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**REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND
THE COUNCIL**

**8th FINANCIAL REPORT FROM THE COMMISSION TO THE EUROPEAN
PARLIAMENT AND THE COUNCIL
on the EUROPEAN AGRICULTURAL FUND FOR RURAL DEVELOPMENT
(EAFRD)
2014 FINANCIAL YEAR**

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1. BUDGET PROCEDURE

1.1. Financial framework

CAP expenditure in 2014 is funded within two financial frameworks (MFFs): 2007-2013 and 2014-2020. The financial framework 2007-2013 was agreed in the Inter-institutional Agreement between the European Parliament and the Council in May 2006, amended to take into account the Galileo-programme in 2007, the reprogramming of rural development in 2008 and the European Economic Recovery Package (EERP) in 2009. The financial framework 2014-2020 is provided by the Council Regulation (EU) No 1311/2013. CAP expenditure is part of Heading 2 "Preservation and management of natural resources" in MFF 2007-2013 and "Sustainable growth: natural resources" in MFF 2014-2020. A specific sub-ceiling has been decided for market related expenditure and direct aids within this heading.

The CAP amounts included in heading 2 are:

Table 1a – Financial framework 2007-2013

HEADING 2. Preservation and Management of Natural resources	In million EUR; current prices						
	2007	2008	2009	2010	2011	2012	2013
TOTAL ^{a), b)}	55 143	59 193	56 333	59 955	59 888	60 810	61 289
of which :							
- Rural development ^{a), c), d)}	10 902	13 303	14 002	14 364	14 436	14 617	14 817
- Market related expenditure and direct aids, ^{c)}	44 753	44 592	44 887	44 276	44 467	44 710	44 939

a) After reprogramming of rural development (EUR 1 469 Mio).

b) After transfer of EUR 1 600 million to Galileo in 2007 and of EUR 2 000 million to the European Economic Recovery Package in 2009 and financial needs for ITER 2011.

c) After transfer into Rural Development of the lower expected expenditure resulting from the reforms of the tobacco, cotton and wine CMOs and from the compulsory and voluntary modulation (UK), art 136 of regulation 73/2009 and reduction due to financing of the EERP (D 237/2010 EU).

Table 1b – Financial framework 2014-2020

HEADING 2. Sustainable growth: natural resources	In million EUR; current prices						
	2014	2015	2016	2017	2018	2019	2020
TOTAL	49 857	64 692	64 262	60 191	60 267	60 344	60 421
of which :							
- Rural development ^{a), b), c), d), e)}	5 299	18 184	18 685	14 372	14 382	14 331	14 334
- Market related expenditure and direct aids, ^{a), b), c), d)}	43 779	44 190	43 949	44 145	44 161	44 240	44 263

a) After net transfer of EUR 351.9 million between EAGF and EAFRD for the financial year 2014 (see note f) for details)

- b) After net transfer of EUR 51.6 million between EAGF and EAFRD for the financial year 2015 (see note f) for details)
- c) After net transfer of EUR 4 million between EAGF and EAFRD for the financial years 2016-2020 (see note f) for details)
- d) After net transfer of EUR 3581.9 million between EAGF and EAFRD for financial years 2015-2020 (see note f) for details)
- e) After the reprogramming of the EAFRD allocation of year 2014 following the application of Article 19 of MFF Regulation (EU) No 1311/2013 a total amount of EUR 8 705 million deducted from 2014 commitments was equally distributed to 2015 and 2016 commitments.
- f) The transfers into Rural Development (EAFRD) mentioned in notes a) to d) above involve: EUR 4 million transferred annually for the whole period 2014-2020 from the cotton sector (EL) on the basis of Article 66(1) of Regulation (EU) No 1307/2013, EUR 296.3 million set for the voluntary adjustment transferred for the financial year 2014 (UK) on the basis of Article 10b and 10c(2) of Regulation (EC) No 73/2009, EUR 51.6 million for unspent amounts transferred each year for financial years 2014 and 2015 (SE and DE) on the basis of Articles 136 and 136b of Regulation (EC) No 73/2009 and EUR 3581.9 million for the reduction of payments and the flexibility between pillars on the basis of Articles 7(2) and 14(1) of Regulation (EU) No 1307/2

1.2. Draft Budget (DB) 2014

The 2014 Draft Budget (DB) was adopted by the Commission and proposed to the Budgetary Authority on 28 June 2013.

The Draft Budget for the European Agricultural Fund for Rural Development (EAFRD) under heading 2 of the Financial Framework 2007-2013 totalled EUR 10 340 million in payment appropriations. No commitment appropriations were requested for year 2014 as the old programming period ended in 2013. For the new programming period 2014-2020, the DB 2014 included EUR 13 987 million in commitment appropriations and EUR 1 312 million in payment appropriations.

Table 2

Budget Item	Commitment appropriations (in EUR)	Payment appropriations (in EUR)
2007-2013		
05.040501 (Rural dev. Programmes)	-	10 333 305 000
05.040502 (Operational technical assistance)	-	6 433 956
2014-2020		
05.046001 (Rural dev. Programmes)	13 970 049 059	1 303 887 960
05.046002 (Operational technical assistance)	17 222 000	7 748 500

The Council adopted its position on the 2014 Draft Budget on 2 September 2013. Payment appropriations for EAFRD programmes were reduced by EUR 4.6 million for the old programming period and EUR 50 million for the new programming

period as compared to the Commission's DB while commitments remained unchanged. The European Parliament adopted its position on 23 October 2013 whereby it restored the Commission's proposal. The Conciliation procedure resulted in an agreement between the two institutions. The Council and the European Parliament agreed to a compromise package on 12 November 2013.

1.3. The adoption of the 2014 Budget

The Draft Budget was approved by the Parliament in a vote on 20 November 2013. The voted budget for the EAFRD in chapter 05 04 amounted to EUR 10 336 million in payment appropriations for the programming period 2007-2013 and EUR 13 987 million in commitment appropriations and EUR 1 275 million in payment appropriations for the period 2014-2020.

Table 3

Budget Item	Commitment appropriations (in EUR)	Payment appropriations (in EUR)
05.040501 (Rural dev. Programmes 2007-2013)	-	10 329 896 149
05.040502 (Technical assistance 2007-2013)	-	6 433 956
05.046001 (Rural dev. Programmes 2014-2020)	13 970 049 059	1 267 275 423
05.046002 (Technical assistance 2014-2020)	17 222 000	7 748 500

1.4. The adoption of the Amending Budgets

Amending Budget No 2 was adopted on 17 December 2014. It reduced the payment appropriations for the Rural Development Programmes 2014-2020 by EUR 20 million.

2. MANAGEMENT OF APPROPRIATIONS

2.1. Management of Commitment appropriations

2.1.1. EAFRD rural development programmes

Budget 2014 did not include any commitment appropriations for EAFRD 2007-2013 programmes whilst commitment appropriation for EAFRD 2014-2020 amounted in total to EUR 13 970 million.

Table 4

Management of commitment appropriations in 2014 – EAFRD	Budget Item 05.040501 (amounts in euro)	Budget Item 05.046001 (amounts in euro)
Appropriations at the beginning of 2014	-	13 970 049 059
Carryover from 2013	-	0
Appropriations available in 2014	-	13 970 049 059
Appropriations used in 2014	-	3 294 627 697

2.1.2. *Technical assistance*

Article 51(1) of Regulation (EU) No 1305/2013 provides that the EAFRD may use up to 0.25% of its annual allocation to finance, at the initiative of the Commission, the technical assistance actions necessary to implement the rural development policy and, in particular, the costs for setting up and operating the European network for rural development and the European Innovation Partnership (EIP) network. In the 2014 budget, the initial amount available for this purpose was EUR 17.2 million. Of this, EUR 0.7 million was redeployed to other items of the budget. At the end of 2014, the total amount committed was EUR 11.9 million.

2.2. **Management of payment appropriations**

2.2.1. *EAFRD rural development programmes*

For programmes 2007-2013, payment appropriations of the voted budget 2014 amounted to EUR 10 330 million. In addition, the available assigned revenue, either carried over from 2013 or collected during the year, amounted to EUR 149.9 million. During the year, the monitoring of the implementation of the budget and the analysis of the forecasts submitted by Member States revealed an additional need of EUR 536.4 million in payment appropriations. This additional need was covered with transfers from 2014-2020 programmes and technical assistance lines

The total amount paid to Member States for EAFRD programmes 2007-2013 in 2014 reached EUR 10 947 million. EUR 69 million of assigned revenue were automatically carried over to 2015.

For programmes 2014-2020, payment appropriations of the voted budget amounted to EUR 1 267 million. Of this amount, only EUR 225 million were implemented in 2014 due to the late adoption of new rural development programmes. As regards the surplus, part was made available to old programmes (EUR 532 million) and the rest was included in the End of Year transfer (EUR 490 million) or in the Amending Budget No 2/2014 (EUR 20 million).

Table 5

Management of payment appropriations in 2014 (in euro)	
EAFRD (2007-2013) Budget Item - 05.040501	
Appropriations at the beginning of 2014	10 329 896 149
Assigned revenue carried over from 2013	80 494 135
Assigned revenue collected in 2014	69 413 811
Transfers from 2014-2020 RDPs and TA lines	536 390 000
Appropriations available in 2014	11 016 194 095
Appropriations used in 2014	10 947 350 314
EAFRD (2014-2020) Budget Item - 05.046001	
Appropriations at the beginning of 2014	1 267 275 423
Transfer to 2007-2013 programmes	- 532 190 000
Amending Budget No 2/2014	- 20 000 000
End-of-the year transfer	- 490 090 023
Appropriations available in 2014	224 995 400
Appropriations used in 2014	224 989 886

2.2.2. *Technical assistance*

Total payment appropriations in 2014 budget amounted to EUR 14.2 million. Of this amount, EUR 6.4 million related to 2007-2013 outstanding needs (open RAL of budget item 05.040502) whereas EUR 7.7 million corresponded to new period's technical assistance (item 05.046002). At the end of the year, total payments reached EUR 8.4 million while EUR 4.2 million were redeployed to reinforce 2007-2013 programmes.

3. **IMPLEMENTATION OF THE 2014 EAFRD BUDGET**

3.1. **Introduction**

The last commitments of the programming period 2007-2013 were made in financial year 2013. As regards payments, the pace of the implementation of rural development programmes recorded in 2014 continued at high level even though, for some programmes, declarations of expenditure were not completely reimbursed due to the application of the 95% capping. Execution in 2014 represents 83.5% of 2012 execution, which is the highest execution recorded during this programming period.

3.2. Implementation of commitment appropriations

3.2.1. EAFRD rural development programmes

In 2014, commitment appropriations were available only for EAFRD programmes 2014-2020. The 2014 voted budget amounted to EUR 13 970 million but the late adoption of programmes did not permit to commit the entire amount. As a result, for the programmes not adopted, it was necessary either to reprogramme the allocations or, in case the requirements set by Regulation (EU) 966/2012 were met, to carryover the corresponding appropriations to year 2015. Table 6 shows the allocation established by Regulation (EU) No 1305/2013 of 17/12/2013 as amended by Commission Delegated Regulation (EU) 2015/791 of 27/04/2015 (i.e. including the reprogramming) for new EAFRD programmes and the amounts committed per Member State in 2014.

Table 6

Regulation (EU) No 1305/2013 vs. the amounts committed end of 2014			
Budget item: 05.046001			<i>(in euro)</i>
MS	Regulation (EU) No 1305/2013 – EU funds 2014	Amounts carried over for commitment in 2014	Amounts committed in the budget year 2014
	(a)	(b)	(c=a+b)
AT	557 806 503	-	557 806 503
BE	40 855 562	-	-
BG	-	-	-
CY	-	-	-
CZ	-	-	-
DE	664 601 903	-	234 970 693
DK	90 287 658	-	90 287 658
EE	103 626 144	-	-
ES	-	-	-
FI	335 440 884	-	332 522 548
FR	4 353 019	-	-
GR	-	-	-
HR	-	-	-
HU	-	-	-
IE	-	-	-
IT	-	-	-
LT	230 392 975	-	-
LU	-	-	-
LV	138 327 376	-	-
MT	-	-	-
NL	87 118 078	-	-
PL	1 569 517 638	-	1 569 517 638
PT	577 031 070	-	509 522 657
RO	-	-	-
SE	-	-	-
SI	118 678 072	-	-
SK	271 154 575	-	-
UK	475 531 544	-	-
Total	5 264 723 001	-	3 294 627 697

3.2.2. *Technical assistance*

Table 7 shows the commitment appropriations for technical assistance consumed in 2014. The most important part relates to European Network for Rural Development.

Table 7

Technical assistance – Implementation of commitment appropriations	
Budget Item: 05.046002 <i>(in euro)</i>	
Description	Amount committed
Contact point of the European Network for Rural Development	4 000 000
Experts groups / Coordination committee / Seminars (ENRD)	1 087 693
EIP (Website and Network Facility)	2 569 923
Information technology	1 927 013
Protection of symbols	290 443
Events	1 000 000
European Evaluation Network (evaluation helpdesk and expert committees)	993 950
Total	11 869 022

3.3. **Implementation of payment appropriations**

3.3.1. *EAFRD rural development programmes*

For the programming period 2007-2013 all payment appropriations available in the voted budget 2014 were implemented (EUR 10 330 million). Additional payments of EUR 81 million and EUR 536.4 million were made respectively with appropriations from assigned revenue and transfers from technical assistance lines (05.040502 and 05.046002) and the line for new programmes(05.046001). At the end of 2014, the total amount paid for EAFRD programmes 2007-2013 was EUR 10 947 million. EUR 68.8 million of assigned revenue were carried over to 2015

For the programming period 2014-2020 only the pre-financing in the amount of EUR 225 million was paid.

Table 8 below shows the breakdown of payments made in 2014 by declaration period:

Table 8

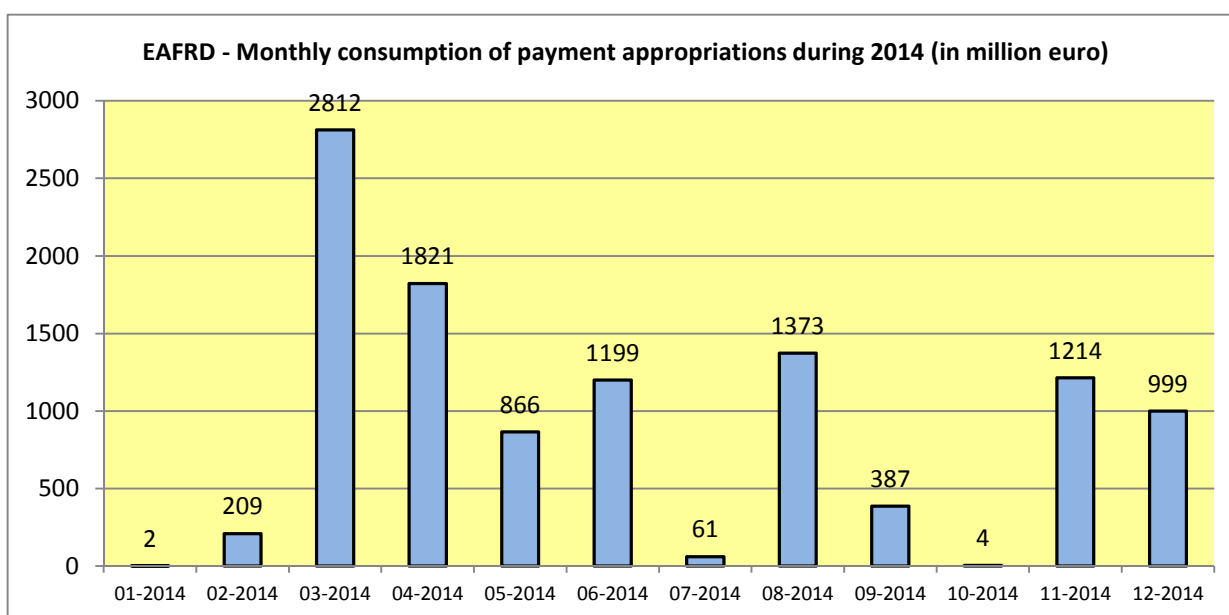
Payments 2014 for EAFRD rural development programmes (in million euro)	2007-2013	2014-2020
	Item 05.040501	Item 05.046001
Reimbursement of payment claims Q3 2013	2.61	-
Reimbursement of payment claims Q4 2013	4 927.28	-
Reimbursement of payment claims Q1 2014	2 101.38	-
Reimbursement of payment claims Q2 2014	1 711.84	-
Reimbursement of payment claims Q3 2014	2 204.24	-
Pre-financing 2014-2020	-	224.99
Total 2014	10 947.35	224.99

For programmes 2007-2013, the monthly consumption of payment appropriations during the year (January to December 2014) is represented in the graph below. The rhythm of consumption is linked to the calendar for sending the four payment declarations (31 January, 30 April, 31 July and 10 November for the payment claims corresponding respectively to Q4 2013, Q1 2014, Q2 2014 and Q3 2014) in accordance article 22 (2) of the Commission Implementing Regulation (EU) No 908/2014.

As regards, programmes 2014-2020, all advances (EUR 225 million) were paid in December 2014.

The graph shows the monthly consumption of payment appropriations. The rhythm of payments was influenced by treasury constraints that delayed some reimbursements in the first part of 2014 (January to June) and at the end of the year.

Graph 1



The breakdown per Member State and per declaration period of the amounts paid by the Commission for programmes 2007-2013 in budget year 2014 is shown in table 9a. The total amount paid, EUR 10 947 million, relates to interim payments only.

Table 9a

Payments effectively made between 01/01/2014 and 31/12/2014						
Budget item 05.040501						<i>(in euro)</i>
MS	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Grand Total
AT	0	244 873 999	0	0	0	244 873 999
BE	0	2 689 192	3 244 454	9 266 757	1 427 705	16 628 109
BG	0	284 557 645	24 550 102	27 675 831	56 967 049	393 750 627
CY	0	13 267 957	1 055 853	4 586 052	3 988 489	22 898 351
CZ	0	41 674 370	187 320 552	54 253 139	0	283 248 060
DE	0	477 758 847	119 748 265	96 522 148	223 278 056	917 307 316
DK	0	22 147 611	19 064 163	20 158 227	21 937 263	83 307 265
EE	0	19 809 432	42 326 220	0	0	62 135 652
EL	0	297 262 410	28 283 661	54 263 779	169 354 762	549 164 613
ES	0	495 902 738	147 877 593	103 782 522	216 625 787	964 188 641
FI	0	56 934 909	0	0	0	56 934 909
FR	0	351 132 742	165 867 656	139 255 349	141 896 984	798 152 731
HU	0	171 302 480	121 740 056	110 912 819	146 395 713	550 351 068
IE	0	0	0	0	0	0
IT	51 734	634 840 721	128 549 026	211 279 181	229 312 537	1 204 033 199
LT	0	22 936 917	119 899 042	49 775 609	39 769 642	232 381 211
LU	0	1 287 916	0	0	0	1 287 916
LV	0	51 845 146	6 941 296	0	0	58 786 443
MT	0	4 949 774	527 688	2 451 135	3 482 391	11 410 988
NL	0	24 827 909	19 292 515	44 919 341	21 976 313	111 016 078
PL	0	626 415 545	392 425 430	335 987 350	345 944 778	1 700 773 103
PT	913 213	210 553 953	154 826 061	139 415 532	177 413 253	683 122 011
RO	0	345 989 125	172 531 090	107 792 851	196 529 406	822 842 472
SE	0	178 628 972	34 930 716	7 714 548	0	221 274 236
SI	0	54 749 783	17 568 160	33 916 658	11 856 850	118 091 451
SK	0	79 574 145	25 024 890	25 142 009	18 604 336	148 345 380
UK	1 646 288	211 369 622	167 784 553	132 767 523	177 476 500	691 044 486
Total	2 611 235	4 927 283 862	2 101 379 040	1 711 838 362	2 204 237 814	10 947 350 314

For the programmes 2014-2020 adopted in 2014, the advances paid amounted to EUR 224.99 million. Table 9b shows the breakdown per Member State.

Table 9b

Prefinancing 2014-2020 paid between 01/01/2014 and 31/12/2014	
<i>(in euro)</i>	
Budget item: 05.046001	
MS	Amount
AT	39 375 519.97
BE	-
BG	-
CY	-
CZ	-
DE	15 994 705.09
DK	6 294 006.90
EE	-
ES	-
FI	23 596 993.38
FR	-
GR	-
HR	-
HU	-
IE	-
IT	-
LT	-
LU	-
LV	-
MT	-
NL	-
PL	85 982 808.14
PT	53 745 852.35
RO	-
SE	-
SI	-
SK	-
UK	-
Total	224 989 885.83

Table 10 compares, for each Member State, the EAFRD 2007-2013 payments made in 2014 with the payments in 2013. The total payments decreased by 15.5% (EUR 10.95 billion vs. 12.95 billion).

Table 10

Payments made to Member States - Comparison 2014 vs 2013 (in euro)								
MS	2013			2014			Difference 2014 vs. 2013	
	Interim payments	Prefinancing	Total	Interim payments	Prefinancing	Total	(in euro)	(in %)
AT	526 926 131	-	526 926 131	244 873 999	-	244 873 999	-282 052 131	-53.53%
BE	52 721 009	-	52 721 009	16 628 109	-	16 628 109	-36 092 900	-68.46%
BG	396 641 691	-	396 641 691	393 750 627	-	393 750 627	-2 891 064	-0.73%
CY	23 033 218	-	23 033 218	22 898 351	-	22 898 351	-134 866	-0.59%
CZ	373 075 923	-	373 075 923	283 248 060	-	283 248 060	-89 827 863	-24.08%
DE	1 267 359 343	-	1 267 359 343	917 307 316	-	917 307 316	-350 052 027	-27.62%
DK	62 519 910	-	62 519 910	83 307 265	-	83 307 265	20 787 355	33.25%
EE	127 044 772	-	127 044 772	62 135 652	-	62 135 652	-64 909 120	-51.09%
EL	225 793 111	-	225 793 111	549 164 613	-	549 164 613	323 371 502	143.22%
ES	1 038 317 781	-	1 038 317 781	964 188 641	-	964 188 641	-74 129 140	-7.14%
FI	340 230 873	-	340 230 873	56 934 909	-	56 934 909	-283 295 964	-83.27%
FR	998 803 101	-	998 803 101	798 152 731	-	798 152 731	-200 650 370	-20.09%
HU	491 234 841	-	491 234 841	550 351 068	-	550 351 068	59 116 226	12.03%
IE	256 972 589	-	256 972 589	0	-	0	-256 972 589	-100.00%
IT	1 275 133 647	-	1 275 133 647	1 204 033 199	-	1 204 033 199	-71 100 448	-5.58%
LT	252 927 822	-	252 927 822	232 381 211	-	232 381 211	-20 546 611	-8.12%
LU	10 094 904	-	10 094 904	1 287 916	-	1 287 916	-8 806 989	-87.24%
LV	184 032 828	-	184 032 828	58 786 443	-	58 786 443	-125 246 385	-68.06%
MT	9 682 192	-	9 682 192	11 410 988	-	11 410 988	1 728 796	17.86%
NL	99 485 140	-	99 485 140	111 016 078	-	111 016 078	11 530 938	11.59%
PL	1 820 972 541	-	1 820 972 541	1 700 773 103	-	1 700 773 103	-120 199 438	-6.60%
PT	656 450 463	-	656 450 463	683 122 011	-	683 122 011	26 671 547	4.06%
RO	1 191 637 130	-	1 191 637 130	822 842 472	-	822 842 472	-368 794 658	-30.95%
SE	182 871 555	-	182 871 555	221 274 236	-	221 274 236	38 402 681	21.00%
SI	126 635 115	-	126 635 115	118 091 451	-	118 091 451	-8 543 663	-6.75%
SK	197 308 952	-	197 308 952	148 345 380	-	148 345 380	-48 963 572	-24.82%
UK	763 498 948	-	763 498 948	691 044 486	-	691 044 486	-72 454 462	-9.49%
Total	12 951 405 528	0	12 951 405 528	10 947 350 314	0	10 947 350 314	-2 004 055 214	-15.47%

3.3.2. Technical assistance

In the 2014 budget the amount for payment appropriations was EUR 6.4 million for the programmes 2007-2013 and EUR 7.7 million for the programmes 2014-2020. Part of these appropriations were transferred to cover payment needs in relation to rural development programmes under EAFRD 2007-2013: EUR 0.8 million from the old programming period and EUR 3.4 million from the new programming period..

Table 11 hereafter presents the payments grouped by main activities. The most important part relates to the European Network for Rural Development.

Table 11

Technical assistance – Implementation of payment appropriations	
Description	Amount paid
Budget Item: 05.040502 <i>(in euro)</i>	
European Network for Rural Development (Contact point, expert groups, coordination committee, seminars..)	2 333 316
European Evaluation Network (expert committees, meetings...)	21 426
European Innovation Partnership (EIP)	988 626
Information technology	1 424 401
Protection of EU symbols	308 241
Total 05.040502	5 076 010
Budget Item: 05.046002 <i>(in euro)</i>	
European Network for Rural Development (expert groups, coordination committee, seminars...)	1 076 857
European Evaluation Network (expert committees, meetings...)	64 594
European Innovation Partnership (EIP)	1 099 903
Information technology	694 133
Events	400 000
Total 05.046002	3 335 487
Total technical assistance	8 411 497

3.4. Analysis of expenditure declared by axis and by measure – Programming period 2007-2013

Table 12 shows the payment claims declared by Member state and by axis/measure for rural development in 2014 (Q4 2013 to Q3 2014) for the programmes 2007-2013,

the cumulative declared expenditure from 2007 to 2013 (Q4 2006 to Q3 2014) and also the financial plans of EAFRD programmes (2007-2013; EU27).

In 2014, the expenditure for EAFRD 2007-2013 continues to be concentrated in axis 2 (43.7%), followed by axis 1 with 32.1%, axis 3 with 13.5% and axis 4 with 8.9%. Even though differences decrease for 3 axes, this repartition of expenditure still diverges from the repartition in the financial plans for the 2007-2013 programming period (32.6%, 46.0%, 13.2% and 6.2% for axis 1 to 4 respectively).

Axis 2 measures mainly involve annual payments (e.g. agro-environmental measures) whilst Axis 1, 3 and, to a lesser extent, Axis 4 mainly relate to multi-annual measures that require longer proceedings for their approval and implementation (e.g. investment projects).

Table 12

EAFRD declared expenditure 2014 (Q4 2013-Q3 2014) & Total cumulative expenditure (Q4 2006 to Q3 2014) compared with Financial Plans						
EAFRD Axis / Measure	Declared expenditure 2014 (Q4 2013 to Q3 2014)		Cumulative declared expenditure (Q4 2006 to Q3 2014)		Financial Plans 2007-2013	
	(million €)	(%)	(million €)	(%)	(million €)	(%)
111 Vocational training and information actions	136.4	1.1%	655.0	0.8%	928.5	1.0%
112 Setting up of young farmers	286.2	2.4%	2 382.4	3.1%	2 949.3	3.1%
113 Early retirement	335.0	2.8%	2 386.9	3.1%	2 459.1	2.6%
114 Use of advisory services	21.9	0.2%	111.2	0.1%	167.2	0.2%
115 Setting up of management. relief and	4.0	0.0%	28.8	0.0%	46.9	0.0%
121 Modernisation of agricultural holdings	1 386.2	11.5%	9 589.6	12.3%	11 888.4	12.4%
122 Improvement of the economic value of forest	44.2	0.4%	255.4	0.3%	356.4	0.4%
123 Adding value to agricultural and forestry...	519.8	4.3%	3 510.8	4.5%	5 307.3	5.5%
124 Cooperation for development of new products	45.3	0.4%	158.6	0.2%	284.5	0.3%
125 Infrastructure related to the development ...	779.5	6.4%	3 117.9	4.0%	4 677.4	4.9%
126 Restoring agricultural production potential	128.5	1.1%	477.1	0.6%	686.8	0.7%
131 Meeting standards based on Community...	2.2	0.0%	61.8	0.1%	67.0	0.1%
132 Participation of farmers in food quality...	14.3	0.1%	79.6	0.1%	113.6	0.1%
133 Information and promotion activities	23.2	0.2%	89.9	0.1%	144.9	0.2%
141 Semi-subsistence farming	84.1	0.7%	693.8	0.9%	802.1	0.8%
142 Producer groups	34.5	0.3%	187.5	0.2%	246.5	0.3%
143 Direct Payment (BG + RO)	1.8	0.0%	8.9	0.0%	15.8	0.0%
144 Holdings undergoing restructuring	32.7	0.3%	179.6	0.2%	191.0	0.2%
Axis 1	3 879.8	32.1%	23 974.8	30.8%	31 332.7	32.6%
211 Natural handicap payments to farmers in ...	613.2	5.1%	6 878.8	8.8%	6 810.9	7.1%
212 Payments to farmers in areas with handicaps...	774.1	6.4%	7 131.2	9.1%	7 718.4	8.0%
213 Natura 2000 payments and payments linked ..	44.4	0.4%	210.3	0.3%	274.9	0.3%
214 Agri-environment payments	2 937.2	24.3%	21 536.3	27.6%	23 522.9	24.5%
215 Animal welfare payments	242.9	2.0%	641.8	0.8%	891.5	0.9%
216 Non-productive investments	131.2	1.1%	459.9	0.6%	584.2	0.6%
221 First afforestation of agricultural land	184.8	1.5%	1 410.4	1.8%	1 630.2	1.7%
222 First establishment of agroforestry systems...	0.3	0.0%	0.9	0.0%	8.9	0.0%
223 First afforestation of non-agricultural land	22.4	0.2%	138.4	0.2%	204.1	0.2%
224 Natura 2000 payments	16.7	0.1%	49.8	0.1%	72.1	0.1%
225 Forest-environment payments	13.1	0.1%	54.0	0.1%	106.7	0.1%
226 Restoring forestry potential and ...	183.1	1.5%	1 145.3	1.5%	1 637.2	1.7%
227 Non-productive investments	124.0	1.0%	504.4	0.6%	733.7	0.8%
Axis 2	5 287.31	43.7%	40 161.61	51.5%	44 195.65	46.0%
311 Diversification into non-agricultural activities	152.9	1.3%	866.9	1.1%	1 220.5	1.3%
312 Business creation and development	212.6	1.8%	1 094.0	1.4%	1 729.0	1.8%
313 Encouragement of tourism activities	140.6	1.2%	623.4	0.8%	1 191.8	1.2%
321 Basic services for the economy and rural ...	523.9	4.3%	2 487.1	3.2%	3 757.9	3.9%
322 Village renewal and development	403.2	3.3%	2 702.3	3.5%	3 337.4	3.5%
323 Conservation and upgrading of the rural....	180.6	1.5%	862.8	1.1%	1 218.8	1.3%
331 Training and information	13.3	0.1%	71.9	0.1%	102.1	0.1%
341 Skills acquisition. animation and implement...	10.0	0.1%	83.6	0.1%	105.2	0.1%
Axis 3	1 637.21	13.5%	8 792.0	11.3%	12 662.7	13.2%
411 Implementing local development strategies...	105.9	0.9%	251.3	0.3%	520.5	0.5%
412 Implementing local development strategies...	13.6	0.1%	34.9	0.0%	80.0	0.1%
413 Implementing local development strategies....	778.7	6.4%	2 486.4	3.2%	4 139.3	4.3%
421 Implementing cooperation projects	26.8	0.2%	73.8	0.1%	214.6	0.2%
431 Running the local action group. acquiring ...	154.4	1.3%	700.2	0.9%	964.7	1.0%
Axis 4	1 079.4	8.9%	3 546.5	4.5%	5 919.1	6.2%
511 Technical Assistance	220.2	1.8%	1 053.7	1.4%	1 525.1	1.6%
611 BG RO Direct Payments	-0.4	0.0%	436.6	0.6%	437.8	0.5%
Grand total	12 103.5	100.0%	77 965.3	100.0%	96 073.2	100.0%

*Member States declare their expenditure quarterly. However for year n, Q4 declarations are submitted in January of year n+1. Consequently, the corresponding reimbursements by the Commission to the Member States in year n go from Q4 of year n-1 until Q3 of year n.

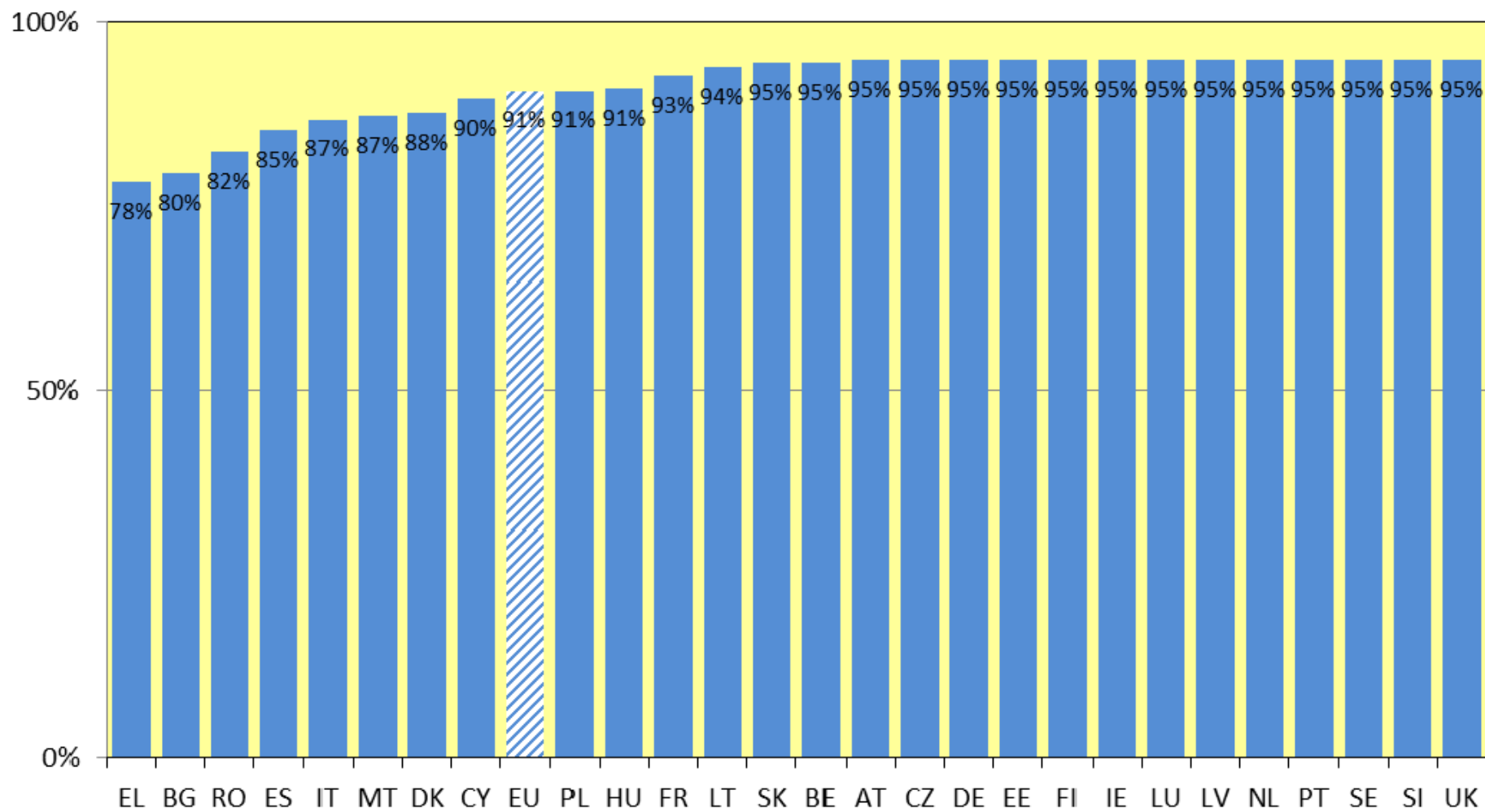
3.5. Implementation of EAFRD programmes - Programming period 2007-2013

Graph 2 presents the financial implementation rate of rural development programmes 2007-2013 per Member State: payments from the beginning of the programming period to 2014, including Q4 2014 that is reimbursed in financial year 2015, compared with the 2007-2013 commitments according to the financial plan. As 2013 was the last year when commitments were made, the implementation rate equals to the absorption rate (payments made from the beginning of the programming period compared to the total 2007-2013 allocation). The average EAFRD financial implementation rate for all EAFRD programmes is 91%.

Graph 2 shows that most Member States have absorbed more than 90% of the 2007-2013 commitments.

Until the end of 2014 the application of the N+2 rule has resulted in relatively small decommitments for the rural development programmes. Those decommitments amount in total to EUR 171.7 million and relate to years 2008, 2009, 2010 and 2011. Decommitments in relation to year 2012 are made in 2015.

Graph 2 - Implementation/Absorption rate of 2007-2013 RD programs by Member State (% of the EAFRD payments including payment claims Q4 2014 compared with 2007-2013 allocation)



4. CONTROL MEASURES

4.1. Introduction

The EU legislation provides for a comprehensive system of management and controls which relies on four levels:

- (a) compulsory administrative structure at the level of Member States, centred around the establishment of paying agencies and an accreditation authority at high level which is competent for issuing and withdrawing the agency's accreditation. The decision for issuing the accreditation is based on a detailed review by an external audit body;
- (b) detailed systems for controls and dissuasive sanctions to be applied by those paying agencies, with common basic features and special rules tailored to the specificities of each aid regime;
- (c) ex-post controls by independent audit bodies on the paying agencies' annual accounts and the functioning of their internal control procedures (under Commission Delegated Regulation (EU) No 907/2014¹ and Commission Implementing Regulation (EU) No 908/2014²) and by special departments on aid measures other than direct payments covered by the IACS (checks based on Chapter III of Title V of Regulation (EU) No 1306/2013³);
- (d) clearance of accounts through the Commission (both annual financial clearance and multi-annual conformity clearance).

These four levels establish a comprehensive system for the management and control of agricultural expenditure. It includes, on the one hand, all the necessary building blocks to guarantee a sound administration of the expenditure at Member States' level and, on the other hand, allows the Commission to counter the risk of financial losses as a result of any deficiencies in the set-up and operation of those building blocks through the clearance of accounts procedure.

Article 58 of Regulation (EU) No 1306/2013 provides for the general obligation of Member States to ensure that transactions financed by the EAGF and the EAFRD are carried out and executed correctly, to prevent and deal with irregularities and to recover amounts unduly paid.

In complement to this general obligation, there is a system of controls and dissuasive sanctions of final beneficiaries which reflects the specific features of the regime and the risk involved in its administration.

The controls are carried out by the paying agencies or by delegated bodies operating under their supervision and effective, dissuasive and proportionate sanctions are imposed if the controls reveal non-compliance with EU rules. The system generally provides for exhaustive administrative controls of 100% of the aid applications, cross-checks with other databases where this is considered appropriate as well as pre-payment on-the-spot controls of a sample of transactions ranging between 1% and

¹ OJ L 255, 28.8.2014, p.18

² OJ L 255, 28.8.2014, p.59

³ OJ L 347, 20.12.2013, p.549

100%. depending on the risk associated with the regime in question. For example. the control rate in the framework of the Integrated Administration and Control System (IACS) is normally 5%. If the on-the-spot controls reveal a high number of irregularities. additional controls must be carried out. The sample of transactions is determined on a risk and/or random basis.

In addition. for most regimes which are not subject to the IACS. on top of the primary and secondary control levels. *ex-post* controls must be carried out in accordance with the provisions of Chapter III of Title V in Regulation (EU) No 1306/2013.

4.2. Integrated Administration and Control System (IACS)

Regulation (EU) No 1306/2013. Regulation (EU) No 1307/2013⁴. Commission Delegated Regulation (EU) No 639/2014⁵ and Commission Delegated Regulation (EU) No 640/2014⁶ contain the rules on the IACS. which are also applicable to rural development support as far as area- and animal-related measures are concerned.

A fully operational IACS consists of: a computerised database. an identification system for agricultural parcels and farmers claiming aid. a system for identification and registration payment entitlements. aid applications and integrated controls system (claim processing. on-the-spot checks and sanctioning mechanisms) and a system for identifying and registering animals where applicable. The IACS is fully automated and provides highly efficient controls by maximising the use of computerised and remote controls.

This system foresees a 100% administrative control covering the eligibility of the claim. complemented by administrative cross-controls with standing databases ensuring that only areas or animals that fulfil all eligible requirements are paid the aid and by a minimum 5% of on-the-spot checks to check the existence and eligibility of the area or the animals claimed.

The use of standing databases. which are appropriately updated. is well adapted to the schemes whereby aids are directly paid to the farmers and based on the areas or on the number of animals. in that the risk can be reduced to the lowest levels.

For the financial year 2014. the IACS axis 2 measures (programming period 2007-2013) cover around 40% of payments made under the EAFRD for measures including inter alia. agri-environment and animal welfare measures. less-favoured areas and areas with environmental restrictions and afforestation of agricultural land.

DG AGRI verifies the effectiveness of Member States' IACS by means of both on-the-spot auditing and general supervision based on annually supplied financial and statistical data. The Commission continues to consider that the IACS is generally an effective control system for limiting the risk of error or irregular expenditure. provided that it is properly applied.

⁴ OJ L 347, 20.12.2013, p.608

⁵ OJ L 181, 20.6.2014, p. 1

⁶ OJ L 181, 20.6.2014, p.48

5. CLEARANCE OF ACCOUNTS

5.1. Financial clearance

5.1.1. Introduction

The financial clearance covers the annual accounts and the internal control systems set up by the Paying Agencies. Within this framework, DG AGRI pays particular attention to the Certification Bodies' conclusions and recommendations formulated based on the reviews of the management and control systems of the Paying Agencies. The financial clearance exercise also allows DG AGRI to obtain assurance that the Paying Agencies comply with the accreditation criteria and the financial interests of the EU are protected as regards payments, advances, securities and public storage.

The Commission adopts an annual financial clearance decision based on the certification documents (including the annual accounts and the Management Declarations submitted by the Paying Agencies as well as Audit Opinions and reports of the Certification Bodies). The financial clearance decision is without prejudice to subsequent conformity clearance decisions aimed at recovering expenditure which proves not to have been paid in accordance with the EU rules. As of 2015, the deadline for the Commission to adopt its annual financial clearance decision was moved from 30 April to 31 May of the year following the financial year in question.

5.1.2 Financial clearance for financial year 2014

On 28 May 2015, the Commission adopted decision 2015/842 on the clearance of accounts of the Paying Agencies of Member States concerning expenditure financed by the EAFRD for financial year 2014. This decision excluded the accounts of seven Paying Agencies as insufficient assurance was obtained on the completeness, accuracy and veracity of their annual accounts. The Paying Agencies concerned are: Région Wallonne (Belgium), Baden-Württemberg and Mecklenburg-Vorpommern (Germany), Comunidad Valenciana (Spain), OPEKEPE (Greece), MRRA (Malta) and RIFA (Romania).

The total expenditure cleared amounts to EUR 10.425 million while EUR 1.619 million was disjoined. For the accounts not included in the May 2015 financial clearance decision, conformity enquiries were launched to address the serious weaknesses detected.

5.1.3 Financial clearance for financial year 2013

On 29 April 2014, the Commission adopted the financial year 2013 EAFRD clearance of accounts decision (2014/251/EU), which excluded the accounts of 6 Paying Agencies, as no confirmation could be gained on the completeness, accuracy and veracity of the annual accounts submitted. The Paying Agencies for which the accounts were disjoined are: SFA (Bulgaria), DAFA (Denmark), OPEKEPE (Greece), PARDF (Romania), Andalucía and Asturias (Spain).

The conformity enquiries for the disjoined Paying Agencies are still ongoing.

5.1.4. Financial clearance for financial year 2012

On 26 April 2013, the Commission adopted the financial year 2012 EAFRD clearance of accounts decision (2013/209/EU), which excluded the accounts of 7 Paying Agencies, as no confirmation could be gained on the completeness, accuracy and veracity of the annual accounts submitted. The Paying Agencies for which the accounts were disjoined are: DAFA (Denmark), ASP (France), Baden-Württemberg, Thüringen and Hessen (Germany), PARDF (Romania) and Andalucía (Spain).

In August 2014, a subsequent financial clearance decision was adopted for three German Paying Agencies: Baden-Württemberg, Thüringen and Hessen. By means of this decision, a total amount of EUR 244 million was cleared for the EAFRD. The conformity enquiries for the other four disjoined Paying Agencies are still ongoing.

5.1.5. Financial clearance for financial year 2011

On 27 April 2012, the Commission adopted the financial year 2011 EAFRD clearance of accounts decision (2013/234/EU), which excluded the accounts of 9 Paying Agencies. The Paying Agencies for which the accounts were disjoined were: ODARC and ASP (France), Baden-Württemberg, Bayern, Rheinland-Pfalz and Thüringen (Germany), PARDF (Romania), Andalucía (Spain) and SGRPID (United Kingdom). The Paying Agencies Baden-Württemberg, Bayern, Rheinland-Pfalz and Thüringen (Germany) as well as SGRPID (United Kingdom) were cleared in a later decision in July 2013.

In February 2015, a subsequent financial clearance decision was adopted for the Paying Agencies ODARC and ASP (France) as well as PARDF (Romania). By means of this decision, a total amount of EUR 1.726 million was cleared for the EAFRD. With that, there is only one Paying Agency for which the 2011 EAFRD accounts are still outstanding: Andalucía (Spain), for which the conformity enquiry is still ongoing.

5.1.6. Financial clearance for financial year 2010

In April 2011, the Commission adopted the decision 2011/271/EU clearing the 2010 annual accounts for EAFRD. 8 Paying Agencies have not been included and are subject to a further review. The Paying Agencies Baden-Württemberg, Bayern, Hessen and Rheinland-Pfalz (Germany) were cleared in a later decision in February 2012. The accounts of the Paying Agency APA (Slovakia) were cleared in July 2013.

In January 2015, the Commission adopted a decision clearing the 2010 annual accounts of the Paying Agencies ARBEA (Italy) and Ministry of Agriculture (Luxembourg). By means of this decision, a total amount of EUR 31 million was cleared for the EAFRD. With that, the only Paying Agency for which the 2010 EAFRD accounts are still outstanding is Région Wallonne (Belgium), for which the conformity enquiry is still pursued.

5.1.7. Financial clearance for financial year 2009 and before

All EAFRD accounts for the financial years 2009 and before have been cleared..

5.2. Conformity clearance – audits and decisions adopted in 2014

5.2.1. Introduction

It is primarily the Member States' responsibility to satisfy themselves that transactions are carried out and executed correctly via a system of control and dissuasive sanctions. Where Member States fail to meet this requirement, the Commission applies financial corrections to protect the financial interests of the EU.

The conformity clearance relates to the legality and regularity of transactions. It is designed to exclude expenditure from EU financing which has not been effected in compliance with EU rules, thus shielding the EU budget from expenditure that should not be charged to it (financial corrections). In contrast, it is not a mechanism by which irregular payments to beneficiaries are recovered, which according to the principle of shared management is the sole responsibility of Member States.

Financial corrections are determined on the basis of the nature and gravity of the infringement and the financial damage caused to the EU. Where possible, the amount is calculated on the basis of the loss actually caused or on the basis of an extrapolation. Where this is not possible, flat-rates are used which take account of the severity of the deficiencies in the national control systems in order to reflect the financial risk for the EU.

Where undue payments are or can be identified as a result of the conformity clearance procedures, Member States are required to follow them up by recovery actions against the final beneficiaries. However, even where this is not possible because the financial corrections only relate to deficiencies in the Member States' management and control systems, financial corrections are an important means to improve these systems and thus to prevent or detect and recover irregular payments to final beneficiaries. The conformity clearance thereby contributes to the legality and regularity of the transactions at the level of the final beneficiaries.

5.2.2. Conformity clearance – audits and decisions adopted in 2014

Audits

In 2014, Directorate J carried out 44 audit missions and 10 desk checks in respect of EAFRD, plus 2 missions concerning SAPARD and 1 on IPARD. Out of these 44 missions, 15 audit targeted Axis 2 measures, of which 9 audits covered area related measures controlled by IACS.

Conformity decisions

In 2014, three conformity decisions were adopted which had a financial impact by excluding from EU financing of EAFRD a total of EUR 39.8 million:

- Decision 2014/191/EU of 04/04/2014 – 44th Decision, financial impact of EUR 21.7 million.
- Decision 2014/458/EU of 09/07/2014 – 45th Decision, financial impact of EUR 10.2 million.
- Decision 2014/950/EU of 19/12/2014 – 46th Decision, financial impact of EUR 7.9 million.

5.3. Recoveries

The Member States submitted the information about irregularity cases by 15 February 2015 regarding financial year 2014. According to this data, the Member States have recovered EUR 121.9 million during financial year 2014, whereas the outstanding amount to be recovered from beneficiaries at the end of that financial year is EUR 340.2 million. Regulation (EU) No 1306/2013 provides an automatic clearing mechanism for unduly paid amounts not recovered after 4 or 8 years (in case the recovery is challenged in national courts) after the establishment of an irregularity. The financial consequences of non-recovery are shared by the Member State concerned and the EU on a 50-50% basis. As of financial year 2014, according to Regulation (EU) No 1306/2013, the so-called '50-50 rule' is applied on an annual basis for both the old (2007-2013) and new (2014-2020) EAFRD programmes. For financial year 2014, this financial consequence of non-recovery amounted to EUR 18.5 million for the EU.

With regard to the reporting of the irrecoverable cases (100% of the cost assumed by the Commission), under the new regime, EAFRD irregularity cases are declared irrecoverable on an annual basis, rather than after the closure of the rural programme as in the previous regime. In view of this change, the Member States were invited to declare all those cases found irrecoverable in financial year 2014 and before. However, due to the technical unavailability of the Commission's software WinCheckCSV to receive data for cases declared irrecoverable prior to financial year 2014, the Member States were given two options from which to choose on how to treat their old irrecoverable cases. The first option involved the resubmission of their data and amended Annex II tables together with new declarations certifying the modified data. The second option was to exceptionally postpone this declaration to the financial year 2015 clearance procedure. Out of 70 Paying Agencies managing the EAFRD, 20 submitted new data as per the first option. The rest of the Paying Agencies opted for the submission of old irrecoverable cases together with the annual accounts in financial year 2015. In this context, the amount to be assumed at 100% of the cost by the Commission for financial year 2014 amounted to EUR 17.6 million.

5.4. Appeals brought before the Court of Justice against clearance decisions

Judgments handed down

In 2014, two judgements have been handed down by the Court in appeals brought by the Member States against clearance decisions with regard to EAFRD. The Court rejected appeals brought in the following case:

- Judgment of 15 July 2014 in case C-71/13 P brought by Greece;
- Judgment of 10 July 2014 in case C-391/13 P brought by Greece.

New appeals

In 2014 five new appeals were brought by the Member States against clearance decisions:

- Case T-675/14 brought by Spain on 22/09/2014
- Case T-107/14 brought by Greece on 14/02/2014

- Case T-124/14 brought by Finland on 19/02/2014
- Case T-384/14 brought by Italy 03/06/2014
- Case T-661/14 brought by Latvia on 11/09/2014

Appeals pending

The situation as at 31 December 2014 with regard to appeals pending is shown together with the amounts concerned. in Table 13.

Table 13

Appeals against clearance of accounts decisions pending on 31 December 2014 (for EAFRD)		
Case number	Member State	Challenged amount (EUR)
T-255/13	IT	-5 599 441.61
T-257/13	PL	-28 763 238.60
T-259/13	FR	-28 955 683.35
T-3/11	PT	-213 224.74
T-346/13	GR	-6 175 094.49
T-365/13	LT	-3 448 510.00
T-367/13	PL	-71 610 559.39
T-561/13	ES	-757 968.97
T-107/14	GR	-388 788.57
T-124/14	FI	-927 827.58
T-384/14	IT	-2 424 822.00
T-661/14	LV	-303 187.46
T-675/14	ES	-100 933.04
TOTAL		-149 669 279.80

6. BASIC RULES GOVERNING THE EAFRD AND AMENDMENTS MADE IN 2014

6.1. General

Basic legislation

- Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the

European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006 (OJ L 347. 20.12.2013. p. 320–469);

- Regulation (EU) No 1305/2013 of the European Parliament and of the Council of 17 December 2013 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) and repealing Council Regulation (EC) No 1698/2005 (OJ L 347. 20.12.2013. p. 487–548);
- 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. 549–607)
- Regulation (EU) No 1310/2013 of the European Parliament and of the Council of 17 December 2013 laying down certain transitional provisions on support for rural development by the European Agricultural Fund for Rural Development (EAFRD), amending Regulation (EU) No 1305/2013 of the European Parliament and of the Council as regards resources and their distribution in respect of the year 2014 and amending Council Regulation (EC) No 73/2009 and Regulations (EU) No 1307/2013, (EU) No 1306/2013 and (EU) No 1308/2013 of the European Parliament and of the Council as regards their application in the year 2014 (OJ L 347. 20.12.2013. p. 865–883).

6.2. Recent modifications

Regulation (EU) No 1305/2013 was modified twice in 2014. The annual breakdown of Union support to EAFRD in Annex I was modified by Commission Delegated Regulations (EU) No 994/2014 and No 1378/2014 to take into account the amount transferred by Member States between the 1st and 2nd pillars of the CAP.

6.3. Delegated and implementing rules

As foreseen in the basic legislation, in 2014, the Commission adopted a set of Delegated and Implementing acts to supplement certain non-essential elements of the legal framework and to ensure uniform conditions for the implementation.

6.3.1. Common rules for European Strategic and Investment Funds (Regulation (EU) No 1303/2013)

- Commission Delegated Regulation (EU) No 240/2014 of 7 January 2014 on the European code of conduct on partnership in the framework of the European Structural and Investment Funds (OJ L 74. 14.3.2014. p. 1–7);
- Commission Delegated Regulation (EU) No 480/2014 of 3 March 2014 supplementing Regulation (EU) No 1303/2013 of the European Parliament and of the Council laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and

Fisheries Fund and laying down general provisions on the European Regional Development Fund. the European Social Fund. the Cohesion Fund and the European Maritime and Fisheries Fund (OJ L 138. 13.5.2014. p. 5–44);

- Commission Implementing Regulation (EU) No 184/2014 of 25 February 2014 laying down pursuant to Regulation (EU) No 1303/2013 of the European Parliament and of the Council laying down common provisions on the European Regional Development Fund. the European Social Fund. the Cohesion Fund. the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund. the European Social Fund. the Cohesion Fund and the European Maritime and Fisheries Fund. the terms and conditions applicable to the electronic data exchange system between the Member States and the Commission and adopting pursuant to Regulation (EU) No 1299/2013 of the European Parliament and of the Council on specific provisions for the support from the European Regional Development Fund to the European territorial cooperation goal. the nomenclature of the categories of intervention for support from the European Regional Development Fund under the European territorial cooperation goal (OJ L 57. 27.2.2014. p. 7–20);
- Commission Implementing Regulation (EU) No 215/2014 of 7 March 2014 laying down rules for implementing Regulation (EU) No 1303/2013 of the European Parliament and of the Council laying down common provisions on the European Regional Development Fund. the European Social Fund. the Cohesion Fund. the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund. the European Social Fund. the Cohesion Fund and the European Maritime and Fisheries Fund with regard to methodologies for climate change support. the determination of milestones and targets in the performance framework and the nomenclature of categories of intervention for the European Structural and Investment Funds (OJ L 69. 8.3.2014. p. 65–84). amended by Commission Implementing Regulation (EU) No 1232/2014 of 18 November 2014;
- Commission Implementing Regulation (EU) No 821/2014 of 28 July 2014 laying down rules for the application of Regulation (EU) No 1303/2013 of the European Parliament and of the Council as regards detailed arrangements for the transfer and management of programme contributions. the reporting on financial instruments. technical characteristics of information and communication measures for operations and the system to record and store data (OJ L 223. 29.7.2014. p. 7–18);

- Commission Implementing Regulation (EU) No 964/2014 of 11 September 2014 laying down rules for the application of Regulation (EU) No 1303/2013 of the European Parliament and of the Council as regards standard terms and conditions for financial instruments (OJ L 271. 12.9.2014. p. 16–44)

6.3.2. *EAFRD fund specific rules (Regulation (EU) No 1305/2013)*

- Commission Delegated Regulation (EU) No 807/2014 of 11 March 2014 supplementing Regulation (EU) No 1305/2013 of the European Parliament and of the Council on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) and introducing transitional provisions (OJ L 227. 31.7.2014. p. 1–17);
- Commission Implementing Regulation (EU) No 808/2014 of 17 July 2014 laying down rules for the application of Regulation (EU) No 1305/2013 of the European Parliament and of the Council on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) (OJ L 227. 31.7.2014. p. 18–68)

6.3.3. *Rules on financing. management and monitoring of the CAP*

- Commission Delegated Regulation (EU) No 640/2014 of 11 March 2014 supplementing Regulation (EU) No 1306/2013 of the European Parliament and of the Council with regard to the integrated administration and control system and conditions for refusal or withdrawal of payments and administrative penalties applicable to direct payments. rural development support and cross compliance (OJ L 181. 20.6.2014. p. 48–73);
- Commission Implementing Regulation (EU) No 809/2014 of 17 July 2014 laying down rules for the application of Regulation (EU) No 1306/2013 of the European Parliament and of the Council with regard to the integrated administration and control system. rural development measures and cross compliance (OJ L 227. 31.7.2014. p. 69–124);
- Commission Delegated Regulation (EU) No 907/2014 of 11 March 2014 supplementing Regulation (EU) No 1306/2013 of the European Parliament and of the Council with regard to paying agencies and other bodies. financial management. clearance of accounts. securities and use of euro (OJ L 255. 28.8.2014. p. 18–58);
- Commission Implementing Regulation (EU) No 908/2014 of 6 August 2014 laying down rules for the application of Regulation (EU) No 1306/2013 of the European Parliament and of the Council with regard to paying agencies and other bodies. financial management. clearance of accounts. rules on checks. securities and transparency (OJ L 255. 28.8.2014. p. 59–124).