

Official Journal of the European Union

L 300



English edition

Legislation

Volume 63

14 September 2020

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⁽¹⁾ Text with EEA relevance.

EN

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

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DECISIONS

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II

(Non-legislative acts)

REGULATIONS

COMMISSION DELEGATED REGULATION (EU) 2020/1272

of 4 June 2020

amending and correcting Delegated Regulation (EU) 2019/979 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council with regard to regulatory technical standards on key financial information in the summary of a prospectus, the publication and classification of prospectuses, advertisements for securities, supplements to a prospectus, and the notification portal

(Text with EEA relevance)

THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC ⁽¹⁾, and in particular Articles 7(13), 21(13) and 23(7) thereof,

Whereas:

- (1) Under Commission Delegated Regulation (EU) 2019/979 ⁽²⁾, issuers of securities convertible or exchangeable into third party shares are currently required, in the situations listed in Article 18 of that Regulation, to publish a supplement to their prospectus. By contrast, Commission Delegated Regulation (EU) No 382/2014 ⁽³⁾, which has been replaced by the Delegated Regulation (EU) 2019/979, did not require the publication of a supplement by such issuers in those situations. As those rules have proven to work well and have not affected the level of investor protection, all references to issuers of securities convertible or exchangeable into third party shares should be removed from the list in Article 18(1) of Delegated Regulation (EU) 2019/979.
- (2) To provide investors with a comparative overview of the evolution of the cash flow statement of a non-financial entity issuing equity securities, the column relating to the cash flow information for the two years prior to the year of the prospectus should be inserted in table 3 of Annex I to Delegated Regulation (EU) 2019/979.
- (3) Field 26 of Annex VII to Delegated Regulation (EU) 2019/979, which relates to depository receipts, refers to 'DRCP'. That field should however refer to 'DPRS', which is the reference used in the Financial Instruments Reference Data System (FIRDS) operated by the European Securities and Markets Authority (ESMA) in accordance with Regulation (EU) No 600/2014 of the European Parliament and of the Council ⁽⁴⁾.

⁽¹⁾ OJ L 168, 30.6.2017, p. 12.

⁽²⁾ Commission Delegated Regulation (EU) 2019/979 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council with regard to regulatory technical standards on key financial information in the summary of a prospectus, the publication and classification of prospectuses, advertisements for securities, supplements to a prospectus, and the notification portal, and repealing Commission Delegated Regulation (EU) No 382/2014 and Commission Delegated Regulation (EU) 2016/301 (OJ L 166, 21.6.2019, p. 1).

⁽³⁾ Commission Delegated Regulation (EU) No 382/2014 of 7 March 2014 supplementing Directive 2003/71/EC of the European Parliament and of the Council with regard to regulatory technical standards for publication of supplements to the prospectus (OJ L 111, 15.4.2014, p. 36).

⁽⁴⁾ Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 (OJ L 173, 12.6.2014, p. 84).

- (4) Delegated Regulation (EU) 2019/979 should therefore be amended accordingly.
- (5) In the Czech, English, Portuguese and Slovak language versions of Article 21 of Delegated Regulation (EU) 2019/979, a word has been omitted, making that provision difficult to understand. That provision should be corrected accordingly.
- (6) This Regulation is based on the draft regulatory technical standards submitted by the European Securities and Markets Authority (ESMA) to the Commission.
- (7) In the interest of legal certainty, summaries of prospectuses approved between 21 July 2019 and 16 September 2020 should continue to be valid until the end of the validity of those prospectuses.
- (8) Regulation (EU) 2017/1129 and Delegated Regulation (EU) 2019/979 entered into application on 21 July 2019. For reasons of legal certainty and to ensure the correct functioning of the prospectus notification portal, Article 1, points (1), (3), and (4), and Article 2 of this Delegated Regulation should have the same date of application as Regulation (EU) 2017/1129 and Delegated Regulation (EU) 2019/979.
- (9) Given the urgency of this matter and the limited scope and impact of the draft regulatory standards on which this Regulation is based, ESMA has neither conducted open public consultations, nor analysed the potential related costs and benefits. ESMA has requested the opinion of the Securities and Markets Stakeholder Group established in accordance with Article 37 of Regulation (EU) No 1095/2010 of the European Parliament and of the Council ⁽⁵⁾,

HAS ADOPTED THIS REGULATION:

Article 1

Amendments to Delegated Regulation (EU) 2019/979

Delegated Regulation (EU) 2019/979 is amended as follows:

(1) Article 18(1) is amended as follows:

(a) in point (a), points (i) and (ii) are replaced by the following:

‘(i) an issuer where a prospectus relates to shares or other transferrable securities equivalent to shares;

(ii) an issuer of the underlying shares or other transferable securities equivalent to shares in case of securities referred to in Articles 19(2) or 20(2) of Delegated Regulation (EU) 2019/980;’

(b) in point (d), points (i) and (ii) are replaced by the following:

‘(i) an issuer where a prospectus relates to shares or other transferrable securities equivalent to shares;

(ii) an issuer of the underlying shares or other transferable securities equivalent to shares where a prospectus relates to securities referred to in Articles 19(2) or 20(2) of Delegated Regulation (EU) 2019/980;’

(c) point (e) is replaced by the following:

‘(e) third parties make a new takeover bid as defined in Article 2(1)(a) of Directive 2004/25/EC of the European Parliament and of the Council ^(*) or the result of any takeover bid becomes available in respect of any of the following:

(i) the equity of the issuer where a prospectus relates to shares or other transferrable securities equivalent to shares;

(ii) the equity of the issuer of the underlying shares or other transferable securities equivalent to shares where a prospectus relates to the securities referred to in Articles 19(2) or 20(2) of Delegated Regulation (EU) 2019/980;

⁽⁵⁾ Regulation (EU) No 1095/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Securities and Markets Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/77/EC (OJ L 331, 15.12.2010, p. 84).

(iii) the equity of the issuer of the underlying shares of depository receipts where a prospectus is drawn up in accordance with Articles 6 and 14 of Delegated Regulation (EC) 2019/980;

(*) Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004 on takeover bids (OJ L 142, 30.4.2004, p. 12).;

(d) in point (f), points (i) and (ii) are replaced by the following:

‘(i) shares or other transferrable securities equivalent to shares;

(ii) securities as referred to in Article 19(2) of Delegated Regulation (EU) 2019/980;’;

(e) point (h) is replaced by the following:

‘(h) in the case of a prospectus relating to shares or other transferrable securities equivalent to shares or to the securities referred to in Articles 19(2) or 20(2) of Delegated Regulation (EU) 2019/980, a new significant financial commitment is likely to give rise to a significant gross change as defined in Article 1, point (e), of that Delegated Regulation;’;

(2) the following Article 22a is inserted:

‘Article 22a

Summaries of prospectuses approved between 21 July 2019 and 16 September 2020 for non-financial entities issuing equity securities

Summaries of prospectuses that contain information as referred to in Table 3 of Annex I and that have been approved between 21 July 2019 and 16 September 2020 shall continue to be valid until the end of the validity of those prospectuses.’;

(3) Annex I is amended in accordance with Annex 1 to this Regulation;

(4) Annex VII is amended in accordance with Annex 2 to this Regulation.

Article 2

Corrections to Delegated Regulation (EU) 2019/979

Article 21 of Delegated Regulation (EU) 2019/979 is replaced by the following:

‘Article 21

Download of documents and accompanying data

ESMA shall ensure that the notification portal makes any uploaded documents and accompanying data available to the relevant competent authorities.’.

Article 3

Entry into force and application

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

However, Article 1, point (1), (3) and (4) and Article 2 shall apply from 21 July 2019.

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

Done at Brussels, 4 June 2020.

For the Commission
The President
Ursula VON DER LEYEN

ANNEX 1

In Annex I to Delegated Regulation (EU) 2019/979, Table 3 is replaced by the following:

Table 3

Cash flow statement for non-financial entities (equity securities)

	Year	Year -1	Year -2	Interim	Comparative interim from same period in prior year
*Relevant net Cash flows from operating activities and/or cash flows from investing activities and/or cash from financing activities'					

ANNEX 2

In Table 1 of Annex VII to Delegated Regulation (EU) 2019/979, in the column 'Format and Standard to be used for reporting', in entry 26, 'DRCP' is replaced by 'DPRS'.

COMMISSION DELEGATED REGULATION (EU) 2020/1273**of 4 June 2020****amending and correcting Delegated Regulation (EU) 2019/980 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market****(Text with EEA relevance)**

THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC ⁽¹⁾, and in particular paragraphs 1 and 2 of Article 13, Article 14(3) and Article 15(2) thereof,

Whereas:

- (1) Commission Delegated Regulation (EU) 2019/980 ⁽²⁾ lays down the information that issuers of equity and non-equity securities are required to disclose. Non-equity securities are subject to less stringent disclosure requirements than equity securities. Some equity securities, such as certain types of convertible, exchangeable and derivative securities, are similar to non-equity securities before being converted or before the rights conferred by them being exercised. Therefore, it is appropriate to subject issuers of those convertible, exchangeable and derivative securities to the lighter disclosure rules applicable to non-equity securities.
- (2) Under Regulation (EU) 2017/1129, issuers can use a universal registration document to disclose the annual financial report required under Directive 2004/109/EC of the European Parliament and of the Council ⁽³⁾. Delegated Regulation (EU) 2019/980 requires issuers using that option to provide the complete universal registration document in Extensible Hypertext Markup Language (XHTML) format, which is a disproportionate administrative burden. Article 24(4) and Article 25(5) of Delegated Regulation (EU) 2019/980 should therefore be amended to allow issuers to submit only the information contained in the annual financial report in XHTML format.
- (3) Section 3 of Chapter II of Delegated Regulation (EU) 2019/980, on additional information to be included in the prospectus, applies to all types of prospectuses, including the EU Growth prospectus. As the EU Growth prospectus is subject to a standardised format and sequence, it is necessary to clarify the order of disclosure of information items relating to derivative securities and, where applicable, to the underlying shares and/or to the information to be disclosed if consent to use the prospectus is given in accordance with Article 5(1) of Regulation (EU) 2017/1129. Article 32 of Delegated Regulation (EU) 2019/980 and Annexes 26 and 27 to that Regulation should be updated accordingly.
- (4) Article 2(4) of Regulation (EU) 2019/2115 of the European Parliament and of the Council ⁽⁴⁾ amended Annex V to Regulation (EU) 2017/1129 by making the requirement to disclose the working capital statement in the EU Growth prospectus applicable to all issuers of equity securities, irrespective of their market capitalisation. Article 32(1), point (g), of Delegated Regulation (EU) 2019/980 and Annex 26 to that Regulation should be amended accordingly.

⁽¹⁾ OJ L 168, 30.6.2017, p. 12.

⁽²⁾ Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004 (OJ L 166, 21.6.2019, p. 26).

⁽³⁾ Directive 2004/109/EC of the European Parliament and of the Council of 15 December 2004 on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market and amending Directive 2001/34/EC (OJ L 390, 31.12.2004, p. 38).

⁽⁴⁾ Regulation (EU) 2019/2115 of the European Parliament and of the Council of 27 November 2019 amending Directive 2014/65/EU and Regulations (EU) No 596/2014 and (EU) 2017/1129 as regards the promotion of the use of SME growth markets (OJ L 320, 11.12.2019, p. 1).

- (5) Annexes 1, 3, 6 to 9, 24 and 25 to Delegated Regulation (EU) 2019/980 require that for most equity and non-equity securities, the historical annual financial information is to be independently audited and that the audit report is to be prepared in accordance with Directive 2006/43/EC of the European Parliament and of the Council ⁽⁵⁾ and Regulation (EU) No 537/2014 of the European Parliament and of the Council ⁽⁶⁾. Those Annexes also require that, where Directive 2006/43/EC and Regulation (EU) No 537/2014 do not apply and where those audit reports on the historical financial information have been refused by the statutory auditors or where they contain qualifications, modifications of opinion, disclaimers or an emphasis of matter, such qualifications, modifications, disclaimers or emphasis be reproduced in full and the reasons given. To enable investors to take informed investment decisions, it is appropriate to subject issuers to the aforementioned disclosure requirements, irrespective of whether Directive 2006/43/EC or Regulation (EU) No 537/2014 apply. Annexes 1, 3, 6 to 9, 24 and 25 to Delegated Regulation (EU) 2019/980 should therefore be amended accordingly.
- (6) Where the simplified disclosure regime for secondary issuances is applicable, Annex 4 to Delegated Regulation (EU) 2019/980 requires collective investment undertakings to provide information stemming from certain sections and items of Annex 3. To align with the disclosure requirements for primary issuances, that list of sections and items should be amended to include information on material contracts and exclude pro forma financial information.
- (7) In the securities note for secondary issuances of non-equity securities, the description of the type, class, and amount of the securities being offered or admitted to trading should be set out under category B in the same way as for primary issuances, as not all details of that information are known at the time of approval of the base prospectus. Furthermore, to align with the disclosure requirements for primary issuances, it is necessary to clarify that for secondary issuances of retail non-equity securities, where the prospectus summary is substituted in part with the information set out in Article 8(3), points (c) to (i) of Regulation (EU) No 1286/2014 of the European Parliament and of the Council ⁽⁷⁾, that information should also be contained in the securities note. Annex 16 to Delegated Regulation (EU) 2019/980 should be amended accordingly.
- (8) Article 33(7) of Delegated Regulation (EU) 2019/980 erroneously refers to Annex 22 to that Regulation, instead of Annex 23. That error should be corrected.
- (9) Article 26(4) of Regulation (EU) 2017/1129 requires that a registration document or a universal registration document notified in accordance with paragraph 2 of that Article contains an appendix setting out the key information on the issuer referred to in Article 7(6) of that Regulation. Point (g) of Article 42(2) of Delegated Regulation (EU) 2019/980 erroneously requires that such appendix is to be submitted in any case and not only where such appendix is required. That error should be corrected.
- (10) Regulation (EU) 2017/1129 and Delegated Regulation (EU) 2019/980 started applying as of 21 July 2019. For reasons of legal certainty and to ensure that issuers are not subject to unnecessary administrative burdens, Article 1, points (1) to (8), and Article 2 of this Delegated Regulation should have the same date of application as Regulation (EU) 2017/1129 and Delegated Regulation (EU) 2019/980.
- (11) In the interest of legal certainty, prospectuses approved between 21 July 2019 and 16 September 2020, should continue to be valid until the end of their validity,

⁽⁵⁾ Directive 2006/43/EC of the European Parliament and of the Council of 17 May 2006 on statutory audits of annual accounts and consolidated accounts, amending Council Directives 78/660/EEC and 83/349/EEC and repealing Council Directive 84/253/EEC (OJ L 157, 9.6.2006, p. 87).

⁽⁶⁾ Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC (OJ L 158, 27.5.2014, p. 77).

⁽⁷⁾ Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs) (OJ L 352, 9.12.2014, p. 1).

HAS ADOPTED THIS REGULATION:

Article 1

Amendments to Delegated Regulation (EU) 2019/980

Delegated Regulation (EU) 2019/980 is amended as follows:

(1) Article 2 is replaced by the following:

'Article 2

Registration document for equity securities

1. For equity securities, the registration document shall contain the information referred to in Annex 1 to this Regulation, unless it is drawn up in accordance with Articles 9, 14 or 15 of Regulation (EU) 2017/1129.

2. By way of derogation from paragraph 1, the registration document for the following securities, where those securities are not shares or other transferrable securities equivalent to shares, may be drawn up in accordance with Article 7 of this Regulation for retail securities or Article 8 of this Regulation for wholesale securities:

- (a) the securities referred to in Articles 19(1) and 20(1) of this Regulation;
- (b) the securities referred to in Article 19(2) of this Regulation, where those securities are exchangeable for or convertible into shares that are or will be issued by an entity belonging to the issuer's group and that are not admitted to trading on a regulated market;
- (c) the securities referred to in Article 20(2) of this Regulation, where those securities give the right to subscribe or acquire shares that are or will be issued by an entity belonging to the issuer's group and that are not admitted to trading on a regulated market.;

(2) Article 4 is replaced by the following:

'Article 4

Registration document for secondary issuances of equity securities

1. A specific registration document for equity securities that is drawn up in accordance with Article 14 of Regulation (EU) 2017/1129 shall contain the information referred to in Annex 3 to this Regulation.

2. By way of derogation from paragraph 1, the registration document for the following securities, where those securities are not shares or other transferrable securities equivalent to shares, may be drawn up in accordance with Article 9:

- (a) the securities referred to in Articles 19(1) and 20(1) of this Regulation;
- (b) the securities referred to in Article 19(2) of this Regulation, where those securities are exchangeable for or convertible into shares that are or will be issued by an entity belonging to the issuer's group and that are not admitted to trading on a regulated market;
- (c) the securities referred to in Article 20(2) of this Regulation, where those securities give the right to subscribe or acquire shares that are or will be issued by an entity belonging to the issuer's group and that are not admitted to trading on a regulated market.;

(3) Article 12 is replaced by the following:

'Article 12

Securities note for equity securities or units issued by collective investment undertakings of the closed-end type

1. For equity securities or units issued by collective investment undertakings of the closed-end type, the securities note shall contain the information referred to in Annex 11 to this Regulation, unless it is drawn up in accordance with Articles 14 or 15 of Regulation (EU) 2017/1129.

2. By way of derogation from paragraph 1, the securities note for the securities referred to in paragraphs 1 and 2 of Article 19 and paragraphs 1 and 2 of Article 20 of this Regulation, where those securities are not shares or other transferrable securities equivalent to shares, shall be drawn up in accordance with Article 15 of this Regulation for retail securities or Article 16 of this Regulation for wholesale securities.;

- (4) Article 13 is replaced by the following:

'Article 13

Securities note for secondary issuances of equity securities or of units issued by collective investment undertakings of the closed-end type

1. A specific securities note for equity securities or units issued by collective investment undertakings of the closed-end type that is drawn up in accordance with Article 14 of Regulation (EU) 2017/1129 shall contain the information referred to in Annex 12 to this Regulation.

2. By way of derogation from paragraph 1, the specific securities note for the securities referred to in paragraphs 1 and 2 of Article 19 and paragraphs 1 and 2 of Article 20 of this Regulation, where those securities are not shares or other transferrable securities equivalent to shares, shall be drawn up in accordance with Article 17 of this Regulation.;

- (5) in Article 24, paragraph 4 is replaced by the following:

'4. Where a universal registration document is used for the purposes of Article 9(12) of Regulation (EU) 2017/1129, the information referred to in that Article shall be presented in accordance with Commission Delegated Regulation (EU) 2019/815 (*).

(*) Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format (OJ L 143, 29.5.2019, p. 1).;

- (6) in Article 25, paragraph 5 is replaced by the following:

'5. Where a universal registration document is used for the purposes of Article 9(12) of Regulation (EU) 2017/1129, the information referred to in that Article shall be presented in accordance with Commission Delegated Regulation (EU) 2019/815.;

- (7) Article 28 is replaced by the following:

'Article 28

EU Growth registration document for equity securities

1. A specific registration document for equity securities drawn up in accordance with Article 15 of Regulation (EU) 2017/1129 shall contain the information referred to in Annex 24 to this Regulation.

2. By way of derogation from paragraph 1, the specific registration document for the following securities, where those securities are not shares or other transferrable securities equivalent to shares, may be drawn up in accordance with Article 29 of this Regulation:

- (a) the securities referred to in Articles 19(1) and 20(1) of this Regulation;
- (b) the securities referred to in Article 19(2) of this Regulation, where those securities are exchangeable for or convertible into shares that are or will be issued by an entity belonging to the issuer's group and that are not admitted to trading on a regulated market;
- (c) the securities referred to in Article 20(2) of this Regulation, where those securities give the right to subscribe or acquire shares that are or will be issued by an entity belonging to the issuer's group and that are not admitted to trading on a regulated market.;

- (8) Article 30 is replaced by the following:

'Article 30

EU Growth securities note for equity securities

1. A specific securities note for equity securities drawn up in accordance with Article 15 of Regulation (EU) 2017/1129 shall contain the information referred to in Annex 26 to this Regulation.

2. By way of derogation from paragraph 1, the specific securities note for the securities referred to in paragraphs 1 and 2 of Article 19 and paragraphs 1 and 2 of Article 20 of this Regulation, where those securities are not shares or other transferrable securities equivalent to shares, shall be drawn up in accordance with Article 31 of this Regulation.;

- (9) in Article 32(1), point (e) is replaced by the following:

'(e) the information referred to in section 1 of Annex 24 and section 1 of Annex 26, or the information referred to in section 1 of Annex 25 and section 1 of Annex 27 to this Regulation, depending on the type of securities';

(10) in Article 32(1), point (g) is replaced by the following:

‘(g) for equity securities, the information referred to in item 2.1 of Annex 26 and, where equity securities are issued by an issuer with a market capitalisation above EUR 200 000 000, the information referred to in item 2.2 of Annex 26 to this Regulation;’;

(11) in Article 32(1), the following points (p) and (q) are added:

‘(p) where information on the underlying share is required pursuant to Article 19(2), point (b), Article 19(3) or Article 20(2), point (b) of this Regulation, the information referred to in section 6 of Annex 26 to this Regulation or the information referred to in section 6 of Annex 27 to this Regulation, depending on the type of securities;

(q) where the issuer or the person responsible for drawing up a prospectus consents to its use as referred to in the second subparagraph of Article 5(1) of Regulation (EU) 2017/1129, the information referred to in section 7 of Annex 26 or in section 7 of Annex 27 to this Regulation, depending on the type of securities.’;

(12) the following Article 46a is inserted:

‘Article 46a

Prospectuses approved between 21 July 2019 and 16 September 2020

Prospectuses that have been approved between 21 July 2019 and 16 September 2020 shall continue to be valid until the end of their validity.’;

(13) Annex 1 is amended in accordance with Annex I to this Regulation;

(14) Annex 3 is amended in accordance with Annex II to this Regulation;

(15) Annex 4 is amended in accordance with Annex III to this Regulation;

(16) Annex 6 is amended in accordance with Annex IV to this Regulation;

(17) Annex 7 is amended in accordance with Annex V to this Regulation;

(18) Annex 8 is amended in accordance with Annex VI to this Regulation;

(19) Annex 9 is amended in accordance with Annex VII to this Regulation;

(20) Annex 16 is amended in accordance with Annex VIII to this Regulation;

(21) Annex 24 is amended in accordance with Annex IX to this Regulation;

(22) Annex 25 is amended in accordance with Annex X to this Regulation;

(23) Annex 26 is amended in accordance with Annex XI to this Regulation;

(24) Annex 27 is amended in accordance with Annex XII to this Regulation.

Article 2

Corrections to Delegated Regulation (EU) 2019/980

(1) in Article 33 of Delegated Regulation (EU) 2019/980, paragraph 7 is replaced by the following:

‘7. The specific summary may use sub-headings to present the information referred to in sections 2, 3 and 4 of Annex 23 to this Regulation.’;

(2) in Article 42(2), point (g) is replaced by the following:

‘(g) an appendix where required by Article 26(4) of Regulation (EU) 2017/1129, unless no summary is required pursuant to the second subparagraph of Article 7(1) of that Regulation.’;

Article 3

Entry into force and date of application

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

However, Article 1, points (1) to (8), and Article 2 shall apply from 21 July 2019.

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

Done at Brussels, 4 June 2020.

For the Commission
The President
Ursula VON DER LEYEN

ANNEX I

Section 18 of Annex 1 is amended as follows:

(1) item 18.3.1 is replaced by the following:

Item 18.3.1	<p>The historical annual financial information must be independently audited. The audit report shall be prepared in accordance with Directive 2006/43/EC of the European Parliament and of the Council (*) and Regulation (EU) No 537/2014 of the European Parliament and of the Council (**).</p> <p>Where Directive 2006/43/EC and Regulation (EU) No 537/2014 do not apply, the historical annual financial information must be audited or reported on as to whether or not, for the purposes of the registration document, it gives a true and fair view in accordance with auditing standards applicable in a Member State or an equivalent standard.</p>
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(*) Directive 2006/43/EC of the European Parliament and of the Council of 17 May 2006 on statutory audits of annual accounts and consolidated accounts, amending Council Directives 78/660/EEC and 83/349/EEC and repealing Council Directive 84/253/EEC (OJ L 157, 9.6.2006, p. 87).

(**) Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC (OJ L 158, 27.5.2014, p. 77).;

(2) the following item 18.3.1a is inserted:

Item 18.3.1a	<p>Where audit reports on the historical financial information have been refused by the statutory auditors or where they contain qualifications, modifications of opinion, disclaimers or an emphasis of matter, the reason must be given, and such qualifications, modifications, disclaimers or emphasis of matter must be reproduced in full.</p>
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ANNEX II

Section 11 of Annex 3 is amended as follows:

(1) item 11.2.1 is replaced by the following:

Item 11.2.1	<p>Audit report</p> <p>The annual financial statements must be independently audited. The audit report shall be prepared in accordance with Directive 2006/43/EC and Regulation (EU) No 537/2014.</p> <p>Where Directive 2006/43/EC and Regulation (EU) No 537/2014 do not apply, the annual financial statements must be audited or reported on as to whether or not, for the purposes of the registration document, it gives a true and fair view in accordance with auditing standards applicable in a Member State or an equivalent standard. Otherwise, the following information must be included in the registration document:</p> <p>(a) a prominent statement disclosing which auditing standards have been applied;</p> <p>(b) an explanation of any significant departures from International Standards on Auditing.;</p>
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(2) the following item 11.2.1a is inserted:

Item 11.2.1a	<p>Where audit reports on the annual financial statements have been refused by the statutory auditors or where they contain qualifications, modifications of opinion, disclaimers or an emphasis of matter, the reason must be given, and such qualifications, modifications, disclaimers or emphasis of matter must be reproduced in full.</p>
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ANNEX III

In Annex 4, the introduction preceding Section 1 is replaced by the following:

<p>'In addition to the information required in this Annex, a collective investment undertaking must provide the information required in sections/items 1, 2, 3, 4, 6, 7.1, 7.2.1, 8.4, 9 (although the description of the regulatory environment that the issuer operates in, need only relate to the regulatory environment relevant to the issuer's investments), 11, 12, 13, 14, 15.2, 16, 17, 18 (except for pro forma financial information), 19, 20 and 21 of Annex 1 to this Regulation, or, where the collective investment undertaking meets the requirements of Article 14(1) of Regulation (EU) 2017/1129, the information required in sections/items 1, 2, 3, 4, 7, 8, 9, 10, 11 (except for pro forma financial information), 12, 13, 14 and 15 of Annex 3 to this Regulation.</p>

<p>Where units are issued by a collective investment undertaking which is constituted as a common fund managed by a fund manager, the information referred to in sections/items 6, 12, 13, 14, 15.2, 16 and 20 of Annex 1 to this Regulation shall be disclosed in relation to the fund manager, while the information referred to in items 2, 4 and 18 of Annex 1 to this Regulation shall be disclosed in relation to both the fund and the fund manager.'</p>
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ANNEX IV

Section 11 of Annex 6 is amended as follows:

(1) item 11.3.1 is replaced by the following:

Item 11.3.1	The historical annual financial information must be independently audited. The audit report shall be prepared in accordance with Directive 2006/43/EC and Regulation (EU) No 537/2014. Where Directive 2006/43/EC and Regulation (EU) No 537/2014 do not apply, the historical financial information must be audited or reported on as to whether or not, for the purposes of the registration document, it gives a true and fair view in accordance with auditing standards applicable in a Member State or an equivalent standard.;
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(2) the following item 11.3.1a is inserted:

Item 11.3.1 a	Where audit reports on the historical financial information have been refused by the statutory auditors or where they contain qualifications, modifications of opinion, disclaimers or an emphasis of matter, the reason must be given, and such qualifications, modifications, disclaimers or emphasis of matter must be reproduced in full.;
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ANNEX V

Section 11 of Annex 7 is amended as follows:

(1) item 11.2.1 is replaced by the following:

Item 11.2.1	The historical annual financial information must be independently audited. The audit report shall be prepared in accordance with Directive 2006/43/EC and Regulation (EU) No 537/2014. Where Directive 2006/43/EC and Regulation (EU) No 537/2014 do not apply, the historical financial information must be audited or reported on as to whether or not, for the purposes of the registration document, it gives a true and fair view in accordance with auditing standards applicable in a Member State or an equivalent standard. Otherwise, the following information must be included in the registration document: (a) a prominent statement disclosing which auditing standards have been applied; (b) an explanation of any significant departures from International Standards on Auditing.;
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(2) the following item 11.2.1a is inserted:

Item 11.2.1a	Where audit reports on the historical financial information have been refused by the statutory auditors or where they contain qualifications, modifications of opinion, disclaimers or an emphasis of matter, the reason must be given, and such qualifications, modifications, disclaimers or emphasis of matter must be reproduced in full.‘.
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ANNEX VI

Section 10 of Annex 8 is amended as follows:

(1) item 10.2.1 is replaced by the following:

Item 10.2.1	<p>Audit report</p> <p>The annual financial statements must be independently audited. The audit report shall be prepared in accordance with Directive 2006/43/EC and Regulation (EU) No 537/2014.</p> <p>Where Directive 2006/43/EC and Regulation (EU) No 537/2014 do not apply, the annual financial statements must be audited or reported on as to whether or not, for the purposes of the registration document, it gives a true and fair view in accordance with auditing standards applicable in a Member State or an equivalent standard. Otherwise, the following information must be included in the registration document:</p> <p>(a) a prominent statement disclosing which auditing standards have been applied;</p> <p>(b) an explanation of any significant departures from International Standards on Auditing.;</p>
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(2) the following item 10.2.1a is inserted:

Item 10.2.1a	<p>Where audit reports on the annual financial statements have been refused by the statutory auditors or where they contain qualifications, modifications of opinion, disclaimers or an emphasis of matter, the reason must be given, and such qualifications, modifications, disclaimers or emphasis of matter must be reproduced in full.’</p>
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ANNEX VII

Section 8 of Annex 9 is amended as follows:

(1) item 8.2.a.3 is replaced by the following:

Item 8.2.a.3	Audit report The historical annual financial information must be independently audited. The audit report shall be prepared in accordance with Directive 2006/43/EC and Regulation (EU) No 537/2014. Where Directive 2006/43/EC and Regulation (EU) No 537/2014 do not apply, the historical financial information must be audited or reported on as to whether or not, for the purposes of the registration document, it gives a true and fair view in accordance with auditing standards applicable in a Member State or an equivalent standard. Otherwise, the following information must be included in the registration document: (a) a prominent statement disclosing which auditing standards have been applied; (b) an explanation of any significant departures from International Standards on Auditing.;
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(2) the following item 8.2.a.4 is inserted:

Item 8.2.a.4	A statement that the historical financial information has been audited. Where audit reports on the historical financial information have been refused by the statutory auditors or where they contain qualifications, modifications of opinion, disclaimers or an emphasis of matter, the reason must be given, and such qualifications, modifications, disclaimers or emphasis of matter must be reproduced in full.'
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ANNEX VIII

Annex 16 is amended as follows:

(1) item 4.1 is replaced by the following:

Item 4.1	(a) a description of the type, class and amount of the securities being offered to the public and/or admitted to trading;	Category B
	(b) the international security identification number ('ISIN') of the securities being offered to the public and/or admitted to trading.;	Category C

(2) the following item 7.3.a is inserted:

Item 7.3.a (Retail only)	Where the summary is substituted in part with the information set out in points (c) to (i) of paragraph 3 of Article 8 of Regulation (EU) No 1286/2014, all such information must be disclosed to the extent it is not already disclosed elsewhere in the securities note.;	Category C
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ANNEX IX

Section 5 of Annex 24 is amended as follows:

(1) item 5.3.1 is replaced by the following:

Item 5.3.1	The historical annual financial information must be independently audited. The audit report shall be prepared in accordance with Directive 2006/43/EC and Regulation (EU) No 537/2014. Where Directive 2006/43/EC and Regulation (EU) No 537/2014 do not apply, the historical financial information must be audited or reported on as to whether or not, for the purposes of the registration document, it gives a true and fair view in accordance with auditing standards applicable in a Member State or an equivalent standard.;
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(2) the following item 5.3.1a is inserted:

Item 5.3.1a	Where audit reports on the historical financial information have been refused by the statutory auditors or where they contain qualifications, modifications of opinion, disclaimers or an emphasis of matter, the reason must be given, and such qualifications, modifications, disclaimers or emphasis of matter must be reproduced in full.;
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ANNEX X

Section 5 of Annex 25 is amended as follows:

(1) item 5.3.1 is replaced by the following:

Item 5.3.1	The historical annual financial information must be independently audited. The audit report shall be prepared in accordance with Directive 2006/43/EC and Regulation (EU) No 537/2014. Where Directive 2006/43/EC and Regulation (EU) No 537/2014 do not apply, the historical financial information must be audited or reported on as to whether or not, for the purposes of the registration document, it gives a true and fair view in accordance with auditing standards applicable in a Member State or an equivalent standard.;
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(2) the following item 5.3.1a is inserted:

Item 5.3.1a	Where audit reports on the historical financial information have been refused by the statutory auditors or where they contain qualifications, modifications of opinion, disclaimers or an emphasis of matter, the reason must be given, and such qualifications, modifications, disclaimers or emphasis of matter must be reproduced in full.;
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ANNEX XI

Annex 26 is amended as follows:

(1) Section 2 is replaced by the following:

'SECTION 2	WORKING CAPITAL STATEMENT AND STATEMENT OF CAPITALISATION AND INDEBTEDNESS <i>The disclosure under this section provides information on the issuer's working capital requirements and its capitalisation and indebtedness.</i>
Item 2.1	Working capital statement Statement by the issuer that, in its opinion, the working capital is sufficient for the issuer's present requirements or, if not, how it proposes to provide the additional working capital needed.
Item 2.2 Issuers with market capitalisation above EUR 200 000 000 only	Capitalisation and indebtedness A statement of capitalisation and indebtedness (distinguishing between guaranteed and unguaranteed, secured and unsecured indebtedness) as of a date no earlier than 90 days prior to the date of the document. The term 'indebtedness' also includes indirect and contingent indebtedness. In the case of material changes in the capitalisation and indebtedness position of the issuer within the 90 day period, additional information shall be given through the presentation of a narrative description of such changes or through the updating of those figures.;

(2) the following item 4.2 is inserted:

'Item 4.2	In the case of issuance of shares with warrants, the information referred to in Article 20 (2).;
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(3) the following sections 6 and 7 are added:

'SECTION 6	UNDERLYING SHARE INFORMATION (WHERE APPLICABLE)
Item 6.1	Where applicable, the information referred to in Annex 18.
'SECTION 7	CONSENT INFORMATION (WHERE APPLICABLE)
Item 7.1	Where the issuer or the person responsible for drawing up a prospectus consents to its use as referred to in the second subparagraph of Article 5(1) of Regulation (EU) 2017/1129, the following additional information: (a) the information referred to in sections 1 and 2A of Annex 22 to this Regulation where the consent is provided to one or more specified financial intermediaries; (b) the information referred to in sections 1 and 2B of Annex 22 to this Regulation where the consent is given to all financial intermediaries.;

ANNEX XII

Annex 27 is amended as follows:

(1) section 3 is amended as follows:

- (a) item 3.1.17 is deleted;
- (b) the following item 3.2 is inserted:

Item 3.2	<p>Information on derivative securities</p> <p>In the case of issuance of derivative securities, the following information:</p> <ul style="list-style-type: none"> (a) for derivative securities referred to in Article 20(1), the information referred to in that paragraph; (b) for derivative securities referred to in Article 20(2), the information referred to in that paragraph; (c) for derivative securities referred to in Article 20(3), the information referred to in that paragraph.; 	
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(2) the following sections 6 and 7 are added:

SECTION 6	UNDERLYING SHARE INFORMATION (WHERE APPLICABLE)	
Item 6.1	<ul style="list-style-type: none"> (a) Where applicable, the information referred to in items 2.1 and 2.2 of Annex 26 in respect of the issuer of the underlying share. (b) Where applicable, the information referred to in Annex 18. 	
SECTION 7	CONSENT INFORMATION (WHERE APPLICABLE)	
Item 7.1	<p>Where the issuer or the person responsible for drawing up a prospectus consents to its use as referred to in the second subparagraph of Article 5(1) of Regulation (EU) 2017/1129, the following additional information:</p> <ul style="list-style-type: none"> (a) the information referred to in sections 1 and 2A of Annex 22 to this Regulation where the consent is provided to one or more specified financial intermediaries; (b) the information referred to in sections 1 and 2B of Annex 22 to this Regulation where the consent is given to all financial intermediaries.; 	

COMMISSION DELEGATED REGULATION (EU) 2020/1274**of 1 July 2020****fixing a flat-rate reduction for the import duty for sorghum in Spain imported from third countries**

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 1234/2007 ⁽¹⁾, and in particular Article 185 thereof,

Whereas:

- (1) Within the context of the agreements concluded under the Uruguay Round of multilateral trade negotiations ⁽²⁾, the Union has committed to allowing Spain to import a quantity of 300 000 tonnes of sorghum per year.
- (2) Between 1 January 2020 and 26 April 2020, 43 069 tonnes of sorghum were imported into Spain. During that period, the import duty for sorghum was set at EUR 0 per tonne, in accordance with Commission Regulation (EU) No 642/2010 ⁽³⁾. Since 27 April 2020, and following the introduction of an import duty of more than zero for sorghum in accordance with that Regulation, 2 366 tonnes of sorghum have been imported into Spain.
- (3) To ensure that import quotas are fully used, Article 6 of Commission Regulation (EC) No 1296/2008 ⁽⁴⁾ provides that a reduction may be applied to the import duty fixed in accordance with Regulation (EU) No 642/2010.
- (4) In order to facilitate the import flow of sorghum in Spain until the end of the year 2020, it is necessary to apply a flat-rate reduction of 100 % to the import duty fixed in accordance with Regulation (EU) No 642/2010 as regards the quantities of sorghum to be imported into Spain under the tariff quota opened on 1 January 2020 in accordance with Regulation (EC) No 1296/2008,

HAS ADOPTED THIS REGULATION:

Article 1

A flat-rate reduction of the import duty for sorghum, as referred to in Article 6 of Regulation (EC) No 1296/2008, is established at 100 % of the import duty for sorghum fixed in accordance with Regulation (EU) No 642/2010. This reduction shall apply to the available balance of the quantities of sorghum to be imported into Spain under the tariff quota opened on 1 January 2020 in accordance with Regulation (EC) No 1296/2008.

⁽¹⁾ OJ L 347, 20.12.2013, p. 671.

⁽²⁾ Council Decision 94/800/EC of 22 December 1994 concerning the conclusion on behalf of the European Community, as regards matters within its competence, of the agreements reached in the Uruguay Round multilateral negotiations (1986-1994) (OJ L 336, 23.12.1994, p. 1).

⁽³⁾ Commission Regulation (EU) No 642/2010 of 20 July 2010 on rules of application (cereal sector import duties) for Council Regulation (EC) No 1234/2007 (OJ L 187, 21.7.2010, p. 5).

⁽⁴⁾ Commission Regulation (EC) No 1296/2008 of 18 December 2008 laying down detailed rules for the application of tariff quotas for imports of maize and sorghum into Spain and imports of maize into Portugal (OJ L 340, 19.12.2008, p. 57).

Article 2

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

It shall apply until 31 December 2020.

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

Done at Brussels, 1 July 2020.

For the Commission
The President
Ursula VON DER LEYEN

COMMISSION DELEGATED REGULATION (EU) 2020/1275**of 6 July 2020****amending Delegated Regulation (EU) 2020/592 on temporary exceptional measures derogating from certain provisions of Regulation (EU) No 1308/2013 of the European Parliament and of the Council to address the market disturbance in the fruit and vegetables and wine sectors caused by the COVID-19 pandemic and measures linked to it**

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 1234/2007 ⁽¹⁾, and in particular Article 219(1) in conjunction with Article 227 thereof,

Whereas:

- (1) Commission Delegated Regulation (EU) 2020/592 ⁽²⁾ introduced a number of derogations to existing rules to help the fruit and vegetables and wine sectors cope with the impact of the COVID-19 pandemic.
- (2) Due to the COVID-19 pandemic, in the year 2020, many recognised producer organisations and associations of producer organisations in the fruit and vegetables sector are facing difficulties in implementing their approved operational programmes. Some of the approved actions and measures will not be implemented in 2020 and therefore part of operational funds will not be spent. Other recognised producer organisations and associations of producer organisations are amending their operational programmes with a view to implementing actions and measures to address the impact of the COVID-19 pandemic in the fruit and vegetables sector, such as crisis management measures. Flexibility regarding the implementation of operational programmes has already been provided for in Delegated Regulation (EU) 2020/592.
- (3) The implementation of Delegated Regulation (EU) 2020/592 has shown that further measures are necessary to enable recognised producer organisations and associations of producer organisations, to manage their operational funds, in particular where they have modified their operational programmes based on that Regulation.
- (4) Recognised producer organisations and associations of producer organisations need to be able to redirect funds, including Union financial assistance within the operational fund to the actions and measures that are necessary to address the consequences of the COVID-19 pandemic. To ensure that recognised producer organisations and associations of producer organisations are able to do this, it is necessary to increase in the year 2020 the limit of Union financial assistance laid down in Article 34(1) of Regulation (EU) No 1308/2013 from 50 % to 70 % of the actual expenditure incurred.
- (5) Delegated Regulation (EU) 2020/592 introduced a number of derogations from existing rules in the wine sector which were aimed at providing some relief to the wine producers and help them cope with the impact of the COVID-19 pandemic. However, since the publication of Delegated Regulation (EU) 2020/592, the situation of the wine sector has further worsened.
- (6) Wine stocks at the beginning of marketing year 2019-2020 were at their highest level since 2009. In May 2020, exports of wine to third countries by the largest producing Member States have dropped by between 22 % and 63 % in volume below those of May 2019. Wine consumption has been severely affected by consequences linked to the COVID-19 pandemic, such as the closure of borders, the closure of the hospitality and catering industry, and the interruption of all touristic activities. All these elements are continuously causing wine surpluses to grow and are putting pressure on the market and on prices.

⁽¹⁾ OJ L 347, 20.12.2013, p. 671.

⁽²⁾ Commission Delegated Regulation (EU) 2020/592 of 30 April 2020 on temporary exceptional measures derogating from certain provisions of Regulation (EU) No 1308/2013 of the European Parliament and of the Council to address the market disturbance in the fruit and vegetables and wine sectors caused by the COVID-19 pandemic and measures linked to it (OJ L 140, 4.5.2020, p. 6).

- (7) The situation is not expected to improve rapidly, even with hospitality activities partially resuming in the Union. Re-opening of restaurants is generally subject to social distancing requirements, which means that restaurants and bars are not able to accommodate the same number of customers as before the measures put in place to address the COVID-19 pandemic. According to estimates of the hospitality and catering industry, 30 % of restaurants might not re-open at all. In many Member States, there are still restrictions in place regarding the size of social gatherings, including private celebratory events such as weddings, where traditionally wine is consumed. Restricted contact is still recommended or imposed and citizens are not prepared to resume their previous social activities because the COVID-19 pandemic is still ongoing. Consequently, despite the relaxation of certain rules imposed during the lockdown, in June 2020 the situation is not yet back to normal, which is likely to continue.
- (8) Consequently, given the duration of the restrictions imposed by Member States to address the COVID-19 pandemic and the continuation of their effects, the long term economic impacts on the main outlets for the products of the wine sector and their negative effects on the demand for wine have continued and deteriorated.
- (9) In view of this particularly severe market disturbance and of the accumulation of difficult circumstances in the wine sector, starting with the imposition by the United States of tariffs on the imports of Union wines in October 2019 and continuing with the restriction measures due to the worldwide COVID-19 pandemic and their still on-going consequences, the wine sector is experiencing exceptional difficulties, including of a financial nature. This has an impact on the planning, implementation and execution of the operations under the support programmes in the wine sector because operators are suffering from a greatly reduced cash flow in relation to normal years.
- (10) The implementation of the measures to address the crisis and the increases in maximum Union contribution introduced by Delegated Regulation (EU) 2020/592 have shown to be insufficient to improve the financial situation of the operators in the wine sector. In particular, they are not able to compensate for the severe loss of income resulting from the crisis.
- (11) Taking account of these circumstances, beneficiaries should be able to receive advance payments under the measures introduced by Delegated Regulation (EU) 2020/592, i.e. 'distillation of wine in case of crisis' and 'aid for crisis storage of wine'. These advances should cover 100 % of the amount of the Union support and should be paid provided that a guarantee of an amount at least equal to 110 % of the advance has been lodged. This is intended to guarantee that as much wine as possible can be withdrawn from the market under these two measures during financial year 2020, while helping the beneficiaries concerned with their cash-flow and providing flexibility which will allow more beneficiaries to carry out operations under these two measures. Moreover, allowing the payment of advances of 100 % will allow Member States to use efficiently their yearly financial allocation and compensate the delays in implementation of the measures due to the COVID-19 pandemic.
- (12) Delegated Regulation (EU) 2020/592 provided also for the possibility for Member State to grant national payments complementing the Union support for the measures 'distillation of wine in case of crisis' and 'aid for crisis storage of wine' because, as a consequence of the effects of the COVID-19 pandemic, it is necessary to withdraw from the market the highest possible quantities of wine that were neither consumed, sold or exported during the period of the pandemic. The national payments make it possible to maximise these quantities in addition to those that can be supported under the budget limits fixed for the support programmes in the wine sector. Delegated Regulation (EU) 2020/592 provided further that those additional national payments are subject to state aid rules. However, this obligation has proven to make it impossible for certain Member States to grant national payments and implement the measures introduced by Delegated Regulation (EU) 2020/592 in an efficient way. It is therefore appropriate to amend Delegated Regulation (EU) 2020/592 to ensure that Article 211(2)(a) of Regulation (EU) No 1308/2013, which provides that payments made by Member States are not subject to state aid rules, applies to those measures.
- (13) Among the derogations introduced by Delegated Regulation (EU) 2020/592, the Union contribution to the actual costs of the measures set out in Articles 46(6), 47(3), 49(2) and 50(4) of Regulation (EU) No 1308/2013 was temporarily increased by 5 % or 10 %.
- (14) Furthermore, prior to Delegated Regulation (EU) 2020/592, Commission Implementing Regulation (EU) 2020/132 ⁽³⁾ introduced, by way of derogation from Article 45(3) of Regulation (EU) No 1308/2013, a temporary increase by 10 % of the Union contribution to the actual costs of the measure 'promotion' to address the difficult situation in the export markets following the imposition by the United States of tariffs on imports of Union wine in October 2019.

⁽³⁾ Commission Implementing Regulation (EU) 2020/132 of 30 January 2020 laying down an emergency measure in the form of a derogation from Article 45(3) of Regulation (EU) No 1308/2013 of the European Parliament and of the Council as regards Union contribution to the promotion measure in the wine sector (OJ L 27, 31.1.2020, p. 20).

- (15) Increasing the Union contribution represents a form of financial support, which, however, does not require additional Union financing since the budgetary limits for the support programmes in the wine sector laid down in Annex VI to Regulation (EU) No 1308/2013 continue to apply. Member States may thus decide to allocate higher amounts to the measures in question only within the yearly budget provided for in that Annex. The increased financial rates are aimed, therefore, at providing support to the sector in the given unstable market situation without having to mobilise additional funds in the first place.
- (16) However, the first reactions of the sector presented to the Commission by the Wine and Spirits Intergroup of the European Parliament and by the representatives of the European wine sector have indicated that the above increases in the maximum Union contribution to the measure 'promotion', introduced by Implementing Regulation (EU) 2020/132, and to the measures 'restructuring and conversion of vineyards', 'green harvesting', 'harvest insurance' and 'investments', introduced by Delegated Regulation (EU) 2020/592, have not been sufficient to allow most of the potential beneficiaries to implement these measures in 2020. The amounts spent under the budgetary limits for the national support programmes from 16 October 2019 up to the end of April 2020 are below the usual average of expenditure between 16 October and the end of April of the following year.
- (17) It is apparent that the lockdown measures taken in the Member States over the last few months have worsened the situation since, inter alia, the restrictions in movements of goods and people, introduced to fight the COVID-19 pandemic, have prevented operators from applying for funding under the support programmes in the wine sector and beneficiaries from implementing their selected operations. As a result, Member States have spent a very small amount of their budgetary allocation for financial year 2020.
- (18) In view of the unprecedented combination of circumstances and the resulting market disturbance, it is necessary to provide more financial support to operators to help them through these economically challenging times. This flexibility is financially possible due to the availability of funds reserved for the support programmes in the wine sector that have remained unspent until now and that, due to the budgetary annuality, would be lost otherwise.
- (19) In order to provide the necessary support to the wine sector and to help potential beneficiaries to implement measures under the national support programme for the wine sector, which aim at strengthening their market position and are necessary to help their recovery after the crisis, it is appropriate to derogate from Articles 45(3), 46(6), 47(3), 49(2) and 50(4) of Regulation (EU) No 1308/2013 for the duration of this measure. The derogations should provide for a temporary increase by 20 % of the maximum Union contribution to the measure 'information', as laid down in Article 45(3) of Regulation (EU) No 1308/2013, and by additional 10 % to the measure 'promotion', as currently laid down in Implementing Regulation (EU) 2020/132, and to the measures 'restructuring and conversion of vineyards', 'green harvesting', 'harvest insurance' and 'investments', as currently laid down in Delegated Regulation (EU) 2020/592. This will provide beneficiaries with further financial relief by lowering the beneficiaries' own contribution and help Member States to use a maximum of their available budget.
- (20) To avoid discrimination, the possibility for beneficiaries to request advance payments of 100 % for crisis distillation and storage and the possibility for Member States to complement the Union contribution for those measures with national payments, without those payments being subject to state aid rules, should apply retroactively as of the entry into force of Delegated Regulation (EU) 2020/592. For the same reason and also to ensure the coherent application of all measures, the Union contribution to applications which have been selected under the measures 'information and promotion', 'restructuring and conversion of vineyards', 'green harvesting', 'harvest insurance' and 'investments' after the entry into force of Delegated Regulation (EU) 2020/592 and not later than 15 October 2020 may be increased retroactively, and subject to the respect of the state aid rules, where applicable.
- (21) Delegated Regulation (EU) 2020/592 should therefore be amended accordingly.
- (22) In view of the need to take immediate action, 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

Amendments to Delegated Regulation (EU) 2020/592

Delegated Regulation (EU) 2020/592 is amended as follows:

- (1) Article 1 is replaced by the following:

'Article 1

Temporary derogations from Articles 33(3) and 34(1) of Regulation (EU) No 1308/2013

By way of derogation from the fourth subparagraph of Article 33(3) of Regulation (EU) No 1308/2013, the limit of one third of expenditure for crisis prevention and management measures under the operational programme referred to in that provision shall not apply in the year 2020.

By way of derogation from Article 34(1) of Regulation (EU) No 1308/2013, the Union financial assistance to the operational fund in the year 2020 shall not exceed the amount of the Union financial contribution to operational funds approved by Member States for the year 2020 and shall be limited to 70 % of the actual expenditure incurred.;

- (2) Article 2 is replaced by the following:

'Article 2

Derogations from Article 43 of Regulation (EU) No 1308/2013

By way of derogation from Article 43 of Regulation (EU) No 1308/2013, the measures set out in Articles 3 and 4 of this Regulation may be financed under support programmes in the wine sector through advance payments or payments during financial year 2020.;

- (3) Article 3 is amended as follows:

- (a) the following paragraph 7a is inserted:

'7a. Beneficiaries of support under this Article may request the payment of an advance from the competent paying agencies, if this option is included in the national support programme in accordance with Article 49 of Commission Delegated Regulation (EU) 2016/1149 (*). The amount of advances shall be 100 % of the Union contribution. The advance shall be paid on condition that the beneficiary has lodged a bank guarantee or an equivalent security at least equal to 110 % of the amount of that advance in favour of the Member State concerned in accordance with Chapter IV of Commission Delegated Regulation (EU) No 907/2014 (**). The security shall be released when the competent paying agency establishes that the amount of actual expenditure corresponding to the Union contribution related to the operations concerned equals the amount of the advance.

(*) Commission Delegated Regulation (EU) 2016/1149 of 15 April 2016 supplementing Regulation (EU) No 1308/2013 of the European Parliament and of the Council as regards the national support programmes in the wine sector and amending Commission Regulation (EC) No 555/2008 (OJ L 190, 15.7.2016, p. 1).

(**) 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).;

- (b) paragraphs 8 and 9 are replaced by the following:

'8. By way of derogation from Article 44(3) of Regulation (EU) No 1308/2013, Member States may grant additional national payments for the measure referred to in this Article.

9. Articles 1 and 2, Article 43 and Articles 48 to 54 and Article 56 of Delegated Regulation (EU) 2016/1149 and Articles 1, 2 and 3, Articles 19 to 23, Article 25, Articles 27 to 31, the second subparagraph of Article 32(1) and Articles 33 to 40 of Commission Implementing Regulation (EU) 2016/1150 (*) shall apply *mutatis mutandis* to the support for distillation of wine in case of crisis.

(*) Commission Implementing Regulation (EU) 2016/1150 of 15 April 2016 laying down rules for the application of Regulation (EU) No 1308/2013 of the European Parliament and of the Council as regards the national support programmes in the wine sector (OJ L 190 15.7.2016, p. 23).;

(4) Article 4 is amended as follows:

(a) the following paragraph 6a is inserted:

'6a. Beneficiaries of support under this Article may request the payment of an advance from the competent paying agencies, if this option is included in the national support programme in accordance with Article 49 of Delegated Regulation (EU) 2016/1149. The amount of advances shall be 100 % of the Union contribution. The advance shall be paid on condition that the beneficiary has lodged a bank guarantee or an equivalent security at least equal to 110 % of the amount of that advance in favour of the Member State concerned in accordance with Chapter IV of Delegated Regulation (EU) No 907/2014. The security shall be released when the competent paying agency establishes that the amount of actual expenditure corresponding to the Union contribution related to the operations concerned equals the amount of the advance.'

(b) paragraphs 7 and 8 are replaced by the following:

'7. By way of derogation from Article 44(3) of Regulation (EU) No 1308/2013, Member States may grant additional national payments for the measure referred to in this Article.

8. Articles 1 and 2, Article 43 and Articles 48 to 54 and Article 56 of Delegated Regulation (EU) 2016/1149 and Articles 1, 2 and 3, Articles 19 to 23, Article 25, Articles 27 to 31, the second subparagraph of Article 32(1) and Articles 33 to 40 of Implementing Regulation (EU) 2016/1150 shall apply *mutatis mutandis* to the aid for crisis storage of wine.'

(5) the following Article 5a is inserted:

'Article 5a

Derogation from Article 45(3) of Regulation (EU) No 1308/2013

By way of derogation from Article 45(3) of Regulation (EU) No 1308/2013, the Union contribution to information or promotion measures shall not exceed 70 % of the eligible expenditure.'

(6) Article 6 is replaced by the following:

'Article 6

Derogation from Article 46(6) of Regulation (EU) No 1308/2013

By way of derogation from Article 46(6) of Regulation (EU) No 1308/2013, the Union contribution to the actual costs of the restructuring and conversion of vineyards shall not exceed 70 %. In less developed regions, the Union contribution to the costs of restructuring and conversion shall not exceed 90 %.'

(7) in Article 7, paragraph 2 is replaced by the following:

'2. By way of derogation from the second sentence of Article 47(3) of Regulation (EU) No 1308/2013, the support granted for green harvesting shall not exceed 70 % of the sum of the direct costs of the destruction or removal of grape bunches and the loss of revenue related to such destruction or removal.'

(8) in Article 8, the introductory phrase is replaced by the following:

'By way of derogation from point (b) of Article 49(2) of Regulation (EU) No 1308/2013, the Union financial contribution to the support for harvest insurance shall not exceed 70 % of the cost of the insurance premiums paid for by producers for insurance:'

(9) in Article 9, points (a) to (d) are replaced by the following:

(a) 70 % in less developed regions;

(b) 60 % in regions other than less developed regions;

- (c) 90 % in the outermost regions referred to in Article 349 of the Treaty;
- (d) 85 % in the smaller Aegean islands as defined in Article 1(2) of Regulation (EU) No 229/2013 of the European Parliament and of the Council (*).

(*) Regulation (EU) No 229/2013 of the European Parliament and of the Council of 13 March 2013 laying down specific measures for agriculture in favour of the smaller Aegean islands and repealing Council Regulation (EC) No 1405/2006 (OJ L 78, 20.3.2013, p. 41).;

(10) Article 10 is replaced by the following:

'Article 10

Application of the temporarily increased Union contribution

Articles 5a, 6, 7(2), 8 and 9 shall apply to operations selected by the competent authorities in the Member States as of the date of entry into force of this Regulation and not later than 15 October 2020.'

Article 2

Entry into force and application

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

Points (2) to (10) of Article 1 shall apply from 4 May 2020.

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

Done at Brussels, 6 July 2020.

For the Commission
The President
Ursula VON DER LEYEN

COMMISSION IMPLEMENTING REGULATION (EU) 2020/1276**of 11 September 2020****concerning the non-renewal of the approval of the active substance bromoxynil, in accordance with Regulation (EC) No 1107/2009 of the European Parliament and of the Council concerning the placing of plant protection products on the market, and amending the Annex to Commission Implementing Regulation (EU) No 540/2011****(Text with EEA relevance)**

THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EC) No 1107/2009 of the European Parliament and of the Council of 21 October 2009 concerning the placing of plant protection products on the market and repealing Council Directives 79/117/EEC and 91/414/EEC ⁽¹⁾, and in particular Article 20(1) and Article 78(2) thereof,

Whereas:

- (1) Commission Directive 2004/58/EC ⁽²⁾ included bromoxynil as an active substance in Annex I to Council Directive 91/414/EEC ⁽³⁾.
- (2) Active substances included in Annex I to Directive 91/414/EEC are deemed to have been approved under Regulation (EC) No 1107/2009 and are listed in Part A of the Annex to Commission Implementing Regulation (EU) No 540/2011 ⁽⁴⁾.
- (3) The approval of the active substance bromoxynil, as set out in Part A of the Annex to Implementing Regulation (EU) No 540/2011, expires on 31 July 2021.
- (4) An application for the renewal of the approval of the active substance bromoxynil was submitted in accordance with Article 1 of Commission Implementing Regulation (EU) No 844/2012 ⁽⁵⁾ within the time period provided for in that Article.
- (5) The applicant submitted the supplementary dossiers required in accordance with Article 6 of Implementing Regulation (EU) No 844/2012. The application was found to be complete by the rapporteur Member State.
- (6) The rapporteur Member State prepared a renewal assessment report in consultation with the co-rapporteur Member State and submitted it to the European Food Safety Authority (the Authority) and the Commission on 21 March 2016.
- (7) The Authority made the supplementary summary dossier available to the public. The Authority also circulated the renewal assessment report to the applicant and to the Member States for comments and launched a public consultation on it. The Authority forwarded the comments received to the Commission.
- (8) On 10 April 2017, the Authority communicated to the Commission its conclusion ⁽⁶⁾ on whether bromoxynil can be expected to meet the approval criteria provided for in Article 4 of Regulation (EC) No 1107/2009.

⁽¹⁾ OJ L 309, 24.11.2009, p. 1.

⁽²⁾ Commission Directive 2004/58/EC of 23 April 2004 amending Council Directive 91/414/EEC to include alpha-cypermethrin, benalaxyl, bromoxynil, desmedipham, ioxynil and phenmedipham as active substances (OJ L 120, 24.4.2004, p. 26).

⁽³⁾ Council Directive 91/414/EEC of 15 July 1991 concerning the placing of plant protection products on the market (OJ L 230, 19.8.1991, p. 1).

⁽⁴⁾ Commission Implementing Regulation (EU) No 540/2011 of 25 May 2011 implementing Regulation (EC) No 1107/2009 of the European Parliament and of the Council as regards the list of approved active substances (OJ L 153, 11.6.2011, p. 1).

⁽⁵⁾ Commission Implementing Regulation (EU) No 844/2012 of 18 September 2012 setting out the provisions necessary for the implementation of the renewal procedure for active substances, as provided for in Regulation (EC) No 1107/2009 of the European Parliament and of the Council concerning the placing of plant protection products on the market (OJ L 252, 19.9.2012, p. 26).

⁽⁶⁾ EFSA (European Food Safety Authority), 2017. Conclusion on the peer review of the pesticide risk assessment of the active substance bromoxynil (variant evaluated bromoxynil octanoate). *EFSA Journal* 2017;15(6):4790, 24 pp. <https://doi.org/10.2903/j.efsa.2017.4790>

- (9) The conclusion of the Authority indicates that, during the peer review, experts from Member States and the Authority suggested that bromoxynil, currently subject to harmonised classification and labelling in accordance with Regulation (EC) No 1272/2008 of the European Parliament and of the Council ⁽⁷⁾ as toxic for reproduction category 2, should be classified as toxic for reproduction category 1B in accordance with the criteria laid down in that Regulation. The Commission therefore requested the Authority to consider whether negligible exposure in accordance with point 3.6.4 of Annex II to Regulation (EC) No 1107/2009 could be demonstrated. On 8 November 2018, the Authority communicated to the Commission its conclusion ⁽⁸⁾ that, for the representative uses considered, non-dietary exposure to bromoxynil cannot be considered negligible. In that conclusion the Authority identified a risk to child residents from the representative uses of bromoxynil even when taking into account available mitigation measures.
- (10) In its conclusion from 2017, the Authority also identified a high risk to wild mammals from dietary exposure to bromoxynil. Furthermore, the Authority concluded that the consumer risk assessment for products of animal origin and the risk assessment for aquatic organisms could not be finalised.
- (11) In its Scientific Report ⁽⁹⁾, the Authority concluded that although for some uses of bromoxynil and in some Member States there may be an insufficient number of chemical alternatives available, a wide range of preventive and curative non-chemical methods are available, and that a combination of chemical and non-chemical methods appears often possible. Given the above-mentioned concerns, in particular the risk to child residents, and the existence of alternatives, which would allow the application of the principles of integrated pest management, as provided for in Article 55 of Regulation (EC) No 1107/2009, the conditions for the application of the derogation in Article 4(7) of Regulation (EC) No 1107/2009, which are cumulative, are not fulfilled.
- (12) The Commission invited the applicant to submit its comments on the conclusions of the Authority. Furthermore, in accordance with the third subparagraph of Article 14(1) of Implementing Regulation (EU) No 844/2012, the Commission invited the applicant to submit comments on the renewal report. The applicant submitted its comments, which have been carefully examined.
- (13) However, despite the arguments put forward by the applicant, the concerns regarding the active substance could not be eliminated.
- (14) Consequently, it has not been established with respect to one or more representative uses of at least one plant protection product that the approval criteria provided for in Article 4 of Regulation (EC) No 1107/2009 are satisfied. It is therefore appropriate not to renew the approval of the active substance bromoxynil in accordance with Article 20(1)(b) of that Regulation.
- (15) Implementing Regulation (EU) No 540/2011 should therefore be amended accordingly.
- (16) Member States should be given sufficient time to withdraw authorisations for plant protection products containing bromoxynil.
- (17) For plant protection products containing bromoxynil where Member States grant any grace period in accordance with Article 46 of Regulation (EC) No 1107/2009, that period should not exceed 12 months from the date of entry into force of this Regulation.
- (18) Commission Implementing Regulation (EU) 2020/869 ⁽¹⁰⁾ extended the approval period of bromoxynil to 31 July 2021 in order to allow the renewal process to be completed before the expiry of the approval period of that substance. However, given that a decision on the non-renewal of the approval is being taken ahead of the expiry of that extended approval period, this Regulation should apply as soon as possible.

⁽⁷⁾ Regulation (EC) No 1272/2008 of the European Parliament and of the Council of 16 December 2008 on classification, labelling and packaging of substances and mixtures, amending and repealing Directives 67/548/EEC and 1999/45/EC, and amending Regulation (EC) No 1907/2006 (OJ L 353, 31.12.2008, p. 1).

⁽⁸⁾ EFSA (European Food Safety Authority), 2018. Conclusion on the peer review of the pesticide risk assessment for the active substance bromoxynil in light of negligible exposure data submitted. *EFSA Journal* 2018;16 (12):5490, 15 pp. <https://doi.org/10.2903/j.efs.2018.5490>

⁽⁹⁾ EFSA (European Food Safety Authority), 2018. Scientific report on evaluation of data concerning the necessity of bromoxynil as herbicide to control a serious danger to plant health which cannot be contained by other available means, including non-chemical methods. *EFSA Journal* 2018;16(8):5391, 80 pp. <https://doi.org/10.2903/j.efs.2018.5391>

⁽¹⁰⁾ Commission Implementing Regulation (EU) 2020/869 of 24 June 2020 amending Implementing Regulation (EU) No 540/2011 as regards the extension of the approval periods of the active substances beflubutamid, benalaxyl, benthiavalicarb, bifentazate, boscalid, bromoxynil, captan, cyazofamid, dimethomorph, ethephon, etoxazole, famoxadone, fenamiphos, flumioxazine, fluoxastrobin, folpet, formetanate, metribuzin, milbemectin, Paecilomyces lilacinus strain 251, phenmedipham, phosmet, pirimiphos-methyl, propamocarb, prothioconazole and S-metolachlor (OJ L 201, 25.6.2020, p. 7).

- (19) This Regulation does not prevent the submission of a further application for the approval of bromoxynil pursuant to Article 7 of Regulation (EC) No 1107/2009.
- (20) The measures provided for in this Regulation are in accordance with the opinion of the Standing Committee on Plants, Animals, Food and Feed,

HAS ADOPTED THIS REGULATION:

Article 1

Non-renewal of the approval of the active substance

The approval of the active substance bromoxynil is not renewed.

Article 2

Amendment to Implementing Regulation (EU) No 540/2011

In Part A of the Annex to Implementing Regulation (EU) No 540/2011, row 85 on bromoxynil, is deleted.

Article 3

Transitional measures

Member States shall withdraw authorisations for plant protection products containing bromoxynil as an active substance by 14 March 2021.

Article 4

Grace period

Any grace period granted by Member States in accordance with Article 46 of Regulation (EC) No 1107/2009 shall expire by 14 September 2021.

Article 5

Entry into force

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

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

Done at Brussels, 11 September 2020.

For the Commission
The President
Ursula VON DER LEYEN

DECISIONS

COUNCIL IMPLEMENTING DECISION (EU) 2020/1277

of 9 September 2020

amending Implementing Decision 2013/680/EU authorising the Kingdom of Denmark and the Kingdom of Sweden to extend the application of a special measure derogating from Articles 168, 169, 170 and 171 of Directive 2006/112/EC on the common system of value added tax

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax ⁽¹⁾, and in particular Article 395(1) thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) By letters registered with the Commission on 20 February 2020, Denmark and Sweden requested authorisation to extend the application of a special measure derogating from Articles 168, 169, 170 and 171 of Directive 2006/112/EC, which require taxable persons to exercise their right to deduct or obtain a refund of value added tax ("VAT") in the Member State where it was paid.
- (2) In accordance with the second subparagraph of Article 395(2) of Directive 2006/112/EC the Commission transmitted the requests made by Denmark and Sweden to the other Member States by letter dated 2 April 2020. By letter dated 3 April 2020, the Commission notified Denmark and Sweden that it had all the information necessary for appraisal of the requests.
- (3) The requests for derogation relate to the recovery of VAT paid on tolls for the use of the Öresund fixed link between Denmark and Sweden. Under the VAT rules on the place of supply of services connected with immovable property, part of the VAT on tolls for the Öresund fixed link is payable to Denmark and part to Sweden.
- (4) By means of Council Decision 2000/91/EC ⁽²⁾, Denmark and Sweden were authorised, by way of derogation from the requirement for taxable persons to exercise their right to deduct or obtain a refund of VAT in the Member State where it was paid, to apply a special measure enabling taxpayers to recover VAT from a single administration until 31 December 2002. That authorisation was subsequently extended by Council Decision 2003/65/EC ⁽³⁾ until 31 December 2006 and by Council Decision 2007/132/EC ⁽⁴⁾ until 31 December 2013. By means of Council Implementing Decision 2013/680/EU ⁽⁵⁾ Denmark and Sweden were authorised to apply special measure derogating from Articles 168, 169, 170 and 171 of Directive 2006/112/EC from 1 January 2014 until 31 December 2020.

⁽¹⁾ OJ L 347, 11.12.2006, p. 1.

⁽²⁾ Council Decision 2000/91/EC of 24 January 2000 authorising the Kingdom of Denmark and the Kingdom of Sweden to apply a measure derogating from Article 17 of the Sixth Council Directive (77/338/EEC) on the harmonisation of the laws of the Member States relating to turnover taxes (OJ L 28, 3.2.2000, p. 38).

⁽³⁾ Council Decision 2003/65/EC of 21 January 2003 extending the application of Decision 2000/91/EC authorising the Kingdom of Denmark and the Kingdom of Sweden to apply a measure derogating from Article 17 of the Sixth Council Directive 77/388/EEC on the harmonisation of the laws of the Member States relating to turnover taxes (OJ L 25, 30.1.2003, p. 40).

⁽⁴⁾ Council Decision 2007/132/EC of 30 January 2007 extending the application of Decision 2000/91/EC authorising the Kingdom of Denmark and the Kingdom of Sweden to apply a measure derogating from Article 17 of the Sixth Council Directive (77/388/EEC) on the harmonisation of the laws of the Member States relating to turnover taxes (OJ L 57, 24.2.2007, p. 10).

⁽⁵⁾ Council Implementing Decision 2013/680/EU of 15 November 2013 authorising the Kingdom of Denmark and the Kingdom of Sweden to extend the application of a special measure derogating from Articles 168, 169, 170 and 171 of Directive 2006/112/EC on the common system of value added tax (OJ L 316, 27.11.2013, p. 39).

- (5) The legal and factual situation which justified the derogation has not changed and continues to exist. Denmark and Sweden should therefore be authorised to apply the special measure for a further limited period.
- (6) The application of special measure has no adverse impact on the Union's own resources accruing from VAT.
- (7) Implementing Decision 2013/680/EU should therefore be amended accordingly,

HAS ADOPTED THIS DECISION:

Article 1

In Article 2 of Implementing Decision 2013/680/EU, the date '31 December 2020' is replaced by '31 December 2027'.

Article 2

This Decision shall take effect on the date of its notification.

Article 3

This Decision is addressed to the Kingdom of Denmark and to the Kingdom of Sweden.

Done at Brussels, 9 September 2020.

For the Council
The President
M. ROTH

COMMISSION IMPLEMENTING DECISION (EU) 2020/1278**of 2 September 2020****amending Implementing Decision 2014/190/EU as regards the annual breakdown of the resources from the specific allocation for the Youth Employment Initiative by Member State together with the list of eligible regions***(notified under document C(2020) 5891)*

THE EUROPEAN COMMISSION,

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

Having regard to 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 ⁽¹⁾, and in particular Article 91(2) thereof,

Whereas:

- (1) Commission Implementing Decision 2014/190/EU ⁽²⁾ sets out, among others, the annual breakdown by Member State of resources from the specific allocation for the Youth Employment Initiative ('YEI'), together with the list of eligible regions for the YEI pursuant to Article 91(2) of Regulation (EU) No 1303/2013.
- (2) By Regulation (EU) 2020/1041 of the European Parliament and of the Council ⁽³⁾ amending Regulation (EU) No 1303/2013, the specific allocation for the YEI for 2020 has been increased.
- (3) The regions eligible for the increase of the resources for the specific allocation for the YEI for 2020 are determined in accordance with Article 16 of Regulation (EU) No 1304/2013 of the European Parliament and of the Council ⁽⁴⁾ by making reference to the latest available annual data on youth unemployment. Pursuant to Article 65(2) of Regulation (EU) No 1303/2013, expenditure under the YEI is eligible until 31 December 2023, both for the regions already listed in the three lists of Annex IV to Implementing Decision 2014/190/EU and for the regions eligible for the increase of the resources for the specific allocation for the YEI for 2020. The existing lists should therefore continue to apply and should be complemented with a list of the regions eligible for the increase of the resources for the specific allocation for the YEI for 2020. For reasons of clarity and transparency, Annex IV to Implementing Decision 2014/190/EU should therefore be amended accordingly.

⁽¹⁾ OJ L 347, 20.12.2013, p. 320.

⁽²⁾ Commission Implementing Decision 2014/190/EU of 3 April 2014 setting out the annual breakdown by Member State of global resources for the European Regional Development Fund, the European Social Fund and the Cohesion Fund under the Investment for growth and jobs goal and the European territorial cooperation goal, the annual breakdown by Member State of resources from the specific allocation for the Youth Employment Initiative together with the list of eligible regions, and the amounts to be transferred from each Member State's Cohesion Fund and Structural Funds allocations to the Connecting Europe Facility and to aid for the most deprived for the period 2014-2020 (OJ L 104, 8.4.2014, p. 13).

⁽³⁾ Regulation (EU) 2020/1041 of the European Parliament and of the Council of 15 July 2020 amending Regulation (EU) No 1303/2013 as regards the resources for the specific allocation for the Youth Employment Initiative (OJ L 231, 17.7.2020, p. 4).

⁽⁴⁾ Regulation (EU) No 1304/2013 of the European Parliament and of the Council of 17 December 2013 on the European Social Fund and repealing Council Regulation (EC) No 1081/2006 (OJ L 347, 20.12.2013, p. 470).

- (4) In accordance with Annex VIII to Regulation (EU) No 1303/2013, the breakdown by Member State of the increased resources for 2020 should follow the same steps applied for the initial allocation and the allocation of the resources for 2017-2020. The annual breakdown of the specific allocation for the YEI set out in 2011 prices in Annex III to Implementing Decision 2014/190/EU should therefore be amended accordingly.
- (5) In order to allow Member States to plan ahead, the annual breakdown should also be provided in current prices to reflect the indexation of 2 % per year in accordance with Article 91(1) of Regulation (EU) No 1303/2013. Annex X to Implementing Decision 2014/190/EU should therefore be amended accordingly.
- (6) Implementing Decision 2014/190/EU should therefore be amended,

HAS ADOPTED THIS DECISION:

Article 1

Implementing Decision 2014/190/EU is amended as follows:

- (1) Annexes III and IV are replaced by the text set out in Annex I to this Decision;
- (2) Annex X is replaced by the text set out in Annex II to this Decision.

Article 2

This Decision is addressed to the Member States.

Done at Brussels, 2 September 2020.

For the Commission
Elisa FERREIRA
Member of the Commission

YOUTH EMPLOYMENT INITIATIVE – SPECIFIC ALLOCATION

(EUR, 2011 prices)

	2014	2015	2016	2017	2018	2019	2020	Total
BE	22 464 896	17 179 038	0	7 569 546	5 194 787	5 740 441	1 866 949	60 015 657
BG	29 216 622	22 342 123	0	0	0	0	72 380	51 631 125
CZ	0	12 564 283	0	0	0	0	0	12 564 283
DK	0	0	0	0	0	0	0	0
DE	0	0	0	0	0	0	0	0
EE	0	0	0	0	0	0	0	0
IE	36 075 815	27 587 388	0	0	0	0	0	63 663 203
EL	90 800 184	69 435 434	0	29 193 451	20 034 721	21 102 150	8 204 566	238 770 506
ES	499 481 827	381 956 689	0	154 715 855	106 177 548	109 838 027	45 592 298	1 297 762 244
FR	164 197 762	125 562 994	0	59 683 863	40 959 513	39 706 031	15 661 496	445 771 659
HR	35 033 821	26 790 569	0	12 993 208	8 916 907	9 001 567	2 856 884	95 592 956
IT	300 437 373	229 746 226	0	126 913 692	87 097 632	83 831 742	34 911 282	862 937 947
CY	6 126 207	4 684 747	0	2 428 857	1 666 863	1 089 453	534 046	16 530 173
LV	15 358 075	11 744 410	0	0	0	0	0	27 102 485
LT	16 825 553	12 866 600	0	0	0	0	0	29 692 153
LU	0	0	0	0	0	0	0	0
HU	26 345 509	20 146 566	0	0	0	0	0	46 492 075
MT	0	0	0	0	0	0	0	0
NL	0	0	0	0	0	0	0	0
AT	0	0	0	0	0	0	0	0
PL	133 639 212	102 194 692	0	6 060 353	4 159 066	4 181 837	1 332 522	251 567 682
PT	85 111 913	65 085 581	0	23 156 678	15 891 838	13 327 866	5 209 425	207 783 301
RO	56 112 815	42 909 800	0	16 695 447	11 457 659	7 488 666	4 081 793	138 746 180

	2014	2015	2016	2017	2018	2019	2020	Total
SI	4 876 537	3 729 117	0	0	0	0	0	8 605 654
SK	38 209 190	29 218 793	0	4 574 741	3 139 529	3 413 850	1 005 873	79 561 976
FI	0	0	0	0	0	0	0	0
SE	23 379 703	17 878 597	0	0	0	0	0	41 258 300
UK	24 516 103	166 367 414	0	0	0	0	0	190 883 517
EU 28	1 608 209 117	1 389 991 061	0	443 985 691	304 696 063	298 721 630	121 329 514	4 166 933 076

ANNEX IV

YOUTH EMPLOYMENT INITIATIVE – LIST OF ELIGIBLE REGIONS

LIST OF ELIGIBLE REGIONS BASED ON 2012 YOUTH UNEMPLOYMENT DATA

BE10 Région de Bruxelles-Capitale / Brussel Hoofdstedelijk Gewest

BE32 Prov. Hainaut

BE33 Prov. Liège

BG31 Severozapaden

BG32 Severen tsentralen

BG33 Severoiztochen

BG34 Yugoiztochen

BG42 Yuzhen tsentralen

CZ04 Severozápad

IE01 Border, Midland and Western

IE02 Southern and Eastern

EL11 Anatoliki Makedonia, Thraki

EL12 Kentriki Makedonia

EL13 Dytiki Makedonia

EL14 Thessalia

EL21 Ipeiros

EL23 Dytiki Ellada

EL24 Sterea Ellada

EL25 Peloponnisos

EL30 Attiki

EL41 Voreio Aigaio

EL42 Notio Aigaio

EL43 Kriti

ES11 Galicia

ES12 Principado de Asturias

ES13 Cantabria

ES21 País Vasco

ES22 Comunidad Foral de Navarra

ES23 La Rioja

ES24 Aragón

ES30 Comunidad de Madrid

ES41 Castilla y León

ES42 Castilla-La Mancha

ES43 Extremadura

ES51 Cataluña

ES52 Comunidad Valenciana

ES53 Illes Balears

ES61 Andalucía

ES62 Región de Murcia
ES63 Ciudad Autónoma de Ceuta
ES64 Ciudad Autónoma de Melilla
ES70 Canarias
FR61 Aquitaine
FR21 Champagne-Ardenne
FR22 Picardie
FR23 Haute-Normandie
FR24 Centre
FR30 Nord-Pas-de-Calais
FR72 Auvergne
FR81 Languedoc-Roussillon
FR91 Guadeloupe
FR92 Martinique
FR93 Guyane
FR94 Réunion
FR– Mayotte
HR03 Jadranska Hrvatska
HR04 Kontinentalna Hrvatska
ITC1 Piemonte
ITC2 Valle d'Aosta/Vallée d'Aoste
ITC3 Liguria
ITC4 Lombardia
ITF1 Abruzzo
ITF2 Molise
ITF3 Campania
ITF4 Puglia
ITF5 Basilicata
ITF6 Calabria
ITG1 Sicilia
ITG2 Sardegna
ITH5 Emilia-Romagna
ITH4 Friuli-Venezia Giulia
ITI1 Toscana
ITI2 Umbria
ITI3 Marche
ITI4 Lazio
CY00 Kýpros
LV00 Latvija
LT00 Lietuva
HU23 Dél-Dunántúl
HU31 Észak-Magyarország
HU32 Észak-Alföld

HU33 Dél-Alföld
PL11 Łódzkie
PL21 Małopolskie
PL31 Lubelskie
PL32 Podkarpackie
PL33 Świętokrzyskie
PL42 Zachodniopomorskie
PL43 Lubuskie
PL51 Dolnośląskie
PL61 Kujawsko-Pomorskie
PL62 Warmińsko-Mazurskie
PT11 Norte
PT15 Algarve
PT16 Centro (PT)
PT17 Lisboa
PT18 Alentejo
PT20 Região Autónoma dos Açores
PT30 Região Autónoma da Madeira
RO12 Centru
RO22 Sud-Est
RO31 Sud — Muntenia
SI01 Vzhodna Slovenija
SK02 Západné Slovensko
SK03 Stredné Slovensko
SK04 Východné Slovensko
SE22 Sydsverige
SE31 Norra Mellansverige
SE32 Mellersta Norrland
UKC1 Tees Valley and Durham
UKD7 Merseyside
UKG3 West Midlands
UKI1 Inner London
UKM3 South Western Scotland

LIST OF ELIGIBLE REGIONS BASED ON 2016 YOUTH UNEMPLOYMENT DATA

BE10 - Région de Bruxelles-Capitale / Brussel Hoofdstedelijk Gewest
BE32 - Prov. Hainaut
BE34 - Prov. Luxembourg (BE)
BE35 - Prov. Namur
EL51 - Anatoliki Makedonia, Thraki
EL52 - Kentriki Makedonia
EL53 - Dytiki Makedonia
EL54 - Ipeiros

EL61 - Thessalia
EL62 - Ionia Nisia
EL63 - Dytiki Ellada
EL64 - Sterea Ellada
EL65 - Peloponnisos
EL30 - Attiki
EL41 - Voreio Aigaio
EL42 - Notio Aigaio
EL43 - Kriti
ES11 - Galicia
ES12 - Principado de Asturias
ES13 - Cantabria
ES21 - País Vasco
ES22 - Comunidad Foral de Navarra
ES23 - La Rioja
ES24 - Aragón
ES30 - Comunidad de Madrid
ES41 - Castilla y León
ES42 - Castilla-la Mancha
ES43 - Extremadura
ES51 - Cataluña
ES52 - Comunidad Valenciana
ES53 - Illes Balears
ES61 - Andalucía
ES62 - Región de Murcia
ES63 - Ciudad Autónoma de Ceuta (ES)
ES64 - Ciudad Autónoma de Melilla (ES)
ES70 - Canarias (ES)
FR21 - Champagne-Ardenne
FR22 - Picardie
FR23 - Haute-Normandie
FR24 - Centre (FR)
FR26 - Bourgogne
FR30 - Nord-Pas-de-Calais
FR42 - Alsace
FR81 - Languedoc-Roussillon
FRA1 - Guadeloupe
FRA2 - Martinique
FRA3 - Guyane
FRA4 - La Réunion
FRA5 - Mayotte
HR03 - Jadranska Hrvatska
HR04 - Kontinentalna Hrvatska

ITC1 - Piemonte
ITC2 - Valle d'Aosta/Vallée d'Aoste
ITC3 - Liguria
ITC4 - Lombardia
ITF1 - Abruzzo
ITF2 - Molise
ITF3 - Campania
ITF4 - Puglia
ITF5 - Basilicata
ITF6 - Calabria
ITG1 - Sicilia
ITG2 - Sardegna
ITH4 - Friuli-Venezia Giulia
ITI1 - Toscana
ITI2 - Umbria
ITI3 - Marche
ITI4 - Lazio
CY00 - Kypros
PL32 - Podkarpackie
PT11 - Norte
PT16 - Centro (PT)
PT17 - Área Metropolitana de Lisboa
PT18 - Alentejo
PT20 - Região Autónoma dos Açores (PT)
PT30 - Região Autónoma da Madeira (PT)
RO22 - Sud-Est
RO31 - Sud - Muntenia
RO41 - Sud-Vest Oltenia
SK04 - Východné Slovensko

LIST OF ELIGIBLE REGIONS BASED ON 2017 YOUTH UNEMPLOYMENT DATA

BE10 Région de Bruxelles-Capitale/ Brussel Hoofdstedelijk Gewest
BE32 Prov. Hainaut
BE33 Prov. Liège
EL30 Attiki
EL41 Voreio Aigaio
EL42 Notio Aigaio
EL43 Kriti
EL51 Anatoliki Makedonia, Thraki
EL52 Kentriki Makedonia
EL53 Dytiki Makedonia
EL54 Ipeiros
EL61 Thessalia

EL62 Ionia Nisia
EL63 Dytiki Ellada
EL64 Sterea Ellada
EL65 Peloponnisos
ES11 Galicia
ES12 Principado de Asturias
ES13 Cantabria
ES21 País Vasco
ES22 Comunidad Foral de Navarra
ES23 La Rioja
ES24 Aragón
ES30 Comunidad de Madrid
ES41 Castilla y León
ES42 Castilla-La Mancha
ES43 Extremadura
ES51 Cataluña
ES52 Comunidad Valenciana
ES53 Illes Balears
ES61 Andalucía
ES62 Región de Murcia
ES63 Ciudad Autónoma de Ceuta (ES)
ES64 Ciudad Autónoma de Melilla (ES)
ES70 Canarias (ES)
FR21 Champagne-Ardenne
FR22 Picardie
FR30 Nord - Pas-de-Calais
FR61 Aquitaine
FR81 Languedoc-Roussillon
FRA1 Guadeloupe
FRA2 Martinique
FRA3 Guyane
FRA4 Réunion
FRA5 Mayotte
HR03 Jadranska Hrvatska
HR04 Kontinentalna Hrvatska
ITC1 Piemonte
ITC3 Liguria
ITF1 Abruzzo
ITF2 Molise
ITF3 Campania
ITF4 Puglia
ITF5 Basilicata
ITF6 Calabria

ITG1 Sicilia
ITG2 Sardegna
ITH4 Friuli-Venezia Giulia
ITI2 Umbria
ITI4 Lazio
PL32 Podkarpackie
PT11 Norte
PT20 Região Autónoma dos Açores
PT30 Região Autónoma da Madeira
SK04 Východné Slovensko

LIST OF ELIGIBLE REGIONS BASED ON 2019 YOUTH UNEMPLOYMENT DATA

BE10 Région de Bruxelles-Capitale/ Brussel Hoofdstedelijk Gewest
BG31 Severozapaden
EL30 Attiki
EL41 Voreio Aigaio
EL42 Notio Aigaio
EL43 Kriti
EL51 Anatoliki Makedonia, Thraki
EL52 Kentriki Makedonia
EL53 Dytiki Makedonia
EL54 Ipeiros
EL61 Thessalia
EL63 Dytiki Ellada
EL64 Sterea Ellada
EL65 Peloponnisos
ES11 Galicia
ES12 Principado de Asturias
ES13 Cantabria
ES21 País Vasco
ES24 Aragón
ES30 Comunidad de Madrid
ES41 Castilla y León
ES42 Castilla-La Mancha
ES43 Extremadura
ES51 Cataluña
ES52 Comunidad Valenciana
ES53 Illes Balears
ES61 Andalucía
ES62 Región de Murcia
ES63 Ciudad Autónoma de Ceuta (ES)
ES64 Ciudad Autónoma de Melilla (ES)
ES70 Canarias (ES)

FRE1 Nord - Pas-de-Calais

FRJ1 Languedoc-Roussillon

FRY1 Guadeloupe

FRY2 Martinique

FRY3 Guyane

FRY4 Réunion

FRY5 Mayotte

ITC1 Piemonte

ITF1 Abruzzo

ITF2 Molise

ITF3 Campania

ITF4 Puglia

ITF5 Basilicata

ITF6 Calabria

ITG1 Sicilia

ITG2 Sardegna

ITI2 Umbria

ITI4 Lazio

PT20 Região Autónoma dos Açores

PT30 Região Autónoma da Madeira

RO12 Centru'

YOUTH EMPLOYMENT INITIATIVE – SPECIFIC ALLOCATION

(EUR, current prices)

	2014	2015	2016	2017	2018	2019	2020	Total
BE	23 839 927	18 595 143	0	8 524 538	5 967 177	6 725 841	2 231 177	65 883 803
BG	31 004 913	24 183 832	0	0	0	0	86 501	55 275 246
CZ	0	13 599 984	0	0	0	0	0	13 599 984
DK	0	0	0	0	0	0	0	0
DE	0	0	0	0	0	0	0	0
EE	0	0	0	0	0	0	0	0
IE	38 283 943	29 861 476	0	0	0	0	0	68 145 419
EL	96 357 882	75 159 147	0	32 876 567	23 013 597	24 724 532	9 805 216	261 936 941
ES	530 054 111	413 442 204	0	174 235 182	121 964 627	128 692 755	54 487 016	1 422 875 895
FR	174 247 979	135 913 423	0	67 213 724	47 049 606	46 521 944	18 716 937	489 663 613
HR	37 178 171	28 998 973	0	14 632 462	10 242 723	10 546 771	3 414 241	105 013 341
IT	318 826 544	248 684 704	0	142 925 430	100 047 801	98 222 247	41 722 215	950 428 941
CY	6 501 180	5 070 921	0	2 735 288	1 914 702	1 276 468	638 234	18 136 793
LV	16 298 112	12 712 527	0	0	0	0	0	29 010 639
LT	17 855 411	13 927 222	0	0	0	0	0	31 782 633
LU	0	0	0	0	0	0	0	0
HU	27 958 065	21 807 291	0	0	0	0	0	49 765 356
MT	0	0	0	0	0	0	0	0
NL	0	0	0	0	0	0	0	0
AT	0	0	0	0	0	0	0	0
PL	141 819 001	110 618 821	0	6 824 942	4 777 460	4 899 688	1 592 486	270 532 398
PT	90 321 443	70 450 726	0	26 078 181	18 254 727	15 615 719	6 225 745	226 946 541
RO	59 547 368	46 446 947	0	18 801 785	13 161 249	8 774 166	4 878 121	151 609 636

	2014	2015	2016	2017	2018	2019	2020	Total
SI	5 175 020	4 036 516	0	0	0	0	0	9 211 536
SK	40 547 898	31 627 361	0	5 151 901	3 606 331	3 999 869	1 202 111	86 135 471
FI	0	0	0	0	0	0	0	0
SE	24 810 728	19 352 368	0	0	0	0	0	44 163 096
UK	26 016 685	180 081 439	0	0	0	0	0	206 098 124
EU 28	1 706 644 381	1 504 571 025	0	500 000 000	350 000 000	350 000 000	145 000 000	4556215406'

ISSN 1977-0677 (electronic edition)
ISSN 1725-2555 (paper edition)



Publications Office of the European Union
2985 Luxembourg
LUXEMBOURG

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