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INFORMATION NOTE

From:	General Secretariat of the Council
To:	Special Committee on Agriculture/Council
Subject:	Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) No 1308/2013 and Regulation (EU) No 1306/2013 as regards the aid scheme for the supply of fruit and vegetables, bananas and milk in the educational establishments - Outcome of the European Parliament's first reading (Strasbourg, 7 to 10 March 2016)

I. INTRODUCTION

In accordance with the provisions of Article 294 of the TFEU and the joint declaration on practical arrangements for the codecision procedure [1], a number of informal contacts took place between the Council, the European Parliament and the Commission with a view to reaching an agreement on this dossier at first reading, thereby avoiding the need for second reading and conciliation.

In this context, the Committee on Agriculture and Rural Development submitted a compromise amendment to the proposal for a Regulation. This amendment had been agreed during the informal contacts referred to above.

[1] OJ C 145, 30.6.2007, p.5

II. VOTE

When it voted on 8 March 2016, the plenary adopted the compromise amendment. No other amendments were adopted.

The Commission's proposal as thus amended constitutes the Parliament's first-reading position which is contained in its legislative resolution as set out in the Annex hereto[2].

The Parliament's position reflects what had been previously agreed between the institutions. The Council should therefore be in a position to approve the Parliament's position. The act would then be adopted in the wording which corresponds to the Parliament's position.

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[2] The version of the Parliament's position in the legislative resolution has been marked up to indicate the changes made by the amendments to the Commission's proposal. Additions to the Commission's text are highlighted in ***bold and italics.*** The symbol " ▌ " indicates deleted text.

Aid scheme for the supply of fruit and vegetables, bananas and milk in the educational establishments ***I

European Parliament legislative resolution of 8 March 2016 on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) No 1308/2013 and Regulation (EU) No 1306/2013 as regards the aid scheme for the supply of fruit and vegetables, bananas and milk in the educational establishments (COM(2014)0032 – C7-0025/2014 – 2014/0014(COD))

(Ordinary legislative procedure: first reading)

The European Parliament,

– having regard to the Commission proposal to Parliament and the Council (COM(2014)0032),

– having regard to Article 294(2) and Article 42 and Article 43(2) of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C7-0025/2014),

– having regard to Article 294(3) of the Treaty on the Functioning of the European Union,

– having regard to the opinion of the European Economic and Social Committee of 9 July 2014[3],

– having regard to the opinion of the Committee of the Regions of 7 October 2014[4],

– having regard to its decision of 27 May 2015 on the opening of, and the mandate for, interinstitutional negotiations on the proposal[5],

– having regard to the undertaking given by the Council representative by letter of 16 December 2015 to approve Parliament's position, in accordance with Article 294(4) of the Treaty on the Functioning of the European Union,

– having regard to Rule 59 of its Rules of Procedure,

– having regard to the report of the Committee on Agriculture and Rural Development (A8-0006/2016),

1. Adopts its position at first reading hereinafter set out;

2. Calls on the Commission to refer the matter to Parliament again if it intends to amend its proposal substantially or replace it with another text;

3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

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[3] OJ C 451, 16.12.2014, p. 142.
[4] OJ C 415, 20.11.2014, p. 30.
[5] Texts adopted of that date, P8_TA(2015)0216.

P8_TC1-COD(2014)0014

Position of the European Parliament adopted at first reading on 8 March 2016 with a view to the adoption of Regulation (EU) 2016/... of the European Parliament and of the Council amending Regulations (EU) No 1308/2013 and (EU) No 1306/2013 as regards the aid scheme for the supply of fruit and vegetables, bananas and milk in educational establishments

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 42 and Article 43(2) thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee[6],

Having regard to the opinion of the Committee of the Regions[7],

Acting in accordance with the ordinary legislative procedure[8],

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6 OJ C 451, 16.12.2014, p. 142.
7 OJ C 415, 20.11.2014, p. 30.
8 Position of the European Parliament of 8 March 2016.

Whereas:

(1) Section 1 of Chapter II of Title I of Part II of Regulation (EU) No 1308/2013 of the European Parliament and of the Council[9] provides for a school fruit and vegetables scheme and a school milk scheme.

(2) The experience gained with the application of the current school schemes, together with the conclusions of the external evaluations and subsequent analysis of different policy options ***and of the social difficulties faced by Member States***, point to the conclusion that the ***continuation and strengthening*** of the two school schemes is ***of the utmost importance***. In the current context of declining consumption of ***fresh*** fruit and vegetables ▌ and milk products, ***especially among children, and of an increasing incidence of child obesity as a result of consumption habits geared to*** highly processed foods which, in addition, are often high in added sugars, salt***,*** fat ***or additives***, the Union aid to finance the supply to children in educational establishments of selected agricultural products should ***do more to promote healthy eating habits and the consumption of local products***.

[9] Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013 establishing a common organisation of the markets in agricultural products and repealing Council Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/2001 and (EC) No 1234/2007 (OJ L 347, 20.12.2013, p. 671).

(3) The analysis of different policy options indicates that a unified approach under a common legal and financial framework is the most appropriate and effective way of meeting the specific objectives that the common agricultural policy is pursuing through school schemes. Such an approach would allow Member States to maximise the impact of distribution within a fixed budget and increase management efficiency. However, in order to take into account the differences between fruit and vegetables***,*** including bananas***, and milk*** and milk products***, i.e. 'school fruit and vegetables' and 'school milk' as defined in this Regulation,*** and their supply chains, certain elements, such as the respective budgetary envelopes, should remain separate. In the light of the experience with the current schemes, participation in the school scheme should continue to be voluntary for Member States. Taking into account the different consumption patterns across Member States, it should be possible for participating Member States ***and regions*** to choose***, in the context of their strategies, which of*** the products eligible for supply to children in educational establishments they wish to distribute. ***Member States could also consider introducing targeted measures in order to address declining milk consumption in the target group.***

(4) A trend of declining consumption of, in particular, fresh fruit and vegetables ▌ and drinking milk has been identified. It is therefore appropriate to focus distribution under the school scheme on those products ***as a priority***. This would also help to reduce the organisational burden on schools ***and*** to increase the impact of the distribution within a limited budget and would be in line with the current practice, as those products are the ones most frequently distributed. ***However, in order to follow nutritional recommendations on calcium absorption and to promote the consumption of specific products or to respond to particular nutritional needs of children in their territory, and given the increase in problems associated with intolerance to lactose in milk, Member States should be allowed, provided that they already distribute drinking milk or lactose-free versions thereof, to distribute other milk products without added flavouring, fruit, nuts or cocoa, such as yoghurt and cheese, which have beneficial effects on children's health. Member States should also be allowed to distribute processed fruit and vegetable products, provided that they already distribute fresh fruit and vegetables. Furthermore, efforts should be made to ensure the distribution of local and regional products. In cases where Member States consider it necessary for the attainment of the objectives of the school scheme and the goals stated in their strategies, they should be allowed to supplement the distribution of the abovementioned products with certain other milk products and milk-based drinks.*** All those products should be fully eligible for Union aid***. However, in the case of non-agricultural products, only the milk component should be eligible. In order to take into account scientific developments and to ensure that distributed products meet the objectives of the school scheme, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union (TFEU) should be delegated to the Commission in respect of supplementing the list of excluded flavour enhancers set out in this Regulation and defining the maximum levels for added sugar, added salt and added fat in processed products.***

(5) ***Accompanying educational*** measures that support distribution are necessary in order to make the school scheme effective in reaching its short- and long-term objectives of increasing the consumption of selected agricultural products and shaping healthier diets. Given their importance, such measures should support the ***distribution of school*** fruit and vegetables ***and school milk***. ***As accompanying educational*** measures***,*** they represent a critical tool for reconnecting children with agriculture and ***the variety of Union agricultural products, particularly those produced in their region, with the help, for example, of nutrition experts and farmers. In order to*** meet the objectives that the school scheme is pursuing, Member States should be allowed to include ***in their measures*** a wider variety of agricultural products ***as well as other local, regional or national specialities, such as honey, table olives and olive oil***.

(6) So as to promote healthy eating habits, ***Member States should ensure the appropriate involvement of their national*** authorities ***responsible for health and nutrition in the drawing up of a list of the products to be supplied, or the appropriate authorisation by those authorities of that list, in accordance with national procedures.***

(7) In order to ensure the efficient and targeted use of Union funds ***and to facilitate the implementation of the school scheme***, the power to adopt ***acts in accordance with Article 290 TFEU*** should be delegated to the Commission in respect of ***the identification of costs and measures that are eligible for Union aid.***

(8) The ***Union aid*** should be ***allocated*** separately for ***school*** fruit and vegetables ▌ and ***school*** milk in line with the voluntary approach to distribution. ***That aid should be allocated to each Member State taking into account the number of six- to ten-year-old children in that Member State and the degree of development of the regions within that Member State, so as to ensure that higher aid is allocated to less developed regions, to the smaller Aegean Islands and to the outermost regions in view of their limited agricultural diversification and the frequent impossibility of finding certain products in the region concerned, which results in higher transport and storage costs. Moreover, in*** order to allow Member States to maintain the scale of their current schemes ***for school milk*** and with a view to encouraging other Member States to take up the distribution of milk, it is appropriate to ***combine those criteria with the historical use of the Union aid for the supply of milk and milk products to children, with the exception of Croatia, for which a specific amount is to be determined.***

(9) In the interest of sound administration and budget management, Member States wishing to participate in the distribution of ***the eligible products*** should submit every year requests for Union aid. ▌

(10) A national or regional strategy should be a condition for a Member State's participation in the school scheme***. Any Member State wishing to participate should present*** a strategy in the form of a ▌ document ***covering a period of six years and*** setting out ▌ its priorities. Member States should be allowed to update their strategies regularly, in particular in the light of evaluations and reassessments of priorities or targets ***and of the success of their schemes. Furthermore, strategies may contain specific elements related to the implementation of the school scheme which will enable Member States to achieve efficiencies in the management, inter alia, of aid applications.***

(11) In order to promote awareness of the school scheme and to increase the visibility of Union aid, the power to adopt acts in accordance with Article 290 TFEU should be delegated to the Commission in respect of the obligation by Member States to clearly publicise the Union support for implementing the scheme, including in relation to publicity tools and, if appropriate, the common identifier or graphic elements.

(12) In order to ensure the visibility of the school scheme, Member States should explain in their strategy how they will ensure the added value of their schemes, especially where products financed under the Union scheme are consumed at the same time as other meals provided to children in an educational establishment. In order to ensure that the educational purpose of the Union scheme is attained and effective, the power to adopt acts in accordance with Article 290 TFEU should be delegated to the Commission in respect of the rules concerning the distribution of the products financed under the Union scheme in relation to the provision of other meals in educational establishments and their preparation.

▌

(13) In order to verify the effectiveness of the school scheme in the Member States, financing should be provided by the Union for initiatives to monitor and evaluate the results achieved, with particular attention being paid to medium-term changes in consumption.

(14) The co-financing principle for the distribution of school fruit and vegetables should be abolished.

(15) This Regulation should not affect the division of regional or local competences within Member States.

(16) Regulation (EU) No 1308/2013 and Regulation (EU) No 1306/2013 of the European Parliament and of the Council[10] should therefore be amended accordingly. In order to take into account the periodicity of the school year, the new rules should become applicable as from 1 August ***2017,***

HAVE ADOPTED THIS REGULATION:

[10] Regulation (EU) No 1306/2013 of the European Parliament and of the Council of 17 December 2013 on the financing, management and monitoring of the common agricultural policy and repealing Council Regulations (EEC) No 352/78, (EC) No 165/94, (EC) No 2799/98, (EC) No 814/2000, (EC) No 1290/2005 and (EC) No 485/2008 (OJ L 347, 20.12.2013, p. 549).

Article 1

Amendments to Regulation (EU) No 1308/2013

Regulation (EU) No 1308/2013 is amended as follows:

(1) Section 1 of Chapter II of Title I of Part II is replaced by the following:

'Section 1

Aid for the supply of ***fruit and vegetables and of milk and milk*** products in educational establishments

Article 22
Target group

The aid scheme intended to improve the distribution of agricultural products and improving children's eating habits is aimed at children who regularly attend nurseries, pre-schools or primary or secondary-level educational establishments which are administered or recognised by the competent authorities of Member States.

Article 23
*Aid for the supply of **school** fruit and vegetables ▌ and **of school** milk, **accompanying** educational measures and related costs*

1. Union aid shall be granted in respect of children in the educational establishments referred to in Article 22:

   (a) for the supply ***and distribution of eligible products referred to in paragraphs 3, 4 and 5 of this Article***;

(b) for ***accompanying*** educational measures; and

(c) to cover certain related costs linked to ▌ equipment, publicity, monitoring and evaluation***, and, insofar as those costs are not covered by point (a) of this subparagraph, logistics and distribution.***

The Council shall, in accordance with Article 43(3) TFEU, lay down limits for the proportion of Union aid covering measures and costs referred to in points (b) and (c) of the first subparagraph of this paragraph.

2. For the purposes of this Section:

(a) 'school fruit and vegetables' means the products referred to in point (a) of paragraph 3 and point (a) of paragraph 4;

(b) 'school milk' means the products referred to in point (b) of paragraph 3 and point (b) of paragraph 4, as well as the products referred to in Annex V.

3. Member States wishing to participate in the aid scheme established pursuant to paragraph 1 ('the school scheme') ***and requesting the corresponding Union aid shall, taking into account national circumstances, prioritise the distribution of products of either or both of the following groups:***

(a) fruit and vegetables and fresh products of the banana sector;

(b) drinking milk and lactose-free versions thereof.

4. Notwithstanding paragraph 3, in order to promote the consumption of specific products and/or to respond to particular nutritional needs of children in their territory, Member States may provide for the distribution of products of either or both of the following groups:

(a) processed fruit and vegetable products, in addition to the products referred to in point (a) of paragraph 3;

(b) cheese, curd, yoghurt and other fermented or acidified milk products without added flavouring, fruit, nuts or cocoa, in addition to the products referred to in point (b) of paragraph 3.

5. ***In cases where Member States consider it necessary for the attainment of the objectives of the school scheme and the goals stated in the strategies referred to in paragraph 8, they may supplement the distribution of products referred to in paragraphs 3 and 4 with products listed in Annex V.***

In such cases, the Union aid shall be paid only for the milk component of the distributed product. That milk component shall not be lower than 90 % by weight for products of Category I of Annex V and 75 % by weight for products of Category II of Annex V.

The level of Union aid for the milk component shall be fixed by the Council in accordance with Article 43(3) TFEU.

6. Products distributed under the school scheme shall not contain any of the following:

(a) added sugars;

(b) added salt;

(c) added fat;

(d) added sweeteners;

(e) added artificial flavour enhancers E 620 to E 650 as defined in Regulation (EC) No 1333/2008 of the European Parliament and of the Council*.

Notwithstanding the first subparagraph of this paragraph, any Member State may, after obtaining the appropriate authorisation from its national authorities responsible for health and nutrition in accordance with its national procedures, decide that eligible products referred to in paragraphs 4 and 5 may contain limited quantities of added sugar, added salt and/or added fat.

7. In addition to products referred to in paragraphs 3, 4 and 5 of this Article, Member States may provide for the inclusion of other agricultural products under the accompanying educational measures, in particular those listed in points (g) and (v) of Article 1(2).

8. As a condition for ***its*** participation in the school scheme***,*** a Member State shall draw up, prior to ***its*** participation in the school scheme, and subsequently every six years, at national or regional level, a strategy for the implementation of the scheme. The strategy may be amended by ***the authority responsible for drawing it up at national or regional level***, in particular in the light of monitoring and evaluation ***and of the results achieved***. The strategy shall at least identify the needs to be met, the ranking of the needs in terms of priorities, the target group, the results expected ***to be achieved and, if available,*** the quantified targets to be attained in relation to the initial situation, and lay down the most appropriate instruments and actions for attaining those objectives.

The strategy may contain specific elements relating to the implementation of the school scheme, including those intended to simplify its management.

9. Member States shall determine in their strategies the list of all the products to be supplied under the school scheme either through regular distribution or under accompanying educational measures. Without prejudice to paragraph 6, they shall also ensure the appropriate involvement of their national authorities responsible for health and nutrition in drawing up that list, or the appropriate authorisation by those authorities of that list, in accordance with national procedures.

10. Member States shall, in order to make the school scheme effective, also provide for ***accompanying*** educational measures, which may include***, inter alia,*** measures and activities aimed at reconnecting children with agriculture ***through activities, such as farm visits, and the distribution of*** a wider variety of agricultural products ***as referred to in paragraph 7. Those measures may also be designed to educate children*** about related issues, such as healthy eating habits, ▌ local food chains***,*** organic farming***, sustainable production or combating food waste***.

▌

11. Member States shall choose the products to be featured in distribution or to be included in ***accompanying*** educational measures on the basis of objective criteria which ***shall*** include ***one or more of*** the ***following:*** health and environmental considerations, seasonality, variety and the availability of local ***or regional*** produce, giving priority to the extent practicable to products originating in the Union***. Member States may encourage*** particularly local ***or regional*** purchasing, organic products, short supply chains or environmental benefits ***and, if appropriate, products recognised under the quality schemes established by Regulation (EU) No 1151/2012.***

▌

Member States may consider, in their strategies, prioritising sustainability and fair-trade considerations.

Article 23a

Financing provisions

1. Without prejudice to paragraph 4 of this Article, the aid under the school scheme allocated for the distribution of products, the ***accompanying*** educational measures and the related costs referred to in Article 23(1) shall not exceed ***EUR 250 million per school year.***

   Within that overall limit, the aid shall not exceed:

   (a) for ***school*** fruit and vegetables: EUR 150 million per school year;

   (b) for ***school*** milk: EUR ***100*** million per school year.

2. The aid referred to in paragraph 1 shall be allocated to each Member State taking into account the following:

▌

(a) the number of six- to ten-year-old children ***in the Member State concerned;***

(b) the degree of development of the regions within the Member State concerned so ***as*** to ensure that higher aid is allocated to less developed regions ▌ and to the smaller Aegean Islands within the meaning ***of*** Article 1(2) of Regulation (EU) No 229/2013; and

(***c)*** ***for school milk, in addition to the criteria referred to in points (a) and (b),*** the historical use of ***the Union aid*** for the supply of milk and milk products to children ▌**.**

The allocations for the Member States concerned shall ensure that higher aid is allocated to the outermost regions listed in Article 349 TFEU in order to take into account the specific situation of those regions in the sourcing of products and to promote such sourcing between outermost regions that are in geographical proximity to each other.

The allocations for school milk resulting from the application of the criteria laid down in this paragraph shall ensure that all Member States are entitled to receive at least a minimum amount of Union aid per child in the age group referred to in point (a) of the first subparagraph. That amount shall not be lower than the average use of Union aid per child across all Member States under the school milk scheme which applied prior to 1 August 2017.

Measures on the fixing of indicative and definitive allocations and on reallocation of Union aid for school fruit and vegetables and for school milk shall be taken by the Council in accordance with Article 43(3) TFEU.

3. Member States wishing to participate in the school scheme shall submit every year their request for Union aid***, specifying the amount requested for the school fruit and vegetables and the amount requested for the school milk that*** they wish to distribute ▌.

4. Without exceeding the overall limit of EUR ***250*** million laid down in paragraph 1, ***any*** Member State may transfer ***once per school year*** up to ***20*** % of either ***one or the other of its*** indicative allocations. ▌

That percentage may be increased up to 25 % for the Member States with outermost regions listed in Article 349 TFEU and in other duly justified cases, such as where a Member State needs to address a specific market situation in the sector covered by the school scheme, its particular concerns regarding low consumption of either one of the groups of products, or other societal changes.

Transfers may be made either:

(a) prior to the fixing of definitive allocations for the following school year, between the Member State's indicative allocations; or

(b) after the start of school year, between the Member State's definitive allocations, where such allocations have been set for the Member State in question.

The transfers referred to in point (a) of the third subparagraph may not be made from the indicative allocation for the group of products for which the Member State concerned requests an amount exceeding its indicative allocation. Member States shall notify to the Commission the amount of any transfers between indicative allocations.

5. The school scheme shall be without prejudice to any separate national school schemes which are compatible with Union law. ***Union aid provided for in Article 23 may be used to extend the scope or effectiveness of any existing national school schemes or school distribution schemes providing school fruit and vegetables and school milk but shall not replace funding for those existing national schemes, except for free distribution of meals to children in educational establishments. If a Member State decides to extend the scope of an existing national school scheme or to make it more effective by requesting Union aid, it shall indicate in the strategy referred to in Article 23(8) how this will be achieved.***

6. Member States may, in addition to Union aid, grant national aid ***for the financing of the school scheme.***

Member States may finance that aid by means of a levy on the sector concerned or by means of any other contribution from the private sector.

7. The Union may also finance, pursuant to Article 6 of Regulation (EU) No 1306/2013, information, ***publicity,*** monitoring and evaluation measures relating to the school scheme, including measures to raise public awareness of ***the scheme's objectives***, and related networking measures ***aimed at exchanging experience and best practices in order to facilitate the implementation and management of the scheme.***

The Commission may develop, in accordance with Article 24(4) of this Regulation, a common identifier or graphic elements to enhance the visibility of the school scheme.

8. Member States participating in the school scheme shall publicise, at ***school premises or other relevant*** places ▌, their involvement in the scheme and the fact that it is subsidised by the Union. ***Member States may use any suitable publicity tools, which may include posters, dedicated websites, informative graphic material, and information and awareness-raising campaigns.*** Member States shall ensure the added value and the visibility of the Union school scheme in relation to the provision of other meals in educational establishments.

Article 24

Delegated powers

1. In order to promote the healthy eating habits of children and to ensure that the aid under the school scheme is aimed at children in the target group referred to in Article 22, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 concerning rules on:

   (a) the additional criteria related to the ***eligibility of the target group referred to in Article 22***;

   (b) the approval and selection of aid applicants by Member States;

   (c) the drawing up of the national or regional strategies and on the ***accompanying*** educational measures.

2. In order to ensure the efficient and targeted use of Union funds ***and to facilitate the implementation of the school scheme***, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 concerning:

▌

(a) the ***identification of*** costs and measures that are eligible for Union aid ▌;

(b) the obligation for Member States to monitor and evaluate the effectiveness of their school scheme.

3. In order to take account of scientific developments, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 in order to supplement the list of artificial flavour enhancers referred to in point (e) of the first subparagraph of Article 23(6).

In order to ensure that products distributed in accordance with Article 23(3), (4) and (5) meet the objectives of the school scheme, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 in order to define the maximum levels for added sugar, added salt and added fat which may be allowed by Member States under the second subparagraph of Article 23(6) and which are technically necessary to prepare or manufacture processed products.

4. In order to promote awareness of the school scheme ***and to increase the visibility of Union aid,*** the Commission shall be empowered to adopt delegated acts in accordance with Article 227 requiring the Member States ***participating in the*** school scheme to ***clearly*** publicise the ***fact that they are receiving Union support to implement the scheme, including in relation to:***

(a) if appropriate, the establishment of specific criteria regarding the presentation, composition, size and design of the common identifier or graphic elements;

(b) the specific criteria related to the use of publicity tools.

5. In order to ensure the added value and the visibility of the school scheme, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 in respect of the rules concerning the distribution of products in relation to the provision of other meals in educational establishments.

6. Taking into account the need to ensure that the Union aid is reflected in the price at which the products are available under the school scheme, the Commission ***shall be empowered to adopt*** delegated acts in accordance with Article 227 ***requiring Member States to explain in their strategies how this will be achieved***.

Article 25

Implementing powers in accordance with the examination procedure

The Commission may, by means of implementing acts, adopt the measures necessary for the application of this Section, including those concerning:

▌

(a) the information to be contained in Member States' strategies;

(b) the aid applications and payments***, including the simplification of procedures resulting from the common framework for the school scheme***;

(c) the methods of publicising, and networking measures in respect of, the school scheme;

(d) the submission, format and content of ***annual requests for aid,*** monitoring and evaluation reports by Member States participating in the school scheme;

▌

(e***) the application of Article 23a(4), including on the deadlines for the transfers and on the submission, format and content of transfer notifications.***

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).

_____

*** Regulation (EC) No 1333/2008 of the European Parliament and of the Council of 16 December 2008 on food additives (OJ L 354, 31.12.2008, p. 16).";***

(2) Article 217 is replaced by the following:

'Article 217
National payments for the distribution of products to children

Member States ***may make*** national payments for supplying to children in educational establishments ***the groups of eligible products referred to in Article 23, for accompanying educational measures related to such products and*** for the related costs referred to in point (c) of Article 23(1).

Member States may finance those payments by means of a levy on the sector concerned or by means of any other contribution from the private sector.***';***

(3) in Article 225, the following points are added:

'(e) by 31 July 2023, on the application of the allocation criteria referred to in Article 23a(2);

(f) by 31 July 2023, on the impact of the transfers referred to in Article 23a(4) on the effectiveness of the school scheme in relation to the distribution of school fruit and vegetables and school milk.';

(4) Annex V is ***replaced by the following:***

'ANNEX V

PRODUCTS REFERRED TO IN ARTICLE 23(5)

Category I

- ***Fermented milk products without fruit juice, naturally flavoured***
- ***Fermented milk products with fruit juice, naturally flavoured or non-flavoured***
- ***Milk-based drinks with cocoa, with fruit juice or naturally flavoured***

Category II

Fermented or non-fermented milk products with fruit, naturally flavoured or non-flavoured'.

Article 2

Amendment to Regulation (EU) No 1306/2013

In Article 4(1) of Regulation (EU) No 1306/2013, point (d) is replaced by the following:

'(d) the Union's financial contribution to the measures related to animal diseases and loss of consumer confidence as referred to in Article 220 of Regulation (EU) No 1308/2013.'

Article 3

Entry into force and application

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

It shall apply from 1 August ***2017.***

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

Done at …,

For the European Parliament	*For the Council*
The President	*The President*