

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

CHAPTER I

PAYING AGENCIES AND OTHER BODIES

Article 1

Conditions for the accreditation of paying agencies

1. Paying agencies carrying out the management and control of expenditure as provided for in Article 7(1) of Regulation (EU) No 1306/2013 shall provide, in respect of payments made by them and as regards communicating and keeping information, sufficient guarantees that:

- (a) the eligibility of requests and, in the framework of rural development, the procedure for allocating aid, as well as their compliance with Union rules are checked before payment is authorised;
- (b) accurate and exhaustive accounts are kept of the payments made;
- (c) the checks laid down by Union legislation are made;
- (d) the requisite documents are presented within the time limits and in the form set out by Union rules;
- (e) the documents are accessible and kept in a manner which ensures their completeness, validity and legibility over time, including with regard to electronic documents within the meaning of Union rules.

2. Member States shall accredit as paying agencies departments or bodies which fulfil the conditions laid down in paragraph 1. Furthermore, in order to be accredited, a paying agency shall have an administrative organisation and a system of internal control which comply with the criteria set out in Annex I ('accreditation criteria') regarding

- (a) internal environment;
- (b) control activities;
- (c) information and communication;
- (d) monitoring.

Member States may lay down further accreditation criteria to take account of the size, responsibilities and other specific features of the paying agency.

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Changes to legislation: There are currently no known outstanding effects for the Commission Delegated Regulation (EU) No 907/2014, CHAPTER I. (See end of Document for details)

Article 2

Conditions for the accreditation of coordinating bodies

1. Where more than one paying agency is accredited, in accordance with Article 7(4) of Regulation (EU) No 1306/2013, the Member State concerned shall, by a formal act at ministerial level, decide on the accreditation of the coordinating body after it has satisfied itself that the administrative arrangements of that body offer sufficient assurance that it is capable of fulfilling the tasks referred to in that Article.
2. In order to be accredited, the coordinating body shall have procedures in place to ensure that:
 - (a) declarations to the Commission are based on information from properly authorised sources;
 - (b) declarations to the Commission are properly authorised before transmission;
 - (c) a proper audit trail exists to support the information transmitted to the Commission;
 - (d) a record of information received and transmitted is securely stored, either in paper or in computerised format.

Article 3

Obligations of the paying agency as regards public intervention

1. The paying agencies referred to in Article 7(1) of Regulation (EU) No 1306/2013 shall manage and ensure control of the operations linked to intervention measures relating to public storage for which they are responsible, under the terms laid down in Annex II to this Regulation and, where appropriate, in the sectoral agricultural legislation, in particular on the basis of the minimum checking rates fixed in that Annex.

The paying agencies may delegate their powers in this connection to intervention agencies which meet the conditions of approval laid down in point 1.C of Annex I to this Regulation or act through other paying agencies.

2. The paying agencies or intervention agencies may, without prejudice to their overall responsibility relating to public storage:
 - (a) entrust the management of certain public storage measures to natural or legal persons storing bought-in agricultural products ('storers');
 - (b) mandate natural or legal persons to carry out certain specific tasks laid down by the sectoral agricultural legislation.

If the paying agencies entrust the management to storers as referred to in point (a) of the first subparagraph, such management shall be carried out under storage contracts on the basis of the obligations and general principles set out in Annex III.

3. The obligations of paying agencies with regard to public storage shall be, in particular, as follows:
 - (a) to keep stock accounts and financial accounts for each product covered by an intervention measure involving public storage, based on the operations they carry out

from 1 October of one year to 30 September of the following year, this period being referred to as an ‘accounting year’;

- (b) to keep an up-to-date list of the storers with whom they have concluded public storage contracts. This list shall contain references allowing the exact identification of all storage points, their capacity, the number of warehouses, cold stores and silos, and drawings and diagrams thereof;
- (c) to make available to the Commission the standard contracts used for public storage, the rules laid down for the taking-over of products, their storage and removal from the storehouses of the storers, and the rules applicable to the liability of storers;
- (d) to keep centralised, computerised stock accounts of all stocks, covering all storage places, all products and all the quantities and qualities of the different products, specifying in each case the weight (net and gross, where applicable) or the volume;
- (e) to perform all operations relating to the storage, conservation, transport or transfer of intervention products in accordance with Union and national legislation, without prejudice to the responsibility of the purchasers, of the other paying agencies involved in an operation and of any other persons acting on instruction in this regard;
- (f) to conduct checks on places where intervention stocks are held, throughout the year, at irregular intervals and without prior warning. However, provided that the purpose of the control is not jeopardised, advance notice may be given, strictly limited to the minimum time period necessary. Such notice shall not exceed 24 hours, except in duly justified cases;
- (g) to conduct an annual stocktaking in accordance with Article 4.

Where, in a Member State, management of the public storage accounts for one or more products is carried out by more than one paying agency, the stock accounts and financial accounts referred to in points (a) and (d) shall be consolidated at Member State level before the corresponding information is notified to the Commission.

4. The paying agencies shall take all the necessary steps to ensure:
- (a) that products covered by Union intervention measures are properly conserved by checking the quality of stored products at least once a year;
 - (b) the integrity of intervention stocks.
5. The paying agencies shall inform the Commission immediately:
- (a) of cases where extending the storage period of a product is likely to result in its deterioration;
 - (b) of quantitative losses or deterioration of the product due to natural disasters.

Where situations referred to in points (a) and (b) of the first subparagraph are applicable, the Commission shall adopt the appropriate decision:

- (a) as regards the situations referred to in point (a) of the first subparagraph, in accordance with the examination procedure referred to in Article 229(2) of Regulation (EU) No 1308/2013 of the European Parliament and of the Council⁽¹⁾;
- (b) as regards the situations referred to in point (b) of the first subparagraph, in accordance with the examination procedure referred to in Article 116(3) of Regulation (EU) No 1306/2013.

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6. The paying agencies shall bear any financial consequences of poor conservation of products covered by Union intervention measures, in particular those resulting from unsuitable storage methods. Without prejudice to any recourse against storers, the paying agencies shall bear financial responsibility for failure to comply with their undertakings or obligations.

7. The paying agencies shall make the public storage accounts and all documents, contracts and files drawn up or received in the context of intervention operations permanently available to Commission agents or persons mandated by the Commission, either electronically or at the premises of the paying agencies.

Article 4

Inventory

1. During each accounting year, the paying agencies shall draw up an inventory for each product which has been the subject of Union intervention.

They shall compare the results of the inventory with the accounting data. Any differences in quantities found, and the amounts resulting from differences in quality found during checks, shall be accounted for in accordance with the rules adopted pursuant to Article 46(6)(a) of Regulation (EU) No 1306/2013.

2. For the purposes of paragraph 1, missing quantities resulting from normal storage operations shall be equal to the difference between the theoretical stock shown by the accounts inventory, on the one hand, and the actual physical stock as established on the basis of the inventory provided for in paragraph 1 or the stock shown as remaining on the books after the physical stock of a store has been exhausted, on the other hand and shall be subject to the tolerance limits set out in Annex IV.

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- (1) 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](#)).

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