
STATUTORY INSTRUMENTS

2018 No. 1410

**The Exotic Disease (Amendment
etc.) (EU Exit) Regulations 2018**

PART 2

Amendments etc. to retained direct EU legislation

Regulation (EU) No 652/2014 of the European Parliament and of the Council laying down provisions for the management of expenditure relating to the food chain, animal health and animal welfare, and relating to plant health and plant reproductive material

18.—(1) Regulation (EU) No 652/2014 of the European Parliament and of the Council laying down provisions for the management of expenditure relating to the food chain, animal health and animal welfare, and relating to plant health and plant reproductive material is amended as follows.

(2) Omit Articles 1 to 36.

(3) In Article 37—

(a) for the words before point (a) substitute—

“The Secretary of State, with the consent of the Scottish Ministers, the Welsh Ministers and (in Northern Ireland) the Department of Agriculture, Environment and Rural Affairs, may organise joint on- the-spot checks with the EU Commission in the United Kingdom at the premises of any beneficiary of EU expenditure incurred or committed before exit day, with a view to verifying in particular:”;

(b) in points (a) and (b), for “Union” substitute “EU”;

(c) in point (c), for “a Union” substitute “an EU”.

(4) In Article 38—

(a) for “Member States” substitute “The Secretary of State, with the assistance of the Scottish Ministers, the Welsh Ministers and (in Northern Ireland) the Department of Agriculture, Environment and Rural Affairs”;

(b) before “Commission”, in both places it occurs, insert “EU”;

(c) for “Union” substitute “European Union”.

(5) In Article 39—

(a) for the heading substitute “Protection of the EU’s and the United Kingdom’s financial interests”;

(b) for paragraph 1 substitute—

“**1.** This Article only applies for so long as checks are required in respect of EU funds that have been granted or committed to the UK or UK beneficiaries before exit day in order for appropriate measures (including effective checks) to be taken either by the EU Commission or by the Secretary of State, the Scottish Ministers, the Welsh Ministers or (in Northern Ireland) the Department of Agriculture, Environment and Rural Affairs

to prevent fraud, corruption and any other illegal activities, and in order that, where irregularities are detected, the EU Commission is assisted with the recovery of the amounts wrongly paid and, where appropriate, effective and proportionate action is taken against the beneficiaries where fraud, corruption or illegal activity is revealed.”;

(c) for paragraph 2 substitute—

“2. The EU Commission, or its representatives, and the EU Court of Auditors retain the power of audit, on the basis of documents and on-the-spot checks, over all grant beneficiaries, implementing bodies, contractors and subcontractors who have received EU funds granted or committed before exit day under this Regulation.

The European Anti-Fraud Office (OLAF) may be authorised to carry out reasonable on-the-spot checks and inspections on economic operators suspected of defrauding the EU following receipt directly or indirectly of EU funding in accordance with the procedures laid down in Council Regulation (Euratom, EC) No 2185/96 with a view to establishing whether there has been fraud, corruption or any other illegal activity affecting the financial interests of the EU in connection with a grant agreement or decision or a contract concerning EU funding.”;

(d) in paragraph 2, omit the last unnumbered paragraph.

(6) Omit Articles 40 to 42.

(7) For Article 43 substitute—

“Article 43

Information, communication and publicity

Where appropriate, beneficiaries and the Secretary of State, the Scottish Ministers, Welsh Ministers and (in Northern Ireland) the Department of Agriculture, Environment and Rural Affairs must ensure that suitable publicity is given to financial contributions granted by the EU.”.

(8) Omit Articles 44 to 54 and the Annexes.