



Brussels, 20.4.2017
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COMMISSION DELEGATED REGULATION (EU) .../...

of 20.4.2017

laying down temporary exceptional support measures for producers of certain fruits

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE DELEGATED ACT

On 7 August 2014, the Russian government introduced a ban on imports of certain products from the Union to the Russian Federation (hereinafter "Russia"), including fruit and vegetables. This ban created a serious threat of market disturbances caused by significant price falls due to the fact that an important export market was no longer available. On 29 June 2016, the Russian import ban was extended until the end of 2017.

In response to the import ban, the Commission adopted a series of exceptional support measures. These measures included Commission Delegated Regulation (EU) No 913/2014 that was subsequently prolonged and reinforced by Commission Delegated Regulations (EU) No 932/2014, (EU) No 1031/2014, (EU) 2015/1369 and (EU) 2016/921. These measures covered both permanent and non-permanent crops.

The Commission has carefully monitored the impact of the measures on the market. Member States have provided data to the Commission services every two weeks (every month under Regulation (EU) 2016/921) on the implementation of the exceptional measures. Frequent exchanges of views with Member States on the assessment of the impact of the Russian import ban on horticultural products have taken place in the Expert group on delegated acts under the Single common market organisation.

The production of non-permanent crops can be easier adapted and therefore producers of these crops can adapt more quickly to the market situation. Based on the regular monitoring and assessment of the situation in the Union market, the Commission has concluded that the situation in the market with non-permanent crops (vegetables and some fruits) has improved as most of the production affected by the Russian import ban has been redirected and the prices in these markets has therefore stabilised.

As permanent crops (certain fruits) are more rigid and their adaptation takes longer time, the situation in the markets for certain permanent crops has not yet sufficiently improved.

There is still a real threat of market disturbance to permanent crops. Apples, pears, stone fruit (peaches, nectarines and plums), and citrus fruit continue to be seriously affected by the Russian embargo. Russia was a traditional export market for EU products, in particular from Poland (apples), Belgium (pears), Greece (stone fruit) and Spain (citrus fruit). As result of the embargo, EU exports to Russia slumped since 2014. Those exports dropped dramatically by more than 80% in 2016, both in volume and value (see below tables).

Although there is a gradual opening of new destinations for EU fruit, in particular Asian (China, India, Vietnam) and American countries (US, Canada), to replace the huge Russian market is difficult. This is specially so for pears and peaches & nectarines, whose total EU exports fell significantly in 2016 by around 37% in volume and more than 40% in value. The most affected citrus fruit were clementines and mandarins, with significant decreases of around 20% in export volume and value. As regards apples, EU exports in 2016 decreased by around 9% in volume and value.

In view of the above, a situation still exists on the market in relation to certain permanent crops (stone fruit, apples, pears and citrus fruits) for which the normal measures available under Regulation (EU) No 1308/2013 remain insufficient. In such circumstances, the threat of Union market disturbances in the markets for these permanent crops remains real and adequate measures need to be adopted and implemented as long as this situation lasts.

2. CONSULTATIONS PRIOR TO THE ADOPTION OF THE ACT

Member States and stakeholders have been continuously asking for an extension of the scheme and the inclusion of certain seasonal products. A technical meeting to discuss the situation with experts from Member States took place on 14 March.

3. LEGAL ELEMENTS OF THE DELEGATED ACT

The delegated act is based on Article 219(1) of Regulation (EU) No 1308/2013. It should be adopted by means of the procedure according to Article 219(1) of Regulation (EU) No 1308/2013.

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THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013 establishing a common organisation of the markets in agricultural products and repealing Council Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/2001 and (EC) No 1234/2007¹, and in particular Article 219(1) thereof,

Whereas:

- (1) On 7 August 2014, the Russian government introduced a ban on imports of certain products from the Union to the Russian Federation ('Russia'), including fruit and vegetables. This ban created a serious threat of market disturbances caused by significant price falls due to the fact that an important export market was no longer available. On 29 June 2016, this ban was extended until the end of 2017.
- (2) In response to the import ban, the Commission adopted a series of temporary exceptional support measures. These measures were included in Commission Delegated Regulation (EU) No 913/2014² and subsequently prolonged and reinforced by Commission Delegated Regulations (EU) No 932/2014³, (EU) No 1031/2014⁴, (EU) 2015/1369⁵ and (EU) 2016/921⁶.
- (3) The production of non-permanent crops can be easier adapted and therefore the producers of these crops can adapt more quickly to the market situation. Based on the regular monitoring and assessment of the situation in the Union market, the Commission concludes that the situation in the market with non-permanent crops (vegetables and some fruits) has improved as most of the production affected by the Russian import ban is redirected and the prices have therefore stabilised.
- (4) As the permanent crops (certain fruit) are more rigid and their adaptation takes a longer time, the situation in the markets for certain permanent crops has not yet sufficiently improved.

¹ OJ L 347, 20.12.2013, p. 671.

² Commission Delegated Regulation (EU) No 913/2014 of 21 August 2014 laying down temporary exceptional support measures for producers of peaches and nectarines (OJ L 248, 22.8.2014, p. 1).

³ Commission Delegated Regulation (EU) No 932/2014 of 29 August 2014 laying down temporary exceptional support measures for producers of certain fruit and vegetables and amending Delegated Regulation (EU) No 913/2014 (OJ L 259, 30.8.2014, p. 2).

⁴ Commission Delegated Regulation (EU) No 1031/2014 of 29 September 2014 laying down further temporary exceptional support measures for producers of certain fruit and vegetables (OJ L 284, 30.9.2014, p. 22).

⁵ Commission Delegated Regulation (EU) 2015/1369 of 7 August 2015 amending Delegated Regulation (EU) No 1031/2014 laying down further temporary exceptional support measures for producers of certain fruit and vegetables (OJ L 211, 8.8.2015, p. 17).

⁶ Commission Delegated Regulation (EU) 2016/921 of 10 June 2016 laying down further temporary exceptional support measures for producers of certain fruit and vegetables (OJ L 154, 11.6.2016, p. 3).

- (5) In such circumstances, threats of Union market disturbances remain real for certain permanent crops such as stone fruit, citrus fruit, apples and pears and adequate measures need to be adopted and implemented as long as this situation lasts.
- (6) Accordingly, a situation continues to exist on the Union market for which the normal measures available under Regulation (EU) No 1308/2013 appear to be insufficient.
- (7) The temporary exceptional support measures therefore continue to be needed and should be prolonged for a further year for certain permanent crops.
- (8) The Union financial assistance should be granted taking into account the estimated quantities still affected by the ban. The calculation of those quantities should be made for each Member State in accordance with the level of withdrawn products since the entry into force of these temporary exceptional support measures. In addition, the quantities should be significantly reduced to take into account the fact that producers have had more time to adapt and to redirect the production.
- (9) Products for which the quantities withdrawn were particularly low in 2016 compared to the historical quantities withdrawn since mid-2014 should be excluded from the measures laid down in this Regulation. The temporary exceptional support measures should therefore only concern apples, pears, stone fruit and citrus fruit.
- (10) Where the uptake of the temporary exceptional support measures within a Member State has been very low for a particular product and the administrative costs of providing support are therefore disproportionately high, that Member State should have the option to choose not to implement the measures laid down in this Regulation.
- (11) Products covered by this Regulation, which would have been exported to Russia, have already been diverted or it is expected that they will be diverted to the markets of other Member States. Producers of the same products within those Member States, which do not traditionally export their products to Russia, may still be faced with a significant market disturbance and a fall in prices. Therefore, in order to further stabilise the market, the Union financial assistance should also be available for those producers in all Member States in respect of one or more of the products covered by this Regulation, but the quantity involved should not exceed 2 000 tonnes per Member State.
- (12) Market withdrawal, non-harvesting and green harvesting are effective crisis management measures where there exists a surplus of fruits due to temporary and unpredictable circumstances. Member States should have the possibility to allocate the quantities made available to them to one or more of those measures in order to make the most efficient use of the amounts available.
- (13) As provided for in Delegated Regulation (EU) No 932/2014, the restriction of 5% as a proportion of the volume of marketed production for supported market withdrawals should be temporarily lifted. The Union financial assistance should therefore be granted even when withdrawals exceed the 5% ceiling.
- (14) The Union financial assistance granted for market withdrawals should be based on the respective amounts set out in Annex XI to Commission Implementing Regulation (EU) No 543/2011⁷ for withdrawals for free distribution and for withdrawals for other

⁷ Commission Implementing Regulation (EU) No 543/2011 of 7 June 2011 laying down detailed rules for the application of Council Regulation (EC) No 1234/2007 in respect of the fruit and vegetables and processed fruit and vegetables sectors (OJ L 157, 15.6.2011, p. 1).

destinations. For those products for which no amount is fixed in that Annex XI, maximum amounts should be laid down in this Regulation.

- (15) In light of the exceptional market disturbances and in order to ensure that all producers of fruits are supported by the Union, the Union financial assistance for market withdrawals should be extended to producers of certain fruits who are not members of a recognised producer organisation.
- (16) In order to encourage the free distribution of withdrawn fruits to certain organisations, such as charitable organisations and schools or any other equivalent destinations approved by the Member States, 100% of the maximum amounts fixed in Annex XI to Implementing Regulation (EU) No 543/2011 should also be applicable to producers who are not members of a recognised producer organisation. In the case of withdrawals for destinations other than free distribution, they should receive 50% of the maximum amounts fixed. In this context, producers who are not members of a recognised producer organisation should fulfil the same or similar conditions as producer organisations. Therefore, they should be subject, like recognised producer organisations, to the relevant provisions of Regulation (EU) No 1308/2013 and Implementing Regulation (EU) No 543/2011.
- (17) Producer organisations are the basic actors of the fruit sector and are the most suited entities to ensure that the Union financial assistance for market withdrawals is paid to producers who are not members of a recognised producer organisation. They should ensure that such assistance is paid to the producers who are not members of a recognised producer organisation through the conclusion of a contract. As not all Member States have the same degree of organisation on the supply side of the fruit and vegetables market, it is appropriate to allow the competent authority of the Member States to pay the support directly to the producers where this is duly justified.
- (18) The amount of the support for non-harvesting and green harvesting should be fixed by Member States per hectare at a level to cover not more than 90% of the maximum amount for market withdrawals applicable to withdrawals for destinations other than free distribution as set out in Annex XI to Implementing Regulation (EU) No 543/2011 or, for products for which no amount has been fixed in that Annex, in this Regulation. Non-harvesting should be supported even where commercial production has been taken from the producing area concerned during the normal production cycle.
- (19) Producer organisations concentrate the supply and are able to act faster than producers who are not members of such organisations, in coping with greater quantities and thereby providing an immediate impact on the market. Therefore, in order to make the implementation of the exceptional support measures provided for in this Regulation more efficient and to speed up the stabilisation of the market, it is appropriate, in respect of producers who are members of recognised producer organisations to increase the Union financial assistance for withdrawals for destinations other than free distribution to 75% of the relevant maximum amounts set for the support for withdrawals for other destinations.
- (20) As for withdrawals, the Union financial assistance for non-harvesting and green harvesting operations should be extended to producers who are not members of a recognised producer organisation. The financial assistance should be 50% of the maximum amounts of support set for producer organisations.
- (21) Given the high number of producers who are not members of a producer organisation and the need to carry out checks that are reliable but feasible, the Union financial

assistance should not be granted for producers who are not members of a producer organisation, for green harvesting of fruits for which the normal harvest has already begun or for non-harvesting measures where commercial production has been taken from the producing area concerned during the normal production cycle. In this context, producers who are not members of a recognised producer organisation should be subject, like recognised producer organisations, to the relevant provisions of Regulation (EU) No 1308/2013 and Implementing Regulation (EU) No 543/2011.

- (22) For producers who are not members of a producer organisation, the payment of the Union financial assistance for non-harvesting and green harvesting operations should be done directly by the competent authority of the Member State. That competent authority should pay the relevant amounts to the producers in accordance with Implementing Regulation (EU) No 543/2011 and the relevant national rules and procedures.
- (23) In order to guarantee that the Union financial assistance to producers of certain fruits is used for the intended purposes and to ensure the efficient use of the Union budget, Member States should carry out a reasonable level of checks. In particular, documentary, identity and physical checks as well as on-the-spot checks should be carried out that cover a reasonable amount of products, areas, producer organisations and producers not being members of recognised producer organisation.
- (24) Member States should notify the Commission of the operations that have been implemented by producer organisations and producers non-members at regular intervals.
- (25) In order to have an immediate impact on the market and to help stabilise prices, this Regulation should enter into force on the day of its publication in the *Official Journal of the European Union*,

HAS ADOPTED THIS REGULATION:

Article 1

Subject matter and scope

1. This Regulation lays down rules on Union financial assistance ('the financial assistance') for temporary support measures to be granted to producer organisations in the fruit sector, recognised in accordance with Article 154 of Regulation (EU) No 1308/2013, and to producers who are not members of such organisations.

These temporary support measures shall cover withdrawal, non-harvesting and green harvesting operations.

2. The support referred to in paragraph 1 shall be granted in relation to the following products of the fruit sector intended for fresh consumption:

- (a) apples of CN code 0808 10;
- (b) pears of CN code 0808 30;
- (c) plums of CN code 0809 40 05;
- (d) sweet oranges of CN codes 0805 10 22, 0805 10 24 and 0805 10 28;

- (e) clementines of CN code 0805 22 00;
- (f) mandarins (including tangerines and satsumas), wilking and similar citrus hybrids of CN codes 0805 21 10, 0805 29 00 and 0805 21 90;
- (g) lemons of CN code 0805 50 10;
- (h) peaches and nectarines of CN code 0809 30;
- (i) sweet cherries of CN code 0809 29 00;
- (j) persimmons of CN code 0810 70 00.

3. The support measures referred to in paragraph 1 shall cover activities carried out in the period from the date of entry into force of this Regulation, until the date on which the quantities set out in Article 2(1) have been exhausted in each Member State concerned or on 30 June 2018, whichever date is earlier.

4. Where the import situation of certain products from the Union to Russia changes before 30 June 2018, the Commission may amend or repeal this Regulation accordingly.

Article 2

Allocation of maximum quantities to Member States

1. The financial assistance for support measures referred to in Article 1(1) shall be made available to Member States for the quantities of products set out in Annex I.

The financial assistance shall also be available to Member States for withdrawal, green harvesting or non-harvesting operations, with respect to one or more of the products referred to in Article 1(2) as determined by the Member State, provided that the additional quantity involved does not exceed 2 000 tonnes per Member State.

2. With respect to the total quantities per Member State referred to in paragraph 1, Member States may determine for each product referred to in Article 1(2):

- (a) the quantities for market withdrawals for free distribution;
- (b) the quantities for market withdrawals for destinations other than free distribution;
- (c) the equivalent area for green harvesting and non-harvesting.

3. Where the quantities actually withdrawn in a Member State between 1 July 2016 and 30 June 2017 in accordance with Delegated Regulation (EU) No 2016/921 for a category of products as defined in Annex I to that Regulation are less than 5 % of the total quantities allocated to that Member State for that category of products, the Member State may decide not to make use of the quantity allocated to that Member State for that category of products in accordance with Annex I. In that event, the Member State concerned shall notify the Commission of its decision by 31 October 2017. As from the moment of notification, withdrawal, non-harvesting and green harvesting operations carried out for that category of products in that Member State shall not be eligible for financial assistance.

4. Member States may decide not to make use of the quantity of 2000 tonnes, or part thereof, referred to in the second subparagraph of paragraph 1. In that event, the Member State concerned shall notify the Commission of its decision by 31 October 2017. As from the moment of this notification, withdrawal, non-harvesting and green-harvesting operations carried out within the quantity of 2 000 tonnes referred to in the second subparagraph of paragraph 1 in that Member State shall not be eligible for financial assistance.

Article 3

Allocation of the quantities to producers

Member States shall allocate the quantities referred to in Article 2(1) between producer organisations and producers who are not members of producer organisations following the first come, first served system.

However, Member States may decide to set up a different system for the allocation of quantities, provided the system established is based on objective and non-discriminatory criteria. For this purpose, Member States may take into account the extent of the effects of the Russian import ban on the producers concerned.

Article 4

Common provisions to withdrawal, non-harvesting and green harvesting measures of producer organisations

1. The support for withdrawal, non-harvesting and green harvesting operations undertaken in accordance with this Regulation by producer organisations shall be granted to producer organisations even if their operational programmes and the national strategies of Member States do not provide for such operations.

The support referred to in the first subparagraph shall not be taken into account for the purpose of calculating the ceilings referred to in Article 34(2) of Regulation (EU) No 1308/2013.

Article 32(2) of Regulation (EU) No 1308/2013 and Article 55(4) of Implementing Regulation (EU) No 543/2011 shall not apply to financial assistance under this Regulation.

2. The ceiling of one third of expenditure referred to in the fourth subparagraph of Article 33(3) of Regulation (EU) No 1308/2013 and the 25% maximum ceiling for the increase of the operational fund referred to in Article 66(3)(c) of Implementing Regulation (EU) No 543/2011 shall not apply in respect of expenditure incurred for withdrawal, non-harvesting and green harvesting operations under this Regulation.

3. Expenditure incurred in accordance with Articles 5 and 7 shall form part of the operational fund of the producer organisations.

4. Where the recognition of a producer organisation has been suspended in accordance with Article 114(2) of Implementing Regulation (EU) No 543/2011, members of that producer organisation shall be deemed to be producers not being members of a recognised producer organisation for the purpose of Articles 6 and 8.

Article 5

Financial assistance for withdrawals to producer organisations

1. The 5% ceiling referred to in Article 34(4) of Regulation (EU) No 1308/2013 and in Article 79(2) of Implementing Regulation (EU) No 543/2011 shall not apply to operations under this Regulation.

2. The maximum amounts of the financial assistance for withdrawals to producer organisations shall be those set out in Annex II.

3. By way of derogation from Article 34(1) of Regulation (EU) No 1308/2013, the financial assistance for withdrawals for destinations other than free distribution shall be 75% of the maximum amounts of the support for other destinations referred to in Annex II to this Regulation.

Article 6

Financial assistance for withdrawals to producers not being members of producer organisations

1. The maximum amounts of the financial assistance granted to producers, who are not members of a recognised producer organisation, for market withdrawals for free distribution shall be those set out in Annex II.

The maximum amounts of the financial assistance granted to producers who are not members of a recognised producer organisation for market withdrawals for destinations other than free distribution shall be 50% of the amounts set out in Annex II.

2. Producers who are not members of a recognised producer organisation shall conclude a contract with such an organisation for the entire quantity of products to be delivered. Producer organisations shall accept all reasonable requests from producers who are not members of a recognised producer organisation. The quantities delivered by producers not being members shall be consistent with the regional yields and surface concerned.

The financial assistance shall be paid to producers not being members of a recognised producer organisation by the producer organisation with which they signed such a contract.

The amounts that correspond to the real costs incurred by the producer organisation for withdrawing the respective products shall be retained by that organisation. Evidence of those costs shall be proved by means of invoices.

3. For duly justified reasons, such as the limited degree of organisation of the producers in the Member State concerned, and in a non-discriminatory way, Member States may authorise that a producer who is not a member of a recognised producer organisation may, instead of signing the contract referred to in paragraph 2, make a notification to the competent authority of the Member State about the quantity to be delivered. For such notification, Article 78 of Implementing Regulation (EU) No 543/2011 shall apply *mutatis mutandis*. The quantities delivered by producers not being members shall be consistent with the regional yields and surface concerned.

In such cases, the competent authority of the Member State shall pay the financial assistance directly to the producer. Member States shall adopt new or apply existing national rules or procedures for this purpose.

4. Regulation (EU) No 1308/2013 and Implementing Regulation (EU) No 543/2011, as well as Article 4 of this Regulation shall apply *mutatis mutandis* in respect of this Article.

Article 7

Financial assistance for non-harvesting and green harvesting to producer organisations

1. By way of derogation from Article 85(4) of Implementing Regulation (EU) No 543/2011, Member States shall set the amounts of the support, comprising both the Union financial assistance and the producer organisation contribution for non-harvesting and green harvesting, per hectare and at a level to cover not more than 90% of the amounts fixed for market withdrawals for destinations other than free distribution as set out in Annex II to this Regulation. Support for green harvesting shall cover only the products which are physically on the fields and which are actually green harvested.

By way of derogation from Article 34(4) of Regulation (EU) No 1308/2013, the Union financial assistance for non-harvesting and green harvesting shall be 75% of the amounts fixed by the Member States in accordance with the first subparagraph.

2. By way of derogation from the first subparagraph of Article 85(3) of Implementing Regulation (EU) No 543/2011, non-harvesting measures referred to in Article 84(1)(b) of that Regulation may be undertaken even where commercial production has been taken from the producing area concerned during the normal production cycle. In such cases, the amounts of support referred to in paragraph 1 of this Article shall be proportionally reduced, taking into account the production already harvested, as established on the basis of stock records and financial accounts of the producer organisations concerned.

Article 8

Financial assistance for non-harvesting and green harvesting to producers not being members of producer organisations

1. By way of derogation from Article 85(3) of Implementing Regulation (EU) No 543/2011, the following shall apply:

- (a) support for green harvesting shall cover only the products which are physically on the fields, which are actually green harvested and for which the normal harvest has not begun;
- (b) non-harvesting measures shall not be undertaken where commercial production has been taken from the area concerned during the normal production cycle;
- (c) green harvesting and non-harvesting shall in no circumstances both be applied to the same product and the same given area.

2. The amounts of the financial assistance for non-harvesting and green harvesting operations shall be 50% of the amounts set by Member States in accordance with Article 7(1).

3. Producers not being members of a recognised producer organisation shall make the appropriate notification to the competent authority of the Member State in accordance with the detailed provisions adopted by the Member State pursuant to Article 85(1)(a) of Implementing Regulation (EU) No 543/2011.

4. The competent authority of the Member State shall pay the financial assistance directly to the producer. Member States shall adopt new or apply existing national rules or procedures for this purpose.

5. Regulation (EU) No 1308/2013 and Implementing Regulation (EU) No 543/2011 shall apply *mutatis mutandis* in respect of this Article.

Article 9

Checks on withdrawal, non-harvesting and green harvesting operations

1. The withdrawal operations referred to in Articles 5 and 6 shall be subject to:
 - (a) first-level checks in accordance with Article 108 of Implementing Regulation (EU) No 543/2011. Those checks shall cover at least 10% of the quantity of products withdrawn from the market and at least 10% of producer organisations benefiting from the financial assistance referred to in Article 5 of this Regulation. However, for withdrawal operations referred to in Article 6(3), the first-level checks shall cover 100% of the quantity of products withdrawn.
 - (b) second-level checks in accordance with Article 109 of Implementing Regulation (EU) No 543/2011. The on-the-spot checks shall cover at least 40% of the entities subject to the first-level checks and at least 5% of the quantity of products withdrawn.
2. Non-harvesting and green harvesting operations as referred to in Articles 7 and 8 shall be subject to the checks and conditions provided for in Article 110 of Implementing Regulation (EU) No 543/2011, except as regards the requirement that no partial harvest has taken place where the derogation provided for in Article 7(2) of this Regulation is applied. Checks shall cover at least 25% of the producing areas concerned.

For non-harvesting and green harvesting operations referred to in Article 8, the checks shall cover 100% of the producing areas concerned.

Article 10

Application for and payment of the financial assistance

1. Producer organisations shall apply for the payment of the financial assistance referred to in Articles 5 and 7 by 31 July 2018.
2. Producers not being members of a recognised producer organisation and not having signed a contract with a recognised producer organisation shall, by 31 July 2018, apply themselves to the competent authorities designated by the Member States for the payment of the financial assistance referred to in Articles 6 and 8.
3. The applications for payment shall be accompanied by supporting documents justifying the amount of the financial assistance concerned and contain a written undertaking that the applicant has not received and will not receive any double Union or national funding or compensation under an insurance policy in respect of the operations qualifying for the financial assistance granted in accordance with this Regulation.

Article 11

Notifications

1. On the first day of each month until 1 October 2018, Member States shall notify the Commission of the following information for each product:

- (a) the quantities withdrawn for free distribution;
- (b) the quantities withdrawn for destinations other than free distribution;
- (c) the equivalent area for green harvesting and non-harvesting;
- (d) the total expenditure incurred for the quantities and areas referred to in points (a), (b) and (c).

Only operations that have been implemented shall be included in the notifications.

For those notifications Member States shall use the templates set out in Annex III, as appropriate.

2. When making their first notification, Member States shall notify the Commission of the amounts of support fixed by them in accordance with Article 79(1) or 85(4) of Implementing Regulation (EU) No 543/2011 and Articles 5 to 8 of this Regulation, using the templates set out in Annex IV, as appropriate.

Article 12

Payment of Union financial assistance

Member States' expenditure in relation to the payments under this Regulation shall only be eligible for the financial assistance if it has been paid by 30 September 2018.

Article 13

Entry into force

This Regulation shall enter into force on the day 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, 20.4.2017

For the Commission
The President
Jean-Claude JUNCKER