established in accordance with its national procedures are made available to the Commission. Those guarantees may refer to the undertaking's executive management structure established in the Union. If deemed to be appropriate by the Member State in which the undertaking is established, those guarantees may also refer to specific governmental rights in the control over the undertaking.

The guarantees shall provide the assurances that the involvement in an action of such an undertaking would not contravene the security and defence interests of the Union and its Member States as established in the framework of the Common Foreign and Security Policy pursuant to Title V of the TEU, or the objectives set out in Article 3. The guarantees shall also comply with the provisions of Article 12. The guarantees shall in particular substantiate that, for the purpose of the action, measures are in place to ensure that:

- (a) control over the undertaking is not exercised in a manner that restrains or restricts its ability to carry out the action and to deliver results, that imposes restrictions concerning its infrastructure, facilities, assets, resources, intellectual property or know-how needed for the purpose of the action, or that undermines its capabilities and standards necessary to carry out the action;
- (b) access by a third country or by a third-country entity to sensitive information relating to the action is prevented and the employees or other persons involved in the action have national security clearances, where appropriate;
- (c) ownership of the intellectual property arising from, and the results of, the action remain within the beneficiary during and after completion of the action, are not subject to control or restriction by a third country or by a third-country entity, and are not exported outside the Union nor is access to them from outside the Union granted without the approval of the Member State in which the undertaking is established and in accordance with the objectives set out in Article 3.

If deemed to be appropriate by the Member State in which the undertaking is established, additional guarantees may be provided.

The Commission shall inform the committee referred to in Article 13 of any undertaking deemed to be eligible in accordance with this paragraph.

5. Where no competitive substitutes are readily available in the Union, beneficiaries and subcontractors involved in the action may use their assets, infrastructure, facilities and resources located or held outside the territory of Member States provided that that usage does not contravene the security and defence interests of the Union and its Member States, is consistent with the objectives of the Programme and is fully in line with Article 12.

The costs related to those activities shall not be eligible for funding under the Programme.

6. When carrying out an eligible action, beneficiaries and subcontractors involved in the action may also cooperate with undertakings established outside the territory of Member States or controlled by a third country or by a third-country entity, including by using the assets, infrastructure, facilities and resources of such undertakings, provided that this does not contravene the security and defence interests of the Union and its Member States. Such cooperation shall be consistent with the objectives set out in Article 3 and shall be fully in line with Article 12.

There shall be no unauthorised access by a third country or other third-country entity to classified information relating to the carrying out of the action and potential negative effects over security of supply of inputs critical to the action shall be avoided.

The costs related to those activities shall not be eligible for funding under the Programme.

7. Beneficiaries shall provide all relevant information necessary for the assessment of the eligibility criteria. In the event of a change during the carrying out of the action which might put into question the fulfilment of the eligibility criteria, the undertaking shall inform the Commission, which shall assess whether the eligibility criteria continue to be met and shall address the potential impact on the funding of the action.

8. For the purposes of this Article, subcontractors involved in the action refers to subcontractors with a direct contractual relationship to a beneficiary, other subcontractors to which at least 10 % of the total eligible cost of the action is allocated, as well as subcontractors which may require access to classified information in order to carry out the contract.

Article 8

Declaration by undertakings

Each undertaking within a consortium wishing to participate in an action shall declare, by written statement, that it is fully aware of and complies with applicable national and Union law relating to activities in the domain of defence.

*Article 9***Consortium**

1. Where the Union's financial assistance is provided by means of a grant, the members of any consortium wishing to participate in an action shall appoint one of its members to act as coordinator. The coordinator shall be identified in the grant agreement. The coordinator shall be the principal point of contact between the members of the consortium in relations with the Commission or the relevant funding body, unless specified otherwise in the grant agreement or in the event of non-compliance with its obligations under the grant agreement.
2. The members of a consortium participating in an action shall conclude an internal agreement establishing their rights and obligations with respect to the carrying out of the action in accordance with the grant agreement, except in duly justified cases provided for in the work programme or in the call for proposals. The internal agreement shall also include arrangements regarding the intellectual property rights relating to the products and technologies developed.

*Article 10***Award criteria**

Actions proposed for funding under the Programme shall be evaluated on the basis of each of the following criteria:

- (a) contribution to excellence in particular by showing that the proposed action presents significant advantages over existing defence products or technologies;
- (b) contribution to innovation, in particular by showing that the proposed action includes ground-breaking or novel concepts and approaches, new promising future technological improvements or the application of technologies or concepts previously not applied in the defence sector;
- (c) contribution to the competitiveness and growth of defence undertakings throughout the Union, in particular by creating new market opportunities;
- (d) contribution to the industrial autonomy of the European defence industry and to the security and defence interests of the Union by enhancing defence products or technologies in line with defence capability priorities agreed by Member States within the framework of the Common Foreign and Security Policy, particularly in the context of the Capability Development Plan, and, where appropriate, regional and international priorities provided that they serve the Union's security and defence interests and do not exclude the possibility of participation of any Member State;
- (e) the proportion of the overall budget of the action to be allocated to the participation of SMEs established in the Union bringing industrial or technological added value, as members of the consortium, as subcontractors or as other undertakings in the supply chain, and in particular the proportion of the overall budget of the action to be allocated to SMEs which are established in Member States other than those where the undertakings in the consortium which are not SMEs are established;
- (f) for actions referred to in points (c) to (f) of Article 6(1), contribution to the further integration of the European defence industry through the demonstration by the beneficiaries that Member States have committed to jointly use, own or maintain the final product or technology.

Where relevant, contribution to increasing efficiency across the life cycle of defence products and technologies, including cost-effectiveness and the potential for synergies in the procurement and maintenance process, shall be taken into consideration in relation to the application of the criteria referred to in points (a), (b) and (c) of the first paragraph.

*Article 11***Funding rates**

1. The financial assistance of the Union provided under the Programme shall not exceed 20 % of the total eligible cost of an action as referred to in point (c) of Article 6(1). In all the other cases, the assistance may cover up to the total eligible cost of the action.
2. An action as referred to in Article 6(1) that is developed in the context of Permanent Structured Cooperation may benefit from a funding rate increased by an additional 10 percentage points.
3. An action as referred to in Article 6(1) may benefit from an increased funding rate, as referred to in the second and third subparagraphs of this paragraph, where at least 10 % of the total eligible cost of the action is allocated to SMEs established in the Union.

The funding rate may be increased by percentage points equivalent to the percentage of the total eligible cost of an action allocated to SMEs established in Member States in which the undertakings in the consortium that are not SMEs are established, up to an additional 5 percentage points.

The funding rate may be increased by percentage points equivalent to twice the percentage of the total eligible cost of an action allocated to SMEs established in Member States other than those referred to in the second subparagraph.

4. An action as referred to in Article 6(1) may benefit from a funding rate increased by an additional 10 percentage points where at least 15 % of the total eligible cost of the action is allocated to mid-caps established in the Union.

5. Indirect eligible costs shall be determined by applying a flat rate of 25 % of the total direct eligible costs, excluding direct eligible costs for subcontracting.

6. The overall increase in the funding rate of an action following the application of paragraphs 2, 3 and 4 shall not exceed 35 percentage points.

7. The financial assistance of the Union provided under the Programme, including increased funding rates, shall not cover more than 100 % of the eligible cost of the action.

Article 12

Ownership and intellectual property rights

1. The Union shall not own the products or technologies resulting from the action nor shall it have any intellectual property rights claim pertaining to the action.

2. The results of actions which receive funding under the Programme shall not be subject to control or restriction by a third country or by a third-country entity, directly, or indirectly through one or more intermediate undertakings, including in terms of technology transfer.

3. This Regulation shall not affect the discretion of Member States as regards policy on the export of defence-related products.

4. With regard to the results generated by beneficiaries that have received funding under the Programme and without prejudice to paragraph 3 of this Article, the Commission shall be notified of any transfer of ownership to a third country or to a third-country entity. If such transfer of ownership contravenes the objectives set out in Article 3, the funding provided under the Programme shall be reimbursed.

5. If Union assistance is provided in the form of public procurement of a study, all Member States shall have the right, free of charge, to a non-exclusive licence for the use of the study upon their written request.

Article 13

Committee procedure

1. The Commission shall be assisted by a committee. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011. The European Defence Agency shall be invited to provide its views and expertise to the committee as an observer. The European External Action Service will also be invited to assist.

The committee shall also meet in special configurations, including in order to discuss defence aspects.

2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.

Where the committee delivers no opinion, the Commission shall not adopt the draft implementing act and the third subparagraph of Article 5(4) of Regulation (EU) No 182/2011 shall apply.

Article 14

Work programme

1. The Commission, by means of an implementing act, shall adopt a two-year work programme. That implementing act shall be adopted in accordance with the examination procedure referred to in Article 13(2). The work programme shall be consistent with the objectives set out in Article 3.

2. The work programme shall set out in detail the categories of projects to be funded under the Programme. Those categories shall be in line with the defence capability priorities referred to in point (b) of Article 3.

Those categories shall cover capabilities regarding innovative defence products and technologies in the fields of:

- (a) preparation, protection, deployment and sustainability;
- (b) information management and superiority and command, control, communication, computers, intelligence, surveillance and reconnaissance (C4ISR), cyber defence and cybersecurity; and
- (c) engagement and effectors.

The work programme shall also include a category of projects specifically dedicated to SMEs.

3. The work programme shall ensure that at least 10 % of the overall budget benefits the cross-border participation of SMEs.

Article 15

Evaluation and award procedure

1. In the implementation of the Programme, Union funding shall be granted following competitive calls issued in accordance with Regulation (EU, Euratom) No 966/2012 and Delegated Regulation (EU) No 1268/2012. In certain duly justified and exceptional circumstances, Union funding may also be granted in accordance with Article 190 of Delegated Regulation (EU) No 1268/2012.

2. The proposals submitted following the call for proposals shall be evaluated by the Commission on the basis of the eligibility and award criteria set out in Articles 6, 7, 8 and 10.

The Commission shall be assisted, in the context of the award procedure, by independent experts, whose security credentials shall be validated by Member States. Those experts shall be Union nationals from as broad a range of Member States as possible and shall be selected on the basis of calls for applications with a view to establishing a database of candidates.

The committee referred to in Article 13 shall be informed on an annual basis of the list of experts in the database, to be transparent as to the credentials of the experts. The Commission shall also ensure that experts do not evaluate, advise or assist on matters with regard to which they have a conflict of interests.

3. The Commission shall, by means of implementing acts, award the funding for selected actions after each call or after application of Article 190 of Delegated Regulation (EU) No 1268/2012. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 13(2).

Article 16

Annual instalments

The Commission may divide budgetary commitments into annual instalments.

Article 17

Monitoring and reporting

1. The Commission shall regularly monitor the implementation of the Programme and shall report annually on the progress made in accordance with point (e) of Article 38(3) of Regulation (EU, Euratom) No 966/2012. To that end, the Commission shall put in place the necessary monitoring arrangements.

2. To support the greater efficiency and effectiveness of future Union policy actions, the Commission shall draw up a retrospective evaluation report and shall submit it to the European Parliament and to the Council. The report shall build on relevant consultations of Member States and key stakeholders and shall, in particular, assess the progress made towards the achievement of the objectives set out in Article 3. It shall also analyse cross-border participation, including of SMEs and mid-caps, in actions carried out under the Programme as well as the integration of SMEs and mid-caps in the global value chain. The report shall also contain information on the countries of origin of the beneficiaries and, where possible, the distribution of the generated intellectual property rights.

*Article 18***Protection of the financial interests of the Union**

1. The Commission shall take appropriate measures to ensure that, when actions financed under this Regulation are implemented, the financial interests of the Union are protected by the application of preventive measures against fraud, corruption and any other illegal activities, by effective checks and, if irregularities are detected, by the recovery of the amounts wrongly paid and, where appropriate, by effective, proportionate and dissuasive administrative and financial penalties.
2. The Commission or its representatives and the Court of Auditors shall have the power of audit or, in the case of international organisations, the power of verification in accordance with agreements reached with them, on the basis of documents and on the spot, over all grant beneficiaries, contractors and subcontractors who have received Union funds under the Programme.
3. The European Anti-Fraud Office (OLAF) may carry out investigations, including on-the-spot checks and inspections, in accordance with the provisions and procedures laid down in Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council ⁽¹⁾ and Council Regulation (Euratom, EC) No 2185/96 ⁽²⁾, with a view to establishing whether there has been fraud, corruption or any other illegal activity affecting the financial interests of the Union in connection with a grant agreement or grant decision or a contract funded under the Programme.
4. Without prejudice to paragraphs 1, 2 and 3, cooperation agreements with third countries and with international organisations, contracts, grant agreements and grant decisions, resulting from the implementation of this Regulation shall contain provisions expressly empowering the Commission, the Court of Auditors and OLAF to conduct such audits and investigations, in accordance with their respective competences.

*Article 19***Entry into force**

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

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

Done at Brussels, 18 July 2018.

For the European Parliament

The President

A. TAJANI

For the Council

The President

J. BOGNER-STRAUSS

⁽¹⁾ Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF) and repealing Regulation (EC) No 1073/1999 of the European Parliament and of the Council and Council Regulation (Euratom) No 1074/1999 (OJ L 248, 18.9.2013, p. 1).

⁽²⁾ Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities (OJ L 292, 15.11.1996, p. 2).

JOINT STATEMENT ON FINANCING OF THE EUROPEAN DEFENCE INDUSTRIAL DEVELOPMENT PROGRAMME

The European Parliament and the Council agree, without prejudice to the prerogatives of the budgetary authority in the framework of the annual budgetary procedure, that the financing of the European Defence Industrial Development Programmes will be covered in the years 2019-2020 as follows:

- EUR 200 million from the unallocated margin;
 - EUR 116,1 million from CEF;
 - EUR 3,9 million from Egnos;
 - EUR 104,1 million from Galileo;
 - EUR 12 million from Copernicus;
 - EUR 63,9 million from ITER.
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II

(Non-legislative acts)

DECISIONS

DECISION (EU) 2018/1093 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**of 4 July 2018****on the mobilisation of the European Globalisation Adjustment Fund following an application from France — EGF/2017/009 FR/Air France**

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EU) No 1309/2013 of the European Parliament and of the Council of 17 December 2013 on the European Globalisation Adjustment Fund (2014-2020) and repealing Regulation (EC) No 1927/2006 ⁽¹⁾, and in particular Article 15(4) thereof,

Having regard to the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management ⁽²⁾, and in particular point 13 thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) The European Globalisation Adjustment Fund (EGF) aims to provide support for workers made redundant and self-employed persons whose activity has ceased as a result of major structural changes in world trade patterns due to globalisation, as a result of a continuation of the global financial and economic crisis, or as a result of a new global financial and economic crisis, and to assist them with their reintegration into the labour market.
- (2) The EGF is not to exceed a maximum annual amount of EUR 150 million (2011 prices), as laid down in Article 12 of Council Regulation (EU, Euratom) No 1311/2013 ⁽³⁾.
- (3) On 23 October 2017, France submitted an application to mobilise the EGF, in respect of redundancies in Air France in France. It was supplemented by additional information provided in accordance with Article 8(3) of Regulation (EU) No 1309/2013. That application complies with the requirements for determining a financial contribution from the EGF as laid down in Article 13 of Regulation (EU) No 1309/2013.
- (4) The EGF should, therefore, be mobilised in order to provide a financial contribution of EUR 9 894 483 in respect of the application submitted by France.
- (5) In order to minimise the time taken to mobilise the EGF, this decision should apply from the date of its adoption,

⁽¹⁾ OJ L 347, 20.12.2013, p. 855.

⁽²⁾ OJ C 373, 20.12.2013, p. 1.

⁽³⁾ Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020 (OJ L 347, 20.12.2013, p. 884).

HAVE ADOPTED THIS DECISION:

Article 1

For the general budget of the Union for the financial year 2018, the European Globalisation Adjustment Fund shall be mobilised to provide the amount of EUR 9 894 483 in commitment and payment appropriations.

Article 2

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

It shall apply from 4 July 2018.

Done at Strasbourg, 4 July 2018.

For the European Parliament

The President

A. TAJANI

For the Council

The President

K. EDTSTADLER

