

043476/EU XXIV.GP
Eingelangt am 21/12/10

EN

EN

EN



EUROPEAN COMMISSION

Brussels, 21.12.2010
COM(2010) 799 final

2010/0385 (COD)

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

**establishing a common organisation of agricultural markets and on specific provisions
for certain agricultural products (Single CMO Regulation)**

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

- **Grounds for and objectives of the proposal**

The purpose of the proposal is to align Council Regulation (EC) No 1234/2007¹ on the Single Common Market Organisation with the differentiation between delegated and implementing powers of the Commission introduced by Articles 290 and 291 of the Treaty on the Functioning of the European Union (TFEU).

In addition, this proposal includes for the sake of completeness the proposals for modifications of Council Regulation (EC) No 1234/2007 already separately submitted by the Commission to the European Parliament and the Council, thus improving the comprehensibility and accessibility of the single Common Market Organisation for all stakeholders.

- **General context**

Delegated and implementing powers

Articles 290 and 291 TFEU establish a clear distinction between on the one hand the powers delegated to the Commission to adopt non-legislative acts and, on the other, the powers conferred on the Commission to adopt implementing acts:

- Article 290 TFEU allows the legislator to delegate to the Commission the power to adopt non-legislative acts of general application to supplement or amend certain non-essential elements of a legislative act. Legal acts adopted by the Commission in this way are referred to in the terminology used by the Treaty as "delegated acts" (Article 290(3)).
- Article 291 TFEU requires Member States to adopt all measures of national law necessary to implement legally binding Union acts. Those acts can confer implementing powers on the Commission where uniform conditions for implementing them are needed. Legal acts adopted by the Commission in this way are referred to in the terminology used by the Treaty as "implementing acts" (Article 291(4)).

The proposed alignment of Regulation (EC) No 1234/2007 on the new requirements resulting from Articles 290 and 291 TFEU is based on a careful qualification of the existing Commission powers under Regulation (EC) No 1234/2007 as "delegated" and "implementing" which was operated against the background of the implementing measures adopted by the Commission on the basis of its current powers.

Following this exercise, a draft proposal for revision of Regulation (EC) No 1234/2007 has been prepared. This project provides the Legislator with the power to define the essentials of the common organisation of agricultural markets. The general guidelines of the common market organisation and the general principles that

¹ OJ L 299, 16.11.2007, p. 1.

underlie it are determined by the Legislator. For example, the objectives of the market intervention measures, of the systems of production limitation and of the aid schemes are fixed by the Legislator. Similarly, the Legislator lays down the principle of establishing a system of import and export licences, the fundamental elements of the rules concerning marketing and production and the principle of application of sanctions, reductions and exclusions. The Legislator also provides the existence of specific provisions for individual sectors.

Pursuant to Article 290 TFEU, the Legislator gives the Commission the power to complete or modify certain non-essential elements of its scheme. A Commission delegated act may therefore determine the additional elements necessary for the proper functioning of the common market organisation established by the Legislator. For example, the Commission shall adopt delegated acts in order to lay down the conditions for operators for taking part in a scheme, the obligations deriving from the issue of a licence and, if necessary depending on the economic situation, whether it requires a guarantee for issue of licences. Similarly, the Legislator delegates to the Commission the power to adopt measures to establish eligibility criteria for products as regards market intervention. In addition, the Commission may adopt delegated acts regarding definitions.

Member States in accordance with Article 291 TFEU are responsible for implementing the regime established by the Legislator. However, it is necessary to ensure uniform implementation of the scheme in the Member States. Therefore, the Legislator gives the Commission powers of implementation, in accordance with Article 291, paragraph 2 TFEU, as regards the uniform conditions for the implementation of the common market organisation and a general framework of checks that Member states shall implement.

Council powers under Article 43(3) TFEU

Article 43(3) TFEU stipulates that "The Council, on a proposal from the Commission, shall adopt measures on fixing prices, levies, aids and quantitative limitations (...)". This provision forms an exception from Article 43(2) TFEU which requires the ordinary legislative procedure to be used "to establish the common organisation of agricultural markets ... and the other provisions necessary for the pursuit of the objectives of the common agricultural policy". This set-up reflects the general trend in the Lisbon Treaty which has turned the ordinary legislative procedure into the standard procedure for the adoption of EU legislative acts.

As an exception Article 43(3) TFEU needs therefore to be interpreted restrictively so as to ensure that the Legislator can exercise its legislative prerogatives under Article 43(2) TFEU. This includes the Legislator regulating the fundamental elements of the common agricultural policy and taking the political decisions that shape its structure, instruments and effects. Against this background the specific procedure laid down in Art. 43(3) TFEU should only be applied where an issue referred to in that provision does not form part of the fundamental policy decisions reserved to the Legislator under Article 43(2) TFEU. Therefore, where such an issue is *inextricably* linked with the political substance of the decisions to be taken by the Legislator, Article 43(3) TFEU should not be applied.

Consequently, the proposal is based on the following principles:

- the structural parameters and fundamental elements of the CAP may only be decided by the Legislator (European Parliament and Council). For example, the public intervention (including framework for the determination by the Commission of certain intervention prices by means of the tendering procedure) and milk and sugar quota schemes established by Regulation 1234/2007 should stay at the Legislator's level, as these elements are inextricably linked to the definition of the content of the scheme established by the Legislator and the boundaries of this regime.
- measures on fixing prices, levies, aids and quantitative limitations as referred to in Article 43(3) which do not fall in the scope of Article 43(2) TFEU shall be taken by the Council. The Commission will submit a proposal for a Regulation based on Article 43(3) TFEU as regards the provisions in Article 21 on the conditions for mandatory aid for private storage of butter, in Article 99 on the production refund in the sugar sector, in Articles 101 and 102 on aids in the milk and milk products sector, in Article 108 on the supply of milk products to pupils, in Article 155 on aids in the silkworm sector, in Article 273 on export refunds and in Article 281 on live plants minimum export prices. The proposed Regulations will, in respect of these provisions, foresee that the conditions for fixing of aid amounts, export refunds and minimum export prices should be determined by the Council under Article 43(3) TFEU and that amounts of such aids, refunds and price levels should be fixed by the Commission by means of implementing acts.

Article 43(3) TFEU is an autonomous basis for the adoption of legal acts by the Council. However, in the interest of clarity (*à titre déclaratoire*), where Article 43(3) TFEU is applicable the proposal explicitly refers to that clause in each of the single CMO provisions concerned. The Commission will submit the proposals that need to be made with regard to Article 43(3) TFEU in due course to the Council.

- **Existing provisions in the area of the proposal**

Articles 290 and 291 of the Treaty on the Functioning of the European Union (TFEU).

- **Consistency with the other policies and objectives of the Union**

Not applicable.

2. **RESULTS OF CONSULTATIONS WITH THE INTERESTED PARTIES AND IMPACT ASSESSMENTS**

- **Consultation of interested parties**

- **Collection and use of expertise**

There was no need for consultation of interested parties or for external expertise since the proposal to align Council Regulation (EC) No 1234/2007 to the Lisbon Treaty is an inter-institutional matter that will concern all Council Regulations.

- **Impact assessment**

No need for an impact assessment since the proposal to align Council Regulation (EC) No 1234/2007 to the Lisbon Treaty is an inter-institutional matter that will concern all Council Regulations.

3. LEGAL ELEMENTS OF THE PROPOSAL

- **Summary of the proposed action**

Identify the delegated and implementing powers of the Commission in Council Regulation (EC) No 1234/2007 and establish the corresponding procedure for adoption of these acts.

The content of the following proposals is integrated into this proposal:

- (i) European Parliament legislative resolution of 23 November on the proposal for a Regulation of the European Parliament and of the Council amending Council Regulation (EC) No 1234/2007 (Single CMO Regulation) as regards the aid granted in the framework of the German Alcohol Monopoly (COM(2010)336 final);
- (ii) Proposal for a Regulation of the European Parliament and of the Council amending Council Regulations (EC) No 1290/2005 and (EC) No 1234/2007, as regards distribution of food products to the most deprived persons in the Union (COM(2010) 486 final);
- (iii) Proposal to amend Council Regulation (EC) No 1234/2007 as regards marketing standards [agenda planning 2010/AGRI/010];
- (iv) Proposal to amend Council Regulation (EC) No 1234/2007 as regards contractual relations in the milk and milk products sector [agenda planning 2010/AGRI/026].

- **Legal basis**

Article 42, first subparagraph and Article 43(2) TFEU.

- **Subsidiarity principle**

Agricultural policy is of shared competence between the EU and the Member States. This means that as long as the EU does not legislate in the sector Member States maintain their competence. This proposal is limited to adapting the Single Common Market Organisation to new requirements introduced by the Lisbon Treaty. Thus the existing Union approach is not affected by this Proposal.

- **Proportionality principle**

The proposal complies with the proportionality principle.

- **Choice of instruments**

Proposed instrument: Regulation of the European Parliament and of the Council.

Other means would not be adequate for the following reason: direct application is due to the nature of the CAP and its management requirements an indispensable characteristic of CAP legislation.

4. BUDGETARY IMPLICATIONS

This measure does not involve any additional Union expenditure.

5. ADDITIONAL INFORMATION

- **Simplification**

The proposal will improve the comprehensibility and accessibility of the Single Common Market Organisation as Council Regulation (EC) No 1234/2007 has been substantially amended.

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

**establishing a common organisation of agricultural markets and on specific provisions
for certain agricultural products (Single CMO Regulation)**

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 the first subparagraph of Article 42 and Article 43(2) thereof,

Having regard to the proposal from the European Commission²,

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

Having regard to the opinion of the European Economic and Social Committee³,

Acting in accordance with the ordinary legislative procedure⁴,

Whereas:

- (1) Council Regulation (EC) No 1234/2007 of 22 October 2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation)⁵ has been amended several times. Further amendments are needed as a consequence of the entry into force of the Lisbon Treaty, in order to align the powers conferred on the European Parliament and the Council, and in particular those conferred on the Commission to Articles 290 and 291 of the Treaty on the Functioning of the European Union (the Treaty). In view of the scope of those amendments, it is appropriate to repeal Regulation (EC) No 1234/2007 and to replace it with a new Single CMO Regulation. In the interest of technical simplification, it is appropriate to incorporate Council Regulation (EEC) No 922/72 of 2 May 1972 laying down general rules for granting aid in respect of silkworms for the 1972/73 rearing year⁶ in this Regulation. Regulation (EEC) No 922/72 should therefore be repealed as well.
- (2) By virtue of Article 43(3) of the Treaty, the Council shall adopt measures on fixing prices, levies, aid and quantitative limitations. In the interest of clarity, where Article 43(3) of the Treaty applies, this Regulation should explicitly refer to the fact that measures will be adopted by the Council on that basis.

² OJ C [...], [...], p. [...].

³ OJ C [...], [...], p. [...].

⁴ OJ C [...], [...], p. [...].

⁵ OJ L 299, 16.11.2007, p. 1.

⁶ OJ 106, 5.5.1972, p. 1.

- (3) This Regulation should contain all the basic elements of the Single CMO. The fixing of prices, levies, aid and quantitative limitations is in certain cases inextricably linked to those basic elements.
- (4) The Commission should have the power to adopt delegated acts in accordance with Article 290 of the Treaty in order to supplement or amend certain non-essential elements of this Regulation. The elements for which that power may be exercised should be defined, as well as the conditions to which that delegation is to be subject.
- (5) The use of an urgency procedure should be reserved for exceptional cases where this proves to be necessary in order to react efficiently and effectively against threats of market disturbance or where market disturbances are occurring. The choice of an urgency procedure should be justified and the cases in which the urgency procedure should be used should be specified.
- (6) Pursuant to Article 291 of the Treaty Member States should be responsible for implementing the common organisation of agricultural markets (hereinafter CMO) established in this Regulation. In order to ensure that the CMO is implemented in the Member States in a uniform manner and to avoid unfair competition or discrimination between operators, the Commission should be able to adopt implementing acts in accordance with Article 291(2) of the Treaty. The Commission should, therefore, be granted implementing powers under that provision, in particular as regards the uniform conditions under which market intervention measures apply, the uniform conditions for implementing aid schemes and for applying rules concerning marketing and production, and rules related to trade with Third countries. The Commission should also define the minimum characteristics for checks which Member States must apply.
- (7) In addition, in order to ensure the efficiency of the schemes established by the Single CMO, the Commission should be given the necessary powers for market management measures and daily management tasks. In order to ensure the smooth functioning of the Single CMO, powers should also be conferred on the Commission for regulating certain issues of a rather technical character and for adopting rules on notifications, information and reporting, procedures and technical criteria related to products and operators eligible for market support. Additionally, in order to ensure the proper working of the CMO, the Commission should also determine, in particular, dates, time limits, operative events for exchange rates, representative periods and interest rates and, as regards aid schemes, the Commission should be empowered, in particular, with the legal basis to fix aid and to adopt rules on the management, monitoring and evaluation of programmes, the publicising of the benefit of aids paid and rules related to the implementation of plans for social schemes. The Commission should be empowered to define procedures related to the payment of aid and advances of aid.
- (8) Furthermore, in order to achieve the aims of the Single CMO and to respect its principles, the Commission should be entrusted with the power to adopt rules, including on the management of schemes aimed at limiting the production of milk, sugar and wine, inspections and checks and should also have the power to fix the amount of securities, to determine the rules and procedures regarding the recovery of undue payments and to adopt the rules on contracts related to market support.
- (9) Further, in the wine sector, the Commission should also be entrusted with the power to ensure that applications for designations of origin, geographical indications, as well as

traditional terms, satisfy the conditions laid down by this Regulation to ensure uniform application across the Union. As regards presentation and labelling of the products of the wine sector, the Commission should be given the competence to adopt all necessary rules related to procedures, notifications and technical criteria.

- (10) In order to ensure the achievement of the objectives of the legislative framework established by this Regulation, the Commission should also have permanent monitoring powers related to certain activities of producer organisations, producer groups, interbranch organisations and operator organisations. Moreover, in order to preserve the structure defined by the Single CMO and its essential parameters, the Commission should be given the competence to adopt all necessary rules related to exceptional market measures and exceptional management measures, intended to solve urgent and unforeseen problems occurring in one or more Member States.
- (11) Save where explicitly provided otherwise, the Commission should adopt those implementing acts in accordance with the provisions of Regulation (EU) No [XX/XXXX](#) of the European Parliament and the Council on [*title of Regulation*].
- (12) In respect of certain measures under this Regulation which require swift action or which consist in the mere application of general provisions to specific situations without involving discretion, the Commission should be empowered to adopt implementing acts without the assistance of the Committee.
- (13) The Commission should further be empowered to carry out certain administrative or management tasks which do not entail the adoption of delegated or implementing acts.
- (14) Replacement by a new Single CMO Regulation should not lead to calling into question the policy decisions that have been taken over the years in the common agricultural policy (hereinafter CAP). The purpose of this Regulation should, therefore, essentially be the alignment to the Treaty of the powers conferred on the Commission. It should not, therefore, repeal or change existing provisions for which existing justification remains valid, unless those provisions have become obsolete, nor should it provide for new rules or measures. The exceptions to this approach concern the distribution of food products to the most deprived persons in the Union, and aid granted in the framework of the German alcohol monopoly. Provisions on marketing standards reflect proposals made in the context of a comprehensive review of quality policy.
- (15) Marketing years should be fixed for cereals, rice, sugar, dried fodder, seeds, olive oil and table olives, flax and hemp, fruit and vegetables, bananas, milk and milk products, and silkworms, mainly adapted to the biological production cycles of each of those products.
- (16) In order to stabilise the markets and to ensure a fair standard of living for the agricultural community, a differentiated system of price support for the different sectors has been developed, in parallel to the introduction of direct support schemes, taking account of the different needs in each of these sectors on the one hand and the interdependence between different sectors on the other. Those measures take the form of public intervention or, as the case may be, the payment of aid for the private storage of products of the cereals, rice, sugar, olive oil and table olives, beef and veal, milk and milk products, pigmeat and sheepmeat and goatmeat sectors. Given the objectives

of the subsequent amendments to Regulation (EC) No 1234/2007, in particular by Council Regulation (EC) No 72/2009 of 19 January 2009 on modifications to the Common Agricultural Policy by amending Regulations (EC) No 247/2006, (EC) No 320/2006, (EC) No 1405/2006, (EC) No 1234/2007, (EC) No 3/2008 and (EC) No 479/2008 and repealing Regulations (EEC) No 1883/78, (EEC) No 1254/89, (EEC) No 2247/89, (EEC) No 2055/93, (EC) No 1868/94, (EC) No 2596/97, (EC) No 1182/2005 and (EC) No 315/2007⁷, and on the basis of the justification presented therein, there is, therefore, a need to maintain price support measures where they are foreseen in the instruments as they were developed in the past, without making any substantial changes as compared to the previous legal situation.

- (17) For the sake of clarity and transparency, the provisions governing those measures should be made subject to a common structure, whilst maintaining the policy pursued in each sector. For that purpose it is appropriate to distinguish between reference prices and intervention prices.
- (18) The CMOs for cereals, beef and veal, and milk and milk products contained provisions according to which the Council, acting in accordance with the procedure laid down in Article 37(2) of the Treaty establishing the European Community, had the power to change the price levels. Given the sensitivity of the price systems it should be made clear that the possibility under Article 43(2) of the Treaty to change price levels exists with regard to all sectors covered by this Regulation.
- (19) Reference prices should be fixed for standard qualities of white sugar and raw sugar. Such standard qualities should be average qualities representative of sugar produced in the Union and defined on the basis of criteria used by the sugar trade. It should also be possible to review the standard qualities to take account, in particular, of commercial requirements and developments in technical analysis.
- (20) To ensure reliable information on Union market prices for sugar, a price reporting system should be provided for by this Regulation, on the basis of which market price levels for white sugar should be determined.
- (21) On the basis of the amendments introduced by Regulation (EC) No 72/2009 the system of intervention for cereals, rice, butter, and skimmed milk powder is opened during certain periods of the year. In respect of the beef and veal sector the opening and closing of public intervention should be dependent on market price levels during a certain period.
- (22) The price level at which buying-in under public intervention should be carried out was, in the past, decreased in the CMOs for cereals, rice and beef and veal and fixed along with the introduction of direct support schemes in those sectors. Aid under those schemes on the one hand and intervention prices on the other are, therefore, closely linked. For the products of the milk and milk products sector, that price level was fixed in order to promote consumption of the products concerned and improve their competitiveness. Those policy decisions still remain valid.

⁷ OJ L 30, 31.1.2009, p. 1.

- (23) This Regulation should provide for the possibility of disposal of products bought into public intervention. Such measures should be taken in a way that avoids market disturbances and that ensures equal access to the goods and equal treatment of purchasers.
- (24) The objectives of the CAP as defined in Article 39(1) of the Treaty include stabilising the markets as well as ensuring that supplies reach consumers at reasonable prices. Over the years the food distribution scheme has successfully underpinned the fulfilment of both objectives. It should continue to guarantee the aims of the CAP and help achieve cohesion objectives. However, successive reforms of the CAP have resulted in a progressive reduction in intervention stocks, as well as the range of products available. Consequently, market purchases should also be made a permanent source of supply for the scheme.
- (25) In order to ensure sound budgetary management and to fully benefit from the cohesive dimension of the Union scheme, a fixed ceiling of Union aid should be provided for and provision should be made for Member States to co-finance the food distribution programme. Furthermore, experience has shown that a longer term perspective is required for the scheme. The Commission should therefore establish three-year-plans for the implementation of the scheme and Member States should prepare national food distribution programmes setting out their objectives and priorities for the scheme, including nutritional considerations. In addition, Member States should undertake adequate administrative and physical checks and provide penalties in case of irregularities in order to ensure that the three-year plan is implemented in accordance with the applicable rules.
- (26) In order to ensure a transparent, coherent and efficient operation of the most deprived scheme the Commission should adopt the procedures for the adoption and revision of three-year plans and should proceed to the adoption of those plans and, where necessary, their revisions. The Commission should also adopt provisions on additional elements to be included in the three-year plans, rules for the supply of products as well as procedures and time limits applicable to withdrawals of intervention products, including transfers between Member States and rules on the format of national food distribution programmes and annual implementation reports. Furthermore, in order to ensure uniformity in the implementation of the three year plans by Member States, the Commission should adopt the procedures for the reimbursement of costs of the charitable organisations that Member States chose to consider eligible including time limits and financial ceilings, the conditions pertaining to the invitation to tender and the conditions applicable to food products and their supply. Moreover, rules should be adopted laying down the obligations of Member States concerning checks, procedures and deadlines for payments, reductions for their non-respect as well as accounting provisions and the tasks to be fulfilled by national intervention bodies including in the case of transfers between Member States.
- (27) In order to contribute to balancing the milk market and to stabilising market prices, this Regulation provides for the granting of aid for private storage in respect of certain butter products. Moreover, the Commission should be empowered to decide to grant aid for private storage for white sugar, certain kinds of olive oil and of certain beef and veal products, pigmeat, and sheepmeat and goatmeat.

- (28) The Union scales for the classification of carcasses in the beef and veal, pigmeat and sheepmeat and goatmeat sectors are essential for the purposes of price recording and for the application of the intervention arrangements in those sectors. Moreover, they pursue the objective of improving market transparency.
- (29) Restrictions to free circulation resulting from the application of measures intended to combat the spread of animal diseases could cause difficulties on the market in certain products in one or more Member States. Experience shows that serious market disturbances such as a significant drop in consumption or in prices may be attributed to a loss in consumer confidence due to public health or animal health risks.
- (30) The exceptional market support measures for beef and veal, milk and milk products, pigmeat, sheepmeat and goatmeat, eggs and poultrymeat should be directly related to or consequent upon health and veterinary measures adopted in order to combat the spread of disease. They should be taken at the request of Member States in order to avoid serious disruption on the markets concerned.
- (31) The possibility for the Commission to adopt special intervention measures where this proves to be necessary in order to react efficiently and effectively against threats of market disturbances in the cereals sector and in order to prevent large-scale application of public intervention in certain regions of the Union in the rice sector or to make up for paddy rice shortages following natural disasters should be provided for.
- (32) A minimum price should be fixed for quota beet corresponding to a standard quality which should be defined, in order to ensure a fair standard of living for the Union growers of sugar beet and sugar cane.
- (33) Specific instruments are needed to ensure a fair balance of rights and obligations between sugar undertakings and sugar beet growers. Therefore, the standard provisions governing the interprofessional agreements should be established.
- (34) The diversity of natural, economic and technical situations makes it difficult to provide for uniform purchase terms for sugar beet throughout the Union. Agreements within the trade already exist between associations of sugar beet growers and sugar undertakings. Therefore, framework provisions should define only the minimum guarantees required by both sugar beet growers and the sugar industry to ensure a smooth functioning of the sugar market with the possibility to derogate from some rules in the context of an agreement within the trade.
- (35) The production charge provided for in the sugar sector to contribute to the financing of the expenditure occurring should be provided for in this Regulation.
- (36) To maintain the structural balance of the markets in sugar at a price level close to the reference price, the possibility to decide to withdraw sugar from the market for as long as it takes for the market to rebalance should be provided for.
- (37) As regards live plants, beef and veal, pigmeat, sheepmeat and goatmeat, eggs and poultrymeat provision should be made for the possibility of adopting certain measures to facilitate the adjustment of supply to market requirements. Such measures may contribute to stabilising the markets and to ensuring a fair standard of living for the agricultural community concerned.

- (38) In the sugar sector the quantitative limitation of production has been an essential market policy instrument. The reasons which in the past led the Community to adopt production quota systems in the sugar sector remain valid.
- (39) The sugar quota scheme under this Regulation should in particular maintain the legal status of the quotas in so far as, according to the case-law of the Court of Justice of the European Union, the system of quotas constitutes a mechanism for regulating the market in the sugar sector aiming to ensure the attainment of public interest objectives.
- (40) This Regulation should provide for the possibility to adjust sugar quotas in order to reflect Member States' decisions regarding the reallocation of national quotas.
- (41) In the light of the need to allow for a certain amount of national flexibility in relation to the structural adjustment of the processing industry and of beet and cane growing during the period in which the quotas are to be applied, the possibility for Member States to be allowed to alter the quotas of undertakings within certain limits whilst not restricting the operation of the restructuring fund as an instrument should be provided for.
- (42) In order to avoid that surplus sugar distorts the sugar market, the Commission should be enabled, according to certain criteria, to provide for carrying forward the surplus sugar, isoglucose or inulin syrup to be treated as quota production of the following marketing year. Moreover, if, for certain quantities, the applicable conditions are not met, provision is also made for a levy on the surplus in order to avoid the accumulation of those quantities threatening the market situation.
- (43) The milk quota system should be maintained until its expiration in 2015, including the application of a levy to quantities of milk collected or sold for direct consumption above a certain guarantee threshold.
- (44) The distinction between deliveries and direct sales of milk should be maintained and the scheme should be applied on the basis of individual representative fat contents and a national reference fat content. Farmers should be authorised under certain conditions to temporarily transfer their individual quota. Moreover the principle should be maintained that when a farm is sold, leased or transferred by inheritance, the corresponding quota is transferred to the purchaser, tenant or heir together with the relevant land, while the exceptions to the principle that quotas are tied to farms in order to continue the restructuring of milk production and improve the environment should be maintained. In line with the various types of transfer of quotas and using objective criteria, rules authorising Member States to place part of the transferred quantities in the national reserve should be provided for.
- (45) The surplus levy payable on milk and other milk products should be set at a dissuasive level and be payable by the Member States as soon as the national quota is exceeded. The Member State should then divide the burden of payment among the producers who have contributed to the overrun. Those producers should be liable vis-à-vis the Member State for payment of their contribution to the levy due by virtue of the fact of having overrun their available quantity. Member States should pay to the European Agricultural Guarantee Fund (EAGF) the levy corresponding to the overrun of their national quota, reduced by a flat-rate amount of 1 % in order to take account of cases

of bankruptcy or the definitive inability of certain producers to make their contribution to the payment of the levy due.

- (46) The main purpose of the milk quota system of reducing the imbalance between supply and demand on the respective market and the resulting structural surpluses, thereby achieving a better market equilibrium, appeared to reduce market orientation because it distorted farmers' response to price signals and prevented efficiency gains in the sector by slowing down restructuring. The phasing-out of dairy quotas by annual increases of 1 % has been provided per marketing year from 2009/2010 to 2013/2014. In the context of the restructuring of the sector, Member States should be permitted until 31 March 2014 to grant an additional national aid within certain limits. The quota increases incorporated in Regulation (EC) No 1234/2007, as amended by Council Regulation (EC) No 248/2008⁸, and the 1 % annual increase, along with the other changes which reduce the likelihood of the surplus levy being incurred mean that only Italy would be at risk of the levy being incurred on the basis of current production patterns if annual increases of 1 % were applied from the 2009/2010 period until 2013/2014. Therefore, taking into account the current production patterns in all Member States, the increase in quota has been frontloaded for Italy in order to avoid this risk.
- (47) Regulation (EC) No 1234/2007 provides for different kinds of aid schemes. The scheme for dried fodder and for flax and hemp provided for processing aids for these sectors as a means to govern the internal market in respect of the sectors concerned. As a result of the amendments made by Regulation (EC) No 72/2009 and pursuant to Council Regulation (EC) No 73/2009 of 19 January 2009 establishing common rules for direct support schemes for farmers under the common agricultural policy and establishing certain support schemes for farmers, amending Regulations (EC) No 1290/2005, (EC) No 247/2006, (EC) No 378/2007 and repealing Regulation (EC) No 1782/2003⁹, aid will continue to be provided for dried fodder until 1 April 2012, and long flax fibre, short flax fibre and hemp fibre until the marketing year 2011/2012. The system of potato starch quotas provided for in Regulation (EC) No 1234/2007, as amended by Regulation (EC) No 72/2009, and the related minimum price applies only to the end of the 2011/12 marketing year.
- (48) To contribute to balancing the milk market and to stabilise the market prices for milk and milk products, measures are needed to increase the possibility of disposing of milk products. This Regulation should provide for the grant of aids for the marketing of certain milk products with a view to specific uses and destinations. Moreover, it should provide that, in order to stimulate the consumption of milk by young people, the Union should defray a part of the expenditure occasioned by granting aid for the supply of milk to pupils in schools.
- (49) The possibility should be provided for of the granting of a production refund in cases where, with regard to the manufacturing of certain industrial, chemical or pharmaceutical products, the need arises to take measures aimed at making available certain sugar products.

⁸ OJ L 76, 19.3.2008, p. 6.

⁹ OJ L 30, 31.1.2009, p. 16.

- (50) In accordance with Regulation (EC) No 73/2009, the hops area payment was decoupled from 1 January 2010. In order to allow the hop producer organisations to continue their activities as before, a specific provision should be made for equivalent amounts to be used in the Member State concerned for the same activities.
- (51) Union financing, consisting of the percentage of direct aid that Member States are allowed to withhold in accordance with Regulation (EC) No 73/2009, is required to encourage approved operator organisations to draw up work programmes for the purpose of improving the production quality of olive oil and table olives. In that context, this Regulation should provide for Union support to be allocated in accordance with the priorities given to the activities undertaken within the work programmes in question.
- (52) This Regulation distinguishes between on the one hand fruit and vegetables, which includes fruit and vegetables for marketing and fruit and vegetables intended for processing, and on the other hand processed fruit and vegetables. Rules on producer organisations, operational programmes and Union financial assistance only apply to fruit and vegetables and fruit and vegetables solely intended for processing.
- (53) Producer organisations are the basic actors in the fruit and vegetables regime. In the face of ever greater concentration of demand, the grouping of supply through these organisations continues to be an economic necessity in order to strengthen the position of producers in the market. Such grouping should be effected on a voluntary basis and prove its utility by the scope and efficiency of the services offered by producer organisations to their members. Since producer organisations act exclusively in the interests of their members, they should be deemed as acting in the name and on behalf of their members in economic matters.
- (54) The production of fruit and vegetables is unpredictable and the products are perishable. Even limited surpluses can significantly disturb the market. Therefore, measures for crisis management should be put in place. In order to provide for increased attractiveness of producer organisations, those measures should be integrated into operational programmes.
- (55) The production and marketing of fruit and vegetables should take full account of environmental concerns, including cultivation practices, the management of waste materials and the disposal of products withdrawn from the market, in particular as regards the protection of water quality, the maintenance of biodiversity and the upkeep of the countryside.
- (56) Producer groups in the fruit and vegetables sector in Member States which acceded to the European Union on 1 May 2004 or after that date, in certain outermost regions of the Union or in the smaller Aegean Islands and wishing to acquire the status of producer organisations in accordance with this Regulation should be allowed the benefit of a transitional period during which national and Union financial support can be given against certain commitments by the producer group.
- (57) In order to give producer organisations in the fruit and vegetables sector greater responsibility for their financial decisions in particular and to gear the public resources assigned to them towards future requirements, terms should be set for the use of these resources. Joint financing of operational funds set up by producer organisations is an

appropriate solution. Additional scope for financing should be permitted in particular cases. Operational funds should only be used to finance operational programmes in the fruit and vegetables sector. In order to control Union expenditure, there should be a cap on assistance granted to producer organisations that establish operational funds.

- (58) In regions where the organisation of production in the fruit and vegetables sector is weak, the grant of additional, national, financial contributions should be allowed. In the case of Member States which are at a particular disadvantage with regard to structures, those contributions should be reimbursable by the Union.
- (59) In order to simplify and reduce the cost of the scheme, the procedures and rules for the eligibility of expenditure under operational funds should, where possible, be aligned with those of rural development programmes by requiring Member States to establish a national strategy for operational programs.
- (60) It is desirable to address the low consumption of fruit and vegetables amongst children by durably increasing the share of fruit and vegetables in the diets of children at the stage when their eating habits are being formed. Provision should therefore be made for Union aid to co-finance the supply to children in educational establishments of products of the fruit and vegetables, processed fruit and vegetables, and bananas sector, and certain related costs linked to logistics and distribution, equipment, publicity, monitoring and evaluation. In order to ensure orderly implementation Member States wishing to make use of the school fruit scheme should draw up a prior strategy, including amongst others the list of products eligible, selected on the basis of objective criteria including seasonality, availability, or environmental concerns.
- (61) In order to ensure a sound budgetary management of the school fruit scheme, a fixed ceiling of Union aid and maximum co-financing rates should be provided for. Union aid should not be used to replace funding for any national existing school fruit scheme. In the light of budgetary constraints, Member States should nonetheless be able to replace their financial contribution to the school fruit scheme with contributions from the private sector. In order to make their scheme effective, Member States should provide for accompanying measures for which Member States should be allowed to grant national aid.
- (62) It is important to provide for support measures in the wine sector which are liable to strengthen competitive structures. While those measures should be financed and defined by the Union, it should be left to Member States to select the appropriate set of measures to meet the needs of their regional bodies, taking their particularities into account, where necessary, as well as to integrate them into national support programmes. Member States should be responsible for the implementation of such programmes.
- (63) One key measure eligible for national support programmes should be the promotion and marketing of Union wines in third countries. Restructuring and conversion activities should continue to be covered on account of their positive structural effects on the wine sector. Support should also be available for investments in the wine sector which are geared towards improving the economic performance of the enterprises as such. Support for by-product distillation should be a measure available to Member States which desire to use such an instrument to ensure the quality of wine, while preserving the environment.

- (64) Preventive instruments such as harvest insurance, mutual funds and green harvesting should be eligible for support under the wine support programmes so as to encourage a responsible approach to crisis situations.
- (65) For various reasons Member States may prefer granting decoupled aid under the Single Payment Scheme to farmers. This possibility should therefore be open to Member States, and because of the particularities of the Single Payment Scheme any such transfer should be irreversible and reduce correspondingly the budget available for the national support programmes for wine in subsequent years.
- (66) Support for the wine sector should also come from structural measures under Council Regulation (EC) No 1698/2005 of 20 September 2005 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD)¹⁰. In order to increase the financial means available under Regulation (EC) No 1698/2005, a gradual transfer of funds to the budget under that Regulation should be put into place where the relevant amounts are sufficiently important.
- (67) In order to improve the operation of the market for wines, Member States should be able to implement decisions taken by inter-branch organisations. The scope of such decisions should, however, exclude practices which could distort competition.
- (68) The surplus production of wine in the Union has been made worse as a result of violations of the transitional prohibition on new plantings. A significant number of unlawful plantings exist in the Union, which constitutes a source of unfair competition, exacerbates the problems of the wine sector and must be dealt with.
- (69) While the transitional prohibition on new plantings has had some effect on the balance between supply and demand in the wine market, it has at the same time created an obstacle for competitive producers who wish to respond flexibly to increased demand. As a market balance has not yet been found, and as the accompanying measures such as the grubbing-up scheme need time to take effect, it is expedient to keep the prohibition on new plantings in place until 31 December 2015, at which juncture, however, it should be definitely lifted in order to permit competitive producers to respond freely to market conditions. However, Member States should be given the possibility to extend the prohibition for their territories until 31 December 2018 if they consider doing so necessary.
- (70) In order to improve the management of wine-growing potential and to promote the efficient use of planting rights and thus to further mitigate the effect of the transitional restriction on plantings, some flexibility such as the systems of national or regional reserves should continue to exist.
- (71) The proper working of the single market would be jeopardised by the granting of national aids. The provisions of the Treaty governing State aids should in principle apply to the products of the wine sector covered by the CMO for wine. However, the provisions on the grubbing-up premium and certain measures under the support programmes should not by themselves preclude the granting of national aid for the same purposes.

¹⁰ OJ L 277, 21.10.2005, p. 1.

- (72) To make provision for the incorporation of the wine sector into the Single Payment Scheme, all actively cultivated wine-growing areas should be made eligible for the Single Payment Scheme provided for in Regulation (EC) No 73/2009.
- (73) Beekeeping, being a sector of agriculture, is characterised by the diversity of production conditions and yields and the dispersion and variety of economic operators, both at the production and marketing stages. Moreover, in view of the spread of varroasis in several Member States in recent years and the problems which that disease causes for honey production, action by the Union continues to be necessary as varroasis cannot be completely eradicated and is to be treated with approved products. Given such circumstances and in order to improve the production and marketing of apiculture products in the Union, national programmes should be drawn up every three years, comprising technical assistance, control of varroasis, rationalisation of transhumance, management of the restocking of hives in the Union, and cooperation on research programmes on beekeeping and apiculture products with a view to improving the general conditions for the production and marketing of apiculture products. Those national programmes should be partly financed by the Union.
- (74) Union aid for silkworm rearing should be granted per box of silkworm eggs used.
- (75) The application of standards for the marketing of agricultural products can contribute to improving the economic conditions for the production and marketing as well as the quality of such products. The application of such standards is therefore in the interest of producers, traders and consumers.
- (76) Following the Communication from the Commission on agricultural product quality policy¹¹ and subsequent debates, it is deemed appropriate to maintain marketing standards by sectors or products, in order to take account of the expectations of the consumers and to contribute to the improvement of the economic conditions for the production and marketing of agricultural products as well as to their quality.
- (77) In order to guarantee that all products are of sound, fair and marketable quality, and without prejudice to provisions adopted in the food sector and, in particular, general food law contained in Regulation (EC) No 178/2002 of the European Parliament and of the Council of 28 January 2002 laying down the general principles and requirements of food law, establishing the European Food Safety Authority and laying down procedures in matters of food safety¹² and principles and requirements thereof, a basic general marketing standard as envisaged in the aforementioned Communication of the Commission should be appropriate for products not covered by marketing standards by sectors or products. When such products conform to an applicable international standard, as appropriate, those products should be considered as conforming with the general marketing standard.
- (78) For some sectors and/or products, definitions, designations and/or sales descriptions are an important element for the determination of conditions of competition. Therefore, it is appropriate to lay down definitions, designations and sales descriptions

¹¹ COM/2009/0234 final.

¹² OJ L 31, 1.2.2002, p. 1.

for those sectors and/or products, which should only be used in the Union for the marketing of products which comply with the corresponding requirements.

- (79) Regulation (EC) No 1234/2007 has maintained the sectoral approach provided by the previous CMOs on the marketing standards. It is appropriate to introduce provisions of a horizontal nature.
- (80) Under Regulation (EC) No 1234/2007 the Commission has, so far, been entrusted with the adoption of the provisions on marketing standards for certain sectors. Given their detailed technical character and the need to constantly improve their effectiveness and to adapt them to evolving trade practices, it is appropriate to extend this approach to all marketing standards, while specifying the criteria to be taken into account in setting out the relevant rules.
- (81) Marketing standards should apply to enable the market to be supplied with products of standardised and satisfactory quality. They should relate, in particular, to definitions, grading into classes, presentation and labelling, packaging, production method, conservation, transport, information on producers, content of certain substances, related administrative documents, storage, certification and time limits.
- (82) In particular, taking into account the interest of consumers to receive adequate and transparent product information, it should be possible to determine appropriate indications of place of farming, on a case by case approach at the appropriate geographical level, while taking into account the specificities of some sectors, in particular concerning processed agricultural products.
- (83) When defining the marketing standards by sectors or products, the Commission should take into account the expectations of the consumers, the specificity of each sector and recommendations of international bodies.
- (84) Moreover, provision should be made for the adoption of special measures, when needed, in particular relating to methods of analysis, in order to avoid abuses as regards the quality and authenticity of the products presented to consumers.
- (85) In order to guarantee compliance with the marketing standards, checks and penalties should be provided for in case of non-compliance with the obligations in that respect. Member States should assume the responsibility of such checks.
- (86) Marketing standards should, in principle, apply to all products marketed in the Union.
- (87) It is appropriate to provide for special rules in respect of products imported from third countries according to which special provisions in force in certain third countries may justify derogations from the marketing standards if their equivalence to Union legislation is guaranteed.
- (88) As regards spreadable fats it is appropriate to introduce the possibility for Member States to maintain or adopt certain national rules on quality levels.
- (89) Provisions concerning wine should be applied in the light of the agreements concluded under Article 218 of the Treaty.

- (90) It is appropriate to lay down rules for the classification of wine grape varieties, according to which Member States producing more than 50 000 hectolitres per year continue to be responsible for classifying the wine grape varieties from which wine may be made on their territories. Certain wine grape varieties should be excluded.
- (91) It is appropriate to determine certain oenological practices and restrictions for the production of wine, in particular as regards coupage and the use of certain types of grape must, grape juice and fresh grapes originating in third countries. In order to meet the international standards, for further oenological practices the Commission should as a general rule base itself on the oenological practices recommended by the International Organisation of Vine and Wine (OIV).
- (92) For the wine sector, Member States should be allowed to limit or to exclude the use of certain oenological practices and be allowed to keep more stringent restrictions for wines produced in their territory, as well as experimental use of unauthorised oenological practices under conditions to be defined.
- (93) The concept of quality wines in the Union is based, inter alia, on the specific characteristics attributable to the wine's geographical origin. Such wines are identified for consumers via protected designations of origin and geographical indications. In order to allow for a transparent and more elaborate framework underpinning the claim to quality by the products concerned, a regime should be established under which applications for a designation of origin or a geographical indication are examined in line with the approach followed under the Union's horizontal quality policy applicable to foodstuffs other than wine and spirits in Council Regulation (EC) No 510/2006 of 20 March 2006 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs¹³.
- (94) In order to preserve the particular quality characteristics of wines with a designation of origin or a geographical indication, Member States should be allowed to apply more stringent rules in that respect.
- (95) To qualify for protection in the Union, designations of origin and geographical indications for wine should be recognised and registered at Union level. To ensure that the respective names meet the conditions laid down by this Regulation, applications should be examined by the national authorities of the Member State concerned, subject to compliance with minimum common provisions, including a national objection procedure. The Commission should subsequently scrutinise applications to ensure that there are no manifest errors and the Union law and the interest of stakeholders outside the Member State of application are taken into account.
- (96) Protection should be open to designations of origin and geographical indications of third countries where they are protected in their country of origin.
- (97) The registration procedure should enable any natural or legal person having a legitimate interest in a Member State or a third country to exercise his rights by notifying his objections.

¹³ OJ L 93, 31.3.2006, p. 12.

- (98) Registered designations of origin and geographical indications should enjoy protection against uses which unduly take advantage of the reputation that complying products command. So as to promote fair competition and not to mislead consumers, this protection should also affect products and services not covered by this Regulation, including those not found in Annex I to the Treaty.
- (99) Certain terms are traditionally used in the Union and convey information to consumers about particularities and quality of wines complementing the information conveyed by designations of origin and geographical indications. So as to ensure the working of the internal market and fair competition and to avoid consumers being misled, those traditional terms should be eligible for protection in the Union.
- (100) The description, designation and presentation of products of the wine sector covered by this Regulation can have significant effects on their marketability. Differences between the laws of the Member States on the labelling of products of the wine sector may impede the smooth functioning of the internal market. Rules should therefore be laid down which take into account the legitimate interests of consumers and producers. For this reason, it is appropriate to provide for Union rules on labelling.
- (101) When surpluses of milk products build up or are likely to occur, creating or likely to create a serious imbalance in the market, aid should be granted for Union-produced skimmed milk and skimmed-milk powder intended for use as feedingstuffs. The rules concerning the use of casein and caseinates in the manufacture of cheese are intended to counter adverse effects that may result from that aid scheme, taking into account the vulnerability of cheese to substitution operations with casein and caseinates, thereby contributing to stabilise the market.
- (102) This Regulation focuses on various kinds of organisations in order to achieve policy aims in particular with a view to stabilising the markets in, and of improving and guaranteeing the quality of, the products concerned through joint action. The relevant provisions of Regulation (EC) No 1234/2007 are based on organisations which are recognised by the Member States or, under certain conditions, by the Commission. Those provisions should be maintained.
- (103) In order to further boost, in the fruit and vegetable sector, the impact of producer organisations and associations thereof and in order to ensure the market as much stability as is desirable, Member States should be allowed, under certain conditions, to extend the rules to non-member producers in their region, particularly rules on production, marketing and environmental protection, adopted for its members by the organisation or association for the region concerned.
- (104) For the fruit and vegetable sector in particular it should, be possible to grant specific recognition to those organisations which provide proof of sufficient representativeness and carry out practical action in regard to the objectives of Article 39 of the Treaty. The provisions on extending the rules adopted by producer organisations and their associations and on sharing the costs resulting from such extension should, given the similarity of the objectives pursued, also apply to interbranch organisations. A similar approach should apply to interbranch organisations in the tobacco sector.
- (105) [In order to ensure the rational development of production and so to ensure a fair standard of living for dairy farmers, their bargaining power vis-à-vis processors should

be strengthened which should result in a fairer distribution of value-added along the supply chain. Therefore, in order to realise these objectives of the common agricultural policy, a provision should be adopted pursuant to Articles 42 and 43(2) of the Treaty to allow producer organisations constituted by dairy farmers or their associations to negotiate contract terms, including price, jointly for some or all of its members' production with a dairy. In order to maintain effective competition on the dairy market, this possibility should be subject to appropriate quantitative limits. Such producer organisations should therefore also be eligible for recognition under the CMO.

- (106) Rules have been introduced at EU level for interbranch organisations in some sectors. These organisations can play useful roles in allowing dialogue between actors in the supply chain, and in promoting best practice and market transparency. Such rules should equally be applied in the milk and milk products sector, along with the provisions clarifying the position of such organisations under competition law whilst ensuring that they do not distort competition or the internal market or affect the good functioning of the common market organisation.]
- (107) In certain sectors apart from those for which current rules provide for the recognition of producer or interbranch organisations, Member States may wish to recognise such kinds of organisations based on national law as far as this is compatible with Union law.
- (108) A single market involves a trading system at the external borders of the Union. That trading system should include import duties and export refunds and should, in principle, stabilise the Union market. The trading system should be based on the undertakings accepted under the Uruguay Round of multilateral trade negotiations.
- (109) Monitoring trade flows is foremost a matter of management which should be addressed in a flexible way. The decision on the introduction of licence requirements should be made taking account of the need for licences for the management of the markets concerned and, in particular, for monitoring the imports of the products in question.
- (110) For the most part, the customs duties applicable to agricultural products under the World Trade Organisation (WTO) agreements are laid down in the Common Customs Tariff. However, for some products of the cereals and rice sectors, the introduction of additional mechanisms makes it necessary to provide for the possibility to adopt derogations.
- (111) In order to prevent or counteract adverse effects on the Union market which could result from imports of certain agricultural products, imports of such products should be subject to payment of an additional duty, if certain conditions are fulfilled.
- (112) It is appropriate, under certain conditions, to open and administer import tariff quotas resulting from international agreements concluded in accordance with the Treaty or from other acts.
- (113) The import levies on mixtures aim to ensure the proper working of the duty system for imports of mixtures of cereals, rice and broken rice.

- (114) This Regulation determines a traditional supply need for sugar for refining for a marketing year. To ensure supply for the refining industry in the Union, import licences for sugar for refining should be reserved for full time refiners during the first three months of each marketing year, within the limits set out by the traditional supply need.
- (115) In order to prevent illicit crops from disturbing the CMO for hemp for fibre, this Regulation should provide for checks on imports of hemp and hemp seed to ensure that such products offer certain guarantees with regard to the tetrahydrocannabinol content. In addition, imports of hemp seed intended for uses other than sowing should continue to be subject to a control system which makes provision for the authorisation of the importers concerned.
- (116) The customs duty system makes it possible to dispense with all other protective measures at the external borders of the Union. The internal market and duty mechanism could, in exceptional circumstances, prove to be inadequate. In such cases, in order not to leave the Union market without defence against disturbances that might ensue, the Union should be able to take all necessary measures without delay. Such measures should comply with the international commitments of the Union.
- (117) The possibility of prohibiting the use of inward and outward processing arrangements should be provided for. It is thus appropriate to enable suspension of the use of inward and outward processing arrangements in such situations.
- (118) Provisions for granting refunds on exports to third countries, based on the difference between prices within the Union and on the world market, and falling within the limits set by the commitments made within the WTO, should serve to safeguard the Union's participation in international trade in certain products falling within this Regulation. Subsidised exports should be subject to limits in terms of value and quantity.
- (119) Compliance with the limits in terms of value should be ensured at the time when the export refunds are fixed through the monitoring of payments under the rules relating to the EAGF. Monitoring can be facilitated by the compulsory advance fixing of export refunds, while allowing the possibility, in the case of differentiated refunds, of changing the specified destination within a geographical area to which a single export refund rate applies. In the case of a change of destination, the export refund applicable to the actual destination should be paid, with a ceiling on the amount applicable to the destination fixed in advance.
- (120) Compliance with the quantity limits should be ensured by a reliable and effective system of monitoring. To that end, the granting of export refunds should be made subject to an export licence. Export refunds should be granted up to the limits available, depending on the particular situation of each product concerned. Exceptions to that rule should be permitted only for processed products not listed in Annex I to the Treaty, to which volume limits do not apply. Provision should be made for a derogation from strict compliance with management rules where exports benefiting from export refunds are not likely to exceed the quantity laid down.
- (121) In the case of the export of live bovine animals, provision should be made whereby export refunds are granted and paid only if the provisions established in Union

legislation concerning animal welfare, in particular those concerning the protection of animals during transport, are respected.

- (122) Agricultural products may in certain cases benefit from special import treatment in third countries if the products comply with certain specifications and/or price conditions. Administrative cooperation between the authorities in the importing third country and the Union is necessary to ensure the correct application of such a system. To that end the products should be accompanied by a certificate issued in the Union.
- (123) Exports of flowering bulbs to third countries are of considerable economic importance to the Union. The continuation and development of such exports may be ensured by stabilising prices in this trade. This Regulation should therefore provide for minimum export prices for the products in question.
- (124) In accordance with Article 42 of the Treaty the provisions of the chapter of the Treaty relating to rules on competition shall apply to production of and trade in agricultural products only to the extent determined by Union legislation within the framework of Article 43(2) and (3) of the Treaty and in accordance with the procedure laid down therein. The provisions on state aid had been largely declared applicable. The application in particular of the Treaty rules applying to undertakings was furthermore defined in Council Regulation (EC) No 1184/2006 of 24 July 2006 applying certain rules on competition to the production of, and trade in, agricultural products¹⁴. In line with the objective of creating one comprehensive set of market policy rules it is appropriate to provide for the rules concerned in this Regulation.
- (125) The rules on competition relating to the agreements, decisions and practices referred to in Article 101 of the Treaty and to the abuse of dominant positions should be applied to the production of, and trade in, agricultural products, in so far as their application does not impede the functioning of national organisations of agricultural markets or jeopardise the attainment of the objectives of the CAP.
- (126) A special approach is warranted in the case of farmers' organisations the particular objective of which is the joint production or marketing of agricultural products or the use of joint facilities, unless such joint action excludes competition or jeopardises the attainment of the objectives of Article 39 of the Treaty.
- (127) In order both to avoid compromising the development of a CAP and to ensure legal certainty and non-discriminatory treatment of the undertakings concerned, the Commission should have the sole power, subject to review by the Court of Justice, to determine whether agreements, decisions and practices referred to in Article 101 of the Treaty are compatible with the objectives of the CAP.
- (128) The proper working of the single market based on common prices would be jeopardised by the granting of national aid. Therefore, the provisions of the Treaty governing State aid should, as a general rule, apply to the products covered by this Regulation. In certain situations exceptions should be allowed. Where such exceptions apply, the Commission should, however, be in a position to draw up a list of existing,

¹⁴ OJ L 214, 4.8.2006, p. 7.

new or proposed national aids, to make appropriate observations to the Member States and to propose suitable measures to them.

- (129) Since their accession, Finland and Sweden may, due to the specific economic situation of the production and marketing of reindeer and reindeer products, grant aids in that regard. Moreover, Finland may, subject to authorisation by the Commission, grant aid respectively for certain quantities of seeds and for certain quantities of cereal seed produced solely in Finland, because of its specific climatic conditions.
- (130) In order to address justified cases of crisis even after the end of the transitional crisis distillation support measure provided for under the support programmes in 2012, Member States should be able to provide aid for crisis distillation within an overall budgetary limit of 15 % of the respective value of the Member State's relevant yearly budget for its national support programme. Any such aid should be notified to the Commission and approved under this Regulation before it is granted.
- (131) In Member States with a significant reduction of sugar quota, sugar beet growers will face particularly severe adaptation problems. In such cases the transitional Union aid to sugar beet growers provided for in Regulation (EC) No 73/2009 will not suffice to fully address the beet growers' difficulties. Therefore, Member States having reduced their quota by more than 50 % of the sugar quota fixed on 20 February 2006 in Annex III to Council Regulation (EC) No 318/2006 of 20 February 2006 on the common organisation of the markets in the sugar sector¹⁵ should be authorised to grant State aid to sugar beet growers during the period of application of the transitional Union aid. To ensure that Member States do not grant State aid exceeding the needs of their sugar beet growers, the determination of the total amount of the State aid concerned should continue to be made subject to Commission approval, except in the case of Italy where the maximum need for the most productive sugar beet growers to adapt to the market conditions after the reform has been estimated at EUR 11 per tonne of sugar beet produced. Moreover, due to the particular problems expected to arise in Italy, the provision for arrangements allowing sugar beet growers to benefit directly or indirectly from the State aid granted should be maintained.
- (132) In Finland sugar beet growing is subject to particular geographical and climatic conditions which will adversely affect the sector beyond the general effects of the sugar reform. That Member State should therefore be authorised, on a permanent basis, to grant its sugar beet growers an adequate amount of State aid.
- (133) The specific rules on the aid Germany granted in the framework of the German Alcohol Monopoly were due to expire on 31 December 2010. The volumes sold by the Monopoly decreased since 2003 and distilleries and their raw material supplying small and medium sized farms have made efforts to prepare for their entry into the free market. However, as more time is needed to facilitate this adaptation an extension of the phasing out of the Monopoly and the aid for these beneficiaries is needed until 31 December 2013. Some small scale flat-rate distilleries, distillery users, and fruit cooperative distilleries contributing by using local raw materials in particular to the preservation of the traditional landscapes and biodiversity should continue to be able to benefit from the aid granted under the Monopoly until 31 December 2017, at which

¹⁵ OJ L 58, 28.2.2006, p. 1.

date the Monopoly should be abolished. For that purpose, Germany should present an annual phasing-out plan from 2013.

- (134) If a Member State wishes to support, on its territory, measures promoting the consumption of milk and milk products in the Union, provision should be made for the possibility of financing such measures by a promotional levy on milk producers at national level.
- (135) [In the absence of EU legislation on formalised, written contracts, Member States may, within their own contract law systems, make the use of such contracts compulsory provided that in doing so EU law is respected and in particular that the proper functioning of the internal market and the common market organisation is respected. Given the diversity of situations across the EU in this context, in the interests of subsidiarity, such a decision should remain with Member States. However, to ensure appropriate minimum standards for such contracts and good functioning of the internal market and the common market organisation, some basic conditions for the use of such contracts should be laid down at EU level. Since some dairy co-operatives may have rules with similar effect in their statutes, in the interests of simplicity they should then be exempted from a requirement for contracts. In order to ensure that any such system is effective where intermediate parties collect milk from farmers to deliver to processors, it should apply equally in such a case.]
- (136) Adequate information is needed about the present state of the market in hops within the Union and the prospects for its development. Provision should therefore be made for the registration of all supply contracts regarding hops produced within the Union.
- (137) For a better management of wine-growing potential Member States should communicate to the Commission an inventory of their production potential based on the vineyard register. To encourage Member States to communicate the inventory, support for restructuring and conversion is limited to those Member States which have communicated the inventory. So that the information necessary for making the relevant policy and administrative choices is available, producers of grapes for wine making, of must and of wine should submit harvest declarations. Member States should be able to require merchants of grapes for wine making to declare each year the quantities marketed from the latest harvest. Producers of must and wine, and merchants other than retailers, must declare their stocks of must and wine.
- (138) In order to provide for a satisfactory level of traceability of the products concerned, in particular in the interest of consumer protection, provision should be made for all the wine sector products covered by this Regulation to have an accompanying document when circulating within the Union.
- (139) It is appropriate to provide, under certain conditions and for certain products, for measures to be taken in cases where disturbances are occurring or are likely to occur due to significant changes in the internal market prices or as regards quotations or prices on the world market.
- (140) Member States' authorities should be responsible for ensuring compliance with this Regulation, and arrangements should be made for the Commission to be able to monitor and ensure in particular such compliance in the wine sector.

- (141) It is necessary to establish a framework of specific measures for ethyl alcohol of agricultural origin so that economic data can be collected and statistical information analysed for the purpose of monitoring the market. In so far as the market in ethyl alcohol of agricultural origin is linked to the market in ethyl alcohol in general, information also needs to be made available concerning the market in ethyl alcohol of non-agricultural origin.
- (142) Expenditure incurred by the Member States as a result of the obligations arising from the application of this Regulation should be financed by the Union in accordance with Council Regulation (EC) No 1290/2005 of 21 June 2005 on the financing of the common agricultural policy¹⁶.
- (143) In order to increase the financial means available for the wine sector under Regulation (EC) No 1698/2005, a gradual transfer of funds to the budget under that Regulation should be put into place where the relevant amounts are sufficiently important.
- (144) The Commission should be authorised to adopt the necessary measures to solve specific practical problems in case of emergency.
- (145) Since the common markets in agricultural products are continuously evolving, the Member States and the Commission should keep each other informed of relevant developments and adopt the means of notification of the relevant developments and adopt the means of notification of the relevant information.
- (146) In order to avoid abuse of any of the advantages provided for in this Regulation, such advantages should not be granted or, as the case may be, should be withdrawn, in cases where it is found that the conditions for obtaining any of those advantages have been created artificially, contrary to the objectives of this Regulation.
- (147) To guarantee compliance with the obligations laid down by this Regulation, there is a need for checks and the application of administrative measures and administrative penalties in case of non-compliance, and rules related to the lodging and releasing of securities to guarantee the sound management of single common market management under the CAP. Those provisions should include the recovery of undue payments and the reporting obligations of the Member States resulting from the application of this Regulation.
- (148) Pursuant to Regulation (EC) No 1234/2007 several sectoral market management measures will expire in 2012. After the repeal of Regulation (EC) No 1234/2007, the relevant provisions should continue to apply until the end of the schemes concerned.
- (149) In order to ensure legal certainty as regards the application of marketing rules, the Commission should determine the date on which certain provisions of Regulation (EC) No 1234/2007 cease to apply to the sector concerned.
- (150) In order to ensure a smooth transition from the arrangements provided for in Regulation (EC) No 1234/2007 as regards the fruit and vegetables sectors and the provisions of this Regulation, the Commission should be empowered to adopt transitional measures.

¹⁶ OJ L 209, 11.8.2005, p. 1.

- (151) This Regulation should apply from its entry into force. However, the provision creating the general marketing standard should only apply from [one year the after entry into force of the Regulation].
- (152) [As regards contractual relations and producer and interbranch organisations in the milk and milk products sectors, the measures set out in this Regulation, are justified in the current economic circumstances of the dairy market and the structure of the supply chain. They should therefore be applied for a sufficiently long duration (both before and after the abolition of milk quotas) to allow them to have full effect. However, given their far-reaching nature, they should nevertheless be temporary in nature, and be subject to review to see how they have operated and whether they should continue to apply. This should be dealt with in Commission reports on the development of the milk market, and covering in particular potential incentives to encourage farmers to enter into joint production agreements, to be submitted by 30 June 2014 and 31 December 2018,]

HAVE ADOPTED THIS REGULATION:

TABLE OF CONTENTS

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation)	1
EXPLANATORY MEMORANDUM	2
1. CONTEXT OF THE PROPOSAL	2
2. RESULTS OF CONSULTATIONS WITH THE INTERESTED PARTIES AND IMPACT ASSESSMENTS	4
3. LEGAL ELEMENTS OF THE PROPOSAL	5
4. BUDGETARY IMPLICATIONS	6
5. ADDITIONAL INFORMATION	6
REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation)	7
PART I INTRODUCTORY PROVISIONS	38
PART II INTERNAL MARKET	41
TITLE I MARKET INTERVENTION	41
CHAPTER I Public intervention and private storage	41
Section I Introductory provisions on public intervention and private storage	41
Section II Public intervention.....	43
Subsection I General provisions.....	43
Subsection II Opening of buying-in	44
Subsection III Intervention prices	45
Subsection IV Disposal from intervention	47
[Subsection V Distribution to the most deprived persons in the Union.....	48
Section III Private storage	52
Subsection I Mandatory aid.....	52
Subsection II Optional aid.....	52

Section IV Common provisions on public intervention and private storage	55
Subsection I General provisions.....	55
Subsection II Specific provisions on carcass classification	59
CHAPTER II Special intervention measures	62
Section I Exceptional market support measures	62
Section II Measures in the cereals and rice sectors	64
Section III Measures in the sugar sector	65
Section IV Adjustment of supply	68
CHAPTER III Systems of production limitation	70
Section I General provisions	70
Section II Sugar	70
Subsection I Quota allocation and management	70
Subsection II Quota Overrun.....	72
Section III Milk.....	74
Subsection I General provisions.....	74
Subsection II Quota allocation and management.....	76
Subsection III Quota overrun	82
Section IV Procedural rules concerning sugar and milk quotas.....	85
Subsection I Procedural rules concerning sugar quotas	85
Subsection II Procedural rules concerning milk quotas	87
Section V Production potential in the wine sector	88
Subsection I Unlawful plantings	88
Subsection II Transitional planting right regime.....	91
Subsection III Marketing rules to improve and stabilise the operation of the common market in wines	96
CHAPTER IV Aid schemes	97
Section I Production refund in the sugar sector	97

Section II Aids in the milk and milk products sector	98
Subsection I Aid for special use	98
Subsection II Conditions for production of cheese	100
Subsection III Aid for the supply of milk products to pupils.....	101
Section IV Aids in the hops sector	102
Section V Aids in the olive oil and table olives sector.....	103
Section VI Aids in the fruit and vegetables sector	105
Subsection I Producer groups	105
Subsection II Operational funds and operational programmes	107
Subsection III School Fruit Scheme.....	114
Section VII Support programmes in the wine sector	117
Subsection I Introductory provisions	117
Subsection II Submission and content of support programmes	118
Subsection III Specific support measures	120
Subsection IV Procedural provisions	125
Section VIII Special provisions for the apiculture sector	127
Section IX Aids in the silkworm sector	129
TITLE II RULES CONCERNING MARKETING AND PRODUCER ORGANISATIONS	131
[CHAPTER I Rules concerning marketing.....	131
Section I Marketing standards.....	131
Subsection I Introductory provisions	131
Subsection II General marketing standard	131
Subsection III Marketing standards by sectors or products	132
Subsection IV Marketing standards related to import and export.....	138
Subsection V Common provisions.....	139
Section II Designations of origin, geographical indications and traditional terms in the wine sector	140

Subsection I Introductory provisions	140
Subsection II Designations of origin and geographical indications	141
Subsection III Traditional terms.....	154
Section III Labelling and presentation in the wine sector	156
CHAPTER II Producer organisations, producer groups, interbranch organisations, operator organisations.....	161
Section I General principles	161
Section II Rules concerning producer and interbranch organisations and producer groups in the fruit and vegetables sector	166
Subsection I Rules of association and recognition of producer organisations	166
Subsection II Association of producer organisations and producer groups	168
Subsection III Extension of rules to producers in an economic area	169
Subsection IV Interbranch organisations in the fruit and vegetables sector	172
Section III Rules concerning producer and interbranch organisations in the wine sector	175
Section IV Rules concerning interbranch organisations in the tobacco sector	176
[Section V.....	177
Producer organisations in the milk and milk products sector	177
Section VI Procedural rules.....	179
PART III TRADE WITH THIRD COUNTRIES	181
CHAPTER I General provisions	181
CHAPTER II Imports.....	182
Section I Import licences.....	182
Section II Import duties and levies.....	185
Section III Import quota management.....	189
Section IV Special provisions for certain products.....	192
Subsection I Special provisions for imports in respect of the cereals and rice sectors	192
Subsection II Import arrangements for sugar.....	194

Subsection III Special provisions for imports of hemp.....	195
Subsection IV Special provisions for imports of hops.....	195
Section V Safeguard and inward processing.....	196
CHAPTER III Exports.....	198
Section I Export licences.....	198
Section II Export refunds.....	200
Section III Export quota management in the milk and milk products sector.....	205
Section IV Special import treatment by third countries.....	206
Section V Special provisions for live plants.....	207
Section VI Outward processing.....	207
PART IV COMPETITION RULES.....	209
CHAPTER I Rules applying to undertakings.....	209
CHAPTER II State aid rules.....	215
PART V SPECIFIC PROVISIONS FOR SEVERAL OR INDIVIDUAL SECTORS.....	219
CHAPTER I Specific provisions for several sectors.....	219
Section I Disturbances of the markets.....	219
Section II Reporting.....	220
CHAPTER II SPECIFIC PROVISIONS FOR INDIVIDUAL SECTORS.....	221
Section I Hops.....	221
Section II Wine.....	222
Section III Milk and milk products.....	225
Section IV Ethyl alcohol.....	227
PART VI GENERAL PROVISIONS.....	228
PART VII DELEGATIONS OF POWER, IMPLEMENTING PROVISIONS, TRANSITIONAL AND FINAL RULES.....	233
CHAPTER I Delegations of power and implementing provisions.....	233

CHAPTER II Transitional and final provisions	235
ANNEX I LIST OF PRODUCTS REFERRED TO IN ARTICLE 1(1) Part I: Cereals.....	238
Part II: Rice	241
Part III: Sugar	242
Part IV: Dried fodder.....	242
Part V: Seeds	243
Part VI: Hops.....	244
Part VII: Olive oil and table olives.....	244
Part VIII: Flax and hemp grown for fibre	244
Part IX: Fruit and vegetables.....	245
Part X: Processed fruit and vegetable products.....	245
Part XI: Bananas.....	248
Part XII: Wine	248
Part XIII: Live trees and other plants, bulbs, roots and the like, cut flowers and ornamental foliage.....	249
Part XIV: Raw tobacco	249
Part XV: Beef and veal.....	249
Part XVI: Milk and milk products.....	250
Part XVII: Pigmeat.....	250
Part XVIII: Sheepmeat and goatmeat.....	251
Part XIX: Eggs	251

Part XX: Poultrymeat	252
Part XXI: Other products	252
ANNEX II LIST OF PRODUCTS FOR WHICH SPECIFIC MEASURES HAVE BEEN ESTABLISHED AS REFERRED TO IN ARTICLE 1(2) Part I: Ethyl alcohol of agricultural origin	
	259
Part II: Apiculture products.....	259
Part III: Silkworms	259
ANNEX III DEFINITIONS REFERRED TO IN ARTICLE 2(1) Part I: Definitions concerning the rice sector.....	
	260
Part II: Definitions concerning the sugar sector.....	263
Part III: Definitions concerning the hops sector.....	264
Part IV: Definitions concerning the wine sector	264
Part V: Definitions concerning the beef and veal sector	267
Part VI: Definitions concerning the milk and milk products sector.....	267
Part VII: Definitions concerning the eggs sector	267
Part VIII: Definitions concerning the poultrymeat sector	268
Part IX: Definitions concerning the apiculture sector	269
ANNEX IV STANDARD QUALITY OF RICE AND SUGAR AS REFERRED TO IN ARTICLE 8(1) AND (3)	
	271
ANNEX V UNION SCALES FOR THE CLASSIFICATION OF CARCASSES REFERRED TO IN ARTICLE 34	
	273
ANNEX VI NATIONAL AND REGIONAL QUOTAS FOR THE PRODUCTION OF SUGAR, ISOGLUCOSE AND INULIN SYRUP AS REFERRED TO IN ARTICLE 50 from the 2010/2011 marketing year onwards	
	277

ANNEX VII DETAILED RULES ON TRANSFERS OF SUGAR OR ISOGLUCOSE QUOTAS IN ACCORDANCE WITH ARTICLE 53 I	279
ANNEX VIII NATIONAL QUOTAS FOR THE PRODUCTION OF MILK AND OTHER MILK PRODUCTS AS REFERRED TO IN ARTICLE 59	282
ANNEX IX REFERENCE FAT CONTENT REFERRED TO IN ARTICLE 63.....	284
ANNEX X BUDGET FOR SUPPORT PROGRAMMES REFERRED TO IN ARTICLE 136(1)	285
ANNEX XI INTERNATIONAL ORGANISATIONS REFERRED TO IN ARTICLE 159(3)	286
ANNEX XII DEFINITIONS, DESIGNATIONS AND SALES DESCRIPTION OF PRODUCTS REFERRED TO IN ARTICLE 163	287
Part I. Meat of bovine animals aged 12 months or less.....	287
I. Definition	287
II. SALES DESCRIPTIONS	287
Part II. Grapevine products	290
Part III. Milk and milk products.....	297
Part IV. Milk for human consumption falling within CN code 0401	298
Part V. Products of the poultrymeat sector	301
Part VI. Spreadable fats.....	303
Part VII. Descriptions and definitions of olive oil and olive pomace oils	306
Appendix to Annex XII (referred to in Part II) Wine growing zones	307
ANNEX XIII Part I Enrichment, acidification and de-acidification in certain wine-growing zones.....	313
Part II Restrictions.....	317

ANNEX XIV EXHAUSTIVE LIST OF RULES THAT MAY BE EXTENDED TO NON-MEMBER PRODUCERS PURSUANT TO ARTICLE 218 AND ARTICLE 224	319
ANNEX XV IMPORT DUTIES FOR RICE REFERRED TO IN ARTICLES 242 AND 244	320
ANNEX XVI VARIETIES OF BASMATI RICE REFERRED TO IN ARTICLE 243	322
ANNEX XVII LIST OF GOODS OF THE CEREALS, RICE, SUGAR, MILK AND EGGS SECTORS FOR THE PURPOSE OF ARTICLE 16(a)(ii) AND FOR THE GRANTING OF EXPORT REFUNDS REFERRED TO IN SECTION II OF CHAPTER III OF PART III	
Part I: Cereals	323
Part II: Rice	326
Part III: Sugar	328
Part IV: Milk	331
Part V: Eggs	334
ANNEX XVIII LIST OF CERTAIN GOODS CONTAINING SUGAR FOR THE PURPOSE OF THE GRANTING OF EXPORT REFUNDS REFERRED TO IN SECTION II OF CHAPTER III OF PART III	335
ANNEX XIX BUDGET ALLOCATION FOR RURAL DEVELOPMENT IN WINE PRODUCING REGIONS REFFERRED TO IN ARTICLE 314(3)	336
ANNEX XX CORRELATION TABLE REFERRED TO IN ARTICLE 325(3)	337

PART I

INTRODUCTORY PROVISIONS

Article 1

Scope

1. This Regulation establishes a common organisation of the markets for the products of the following sectors, as provided further in Annex I:
 - (a) cereals, Part I of Annex I;
 - (b) rice, Part II of Annex I;
 - (c) sugar, Part III of Annex I;
 - (d) dried fodder, Part IV of Annex I;
 - (e) seeds, Part V of Annex I;
 - (f) hops, Part VI of Annex I;
 - (g) olive oil and table olives, Part VII of Annex I;
 - (h) flax and hemp, Part VIII of Annex I;
 - (i) fruit and vegetables, Part IX of Annex I;
 - (j) processed fruit and vegetables, Part X of Annex I;
 - (k) bananas, Part XI of Annex I;
 - (l) wine, Part XII of Annex I;
 - (m) live plants and products of floriculture, Part XIII of Annex I (hereinafter referred to as the live plants sector);
 - (n) raw tobacco, Part XIV of Annex I;
 - (o) beef and veal, Part XV of Annex I;
 - (p) milk and milk products, Part XVI of Annex I;
 - (q) pigmeat, Part XVII of Annex I;
 - (r) sheepmeat and goatmeat, Part XVIII of Annex I;
 - (s) eggs, Part XIX of Annex I;

- (t) poultrymeat, Part XX of Annex I;
 - (u) other products, Part XXI of Annex I.
2. This Regulation establishes specific measures for the following sectors as listed and, as the case may be, as further defined in Annex II:
- (a) ethyl alcohol of agricultural origin, Part I of Annex II (hereinafter referred to as the agricultural ethyl alcohol sector);
 - (b) apiculture products, Part II of Annex II (hereinafter referred to as the apiculture sector);
 - (c) silkworms, Part III of Annex II.
3. In respect of potatoes, fresh or chilled of CN code 0701, Chapter II of Part IV shall apply.

Article 2

Definitions

1. For the purposes of this Regulation, the definitions concerning certain sectors as set out in Annex III shall apply.
2. For the purposes of this Regulation:
- (a) ‘farmer’ shall mean a farmer as defined in Article 2(a) of Regulation (EC) No 73/2009;
 - (b) ‘paying agency’ shall mean the body or the bodies assigned by a Member State in accordance with Regulation (EC) No 1290/2005;
 - (c) ‘intervention price’ shall mean the price at which products shall be bought-in under public intervention.

Article 3

Marketing years

The following marketing years shall be established:

- (a) 1 January to 31 December of a given year for the banana sector;
- (b) 1 April to 31 March of the following year for:
 - (i) the dried fodder sector;
 - (ii) the silkworm sector;
- (c) 1 July to 30 June of the following year for:

- (i) the cereals sector;
 - (ii) the seeds sector;
 - (iii) the olive oil and table olives sector;
 - (iv) the flax and hemp sector;
 - (v) the milk and milk products sector;
- (d) 1 August to 31 July of the following year for the wine sector;
 - (e) 1 September to 31 August of the following year for the rice sector;
 - (f) 1 October to 30 September of the following year for the sugar sector.

In order to take into account the specificities of the fruit and vegetables and processed fruit and vegetables sectors, the Commission shall, if necessary, fix the marketing years for those products by means of delegated acts.

Article 4

Delegated powers

In order to take into account the specificities of each sector and to address changes in the market situation, the Commission may, by means of delegated acts, update the definitions set out in Part I of Annex III.

Article 5

Implementing powers

The Commission may, by means of implementing acts:

- (a) fix the conversion rates for rice at various stages of processing, the processing costs and the value of by-products;
- (b) adopt all necessary measures regarding the application of conversion rates.

PART II

INTERNAL MARKET

TITLE I

MARKET INTERVENTION

CHAPTER I

Public intervention and private storage

SECTION I

INTRODUCTORY PROVISIONS ON PUBLIC INTERVENTION AND PRIVATE STORAGE

Article 6

Scope

1. This Chapter lays down the rules concerning, where applicable, buying-in under public intervention and the granting of aids for private storage with regard to the following sectors:
 - (a) cereals;
 - (b) rice;
 - (c) sugar;
 - (d) olive oil and table olives;
 - (e) beef and veal;
 - (f) milk and milk products;
 - (g) pigmeat;
 - (h) sheepmeat and goatmeat.
2. For the purposes of this Chapter:
 - (a) 'cereals' shall mean cereals harvested in the Union;

- (b) 'milk' shall mean cow's milk produced in the Union;
- (c) 'cream' shall mean cream obtained directly and exclusively from milk.

Article 7

EU origin

Without prejudice to Article 6(2) only products originating in the Union shall be eligible for buying-in under public intervention or for the granting of aid for the private storage thereof.

Article 8

Reference prices

1. For products subject to the intervention measures referred to in Article 6(1) the following reference prices shall be fixed:
 - (a) as regards the cereals sector, EUR 101,31/tonne;
 - (b) as regards paddy rice, EUR 150/tonne for standard quality as defined in point A of Annex IV;
 - (c) as regards sugar:
 - (i) for white sugar: EUR 404,4/tonne as from the marketing year 2009/2010;
 - (ii) for raw sugar: EUR 335,2/tonne as from the marketing year 2009/2010.
 - (d) as regards the beef and veal sector, EUR 2 224/tonne for carcasses of male bovine animals of grade R3 as laid down in the Union scale for the classification of carcasses of adult bovine animals as referred to in Article 34(1)(a);
 - (e) as regards the milk and milk products sector:
 - (i) EUR 246,39 per 100 kg for butter;
 - (ii) EUR 169,80 per 100 kg for skimmed milk powder;
 - (f) as regards the pigmeat sector, EUR 1 509,39/tonne for pig carcasses of standard quality defined in terms of weight and lean meat content in accordance with the Union scale for the classification of pig carcasses as referred to in Article 34(1)(b), as follows:
 - (i) carcasses weighing from 60 to less than 120 kg: grade E as laid down in point B II of Annex V;
 - (ii) carcasses weighing from 120 to 180 kg: grade R as laid down in point B II of Annex V.

2. The reference prices for cereals and rice set out in points (a) and (b) of paragraph 1 respectively, shall relate to the wholesale stage for goods delivered to the warehouse, before unloading. Those reference prices shall be valid for all Union intervention centres referred to in Article 30.
3. The reference prices laid down in points (i) and (ii) of paragraph 1(c) shall apply to unpacked sugar, ex factory of standard quality as defined in point B of Annex IV.
4. Reference prices fixed in paragraph 1 of this Article may be changed in accordance with the procedure laid down in Article 43(2) of the Treaty in the light of developments in production and the markets.

Article 9

Price reporting in the sugar market

The Commission shall, by means of implementing acts, set up an information system on prices in the sugar market, including a system for the publication of price levels for the sugar market.

The system shall be based on information submitted by undertakings producing white sugar or by other operators involved in the sugar trade. This information shall be treated with confidentiality.

The Commission shall ensure that the information published does not permit the identification of prices of individual undertakings or operators.

SECTION II

PUBLIC INTERVENTION

SUBSECTION I

GENERAL PROVISIONS

Article 10

Products eligible for public intervention

Public intervention shall be applicable in respect of the following products subject to the conditions laid down in this Section and further requirements and conditions to be determined by the Commission by means of delegated acts and implementing acts pursuant to Article 31 and Article 32:

- (a) common wheat, durum wheat, barley, maize and sorghum;
- (b) paddy rice;

- (c) fresh or chilled meat of the beef and veal sector falling within CN codes 0201 10 00 and 0201 20 20 to 0201 20 50;
- (d) butter produced directly and exclusively from pasteurised cream in an approved undertaking in the Union of a minimum butterfat content, by weight, of 82 % and a maximum water content, by weight, of 16 %;
- (e) skimmed milk powder of top quality made from milk in an approved undertaking in the Union by the spray process, with a minimum protein-content of 34,0 % by weight of the fat free dry matter.

SUBSECTION II

OPENING OF BUYING-IN

Article 11

Public intervention periods

Public intervention shall be available:

- (a) for cereals, from 1 November to 31 May;
- (b) for paddy rice, from 1 April to 31 July;
- (c) for beef and veal, throughout any marketing year;
- (d) for butter and skimmed milk powder, from 1 March to 31 August.

Article 12

Opening of public intervention

1. During the periods referred to in Article 11, public intervention:

- (a) shall be open for common wheat;
- (b) shall be open for durum wheat, barley, maize, sorghum, paddy rice, sugar, butter and skimmed milk powder up to the intervention limits referred to in Article 13(1);
- (c) shall be opened for beef and veal by the Commission, by means of implementing acts without the assistance of the Committee referred to in Article 323(1), if the average market price for beef and veal over a representative period in a Member State or in a region of a Member State recorded on the basis of the Union scale for the classification of carcasses as referred to in Article 34(1) is below EUR 1560/tonne.

2. Public intervention for beef and veal, referred to in point (c) of paragraph 1, shall be closed by the Commission, by means of implementing acts without the assistance of the Committee referred to in Article 323(1), where, over a representative period, the conditions provided for in that point are no longer fulfilled.

Article 13

Intervention limits

1. Buying –in under public intervention shall be carried out within the following limits:
 - (a) for durum wheat, barley, maize, sorghum and paddy rice, 0 tonnes for the periods referred to in Article 11(a) and (b) respectively;
 - (b) for butter, 30 000 tonnes for each period referred to in Article 11(d);
 - (c) for skimmed milk powder, 109 000 tonnes for each period referred to Article 11(d).
2. For the products referred to in paragraph 1, the Commission may, by means of implementing acts, decide to continue public intervention beyond the amounts referred to in that paragraph if the market situation and, in particular, the development of market prices, so requires.

SUBSECTION III

INTERVENTION PRICES

Article 14

Intervention prices

1. The intervention price:
 - (a) for common wheat shall be equal to the reference price for a maximum quantity offered of 3 million tonnes per intervention period as fixed in Article 11(a);
 - (b) for butter shall be equal to 90 % of the reference price for amounts offered within the limit in Article 13(1)(b);
 - (c) for skimmed milk powder shall be equal to the reference price for amounts offered within the limit in Article 13(1) (c).
2. The Commission shall, by means of implementing acts, determine the intervention prices and the quantities for intervention for the following products, through tendering procedures:

- (a) common wheat for amounts in excess of the maximum quantity offered of 3 million tonnes per intervention period as fixed in Article 11(a);
- (b) durum wheat, barley, maize, sorghum and paddy rice, in application of Article 13(2);
- (c) beef and veal;
- (d) butter for amounts offered in excess of the limit in Article 13(1)(b), in application of Article 13(2), and
- (e) skimmed milk powder for amounts offered in excess of the limit in Article 13(1) (c), in application of Article 13(2).

In special circumstances, the Commission may, by means of implementing acts, restrict tendering procedures to, or the intervention prices and the quantities for intervention may be fixed per Member State or region of a Member State on the basis of recorded average market prices.

3. The maximum buying-in price determined in accordance with tendering procedures under paragraph 2 shall not be higher:
 - (a) for cereals and paddy rice, than the respective reference prices;
 - (b) for beef and veal, than the average market price recorded in a Member State or a region of a Member State increased by an amount to be determined by the Commission, by means of implementing acts, on the basis of objective criteria;
 - (c) for butter, than 90 % of the reference price;
 - (d) for skimmed milk powder, than the reference price.

4. The intervention prices referred to in paragraphs 1, 2 and 3 shall be:
 - (a) for cereals, without prejudice to price increases or reductions for quality reasons, and
 - (b) for paddy rice, increased or decreased accordingly if the quality of the products offered to the paying agency differs from the standard quality, defined in point A of Annex IV. Moreover, in order to ensure that production is orientated towards certain varieties, the Commission may, by means of delegated acts, fix increases and reductions of the intervention price.

SUBSECTION IV

DISPOSAL FROM INTERVENTION

Article 15

General principles

Disposal of products bought in under public intervention shall take place in such a way as to avoid any disturbance of the market, to ensure equal access to the goods and equal treatment of purchasers and in compliance with the commitments resulting from agreements concluded in accordance with Article 218 of the Treaty.

Article 16

Sugar disposal

As regards sugar bought-in under public intervention, paying agencies may sell it only at a price which is higher than the reference price fixed for the marketing year in which the sale takes place.

However, in order to respond to particular opportunities to dispose of intervention stocks without disturbing the market, the Commission may, by delegated acts, decide that paying agencies:

- (a) may sell the sugar at a price equal to or lower than the reference price referred to in the first paragraph if the sugar is intended:
 - (i) for use as animal feed, or
 - (ii) for export, either without further processing or after processing into products listed in Annex I to the Treaty or into goods listed in Part III of Annex XVII to this Regulation, or
 - (iii) for industrial use referred to in Article 55;
- (b) are to make unprocessed sugar held by them available, for human consumption on the internal market of the Union, to charitable organisations — recognised by the Member State concerned or by the Commission in cases where a Member State has not recognised any such organisation — at a price which is lower than the current reference price or free of charge for distribution as part of individual emergency aid operations.

[SUBSECTION V

DISTRIBUTION TO THE MOST DEPRIVED PERSONS IN THE UNION

Article 17

Scheme for food distribution to the most deprived persons in the Union

1. A scheme is established whereby food products may be distributed to the most deprived persons in the Union through organisations designated by Member States. For that purpose, products in intervention stocks shall be made available or, where intervention stocks suitable for the food distribution scheme are not available, food products shall be purchased on the market.

For the purposes of the scheme provided for in the first subparagraph 'most deprived persons' means physical persons, whether individuals, families or groups composed of such persons, whose social and financial dependence is recorded or recognised on the basis of eligibility criteria adopted by the national competent authorities, or is judged to be so on the basis of the criteria used by the designated organisations and which are approved by those competent authorities.

2. Member States wishing to participate in the scheme provided for in paragraph 1 shall submit to the Commission food distribution programmes containing the following:
 - (a) details of their main characteristics and objectives,
 - (b) the organisations designated,
 - (c) the requests for quantities of food products to be distributed during a three-year period and other relevant information.

Member States shall choose the food products on the basis of objective criteria, including nutritional values and suitability for distribution. For that purpose, Member States may give preference to food products of EU origin.

3. Based on requests notified by Member States pursuant to the first subparagraph of paragraph 2 and other information considered relevant, the Commission shall adopt three-year plans.

Each three-year plan shall set out annual financial allocations by the Union per Member State and minimum annual financial contributions of Member States. Allocations for the second and third year of the programme shall be indicative.

Member States participating in the scheme shall confirm every year the requests referred to in point (c) of the first subparagraph of paragraph 2. Following these confirmations, the Commission shall decide each subsequent year, on the definitive allocations, within the limits of the appropriations available in the budget.

When products included in the three-year plan are not available in intervention stocks in the Member State where such products are required, the three-year plan

shall provide for their transfer from Member States where they are available in intervention stocks.

A three-year plan may be revised in the light of any relevant developments affecting its execution.

4. The organisations designated by the Member States as referred to in paragraph 1 cannot be commercial undertakings.

The food products shall be released free of charge to those organisations.

The distribution of the food products to the most deprived persons shall be:

- (a) free of charge, or
 - (b) at a price which is in no case greater than that justified by the costs incurred by the designated organisations in implementing the operation, other than the costs that may be covered under points (a) and (b) of the second subparagraph of paragraph 7.
5. Member States participating in the scheme shall:
 - (a) submit to the Commission an annual report on implementation of the scheme;
 - (b) keep the Commission informed in a timely manner on developments affecting the implementation of the food distribution programmes.
 6. The Union shall co-finance the eligible costs under the scheme. This co-financing shall neither:
 - (a) exceed EUR 500 millions per budget year in total; nor
 - (b) exceed 75% of the eligible costs, or 90% of the eligible costs in the Member States eligible for funding from the Cohesion Fund for the period 2007-2013, as listed in Annex I to Commission Decision 2006/596/EC¹⁷.
 7. Eligible costs under the scheme shall be:

- (a) the cost of products released from intervention stocks,
- (b) the cost of food products purchased on the market, and
- (c) the costs of transporting products in intervention stocks between Member States, when required.

Within the financial resources available to implement the three-year plan in each Member State, the national competent authorities may consider eligible the following costs:

¹⁷ OJ L 243, 6.9.2006, p. 47.

- (a) costs of transport of food products to the storage depots of the designated organisations;
 - (b) the following costs incurred by the designated organisations, to the extent that they are directly linked with the implementation of the plan:
 - (i) administrative costs;
 - (ii) transport costs between the storage depots of the designated organisations and the points of final distribution, and
 - (iii) storage costs.
8. Member States shall carry out administrative and physical checks to ensure the implementation of the plan in compliance with the applicable rules and shall lay down the penalties applicable in cases of irregularities.
9. The indication "European Union aid" accompanied by the emblem of the European Union shall be clearly marked on the packing of food distributed through the plans as well as in the distribution points.
10. The Union scheme shall be without prejudice to any national schemes whereby food products are distributed to most deprived persons, in conformity with Union law.

Article 18

Delegated powers

1. In order to ensure the efficient use of the budget assigned to the scheme provided for in Article 17, the Commission shall, by means of delegated acts, define the method for calculating the overall allocation of resources including the distribution of intervention products and financial means for the purchase of food products on the market among Member States. It shall also define the accounting value of products released from intervention stocks as well as the method to be used for any reallocation of resources among Member States as a result of a three-year plan revision.
2. In order to ensure the effective and efficient use of the budget assigned to the scheme provided for in Article 17, and to safeguard the rights and obligations of operators, the Commission shall, by means of delegated acts, adopt provisions requiring the use of tendering procedures for all operations relating to the execution of the food distribution programmes, provisions on securities to be lodged by participants in tenders, and provisions on sanctions, reductions and exclusions to be applied by the Member States especially with regard to the non respect of time-limits for withdrawal of products from intervention stocks and in the case of serious shortcomings or irregularities in the execution of the three-year plan.

Article 19

Implementing powers

The Commission shall, by means of implementing acts, adopt provisions for the uniform implementation of the three-year plan and the national food distribution programmes referred to in Article 17. Those acts shall concern:

- (a) detailed rules and procedures for the adoption and revision of the three-year plans, including applicable deadlines;
- (b) the adoption of the three-year plans and their revisions as well as the definitive allocations referred to in the third subparagraph of Article 17(3);
- (c) provisions on additional elements that three-year plans shall consist of, rules for the supply of food products, as well as the procedures and time limits applicable to withdrawals of intervention products and transfers between Member States;
- (d) provisions on the format of annual reports on implementation as well as of the national food distribution programmes;
- (e) detailed rules applying to the reimbursement of the costs provided for in the second subparagraph of Article 17(7) including financial ceilings and time limits;
- (f) uniform conditions pertaining to tender invitations including conditions applicable to food products and their supply;
- (g) provisions on administrative and physical checks to be undertaken by the Member states;
- (h) uniform provisions concerning payment procedures and deadlines and reductions applicable in case of non-respect, accounting provisions and procedures for transfers between Member States including the description of tasks to be fulfilled by concerned national intervention bodies;
- (i) uniform conditions for the implementation of Article 17(9).]

SECTION III

PRIVATE STORAGE

SUBSECTION I

MANDATORY AID

Article 20

Eligible products

Aid for private storage shall be granted for the following products subject to the conditions set out in this Section and to further requirements and conditions to be adopted by the Commission by means of delegated acts and implementing acts pursuant to Articles 31 and 32 in respect of:

- (i) unsalted butter produced from cream or milk in an approved undertaking in the Union of a minimum butterfat content, by weight, of 82 %, a maximum milk solids-non-fat content, by weight, of 2 % and a maximum water content, by weight, of 16 %,
- (ii) salted butter produced from cream or milk in an approved undertaking in the Union of a minimum butterfat content, by weight, of 80 %, a maximum milk solids-non-fat content, by weight, of 2 %, a maximum water content, by weight, of 16 % and a maximum salt content, by weight, of 2 %.

Article 21

Conditions and aid-level for butter

Measures on the fixing of aid for butter shall be taken by the Council in accordance with Article 43(3) of the Treaty.

SUBSECTION II

OPTIONAL AID

Article 22

Eligible products

1. Aid for private storage may be granted in respect of the following products subject to the conditions set out in this Section and to further requirements and conditions to be

adopted by the Commission by means of delegated and implementing acts pursuant to Articles 31 and 32:

- (a) white sugar;
- (b) olive oil;
- (c) fresh or chilled meat of adult bovine animals presented in the form of carcasses, half-carcasses, compensated quarters, forequarters or hindquarters, classified in accordance with the Union scale for the classification of carcasses of adult bovine animals as referred to in Article 34(1)(a);
- (d) pigmeat;
- (e) sheepmeat and goatmeat.

In order to take account of the specificities of meat of adult bovine animals, the Commission may, by means of delegated acts, amend the list of products laid down in point (c) of the first subparagraph if the market situation so requires.

2. The Commission shall, by means of implementing acts, fix the aid for private storage provided for in paragraph 1 in advance or by means of tendering procedures.

Article 23

Conditions of granting for white sugar

1. The Commission may, by means of implementing acts, taking into account the market situation, decide to grant aid for the storage of white sugar to undertakings which are allocated a sugar quota, if the average price recorded in the Union for white sugar is below the reference price during a representative period, and is likely to remain at that level.
2. Sugar stored in accordance with paragraph 1 during a marketing year may not be subject to any other storage measures provided for in Articles 45 or 56.

Article 24

Conditions of granting for olive oil

The Commission may, by means of implementing acts, decide to authorise Member States to conclude contracts with entities, that they have approved, offering sufficient guarantees for the storage of olive oil that they market in the event of a serious disturbance on the market in certain regions of the Union, *inter alia*, when the average price recorded on the market during a representative period is less than:

- (a) EUR 1 779/tonne for extra virgin olive oil, or
- (b) EUR 1 710/tonne for virgin olive oil, or

- (c) EUR 1 524/tonne for lampante olive oil having 2 degrees of free acidity, this amount being reduced by EUR 36,70/tonne for each additional degree of acidity.

Article 25

Conditions of granting for products of the beef and veal sector

The Commission may, by means of implementing acts, decide to grant aid for storage when the average Union market price recorded on the basis of the Union scale for the classification of carcasses of adult bovine animals, as referred to in Article 34(1)(a), is, and is likely to remain, at less than 103 % of the reference price.

Article 26

Conditions of granting for pigmeat

The Commission may, by means of implementing acts, decide to grant aid for storage of pig carcasses where the average market price in the Union as established by reference to the prices recorded in each Member State on the representative markets of the Union and weighted by means of coefficients reflecting the relative size of the pig herd in each Member State is, and is likely to remain, at less than 103 % of the reference price.

Article 27

Conditions of granting for sheepmeat and goatmeat

The Commission may, by means of implementing acts, decide to grant aid for storage for sheepmeat and goatmeat when there is a particularly difficult market situation for sheepmeat and goatmeat in one or more of the following quotation areas:

- (a) Great Britain;
- (b) Northern Ireland;
- (c) any Member State other than the United Kingdom, taken separately.

SECTION IV

COMMON PROVISIONS ON PUBLIC INTERVENTION AND PRIVATE STORAGE

SUBSECTION I

GENERAL PROVISIONS

Article 28

Rules concerning storage

1. Paying agencies may not store, outside the territory of the Member State within whose jurisdiction they fall, products they have bought in unless they have obtained prior authorisation from the Commission, by means of implementing acts, pursuant to Article 32.

The territories of Belgium and Luxembourg shall be considered as a single Member State for the purposes of this Article.
2. Authorisation shall be granted if storage is essential and taking into account the following factors:
 - (a) storage possibilities and storage requirements in the Member State within whose jurisdiction the paying agency falls and in other Member States;
 - (b) any additional costs resulting from storage in the Member State within whose jurisdiction the paying agency falls and from transportation.
3. Authorisation for storage in a third country shall be granted only if, on the basis of the criteria set out in paragraph 2, storage in another Member State would create significant difficulties.
4. The information referred to in point (a) of paragraph 2 shall be drawn up after consulting all the Member States.
5. Any customs duties and any other amounts to be granted or levied under the common agricultural policy shall not apply to products:
 - (a) transported following an authorisation granted under paragraphs 1, 2 and 3, or
 - (b) transferred from one paying agency to another.
6. Any paying agency acting in accordance with paragraphs 1, 2 and 3 shall remain responsible for products stored outside the territory of the Member State within whose jurisdiction it falls.

7. If products held by a paying agency outside the territory of the Member State within whose jurisdiction it falls are not brought back into that Member State, they shall be disposed of at the prices and subject to the conditions laid down or to be laid down for the place of storage.

Article 29

Rules for tendering procedures

Tendering procedures shall ensure equality of access of all persons concerned.

In the selection of tenders preference shall be given to those which are most favourable to the Union. In any case, the award of a contract shall not necessarily ensue.

Article 30

Intervention centres for cereals and rice

1. In order to take account of the diversity of storage facilities in the cereals and rice sectors in the Union and to ensure adequate access to public intervention for operators, the Commission shall, by means of delegated acts, adopt the requirements to be met by intervention centres and storage places for the products to be bought in under the system of public intervention, including the fixing of a minimum storage capacity for the storage places and the setting of technical requirements for keeping products taken over in good condition and for their disposal at the end of the storage period.
2. The Commission shall, by means of implementing acts, designate the intervention centres in the cereals and rice sectors; taking account of the following factors:
 - (a) situation of the centres in surplus areas in respect of the products concerned;
 - (b) availability of sufficient premises and technical equipment;
 - (c) favourable situation as regards means of transport.

Intervention centres may be designated for each cereal.

Article 31

Delegated powers

1. In order to take account of the specificities of the different sectors, the Commission may, by means of delegated acts, adopt the requirements and conditions to be met by products to be bought in under public intervention as referred to in Article 10 and to be stored under the system of granting an aid for private storage, in addition to the requirements laid down in this present Regulation. Those requirements and conditions shall aim at guaranteeing the eligibility and quality of the products bought in and stored, with respect to quality groups, quality grades, categories, quantities,

packaging including labelling, maximum ages, preservation, the stage of the products to which the intervention price and the aid relates.

2. In order to take account of the specificities of the cereals and paddy rice sectors, the Commission may, by means of delegated acts, adopt the applicable price increases or reductions for quality purposes as referred to in Article 14(4) as regards both buying-in and sales.
3. In order to take account of the specificities of the beef and veal sector, the Commission may, by means of delegated acts, adopt the provisions relating to the obligation for the paying agencies to have all the beef boned after the take over and prior to the storage provisions.
4. In order to take account of the diversity of situations relating to the storage of intervention stocks in the Union and to ensure adequate access to public intervention for operators, the Commission shall, by means of delegated acts, adopt:
 - (a) the requirements to be met by intervention storage places for the products, other than cereals and rice, to be bought in under the system, including the fixing of a minimum storage capacity for the storage places and the setting of technical requirements for keeping products taken over in good condition and for their disposal at the end of the storage period;
 - (b) provisions relating to the sale of small quantities remaining in storage in the Member States, to be carried out under their own responsibility, by applying the same procedure as those applied by the Union; and authorising to put up for direct sale quantities which may no longer be repackaged or are deteriorated.
5. In order to ensure that private storage has the desired effect on the market, the Commission, by means of delegated acts:
 - (a) shall take provisions for reducing the amount of aid to be paid;
 - (b) may set conditions relating to the granting of an advance payment and the requirements to be fulfilled.
6. In order to ensure that operators respect their obligations the Commission shall, by means of delegated acts, adopt measures to prevent fraud and irregularities. Those measures may include the exclusion of the concerned operators from participating in public intervention or private storage aid in relation with the detected frauds and irregularities.
7. In order to safeguard the rights and obligations of operators participating in public intervention or private storage measures, the Commission may, by means of delegated acts, adopt the necessary provisions relating to:
 - (a) the use of tendering procedures guaranteeing an equal access to the goods and an equal treatment between the operators;
 - (b) the establishment of operators and their registration for VAT;

- (c) the lodging of a security guaranteeing that the execution of operators' obligations shall be respected;
 - (d) the forfeit of the security in whole or in part if the obligation is not respected.
8. In order to take account of the technical evolution of the products, the Commission may, by means of delegated acts, adapt the standard qualities for sugar laid down in Part B of Annex IV.

Article 32

Implementing powers

The Commission shall, by means of implementing acts, adopt the necessary provisions aiming at reaching a uniform application in the Union of this Chapter. Those rules may, in particular, relate to the following:

- (a) the tests and methods to be applied for establishing the eligibility of products;
- (b) for beef and veal, the definition of the representative period over which the market prices shall be recorded for the application of Articles 12(1)(c) and 12(2);
- (c) the procedures and conditions related to the delivery of the products to be bought-in under public intervention, to the transport costs to be borne by the offerer, to the taking over of the products by paying agencies and to the payment;
- (d) the different operations connected with the boning process;
- (e) the authorisation of storage outside the territory of the Member State where the products have been bought-in and stored, as referred to in Article 28;
- (f) the conditions for the sale or disposal of products bought-in under public intervention, in particular, as appropriate, regarding selling prices, the conditions for removal from storage, the subsequent use or destination of products released where appropriate;
- (g) fixing the aid for the products referred to in Article 20;
- (h) for sugar and olive oil, the definition of the representative period over which the market prices shall be recorded for the application of Article 23 and Article 24 respectively;
- (i) the adoption of the list of representative markets for pigmeat referred to in Article 26;
- (j) the conclusion and the content of contracts between the competent authority of the Member State and the applicant;
- (k) the placing and keeping in private storage and to removal from storage;

- (l) the duration of the private storage period and the conditions according to which such periods, once specified in the contracts, may be curtailed or extended;
- (m) the conditions according to which it may be decided that products covered by private storage contracts may be re-marketed or disposed of;
- (n) the rules relating to the procedures to be followed for buying-in at fixed price or for granting the aid for private storage at fixed price;
- (o) the use of tendering procedures, both for public intervention and for private storage, in particular as regards:
 - i) the lodging of offers or tenders, and where appropriate the minimum quantity for an application or submission,
 - ii) the amount of securities to be lodged,
 - iii) the communication of offers and tenders to the Commission;
- (p) the rules concerning the reporting of prices of certain products by the Member States;
- (q) the provisions on the checks to be carried out by the Member States;
- (r) the information to be transmitted by the Member States to the Commission.

Article 33

Implementing acts to be adopted without the assistance of the Committee referred to in Article 323(1)

The Commission without the assistance of the Committee referred to in Article 323(1), shall adopt the implementing acts in order:

- (a) to respect the maximum quantities and quantitative limits set out in Article 13(1) and point (a) of Article 14(1);
- (b) to switch to the tendering procedure referred to in Article 14(2), as regards common wheat.

SUBSECTION II

SPECIFIC PROVISIONS ON CARCASS CLASSIFICATION

Article 34

Union scales and inspections

1. Union scales for the classification of carcasses shall apply in accordance with the rules laid down in Annex V in the following sectors:

- (a) beef and veal as regards carcasses of adult bovine animals;
- (b) pigmeat as regards carcasses of pigs other than those which have been used for breeding.

In the sheepmeat and goatmeat sector Member States may apply a Union scale for the classification of carcasses as regards sheep carcasses in accordance with the rules laid down in point C of Annex V.

- 2. On-the-spot inspections in relation to the classification of carcasses of adult bovine animals and sheep shall be carried out on behalf of the Union by a Union inspection committee composed of experts from the Commission and experts appointed by the Member States. This Committee shall report back to the Commission and the Member States on the inspections carried out.

The Union shall bear the costs resulting from the inspections carried out.

Article 35

Delegated powers

- 1. In order to take account of technical developments and of the needs of the sectors, the Commission may, by means of delegated acts, adapt and update the definitions laid down in Annex V as well as the provisions related to the classification, identification and presentation of adult bovine carcasses, pig carcasses and sheep carcasses.
- 2. In order to standardise the presentation of the different products for the purposes of improving market transparency, price recording and the application of the market intervention arrangements in the form of public intervention and private storage in the beef and veal, pig-meat and sheep-meat sectors as applicable, the Commission may, by means of delegated acts:
 - (a) adopt provisions relating to the classification, grading (including by automated grading techniques), identification, weighing and marking of carcasses;
 - (b) adopt derogations from provisions, and additional provisions for the products concerned, including such regarding the classes of conformation and fat cover in the beef sector and further provisions as regards weight, colour of meat and fat cover in sheep-meat sector;
 - (c) lay down rules on the calculation of average Union prices and the obligations on operators to submit information, on beef, pig and sheep carcasses, in particular as regards market and representative prices;
 - (d) lay down further rules for the purpose of intervention and private storage, which may relate in particular to:
 - (i) the measures to be taken by slaughterhouses as provided for in point A.III of Annex V;

- (ii) any derogations which may be granted to Member States which so request for slaughterhouses in which few bovine animals are slaughtered;
 - (e) define criteria for carcasses of light lambs;
 - (f) revise periodically the weighting coefficients.
3. In order to take account of the specificities met within the Union, the Commission may, by means of delegated acts:
- (a) authorise Member States to subdivide each of the classes of conformation and fat cover of carcasses of adult bovine animals provided for in point A.III of Annex V into a maximum of three subclasses;
 - (b) provide a different presentation of carcasses and half carcasses than the one laid down in point A.IV of Annex V for the purpose of establishing market prices;
 - (c) authorise Member States not to make application of the grading scale for pig carcass classification and to use assessment criteria in addition to weight and estimated lean-meat content;
 - (d) adopt additional provisions and requirements including:
 - (i) granting authorisation to Member States to provide for a different presentation of pig carcasses if one of the following conditions is fulfilled:
 - normal commercial practice in their territory differs from the standard presentation,
 - technical requirements warrant it,
 - carcasses are dehided in a uniform manner;
 - (ii) granting authorisation to Member States to permit different presentations of sheep carcasses when the reference presentation is not used;
 - (e) provide for Member States to apply administrative penalties to prevent infringements, such as, in particular, the falsification and fraudulent use of stamps and labels, or classification carried out by unlicensed personnel.
4. In order to ensure the accuracy and reliability of the classification of carcasses of adult bovines, pigs and sheep, the Commission shall, by means of delegated acts, provide that the classification be carried out by sufficiently qualified classifiers.
5. In order to guarantee the reliability of the classification scale the Commission may, by means of delegated acts, adopt provisions relating to the checks to be carried out and to the consequences to be drawn in case of inadequate application.
6. In order to ensure that the Union inspection committee fulfils its objectives, the Commission may, by means of delegated acts, determine its responsibilities and the way it is composed.

Article 36

Implementing powers

The Commission shall, by means of implementing acts, lay down detailed rules on:

- (a) the implementation of Union scales for the classification of beef, pig and sheep carcasses in particular as regards:
 - (i) communication of classification results,
 - (ii) on-the-spot checks, inspection reports and follow-up actions,
 - (iii) on-the-spot inspections in relation to the classification of carcasses of adult bovine animals and sheep on behalf of the Union by Union inspection committee;
- (b) reporting by Member States to the Commission of accurate information, in particular in relation to prices of beef, pig and sheep carcasses;
- (c) reporting of information on slaughterhouses and other entities, which record prices and regions for which prices are recorded in beef sector;
- (d) on-the-spot inspections in relation to price reporting of carcasses of adult bovine animals and sheep on behalf of the Union by a Union inspection committee.

CHAPTER II

Special intervention measures

SECTION I

EXCEPTIONAL MARKET SUPPORT MEASURES

Article 37

Animal diseases

1. The Commission may, by means of implementing acts, adopt exceptional support measures for the affected market in order to take account of restrictions on intra-Union and third-country trade which may result from the application of measures for combating the spread of diseases in animals.

The measures provided for in the first subparagraph shall apply to the following sectors:

- (a) beef and veal;

- (b) milk and milk products;
- (c) pigmeat;
- (d) sheepmeat and goatmeat;
- (e) eggs;
- (f) poultrymeat.

2. The measures provided for in the first subparagraph of paragraph 1 shall be taken at the request of the Member State(s) concerned.

They may be taken only if the Member State(s) concerned has (have) taken health and veterinary measures quickly to stamp out the disease, and only to the extent and for the duration strictly necessary to support the market concerned.

Article 38

Loss in consumer confidence

With regard to the poultrymeat and eggs sectors, the Commission may, by means of implementing acts, adopt exceptional market support measures in order to take account of serious market disturbances directly attributed to a loss in consumer confidence due to public health, or animal health risks.

Those measures shall be taken at the request of the Member State(s) concerned.

Article 39

Financing

1. For exceptional measures referred to in Articles 37 and 38, the Union shall provide part-financing equivalent to 50 % of the expenditure borne by Member States.

However, with regard to the beef and veal, milk and milk products, pigmeat and sheepmeat and goatmeat sectors, the Union shall provide part-financing equivalent to 60 % of such expenditure when combating foot-and-mouth disease.

2. Member States shall ensure that, where producers contribute to the expenditure borne by Member States, this does not result in distortion of competition between producers in different Member States.

SECTION II

MEASURES IN THE CEREALS AND RICE SECTORS

Article 40

Special market measures in the cereals sector

1. In order to react efficiently and effectively against threats of market disturbance, where the market situation so dictates, the Commission may, by means of delegated acts, adopted where necessary under the urgency procedure, take special intervention measures in respect of the cereals sector. Such intervention measures may in particular be taken if, in one or more regions of the Union, market prices fall, or threaten to fall, in relation to the intervention price.
2. The Commission may, by means of implementing acts, adopt all necessary measures related to this Article. Those measures may, in particular, relate to procedures, notifications, technical criteria and administrative or physical checks to be conducted by the Member States.

Article 41

Special market measures in the rice sector

1. In order to react efficiently and effectively against threats of market disturbance in the rice sector, the Commission may, by means of delegated acts, adopted where necessary under the urgency procedure, take special measures to:
 - (a) prevent large-scale application of public intervention, as provided for in Section II of Chapter I of this Part, in certain regions of the Union;
 - (b) make up for paddy rice shortages following natural disasters.
2. The Commission shall, by means of implementing acts, adopt the necessary measures related to this Article. Those measures may, in particular, relate to procedures, notifications, technical criteria and administrative or physical checks to be conducted by the Member States.

SECTION III

MEASURES IN THE SUGAR SECTOR

Article 42

Minimum beet price

1. The minimum price for quota beet shall be EUR 26,29 per tonne as from the marketing year 2009/2010.
2. The minimum price referred to in paragraph 1 shall apply to sugar beet of the standard quality defined in Part B of Annex IV.
3. Sugar undertakings buying quota beet suitable for processing into sugar and intended for processing into quota sugar shall be required to pay at least the minimum price, adjusted by price increases or reductions to allow for deviations from the standard quality.

In order to adjust the price where the actual quality of sugar beet differs from the standard quality, the increases and reductions referred to in the first subparagraph shall be applied in accordance with rules laid down by the Commission by means of delegated acts pursuant to Article 46(a).

4. For the quantities of sugar beet corresponding to the quantities of industrial sugar or surplus sugar that are subject to the surplus levy provided for in Article 57, the sugar undertaking concerned shall adjust the purchase price so that it is at least equal to the minimum price for quota beet.

Article 43

Interprofessional agreements

1. Agreements within the trade and delivery contracts shall conform to paragraph 3 and to purchase terms, which are to be determined by the Commission by means of delegated acts pursuant to Article 46(b), in particular as regards the conditions governing the purchase, delivery, taking over and payment of beet.
2. The terms for buying sugar beet and sugar cane shall be governed by agreements within the trade concluded between Union growers of these raw materials and Union sugar undertakings.
3. In delivery contracts, a distinction shall be made according to whether the quantities of sugar to be manufactured from sugar beet will be:
 - (a) quota sugar; or
 - (b) out-of-quota sugar.

4. Each sugar undertaking shall provide the Member State in which it produces sugar with the following information:
 - (a) the quantities of beet referred to in point (a) of paragraph 3, for which they have concluded pre-sowing delivery contracts and the sugar content on which those contracts are based;
 - (b) the corresponding estimated yield.Member States may require additional information.
5. Sugar undertakings which have not signed pre-sowing delivery contracts at the minimum price for quota beet for a quantity of beet equivalent to the sugar for which they hold a quota, adjusted, as the case may be, by the coefficient for a preventive withdrawal fixed pursuant to the first subparagraph of Article 45(2), shall be required to pay at least the minimum price for quota beet for all the sugar beet they process into sugar.
6. Subject to the approval of the Member State concerned, agreements within the trade may derogate from paragraphs 3, 4 and 5.
7. If no agreements within the trade exist, the Member State concerned shall take the necessary steps compatible with this Regulation to protect the interests of the parties concerned.

Article 44

Production charge

1. A production charge shall be levied on the sugar quota, the isoglucose quota and the inulin syrup quota held by undertakings producing sugar, isoglucose or inulin syrup as referred to in Article 50(2).
2. The production charge shall be set at EUR 12,00 per tonne of the quota sugar and quota inulin syrup. For isoglucose, the production charge shall be set at 50 % of the charge applicable to sugar.
3. The totality of the production charge paid in accordance with paragraph 1 shall be charged by the Member State to the undertakings on its territory according to the quota held during the marketing year concerned.

Payments shall be made by the undertakings by the end of February of the relevant marketing year at the latest.
4. Union sugar and inulin syrup undertakings may require sugar-beet or sugar-cane growers or chicory suppliers to bear up to 50 % of the production charge concerned.

Article 45

Withdrawal of sugar

1. In order to preserve the structural balance of the market at a price level which is close to the reference price, taking into account the commitments of the Union resulting from agreements concluded in accordance with Article 218 of the Treaty, the Commission may, by means of implementing acts, decide to withdraw from the market, for a given marketing year, those quantities of sugar or isoglucose produced under quotas which exceed the threshold calculated in accordance with paragraph 2 of this Article.
2. The withdrawal threshold referred to in paragraph 1 shall be calculated, for each undertaking holding a quota, by multiplying its quota by a coefficient, which may be fixed by the Commission by means of implementing acts by 16 March of the previous marketing year, on the basis of expected market trends.

On the basis of updated market trends, the Commission may by 31 October of the marketing year concerned, by means of implementing acts, decide either to adjust or, in the case where no coefficient has been fixed pursuant to the first subparagraph, to fix a coefficient.

3. Each undertaking provided with a quota shall store at its own expense until the beginning of the following marketing year the sugar produced under quota beyond the threshold calculated in accordance with paragraph 2. The sugar or isoglucose quantities withdrawn during a marketing year shall be treated as the first quantities produced under quota for the following marketing year.

By way of derogation from the first subparagraph, taking into account the expected sugar market trends, the Commission may, by means of implementing acts, decide to consider, for the current and/or the following marketing year, all or part of the withdrawn sugar or isoglucose as:

- (a) surplus sugar or surplus isoglucose available to become industrial sugar or industrial isoglucose; or
 - (b) temporary quota production of which a part may be reserved for export respecting the commitments of the Union resulting from agreements concluded in accordance with Article 218 of the Treaty.
4. If sugar supply in the Union is inadequate, the Commission may, by means of implementing acts, decide that a certain quantity of withdrawn sugar may be sold on the Union market before the end of the period of withdrawal.
5. In the case where withdrawn sugar is treated as the first sugar production of the following marketing year, the minimum price of that marketing year shall be paid to beet growers.

In the case where withdrawn sugar becomes industrial sugar or is exported according to points (a) and (b) of paragraph 3 of this Article, the requirements of Article 42 on the minimum price shall not apply.

In the case where withdrawn sugar is sold on the Union market before the end of the period of withdrawal according to paragraph 4, the minimum price of the ongoing marketing year shall be paid to beet growers.

Article 46

Delegated powers

In order to take into account the specificities of the sugar sector and to ensure that the interests of all parties are duly taken into account, the Commission may, by means of delegated acts, adopt rules on:

- (a) the price adjustments to be applied as provided for in Article 42(3);
- (b) delivery contracts and purchase terms as referred to Article 43(1);
- (c) the criteria to be applied by the sugar undertakings when allocating among beet sellers the quantities of beet to be covered by pre-sowing delivery contracts as referred to in Article 43(4).

SECTION IV

ADJUSTMENT OF SUPPLY

Article 47

Measures to facilitate the adjustment of supply to market requirements

In order to encourage action by trade organisations and joint trade organisations to facilitate the adjustment of supply to market requirements, with the exception of action relating to withdrawal from the market, the Commission may, by means of delegated acts, take the following measures in respect of the live plants, beef and veal, pigmeat, sheepmeat and goatmeat, eggs and poultrymeat sectors:

- (a) measures to improve quality;
- (b) measures to promote better organisation of production, processing and marketing;
- (c) measures to facilitate the recording of market price trends;
- (d) measures to permit the establishment of short and long-term forecasts on the basis of the means of production used.

Article 48

Implementing powers

The Commission may, by means of implementing acts, adopt rules related to procedures and technical conditions as regards the implementation of the measures referred to in Article 47.

CHAPTER III

Systems of production limitation

SECTION I

GENERAL PROVISIONS

Article 49

Quota systems and production potential

1. A quota system shall apply to the following products:
 - (a) milk and other milk products within the meaning of points (a) and (b) of Article 58(1);
 - (b) sugar, isoglucose and inulin syrup.
2. As regards the quota systems referred to in paragraph 1 of this Article, if a producer exceeds the relevant quota and, with regard to sugar, isoglucose and inulin syrup, does not make use of the surplus quantities as provided for in Article 54, a surplus levy shall be payable on such quantities, subject to the conditions set out in Sections II and III.
3. In relation to the wine sector, rules concerning production potential as regards unlawful plantings, transitional planting rights as well as a grubbing-up scheme shall apply in accordance with the provisions set out in Section V.

SECTION II

SUGAR

SUBSECTION I

QUOTA ALLOCATION AND MANAGEMENT

Article 50

Quota allocation

1. The quotas for the production of sugar, isoglucose and inulin syrup at national or regional level are fixed in Annex VI.

2. Member States shall allocate a quota to each undertaking producing sugar, isoglucose or inulin syrup established in their territory and approved in accordance with Article 51.

For each undertaking, the allocated quota shall be equal to the quota under Regulation (EC) No 318/2006 which was allocated to the undertaking for the marketing year 2007/2008.

3. In case of allocation of a quota to a sugar undertaking having more than one production unit, the Member States shall adopt the measures they consider necessary in order to take due account of the interests of sugar beet and cane growers.

Article 51

Approved undertakings

1. On request, Member States shall grant an approval to an undertaking producing sugar, isoglucose or inulin syrup or to an undertaking that processes these products into a product included in the list referred to in Article 55(2) provided that the undertaking:
 - (a) proves its professional production capacities;
 - (b) agrees to provide any information and to be subject to controls related to this Regulation;
 - (c) is not subject to suspension or withdrawal of the approval.
2. The approved undertakings shall provide the Member State in whose territory the harvest of beet, cane or the refining takes place, with the following information:
 - (a) the quantities of beet or cane for which a delivery contract has been concluded, as well as the corresponding estimated yields of beet or cane, and sugar per hectare;
 - (b) data regarding provisional and actual sugar beet, sugar cane and raw sugar deliveries, and regarding sugar production and statements of sugar stocks;
 - (c) quantities of white sugar sold and corresponding prices and conditions.

Article 52

Adjustment of the national quotas

The Commission shall, by means of delegated acts, adjust the quotas set out in Annex VI as a result of Member States' decisions taken in accordance with Article 53.

Article 53

National quota reallocation and reduction of quotas

1. A Member State may reduce the sugar or isoglucose quota allocated to an undertaking established on its territory by up to 10 % for the marketing year 2008/2009 and following. In doing so, the Member States shall apply objective and non discriminatory criteria.
2. Member States may transfer quotas between undertakings in accordance with the rules laid down in Annex VII and taking into consideration the interests of each of the parties concerned, particularly sugar beet and cane growers.
3. The quantities reduced pursuant to paragraphs 1 and 2 shall be allocated by the Member State in question to one or more undertakings on its territory, whether or not holding a quota.

SUBSECTION II

QUOTA OVERRUN

Article 54

Scope

The sugar, isoglucose or inulin syrup produced during a marketing year in excess of the quota referred to in Article 50 may be:

- (a) used for the processing of certain products as referred to in Article 55;
- (b) carried forward to the quota production of the next marketing year, in accordance with Article 56;
- (c) used for the specific supply regime for the outermost regions, in accordance with [Chapter III of Regulation [ex (EC) No 247/2006] of the European Parliament and of the Council; or
- (d) exported within the quantitative limit fixed by the Commission by means of implementing acts, respecting the commitments resulting from agreements concluded in accordance with Article 218 of the Treaty.

Other quantities shall be subject to the surplus levy referred to in Article 57.

Article 55

Industrial sugar

1. Industrial sugar, industrial isoglucose or industrial inulin syrup shall be reserved for the production of one of the products referred to in paragraph 2 when:

- (a) it has been subject to a delivery contract concluded before the end of the marketing year between a producer and a user which have both been granted approval in accordance with Article 51; and
 - (b) it has been delivered to the user by 30 November of the following marketing year at the latest.
2. In order to take account of technical developments, the Commission may, by means of delegated act, draw up a list of products for the production of which industrial sugar, industrial isoglucose or industrial inulin syrup may be used.

The list shall in particular include:

- (a) bioethanol, alcohol, rum, live yeast and quantities of syrups for spreading and those to be processed into *Rinse appelstroop*;
- (b) certain industrial products without sugar content but the processing of which uses sugar, isoglucose or inulin syrup;
- (c) certain products of the chemical or pharmaceutical industry which contain sugar, isoglucose or inulin syrup.

Article 56

Carry forward of surplus sugar

1. Each undertaking may decide to carry forward all or part of its production in excess of its sugar quota, its isoglucose quota or its inulin syrup quota to be treated as part of the next marketing year's production. Without prejudice to paragraph 3, that decision shall be irrevocable.
2. Undertakings which take the decision referred to in paragraph 1 shall:
- (a) inform the Member State concerned before a date to be determined by that Member State:
 - between 1 February and 15 August of the current marketing year for quantities of cane sugar being carried forward,
 - between 1 February and 15 August of the current marketing year for other quantities of sugar or inulin syrup being carried forward;
 - (b) undertake to store such quantities at their own expense until the end of the current marketing year.
3. If an undertaking's definitive production in the marketing year concerned was less than the estimate made when the decision in accordance with paragraph 1 was taken, the quantity carried forward may be adjusted retroactively by 31 October of the following marketing year at the latest.

4. The quantities carried forward shall be deemed to be the first quantities produced under the quota of the following marketing year.
5. Sugar stored in accordance with this Article during a marketing year may not be subject to any other storage measures provided for in Articles 23 or 45.

Article 57

Surplus levy

1. A surplus levy shall be levied on quantities of:
 - (a) surplus sugar, surplus isoglucose and surplus inulin syrup produced during any marketing year, except for quantities carried forward to the quota production of the following marketing year and stored in accordance with Article 56 or quantities referred to in points (c) and (d) of Article 54;
 - (b) industrial sugar, industrial isoglucose and industrial inulin syrup for which no proof has been supplied, by a date to be determined by the Commission by means of implementing acts, that it has been processed into one of the products referred to in Article 55(2);
 - (c) sugar and isoglucose withdrawn from the market in accordance with Article 45 and for which the obligations provided for in Article 45(3) are not met.
2. The surplus levy shall be fixed by the Commission by means of implementing acts at a sufficiently high level in order to avoid the accumulation of quantities referred to in paragraph 1.
3. The surplus levy referred to in paragraph 1 shall be charged by the Member State to the undertakings on its territory according to the quantities of production referred to in paragraph 1 that have been established for those undertakings for the marketing year concerned.

SECTION III

MILK

SUBSECTION I

GENERAL PROVISIONS

Article 58

Definitions

1. For the purposes of this Section:

- (a) ‘milk’ means the produce of the milking of one or more cows;
- (b) ‘other milk products’ means any milk product other than milk, in particular skimmed milk, cream, butter, yoghurt and cheese, which, when relevant, shall be converted into ‘milk equivalents’ by applying coefficients to be fixed by the Commission by means of implementing acts;
- (c) ‘producer’ means a farmer with a holding located within the geographical territory of a Member State, who produces and markets milk or who is preparing to do so in the very near future;
- (d) ‘holding’ means a holding as defined in Article 2(b) of Regulation (EC) No 73/2009;
- (e) ‘purchaser’ means undertakings or groups which buy milk from producers:
 - to subject it to collecting, packing, storing, chilling or processing, including under contract,
 - to sell it to one or more undertakings treating or processing milk or other milk products;
- (f) ‘delivery’ means any delivery of milk, not including any other milk products, by a producer to a purchaser, whether the transport is carried out by the producer, a purchaser, an undertaking processing or treating such products or a third party;
- (g) ‘direct sale’ means any sale or transfer of milk by a producer directly to consumers, as well as any sale or transfer of other milk products by a producer;
- (h) ‘marketing’ means deliveries of milk or direct sales of milk or other milk products;
- (i) ‘individual quota’ means a producer's quota at 1 April of any twelve-month period;
- (j) ‘national quota’ means the quota referred to in Article 59, fixed for each Member State;
- (k) ‘available quota’ means the quota available to producers on 31 March of the twelve-month period for which the surplus levy is calculated, taking account of all transfers, sales, conversions and temporary re-allocations provided for in this Regulation which have taken place during that twelve-month period.

2. As regards the definition given in point (e) of paragraph 1, any group of purchasers in the same geographical area which carries out the administrative and accounting operations necessary for the payment of the surplus levy on behalf of its members shall be regarded as a purchaser. For that purpose, Greece shall be considered a single geographical area and it may deem an official body to be a group of purchasers.

3. In order to ensure, in particular, that no quantity of marketed milk or other milk products is excluded from the quota arrangements, the Commission may, while respecting the definition of 'delivery' given in point (f) of paragraph 1, adjust the definition of 'direct sale' by means of delegated acts pursuant to Article 80(1)(i).
4. In order to ensure that all specific situations are covered by the milk quota system, the Commission shall, by means of delegated acts pursuant to Article 80(1)(h), adopt specific definitions relating to the operation of the system.

SUBSECTION II

QUOTA ALLOCATION AND MANAGEMENT

Article 59

National quotas

1. The national quotas for the production of milk and other milk products marketed during seven consecutive periods of twelve months commencing on 1 April 2008 (hereinafter referred to as 'twelve-month periods') are fixed in Annex VIII.
2. The quotas referred to in paragraph 1 shall be divided between producers in accordance with Article 60, distinguishing between deliveries and direct sales. Any overrun of the national quotas shall be determined nationally in each Member State, in accordance with this Section and making a distinction between deliveries and direct sales.
3. The national quotas set out in of Annex VIII shall be fixed without prejudice to possible review in the light of the general market situation and particular conditions existing in certain Member States.
4. For Bulgaria, the Czech Republic, Estonia, Cyprus, Latvia, Lithuania, Hungary, Malta, Poland, Romania, Slovenia and Slovakia the national quotas shall include all milk or milk equivalent delivered to a purchaser or sold directly, irrespective of whether it is produced or marketed under a transitional measure applicable in those countries.
5. The Commission shall, by means of implementing acts, adopt all necessary rules related to the uniform implementation of this Article in Member States. Those rules may relate to procedures, notifications and technical criteria.

Article 60

Individual quotas

1. The producers' individual quota or quotas at 1 April 2008 shall be equal to their individual quotas at 31 March 2008 without prejudice to transfers, sales and conversions of quota that take effect on 1 April 2008.

2. Producers may have either one or two individual quotas, one for deliveries and the other for direct sales. A producer's quantities may be converted from one quota to the other only by the competent authority of the Member State, at the duly justified request of the producer.
3. Where a producer has two quotas, his contribution to any surplus levy due shall be calculated separately for each.
4. The part of the Finnish national quota allocated to the deliveries referred to in Article 59 may be increased by the Commission by means of implementing acts to compensate Finnish SLOM producers up to 200 000 tonnes. This reserve, to be allocated in accordance with Union legislation, must be used exclusively on behalf of producers whose right to take up production again has been affected as a result of accession.
5. Individual quotas shall be modified, where appropriate, for each of the twelve-month periods concerned, so that, for each Member State, the sum of the individual quotas for the deliveries and that for the direct sales does not exceed the corresponding part of the national quota adapted in accordance with Article 62, taking account of any reductions made for allocation to the national reserve as provided for in Article 64.

Article 61

Allocation of quotas from the national reserve

Member States shall adopt rules allowing for allocation to producers of all or part of the quotas from the national reserve provided for in Article 64 on the basis of objective criteria to be notified to the Commission.

Article 62

Management of quotas

1. The Commission shall adapt, by means of implementing acts pursuant to Article 81(a), for each Member State and for each period, before the end of that period, the division between 'deliveries' and 'direct sales' of national quotas, in the light of the conversions requested by producers, between individual quotas for deliveries and for direct sales.
2. Member States shall each year forward to the Commission, by dates to be fixed by the Commission, by means of implementing acts and according to rules to be fixed by the Commission, by means of implementing acts pursuant to Article 316(3), the information necessary to:
 - (a) make the adaptation referred to in paragraph 1 of this Article;
 - (b) calculate the surplus levy to be paid by them.
3. Rules relating to this Article shall be adopted by means of delegated acts pursuant to Article 80(2)(b) and by implementing acts pursuant to Article 81(g).

Article 63

Fat content

1. Each producer shall be assigned a reference fat content, to be applied to the individual quota for deliveries allocated to that producer.
2. For the quotas allocated to producers on 31 March 2008 in accordance with Article 60(1), the reference fat content referred to in paragraph 1 shall be the same as the reference fat content applied to that quota at that date.
3. The reference fat content shall be altered during the conversion referred to in Article 60(2) and where quotas are acquired, transferred or temporarily transferred in accordance with rules to be established by the Commission by means of implementing acts pursuant to Article 81(b).
4. For new producers having an individual quota for deliveries allocated entirely from the national reserve, the fat content shall be fixed in accordance with rules to be established by the Commission by means of implementing acts pursuant to Article 81(b).
5. The individual reference fat content referred to in paragraph 1 shall be adjusted, where appropriate, upon the entry into force of this Regulation and thereafter, at the beginning of each twelve-month period as necessary, so that, for each Member State, the weighted average of the individual representative fat contents does not exceed by more than 0,1 gram per kg the reference fat content set in Annex IX.

Article 64

National reserve

1. Each Member State shall set up a national reserve as part of the national quotas fixed in Annex VIII, in particular with a view to making the allocations provided for in Article 61. The national reserve shall be replenished, as appropriate, by withdrawing some quantities as provided for in Article 65, retaining part of transfers as provided for in Article 69, or by making an across-the-board reduction in all individual quotas. The quotas in question shall retain their original purpose, i.e. deliveries or direct sales.
2. Any additional quota allocated to a Member State shall automatically be placed in the national reserve and divided into deliveries and direct sales according to foreseeable needs.
3. The quotas placed in the national reserve shall not have a reference fat content.

Article 65

Cases of inactivity

1. When a natural or legal person holding individual quotas no longer meets the conditions referred to in point (c) of Article 58(1) during a twelve-month period, the corresponding quantities shall revert to the national reserve no later than 1 April of the following calendar year, unless that person becomes once again a producer within the meaning of point (c) of Article 58(1) before that date.

Where that person becomes once again a producer not later than the end of the second twelve-month period following withdrawal, all or part of the individual quota which had been withdrawn shall revert to that person no later than 1 April following the date of application.

2. Where producers do not market a quantity equal to at least 85 % of their individual quota during at least one twelve-month period, Member States may decide whether and on what conditions all or part of the unused quota shall revert to the national reserve.

Member States may determine on what conditions a quota shall be re-allocated to the producer concerned should he resume marketing.

3. Paragraphs 1 and 2 shall not apply in cases of force majeure and in duly justified cases temporarily affecting the production capacity of the producers concerned and recognised by the competent authority.

Article 66

Temporary transfers

1. By the end of each twelve-month period, Member States shall authorise, for the period concerned, any temporary transfers of part of individual quotas which the producers who are entitled thereto do not intend to use.

Member States may regulate transfer operations according to the categories of producers or milk production structures concerned, may limit them to the level of the purchaser or within regions, authorise complete transfers in the cases referred to in Article 65(3) and determine to what extent the transferor can repeat transfer operations.

2. Any Member State may decide not to implement paragraph 1 on the basis of one or both of the following criteria:
 - (a) the need to facilitate structural changes and adjustments;
 - (b) overriding administrative needs.

Article 67

Transfers of quotas together with land

1. Individual quotas shall be transferred with the holding to the producers taking it over when it is sold, leased, transferred by actual or anticipated inheritance or any other means involving comparable legal effects for the producers, in accordance with detailed rules to be determined by the Member States, taking account of the areas used for dairy production or other objective criteria and, where applicable, of any agreement between the parties. The part of the quota which, where applicable, has not been transferred with the holding shall be added to the national reserve.
2. Where quotas have been or are transferred in accordance with paragraph 1 by means of rural leases or by other means involving comparable legal effects, Member States may decide, on the basis of objective criteria and with the aim of ensuring that quotas are attributed solely to producers, that the quota shall not be transferred with the holding.
3. Where land is transferred to the public authorities and/or for use in the public interest, or where the transfer is carried out for non-agricultural purposes, Member States shall ensure that the necessary measures are taken to protect the legitimate interests of the parties, and in particular, that producers giving up such land are in a position to continue milk production if they so wish.
4. Where there is no agreement between the parties, in the case of tenancies due to expire without any possibility of renewal on similar terms, or in situations involving comparable legal effects, the individual quotas in question shall be transferred in whole or in part to the producer taking them over, in accordance with provisions adopted by the Member States, taking account of the legitimate interests of the parties.

Article 68

Special transfer measures

1. With a view to successfully restructuring milk production or improving the environment, Member States may, in accordance with detailed rules which they shall lay down, taking account of the legitimate interests of the parties concerned:
 - (a) grant compensation in one or more annual instalments to producers who undertake to abandon permanently all or part of their milk production and place the individual quotas thus released in the national reserve;
 - (b) determine on the basis of objective criteria the conditions on which producers may obtain, in return for payment, at the beginning of a twelve-month period, the re-allocation by the competent authority or a body designated by that authority of individual quotas released definitively at the end of the preceding twelve-month period by other producers in return for compensation in one or more annual instalments equal to the abovementioned payment;
 - (c) centralise and supervise transfers of quotas without land;

- (d) provide, in the case of land transferred with a view to improving the environment, for the individual quota concerned to be allocated to a producer giving up the land but wishing to continue milk production;
 - (e) determine, on the basis of objective criteria, the regions or collection areas within which the permanent transfer of quotas without transfer of the corresponding land is authorised, with the aim of improving the structure of milk production;
 - (f) authorise, upon application by a producer to the competent authority or a body designated by that authority, the definitive transfer of quotas without transfer of the corresponding land, or vice versa, with the aim of improving the structure of milk production at the level of the holding or to allow for extensification of production.
2. Paragraph 1 may be implemented at national level, at the appropriate territorial level or in specified collection areas.

Article 69

Retention of quotas

1. In the case of transfers as referred to in Articles 67 and 68 Member States may, on the basis of objective criteria, retain part of the individual quotas for their national reserve.
2. Where quotas have been or are transferred in accordance with Articles 67 and 68 with or without the corresponding land by means of rural leases or by other means involving comparable legal effects, Member States may decide, on the basis of objective criteria and with the aim of ensuring that quotas are attributed solely to producers, whether and under which conditions all or part of the transferred quota shall revert to the national reserve.

Article 70

Aid for the acquisition of quotas

No financial assistance linked directly to the acquisition of quotas may be granted by any public authority for the sale, transfer or allocation of quotas under this Section.

SUBSECTION III

QUOTA OVERRUN

Article 71

Surplus levy

1. A surplus levy shall be payable on milk and other milk products marketed in excess of the national quota as established in accordance with Subsection II.

The levy shall be set, per 100 kilograms of milk, at EUR 27,83.

However, for the twelve-month periods starting on 1 April 2009 and 1 April 2010, the surplus levy for milk delivered in excess of 106 % of the national quota for deliveries applicable for the twelve-month period starting on 1 April 2008 shall be set at 150 % of the levy referred to in the second subparagraph.

2. By way of derogation from the first subparagraph of paragraph 1, for the 12-month periods starting on 1 April 2009 and 1 April 2010 and as regards deliveries the surplus levy shall be payable on milk marketed in excess of the national quota as established in accordance with Subsection II and reduced by individual quotas for deliveries released into the national reserve in accordance with Article 68(1)(a) as from 30 November 2009 and kept therein until 31 March of the 12-month period concerned.
3. Member States shall be liable to the Union for the surplus levy resulting from overruns of the national quota, determined nationally and separately for deliveries and direct sales, and between 16 October and 30 November following the twelve-month period concerned, shall pay 99 % of the amount due to the EAGF.
4. The difference between the amount of the surplus levy resulting from the application of paragraph 2 and that resulting from the application of the first subparagraph of paragraph 1 shall be used by the Member State for financing restructuring measures in the dairy sector.
5. If the surplus levy provided for in paragraph 1 has not been paid before the due date and after consultation of the Committee on the Agricultural Funds established by Regulation (EC) No 1290/2005, the Commission shall deduct by means of implementing acts pursuant to Article 81(d) of this Regulation a sum equivalent to the unpaid surplus levy from the monthly payments within the meaning of Articles 14 and 15(2) of Regulation (EC) No 1290/2005. Before taking its decision, the Commission shall warn the Member State concerned, which shall make its position known within one week. Article 17 of Regulation (EC) No 1290/2005 shall not apply.

Article 72

Contribution of producers to the surplus levy due

The surplus levy shall be entirely allocated, in accordance with Articles 73 and 76, among the producers who have contributed to each of the overruns of the national quotas referred to in Article 59(2).

Without prejudice to Articles 73(2) and 76(1), producers shall be liable vis-à-vis the Member State for payment of their contribution to the surplus levy due, calculated in accordance with Articles 62, 63 and 73, for the mere fact of having overrun their available quotas.

For the 12-month periods starting on 1 April 2009 and 1 April 2010 and as regards the deliveries, the surplus levy shall be entirely allocated, in accordance with Articles 73 and 76, among the producers who have contributed to the overrun of the national quota as established by application of Article 71(2).

Article 73

Surplus levy on deliveries

1. In order to draw up the definitive surplus levy statement, the quantities delivered by each producer shall be increased or reduced to reflect any difference between the real fat content and the reference fat content.

At national level, the surplus levy shall be calculated on the basis of the sum of the deliveries, adjusted in accordance with the first subparagraph.

2. Each producer's contribution to payment of the surplus levy shall be established by decision of the Member State, after any unused part of the national quota allocated to deliveries has or has not been re-allocated, in proportion to the individual quotas of each producer or according to objective criteria to be set by the Member States:
 - (a) either at national level on the basis of the amount by which each producer's quota has been exceeded;
 - (b) or firstly at the level of the purchaser and thereafter at national level where appropriate.

Where the third subparagraph of Article 71(1) applies, Member States, in establishing each producer's contribution to the amount of levy payable due to the application of the higher rate referred to in that subparagraph, shall ensure that this amount is contributed proportionately by the producers responsible according to objective criteria to be set by the Member State.

Article 74

Role of purchasers

1. Purchasers shall be responsible for collecting from producers contributions due from the latter by virtue of the surplus levy and shall pay to the competent body of the Member State, before a date and following a procedure to be laid down by the Commission, by means of implementing acts pursuant to Article 81(d), (f) and (g), the amount of these contributions deducted from the price of the milk paid to the producers responsible for the overrun or, failing this, collected by any other appropriate means.
2. Where a purchaser fully or partially replaces one or more other purchasers, the individual quotas available to the producers shall be taken into account for the remainder of the twelve-month period in progress, after deduction of quantities already delivered and account being taken of their fat content. This paragraph shall also apply where a producer transfers from one purchaser to another.
3. Where, during the reference period, quantities delivered by a producer exceed that producer's available quota, the relevant Member State may decide that the purchaser shall deduct part of the price of the milk in any delivery by the producer concerned in excess of the quota, by way of an advance on the producer's contribution, in accordance with detailed rules laid down by the Member State. The Member State may make specific arrangements to enable purchasers to deduct this advance where producers deliver to several purchasers

Article 75

Approval

Purchaser status shall be subject to prior approval by the Member State in accordance with criteria to be laid by the Commission, by means of delegated acts pursuant to Article 80(1)(f).

Article 76

Surplus levy on direct sales

1. In the case of direct sales, each producer's contribution to payment of the surplus levy shall be established by decision of the Member State, after any unused part of the national quota allocated to direct sales has or has not been re-allocated, at the appropriate territorial level or at national level.
2. Member States shall establish the basis of calculation of the producer's contribution to the surplus levy due on the total quantity of milk sold, transferred or used to manufacture the milk products sold or transferred by applying criteria fixed by the Commission.
3. No correction linked to fat content shall be taken into account for the purpose of drawing up the definitive surplus levy statement.

Article 77

Amounts paid in excess or unpaid

1. Where, in the case of deliveries or direct sales, the surplus levy is found to be payable and the contribution collected from producers is greater than that levy, the Member State may:
 - (a) use partially or totally the excess to finance the measures in point (a) of Article 68(1), and/or
 - (b) redistribute it partially or totally to producers who:
 - (i) fall within priority categories established by the Member State on the basis of objective criteria and within the period to be laid down by the Commission, or
 - (ii) are affected by an exceptional situation resulting from a national rule unconnected with the quota system for milk and other milk products set up by this Chapter.
2. Where it is established that no surplus levy is payable, any advances collected by purchasers or the Member State shall be reimbursed no later than the end of the following twelve-month period.
3. Where a purchaser does not meet the obligation to collect the producers' contribution to the surplus levy in accordance with Article 74, the Member State may collect unpaid amounts directly from the producer, without prejudice to any penalties it may impose upon the defaulting purchaser.
4. Where a producer or a purchaser fails to comply with the time limit for payment, interest on arrears to be fixed by the Commission shall be paid to the Member State.

SECTION IV

PROCEDURAL RULES CONCERNING SUGAR AND MILK QUOTAS

SUBSECTION I

PROCEDURAL RULES CONCERNING SUGAR QUOTAS

Article 78

Delegated powers

1. In order to ensure that undertakings referred to in Article 51 comply with their obligations, the Commission may adopt, by means of delegated acts, rules on

granting and withdrawal of approval of such undertakings, as well as the criteria for administrative penalties.

2. In order to take into account the specificities of the sugar sector and to ensure that the interests of all parties are duly taken into account, the Commission may lay down, by means of delegated acts, further definitions, including of sugar, isoglucose and inulin syrup production, the production of an undertaking; and on the conditions governing sales to outermost regions.
3. In order to ensure that the beet growers are closely associated with a decision to carry forward a certain quantity of production, the Commission may, by means of delegated acts lay down rules concerning carry forward of sugar.

Article 79

Implementing powers

With regard to undertakings referred to in Article 51, the Commission may, by means of implementing acts, fix rules:

- (a) concerning applications for approval by undertakings, the records to be kept by approved undertakings, the information to be submitted by approved undertakings;
- (b) concerning the system of checks to be carried out by Member States on approved undertakings;
- (c) on Member States communications to the Commission and to approved undertakings;
- (d) on the delivery to undertakings of raw materials, including delivery contracts and delivery notes;
- (e) concerning equivalence regarding sugar referred to in Article 54(a);
- (f) for the specific supply regime for the outermost regions;
- (g) regarding exports as referred to in Article 54(d);
- (h) on Member State cooperation to ensure effective checks;
- (i) modify the dates laid down in Article 56;
- (j) for the establishment of the surplus quantity, the communications and payment of the surplus levy referred to in Article 57.

SUBSECTION II

PROCEDURAL RULES CONCERNING MILK QUOTAS

Article 80

Delegated powers

1. In order to ensure that the milk quota system achieves its objective, in particular the efficient utilisation of individual quota and the sound calculation, collection and utilisation of the levy, the Commission shall, by means of delegated acts, adopt rules as regards:
 - (a) temporary and definitive conversions of quota;
 - (b) the methods for the calculation of the levy;
 - (c) the reallocation of unused quota;
 - (d) the threshold for the application of fat content correction;
 - (e) producer obligations to deliver to approved purchasers;
 - (f) the approval of purchasers;
 - (g) the objective criteria for the redistribution of the excess levy;
 - (h) specific definitions relating to the operation of the system;
 - (i) the adjustment of the definition of "direct sale", taking into account the definition of "delivery" given in point (f) of Article 58(1).
2. In order to ensure that operators and Member States respect their obligations, the Commission may, by means of delegated acts, adopt rules on:
 - (a) penalties in cases where producers or purchasers fail to respect their obligations, in particular in respect of time limits for payment of the levy, delivery to an approved purchaser, the reporting of deliveries and direct sales, the forwarding of incorrect statements or declarations, failing to keep up to date records;
 - (b) penalties to be applied on Member States who do not fulfil their obligations as laid down in Article 62(2).

Article 81

Implementing powers

The Commission shall adopt, by means of implementing acts, all necessary rules including:

- (a) definitive conversions of quota and division of national quota between deliveries and direct sales;
- (b) establishment of coefficient for the individual quota fat content, fat content correction and recording of overrun of the national quota fat content;
- (c) establishment of milk equivalences;
- (d) time limit and the operative event for the applicable exchange rate regarding payment of the levy and for redistributing the excess levy, reduction of advances in cases where time limits fail to be respected;
- (e) applicable interest rates in cases of late payment, correct charge of the levy and use of the 1% levy non-payable to the EAGF;
- (f) informing producers of new definitions, communication of individual quota and notification of the levy;
- (g) communication of information on the application of arrangements for the levy in the milk sector;
- (h) drawing up of a statement of deliveries and declarations of direct sales;
- (i) obligations of purchasers and producers to draw up declarations, keep records and provide information;
- (j) checks on deliveries and direct sales.

SECTION V

PRODUCTION POTENTIAL IN THE WINE SECTOR

SUBSECTION I

UNLAWFUL PLANTINGS

Article 82

Unlawful plantings planted after 31 August 1998

1. Producers shall grub up at their own cost areas planted with vines without a corresponding planting right, where applicable, after 31 August 1998.
2. Pending grubbing-up in accordance with paragraph 1, grapes and products made from grapes from areas referred to in that paragraph may be put into circulation only for the purposes of distillation at the exclusive expense of the producer. The products resulting from distillation may not be used in the preparation of alcohol having an actual alcoholic strength by 80 % volume or less.

3. Without prejudice, where applicable, to earlier penalties imposed by Member States, Member States shall impose penalties on producers who have not complied with this grubbing-up obligation graduated according to the severity, extent and duration of the non-compliance.
4. The end of the transitional ban on new plantings on 31 December 2015, as provided for in Article 89(1), shall not affect the obligations provided for in this Article.

Article 83

Obligatory regularisation of unlawful plantings planted before 1 September 1998

1. Producers shall, against the payment of a fee and not later than 31 December 2009, regularise areas planted with vines without a corresponding planting right, where applicable, before 1 September 1998.

Without prejudice to any proceedings under clearance of accounts, the first subparagraph shall not apply to areas regularised on the basis of Article 2(3) of Council Regulation (EC) No 1493/1999¹⁸.

2. The fee referred to in paragraph 1 shall be determined by Member States. It shall be equivalent to at least twice the average value of the corresponding planting right in the region concerned.
3. Pending regularisation under paragraph 1, grapes or products made from grapes from areas referred to in that paragraph may be put into circulation only for the purpose of distillation at the exclusive expense of the producer. The products may not be used in the preparation of alcohol having an actual alcoholic strength of 80 % volume or less.
4. Unlawful areas referred to in paragraph 1 which are not regularised in accordance with that paragraph by 31 December 2009 shall be grubbed up by the producers concerned at their own expense.

Member States shall impose penalties, graduated according to the severity, extent and duration of the non-compliance, on producers who do not comply with this grubbing-up obligation.

Pending the grubbing-up referred to in the first subparagraph, paragraph 3 shall apply *mutatis mutandis*.

5. The end of the transitional ban on new plantings on 31 December 2015, as provided for in Article 89(1), shall not affect the obligations provided for in paragraphs 3 and 4.

¹⁸ OJ L 179 14.7.1999, p. 1.

Article 84

Verification of non-circulation or distillation

1. In relation to Article 82(2) and Article 83(3) and (4), Member States shall require proof of non-circulation of the products concerned or, where the products concerned are distilled, the submission of distillation contracts.
2. Member States shall verify non-circulation and distillation referred to in paragraph 1. They shall impose penalties in case of non-compliance.
3. Member States shall notify the Commission of the areas subject to distillation and the corresponding volumes of alcohol.

Article 85

Accompanying measures

Areas referred to in the first subparagraph of Article 83(1), as long as they are not regularised and areas referred to in Article 82(1) shall not benefit from any national or Union support measures.

Article 86

Delegated powers

1. In order to ensure that producers comply with their obligations under this Subsection, the Commission may, by means of delegated acts, adopt provisions concerning the non-circulation of products referred to in Article 84(1), and penalties that Member States may impose in case of non-compliance with the mentioned obligations.
2. In order to ensure the efficient detection and elimination of unlawful plantings, the Commission may, by means of a delegated act, adopt rules to reduce the Union allocation for support measures in case of non-compliance by Member States with the obligation to communicate data on unlawful plantings.

Article 87

Implementing powers

The Commission may, by means of implementing acts, adopt all necessary provisions regarding:

- (a) communications by Member States;

- (b) the collection of additional information concerning Member States communications under Commission Regulation (EC) No 1227/2000¹⁹.
- (c) checks to be undertaken by Member States and the reporting of information on such checks to the Commission.

SUBSECTION II

TRANSITIONAL PLANTING RIGHT REGIME

Article 88

Duration

This Subsection shall apply until 31 December 2015.

Article 89

Transitional prohibition on planting vines

1. Without prejudice to Article 166 and in particular paragraph 4 thereof, the planting of vines of wine grape varieties classifiable according to Article 166(2) shall be prohibited.
2. Grafting-on of wine grape varieties classifiable according to Article 166(2) to varieties other than wine grape varieties referred to in that Article shall also be prohibited.
3. Notwithstanding paragraphs 1 and 2, plantings and grafting-on as referred to in those paragraphs shall be allowed if covered by:
 - (a) a new planting right, as provided for in Article 90;
 - (b) a replanting right, as provided for in Article 91;
 - (c) a planting right granted from a reserve, as provided for in Articles 92 and 93.
4. The planting rights referred to in paragraph 3 shall be granted in hectares.
5. Member States may decide to maintain the prohibition referred to in paragraph 1 in their territory or parts of their territory until 31 December 2018 at the latest. In such cases the rules governing the transitional planting right regime as laid down in this Subsection, including this Article, shall apply accordingly in the given Member State.

¹⁹ OJ L 143, 16. 6. 2000, p. 1.

Article 90

New planting rights

1. Member States may grant new planting rights to producers in respect of areas:
 - (a) intended for new plantings carried out under measures for land consolidation or measures concerning compulsory purchases in the public interest adopted under national law;
 - (b) intended for experimental purposes;
 - (c) intended for graft nurseries; or
 - (d) whose wine or vine products are intended solely for the consumption by the wine-grower's household.
2. New planting rights granted shall be:
 - (a) exercised by the producer to whom they are granted;
 - (b) used before the end of the second wine year after the one in which they were granted;
 - (c) used for the purposes for which they were granted.

Article 91

Replanting rights

1. Member States shall grant replanting rights to producers who have grubbed up an area planted with vines.

However, grubbed-up areas for which a grubbing-up premium has been granted in accordance with Subsection III of Section IVa of Chapter III of Title I of Part II of Regulation (EC) No 1234/2007 shall not generate replanting rights.
2. Member States may grant replanting rights to producers who undertake to grub up an area planted with vines. In such cases, the grubbing-up of the pledged area shall be carried out at the latest at the end of the third year after which new vines for which the replanting rights had been granted have been planted.
3. Replanting rights granted shall correspond to the equivalent of the grubbed-up area in terms of pure crop.
4. Replanting rights shall be exercised on the holding in respect of which they were granted. Member States may further stipulate that such replanting rights may be exercised only on the area where the grubbing-up was carried out.

5. By way of derogation from paragraph 4, Member States may decide that replanting rights may be transferred, in whole or in part, to another holding in the same Member State in the following cases:
 - (a) part of the holding concerned is transferred to that other holding;
 - (b) areas on that other holding are intended for:
 - (i) the production of wines with a protected designation of origin or a protected geographical indication; or
 - (ii) the cultivation of graft nurseries.

Member States shall ensure that the application of the derogation provided for in the first subparagraph does not lead to an overall increase in production potential on their territory, in particular when transfers are made from non-irrigated to irrigated areas.
6. Paragraphs 1 to 5 shall apply *mutatis mutandis* to rights similar to replanting rights acquired under prior Union or national legislation.
7. Replanting rights granted under Article 4(5) of Regulation (EC) No 1493/1999 shall be used within the periods provided for therein.

Article 92

National and regional reserve of planting rights

1. In order to improve management of the production potential, Member States shall create a national reserve or regional reserves of planting rights.
2. Member States which have established national or regional reserves of planting rights under Regulation (EC) No 1493/1999 may maintain those reserves as long as they apply the transitional planting right regime in accordance with this Subsection.
3. The following planting rights shall be allocated to national or regional reserves if they are not used within the prescribed period:
 - (a) new planting rights;
 - (b) replanting rights;
 - (c) planting rights granted from the reserve.
4. Producers may transfer replanting rights to national or regional reserves. The conditions of such transfer, where necessary in return for a payment from national funds, shall be determined by the Member States taking into account the legitimate interests of the parties.
5. By way of derogation from paragraph 1, Member States may decide not to implement a reserve system provided that they can prove that an effective alternative system for managing planting rights exists throughout their territory. The alternative

system may, where necessary, derogate from the relevant provisions of this Subsection.

The first subparagraph shall also apply to Member States which cease the operation of national or regional reserves under Regulation (EC) No 1493/1999.

Article 93

Granting planting rights from the reserve

1. Member States may grant rights from a reserve:
 - (a) without payment, to producers who are under 40 years of age, who possess adequate occupational skills and competences, who are setting up for the first time and who are established as the head of the holding;
 - (b) against payment into national or, if appropriate, regional funds, to producers who intend to use the rights to plant vineyards the production of which has an assured outlet.

Member States shall define the criteria for setting the amounts of the payment referred to in point (b) of the first subparagraph, which may vary depending on the final intended product of the vineyards concerned and on the residual transitional period during which the prohibition on new plantings, as provided for in Article 89(1) and (2), applies.

2. Where planting rights granted from a reserve are used, Member States shall ensure that:
 - (a) the location and the varieties and the cultivation techniques used guarantee that the subsequent production is adapted to market demand;
 - (b) the yields concerned are typical of the average in the region, in particular where planting rights originating in non-irrigated areas are used in irrigated areas.
3. Planting rights granted from a reserve which are not used before the end of the second wine year after the one in which they were granted shall be forfeited and re-allocated to the reserve.
4. Planting rights in a reserve which are not disbursed before the end of the fifth wine year following their allocation to the reserve shall be extinguished.
5. If regional reserves exist in a Member State, the Member State may lay down rules permitting the transfer of planting rights between regional reserves. If both regional and national reserves exist in a Member State, the Member State may also allow for transfers between those reserves.

Transfers may be subject to a reduction coefficient.

Article 94

De minimis

This Subsection shall not apply in Member States where the Community planting right regime did not apply by 31 December 2007.

Article 95

Stricter national rules

Member States may adopt stricter national rules in respect of the award of new planting rights or replanting rights. They may require that the respective applications and the relevant information to be supplied therein be supplemented by additional information necessary for monitoring the development of production potential.

Article 96

Delegated powers

1. In order to avoid an increase in production potential the Commission may, by means of delegated acts,
 - (a) establish a list of situations in which grubbing-up does not generate replanting rights;
 - (b) adopt rules concerning transfers of planting rights between the reserves;
 - (c) prohibit the marketing wine or vine products intended solely for consumption by a vine grower's family.
2. In order to provide for an equal treatment of producers that engage in grubbing-up, the Commission may, by means of delegated acts, adopt rules to ensure effectiveness of grubbing-up where replanting rights are granted.
3. In order to protect Union funds and the identity, provenance and quality of Union wine, the Commission may by means of delegated acts:
 - (a) provide for the establishment of an analytical databank of isotopic data that will help detect fraud to be constructed on the basis of samples collected by Member States; and for rules on the Member States' own databanks;
 - (b) adopt rules on control bodies and the mutual assistance between them;
 - (c) adopt rules on the common use of Member States' findings;
 - (d) adopt rules on the treatment of sanctions in the case of exceptional circumstances.

Article 97

Implementing powers

The Commission may, by means of implementing acts, adopt all necessary measures related to this Subsection, including rules on:

- (a) granting of new planting rights including recording and communication obligations;
- (b) the transfer of replanting rights, including a reduction coefficient;
- (c) records to be kept by the Member States and notifications to the Commission, including a possible choice of a reserve system;
- (d) granting planting rights from the reserve;
- (e) checks to be undertaken by Member States and the reporting of information on such checks to the Commission;
- (f) the communication by Member States of an intention to apply Article 89(5) on their territory.

SUBSECTION III

**MARKETING RULES TO IMPROVE AND STABILISE THE OPERATION OF THE
COMMON MARKET IN WINES**

Article 98

Marketing rules to improve and stabilise the operation of the common market in wines

1. In order to improve and stabilise the operation of the common market in wines, including the grapes, musts and wines from which they derive, producer Member States may lay down marketing rules to regulate supply, particularly by way of decisions taken by the inter-branch organisations referred to in Articles 210(3) and 227.

Such rules shall be proportionate to the objective pursued and shall not:

- (a) relate to any transaction after the first marketing of the produce concerned;
- (b) allow for price fixing, including where prices are set for guidance or recommendation;
- (c) render unavailable an excessive proportion of the vintage that would otherwise be available;
- (d) provide scope for refusing to issue the national and Union certificates required for the circulation and marketing of wines where such marketing is in accordance with those rules.

2. The rules referred to in paragraph 1 must be brought to the attention of operators by publication in extenso in an official publication of the Member State concerned.
3. The reporting obligation referred to in Article 227(3) shall also apply in respect of the decisions or actions taken by the Member States in accordance with this Article.

CHAPTER IV

Aid schemes

SECTION I

PRODUCTION REFUND IN THE SUGAR SECTOR

Article 99

Production refund

1. A production refund may be granted on the products of the sugar-sector listed in points (b) to (e) of Part III of Annex I if surplus sugar or imported sugar, surplus isoglucose or surplus inulin syrup is not available at a price corresponding to the world price for the manufacturing of the products referred to in Article 55(2)(b) and (c).
2. Measures on the fixing of the production refund referred to in paragraph 1 shall be taken by the Council in accordance with Article 43(3) of the Treaty.

Article 100

Conditions for granting

In order to take into account the specificities of the out of quota sugar market in the Union, the Commission may, by means of delegated acts, adopt the conditions for the granting of the production refunds referred to in this Section.

SECTION II

AIDS IN THE MILK AND MILK PRODUCTS SECTOR

SUBSECTION I

AID FOR SPECIAL USE

Article 101

Aid for skimmed milk and skimmed milk powder for use as feedingstuffs

1. When surpluses of milk products build up or are likely to occur, creating or likely to create a serious imbalance in the market, the Commission may, by means of implementing acts, decide that aid shall be granted for Union-produced skimmed milk and skimmed-milk powder intended for use as feedingstuffs according to conditions and product standards to be determined by the Commission by means of delegated acts pursuant to Article 103.

For the purposes of this Article, buttermilk and buttermilk powder shall be regarded as skimmed milk and skimmed-milk powder.

2. Measures on the fixing of the aid amounts shall be taken by the Council in accordance with Article 43(3) of the Treaty.

Article 102

Aid for skimmed milk processed into casein and caseinates

1. When surpluses of milk products build up or are likely to occur, creating or likely to create a serious imbalance in the market, the Commission may, by means of implementing acts, decide that aid shall be granted for Union-produced skimmed milk processed into casein and caseinates, according to conditions and product standards of such milk and the casein or caseinates produced from it to be determined by the Commission by means of delegated acts pursuant to Article 103.
2. Measures on the fixing of the aid amounts shall be taken by the Council in accordance with Article 43(3) of the Treaty.

Article 103

Delegated powers

1. In order to ensure that the objectives of aids referred to in Articles 101 and 102 are achieved, the Commission may, by means of delegated acts, define the products that may benefit from those aids and establish conditions and standards relating to the use

of the products and the approval, and withdrawal of approval, of undertakings using the products for the purposes of claiming the aid.

2. In order to ensure that the skimmed milk and the skimmed milk powder for which aid is granted as provided for in Articles 101 and 102 are used for the intended purpose, the Commission may, by means of delegated acts, determine the records that undertakings must keep.
3. In order to ensure that operators respect their obligations, the Commission, by means of delegated acts:
 - (a) shall require the lodging of a security in the event that an advance of aid is paid and where operators participate in tendering procedures for the purchase of skimmed milk powder from public intervention;
 - (b) may introduce penalties in cases where operators do not comply with the scheme rules or the amount of aid claimed and paid is higher than is due.

Article 104

Implementing powers

The Commission may, by means of implementing acts, adopt the necessary measures related to Articles 101 and 102, and in particular determine:

- (a) the adjustments to be made to the aid rate based on the quality of the skimmed milk used;
- (b) the packaging requirements, the information to be contained on packages, the requirements for products moved in bulk;
- (c) requirements for the delivery of the feedingstuffs;
- (d) checks and inspections to be undertaken by Member States and the analytical tests to be used;
- (e) the procedures for applications, claims and paying aid;
- (f) the procedures applying where skimmed milk powder is released from public intervention for use as a feedingstuff.

SUBSECTION II

CONDITIONS FOR PRODUCTION OF CHEESE

Article 105

Use of casein and caseinates in the manufacture of cheese

1. Where aid is paid under Article 102, the use of casein and caseinates in the manufacture of cheese may be subject to prior authorisation which shall be granted only if such use is a necessary condition for the manufacture of the products.
2. For the purposes of this Subsection:
 - (a) 'cheese' means products covered by CN code 0406 and manufactured within the Union territory;
 - (b) 'casein and caseinates' means products covered by CN codes 3501 10 90 and 3501 90 90 and used as such or in the form of a mixture.

Article 106

Delegated powers

In order to ensure that the objectives of the aid referred to in Article 102 are achieved, the Commission may, by means of delegated acts, adopt rules:

- (a) making the use of casein and caseinates referred to in Article 105 subject to prior authorisation;
- (b) restricting the use of casein and caseinates to the maximum percentage of casein and caseinates to be incorporated in cheese on the basis of objective criteria having regard to what is technologically necessary;
- (c) establishing penalties for use of casein and caseinates without authorisation.

Article 107

Implementing powers

The Commission may, by means of implementing acts, adopt all necessary measures as regards the use of casein and caseinates referred to in Article 105, including in particular:

- (a) the conditions according to which the Member States shall grant the authorisations as regards the use of casein and caseinates;
- (b) the obligations to be respected by the undertakings authorised in accordance with point (a);

- (c) checks and inspections to be undertaken by Member States and the records to be kept.

SUBSECTION III

AID FOR THE SUPPLY OF MILK PRODUCTS TO PUPILS

Article 108

Supply of milk products to pupils

1. Union aid shall be granted for supplying to pupils in educational establishments certain processed milk products falling within CN codes 0401, 0403, 0404 90 and 0406 or CN code 2202 90.
2. Member States may, in addition to Union aid provided for in paragraph 1, grant national aid for supplying the products referred to in paragraph 1 to pupils in educational establishments. Member States may finance their national aid by means of a levy on the dairy sector or by any other contribution from the dairy sector.
3. Measures on fixing the Union aid for all milk shall be taken by the Council in accordance with Article 43(3) of the Treaty.
4. The Union aid provided for in paragraph 1 shall be granted on a maximum quantity of 0,25 litre of milk equivalent per pupil and per day.

Article 109

Delegated powers

1. In order to take account of the evolution in the dairy products consumption patterns and of the innovations and developments on the dairy products market, the Commission shall, by means of delegated acts, determine the products referred to in Article 108(1).
2. In order to ensure that the appropriate beneficiaries and applicants qualify for the aid referred to in Article 108(1), the Commission shall, by means of delegated acts, adopt the conditions for granting aid.

In order to ensure that applicants respect their obligations, the Commission shall, by means of delegated acts, adopt measures to prevent fraud and irregularities including:

- (a) the suspension of the right to participate in the aid scheme,
- (b) the lodging of a security guaranteeing the execution where an advance of aid is paid, and
- (c) the application of penalties to deter fraudulent behaviour.

3. In order to ensure that the aid is reflected in the price at which products are made available under the aid scheme, the Commission may, by means of delegated acts, provide for rules on the establishment of price monitoring under the aid scheme.
4. In order to promote awareness of the aid scheme, the Commission may, by means of delegated acts, require educational establishments to communicate the subsidising role of the Union.

Article 110

Implementing powers

The Commission may, by means of implementing acts, adopt all necessary measures as regards, in particular:

- (a) the maximum quantity eligible for the aid;
- (b) management of price monitoring pursuant to Article 109(3);
- (c) approval of applicants, aid applications and payments;
- (d) checks;
- (e) the methods of publicising the scheme;
- (f) notification of information to the Commission.

SECTION IV

AIDS IN THE HOPS SECTOR

Article 111

Aids to producer organisations

1. The Union shall finance a payment to producer organisations in the hops sector recognised in accordance with Article 209 to finance the aims referred to in that Article.
2. The Union financing per year for the payment to producer organisations provided for in paragraph 1 shall be EUR 2 277 000 for Germany.

Article 112

Delegated powers

In order to ensure that the aids finance the aims referred to in Article 209, the Commission may, by means of delegated acts, adopt rules on:

- (a) aid applications, including rules on deadlines and accompanying documents;
- (b) aid entitlement, including rules on eligible hop areas and the calculation of the amounts to be paid to each producer organisation;
- (c) sanctions to be applied in the case of undue payment.

Article 113

Implementing powers

The Commission may, by means of implementing acts, adopt the necessary measures related to this Section concerning:

- (a) the payment of aid;
- (b) checks and inspections.

SECTION V

AIDS IN THE OLIVE OIL AND TABLE OLIVES SECTOR

Article 114

Aids to operator organisations

1. The Union shall finance three-year work programmes to be drawn up by the operator organisations as defined in Article 212 in one or more of the following areas:
 - (a) the market follow-up and administrative management in the olive oil and table olives sector;
 - (b) the improvement of the environmental impacts of olive cultivation;
 - (c) the improvement of the production quality of olive oil and table olives;
 - (d) the traceability system, the certification and protection of the quality of olive oil and table olives, in particular the monitoring of the quality of olive oils sold to final consumers, under the authority of the national administrations;
 - (e) the dissemination of information on the activities carried out by operator organisations with the aim of improving the quality of olive oil.
2. The Union financing per year of the work programmes shall be:
 - (a) EUR 11 098 000 for Greece;
 - (b) EUR 576 000 for France; and

- (c) EUR 35 991 000 for Italy.
3. The maximum Union funding for the work programmes referred to in paragraph 1 shall be equal to the part of the amounts withheld by the Member States. This funding shall concern the eligible cost with a maximum of:
- (a) 100 % for activities in the areas referred to in points (a) and (b) of paragraph 1;
 - (b) 100 % for fixed assets investments and 75 % for other activities in the area referred to in point (c) of paragraph 1;
 - (c) 75 % for the work programmes carried out in at least three third countries or non-producing Member States by approved operator organisations from at least two producer Member States in the areas referred to in points (d) and (e) of paragraph 1, and 50 % for the other activities in these areas.

Complementary financing shall be ensured by the Member State up to 50 % of the costs not covered by the Union funding.

4. Without prejudice to any specific provisions which may be adopted by the Commission pursuant to Article 318, Member States shall verify that the conditions for granting Union funding are met. To that end, they shall carry out an audit of work programmes and a plan involving checks on a sample determined on the basis of a risk analysis and comprising at least 30 % per year of producer organisations and all the other operators' organisations in receipt of Union funding under this Article.

Article 115

Delegated powers

1. In order to ensure that the aids provided for in Article 114 meet their objectives of improving the production quality of olive oil and table olives, the Commission may, by means of delegated acts, adopt rules on:
- (a) the conditions for the approval of operator organisations, and for the suspension or withdrawal of such approval;
 - (b) the measures eligible for Union financing;
 - (c) the allocation of Union financing to particular measures;
 - (d) the activities and costs that are not eligible for Union financing;
 - (e) the selection and approval of work programmes.
2. In order to ensure that operators respect their obligations, the Commission may, by means of delegated acts, require:
- (a) the lodging of a security where an advance of aid is paid;
 - (b) sanctions to be applied in the event of irregularities being discovered.

Article 116

Implementing powers

The Commission may, by means of implementing acts, adopt the necessary measures related to this Section concerning:

- (a) the monitoring of programme expenditure;
- (b) the undertaking of work programmes and amendments to such programmes;
- (c) the payment of aid, including advances of aid;
- (d) reporting by beneficiaries on work programmes;
- (e) checks and inspections;
- (f) reporting by Member States to the Commission.

SECTION VI

AIDS IN THE FRUIT AND VEGETABLES SECTOR

SUBSECTION I

PRODUCER GROUPS

Article 117

Aid to producer groups

1. During the transitional period allowed pursuant to Article 217, Member States may grant to producer groups in the fruit and vegetables sector which have been formed in view of being recognised as a producer organisation:
 - (a) aid to encourage their formation and facilitate their administrative operation;
 - (b) aid, provided either directly or through credit institutions, to cover part of the investments required to attain recognition and set out in the recognition plan referred to in the third subparagraph of Article 217(1).
2. The aid referred to in paragraph 1 shall be reimbursed by the Union in accordance with rules on the financing of such aids, including the thresholds and ceilings and the degree of Union financing, to be adopted by the Commission by means of delegated acts pursuant to Article 118.
3. The aid referred to in paragraph 1(a) shall be determined for each producer group on the basis of its marketed production and shall amount, for the first, second, third, fourth and fifth years, to:

- (a) 10 %, 10 %, 8 %, 6 % and 4 % respectively of the value of marketed production in the Member States which acceded to the European Union on 1 May 2004 or thereafter; and
- (b) 5 %, 5 %, 4 %, 3 % and 2 %, respectively of the value of marketed production in the outermost regions of the Union as referred to in Article 349 of the Treaty or in the smaller Aegean Islands as referred to in Article 1(2) of Council Regulation (EC) No 1405/2006²⁰.

Those percentage rates may be reduced in relation to the value of marketed production which exceeds a threshold. A ceiling may be applied to the aid payable in any given year to a producer group.

Article 118

Delegated powers

In order to ensure an efficient and targeted use of support to producer groups in the fruit and vegetables sector, the Commission shall, by means of delegated acts, adopt rules on:

- (a) the financing of recognition plans of a producer group;
- (b) the thresholds and ceilings for aid and the degree of Union co-financing;
- (c) the basis for the calculation of the aid, including the value of the marketed production of a producer group;
- (d) the eligibility of producer groups;
- (e) the main activities of a producer group;
- (f) the content, submission and approval of recognition plans;
- (g) the conditions under which producer groups may request changes to recognition plans;
- (h) aid for investments;
- (i) mergers of producer groups and continuance of aid.

Article 119

Implementing powers

The Commission may, by means of implementing acts, adopt all necessary measures related to this Subsection regarding:

- (a) aid applications, including payments of aid;

²⁰ OJ L 265, 26.9.2006, p. 1.

- (b) the implementation of recognition plans;
- (c) the consequences of recognition.

SUBSECTION II

OPERATIONAL FUNDS AND OPERATIONAL PROGRAMMES

Article 120

Operational funds

1. Producer organisations in the fruit and vegetables sector may set up an operational fund. The fund shall be financed by:
 - (a) financial contributions of members or of the producer organisation itself;
 - (b) Union financial assistance which may be granted to producer organisations, in accordance with the terms and conditions set out in delegated and implementing acts to be adopted by the Commission pursuant to Articles 126 and 127.
2. Operational funds shall be used only to finance operational programmes approved by Member States in accordance with Article 125.

Article 121

Operational programmes

1. Operational programmes in the fruit and vegetables sector shall have two or more of the objectives referred to in Article 209(c) or of the following objectives:
 - (a) planning of production;
 - (b) improvement of product quality;
 - (c) boosting products' commercial value;
 - (d) promotion of the products, whether in a fresh or processed form;
 - (e) environmental measures and methods of production respecting the environment, including organic farming;
 - (f) crisis prevention and management.
2. Crisis prevention and management shall be related to avoiding and dealing with crises on the fruit and vegetable markets and shall cover in this context:
 - (a) market withdrawal;

- (b) green harvesting or non-harvesting of fruit and vegetables;
- (c) promotion and communication;
- (d) training measures;
- (e) harvest insurance;
- (f) support for the administrative costs of setting up mutual funds.

Crisis prevention and management measures, including any repayment of capital and interest as referred to in the third subparagraph, shall not comprise more than one-third of the expenditure under the operational programme.

In order to finance crisis prevention and management measures, producer organisations may take out loans on commercial terms. In this case, the repayment of the capital and interest on those loans may form part of the operational programme and so may be eligible for Union financial assistance under Article 122. Any specific action under crisis prevention and management shall be financed either by such loans, or directly, but not both.

3. Member States shall provide that:

- (a) operational programmes include two or more environmental actions; or
- (b) at least 10 % of the expenditure under operational programmes covers environmental actions.

Environmental actions shall respect the requirements for agri-environment payments set out in the first subparagraph of Article 39(3) of Regulation (EC) No 1698/2005.

Where at least 80 % of the producer members of a producer organisation are subject to one or more identical agri-environment commitments under that provision then each one of those commitments shall count as an environmental action as referred to in point (a) of the first subparagraph.

Support for the environmental actions referred to in the first subparagraph shall cover additional costs and income foregone resulting from the action.

[4. Paragraph 3 shall only apply in Bulgaria and Romania from 1 January 2011.]

5. Investments which increase environmental pressure shall only be permitted in situations where effective safeguards to protect the environment from these pressures are in place.

Article 122

Union financial assistance

1. The Union financial assistance shall be equal to the amount of the financial contributions referred to in Article 120(1)(a) as actually paid but limited to 50 % of the actual expenditure incurred.
2. The Union financial assistance shall be capped at 4,1 % of the value of the marketed production of each producer organisation.

However, that percentage may be increased to 4,6 % of the value of the marketed production provided that the amount in excess of 4,1 % of the value of the marketed production is used solely for crisis prevention and management measures.

3. At the request of a producer organisation, the percentage provided for in paragraph 1 shall be 60 % for an operational programme or part of an operational programme where it meets at least one of the following conditions:
 - (a) it is submitted by several Union producer organisations operating in different Member States on transnational schemes;
 - (b) it is submitted by one or more producer organisations engaged in schemes operated on an interbranch basis;
 - (c) it covers solely specific support for the production of organic products covered by Council Regulation (EC) No 834/2007²¹;
 - (d) it is submitted by a producer organisation in one of the Member States which acceded to the European Union on 1 May 2004 or thereafter for measures running no later than the end of 2013;
 - (e) it is the first to be submitted by a recognised producer organisation which has merged with another recognised producer organisation;
 - (f) it is the first to be submitted by a recognised association of producer organisations;
 - (g) it is submitted by producer organisations in Member States where producer organisations market less than 20 % of fruit and vegetables production;
 - (h) it is submitted by a producer organisation in one of the outermost regions of the Union;
 - (i) it covers solely specific support for actions to promote the consumption of fruit and vegetables targeted at children in educational establishments.

4. The percentage provided for in paragraph 1 shall be 100 % in the case of market withdrawals of fruit and vegetables which shall not exceed 5 % of the volume of

²¹ OJ L 189, 20.7.2007, p. 1.

marketed production of each producer organisation and which are disposed of by way of:

- (a) free distribution to charitable organisations and foundations, approved to that effect by the Member States, for use in their activities to assist persons whose right to public assistance is recognised in national law, in particular because they lack the necessary means of subsistence;
- (b) free distribution to penal institutions, schools and public education institutions and to children's holiday camps as well as to hospitals and old people's homes designated by the Member States, which shall take all necessary steps to ensure that the quantities thus distributed are additional to the quantities normally bought in by such establishments.

Article 123

National financial assistance

1. In regions of the Member States where the degree of organisation of producers in the fruit and vegetables sector is particularly low, Member States may be authorised by the Commission, by means of implementing acts, on a duly substantiated request, to pay producer organisations national financial assistance equal to a maximum of 80 % of the financial contributions referred to in Article 120(1)(a). This assistance shall be additional to the operational fund.
2. In regions of Member States where producer organisations market less than 15 % of the value of fruit and vegetable production and whose fruit and vegetable production represents at least 15 % of their total agricultural output, the national financial assistance referred to in paragraph 1 may be reimbursed by the Union at the request of the Member State concerned. The Commission shall decide on that reimbursement by means of implementing acts.

Article 124

National framework and national strategy for operational programmes

1. Member States shall establish a national framework for drawing up the general conditions relating to the actions referred to in Article 121(3). This framework shall provide in particular that such actions shall meet the appropriate requirements of Regulation (EC) No 1698/2005 including those in its Article 5 on complementarity, consistency and conformity.

Member States shall submit their proposed framework to the Commission which, by means of implementing acts without the assistance of the Committee referred to in Article 323(1), may require modifications within three months if it finds that the proposal does not enable the attainment of the objectives set out in Article 191 of the Treaty and in the sixth Union environment action programme. Investments on individual holdings supported by operational programmes shall also respect those objectives.

2. Member States shall establish a national strategy for sustainable operational programmes in the fruit and vegetable market. Such a strategy shall provide for the following elements:
 - (a) an analysis of the situation in terms of strengths and weaknesses and the potential for development;
 - (b) justification of the priorities chosen;
 - (c) the objectives of operational programmes and instruments, performance indicators;
 - (d) assessment of operational programmes;
 - (e) reporting obligations for producer organisations.

The national strategy shall also integrate the national framework referred to in paragraph 1.

3. Paragraphs 1 and 2 shall not apply to Member States which have no recognised producer organisations.

Article 125

Approval of operational programmes

1. Draft operational programmes shall be submitted to the competent national authorities, who shall approve or reject them or request their modification in line with the provisions of this Subsection.
2. Producer organisations shall communicate to the Member State the estimated amount of the operational fund for each year and shall submit appropriate reasons therefore based on operational programme estimates, expenditure for the current year and possibly expenditure for previous years and, if necessary, on estimated production quantities for the next year.
3. The Member State shall notify the producer organisation or association of producer organisations of the estimated amount of Union financial assistance in line with the limits set out in Article 122.
4. Union financial assistance payments shall be made on the basis of expenditure incurred for the schemes covered by the operational programme. Advances may be made in respect of the same schemes subject to the provision of a guarantee or security.
5. The producer organisation shall notify the Member State of the final amount of expenditure for the previous year, accompanied by the necessary supporting documents, so that it may receive the balance of the Union financial assistance.

6. Operational programmes and their financing by producers and producer organisations on the one hand and by Union funds on the other shall have a minimum duration of three and a maximum duration of five years.

Article 126

Delegated powers

In order to ensure an efficient, targeted and sustainable support of producer organisations in the fruit and vegetables sector, the Commission may, by means of delegated acts, adopt rules on:

- (a) operational funds and operational programmes, including rules on:
 - (i) the financing and use of operational funds;
 - (ii) the content, approval and modification of operational programmes;
 - (iii) the eligibility of measures, actions or expenditure under an operational programme and complementary national rules in this respect;
 - (iv) the relationship between operational programmes and rural development programmes;
 - (v) partial operational programmes;
 - (vi) monitoring and evaluation of operational programmes;
- (b) the national framework and national strategy for operational programmes, including rules on:
 - (i) the structure and content of a national framework and a national strategy;
 - (ii) monitoring, evaluation and communications in respect of the national framework and the national strategies;
- (c) Union financial assistance, including rules on:
 - (i) the basis for the calculation of Union financial assistance, in particular the value of the marketed production of a producer organisation;
 - (ii) applicable reference periods for the calculation of aid;
 - (iii) reductions of financial assistance entitlements in case of late submission of aid applications;
 - (iv) the lodging and forfeiture of securities in case of advance payments;
- (d) crisis prevention and management measures, including rules on:
 - (i) the selection of crisis prevention and management measures;

- (ii) the definition of market withdrawal;
 - (iii) destinations for withdrawn products;
 - (iv) the maximum support for market withdrawals;
 - (v) prior notifications in case of market withdrawals;
 - (vi) the calculation of the volume of marketed production in case of withdrawals;
 - (vii) the display of the European emblem on packages of products for free distribution;
 - (viii) the conditions for the recipients of withdrawn products;
 - (ix) the definitions of green harvesting and non-harvesting;
 - (x) the conditions for the application of green harvesting and non-harvesting;
 - (xi) the objectives of harvest insurance;
 - (xii) the definition of adverse climatic event;
 - (xii) the conditions for support for the administrative cost of setting up mutual funds;
- (e) national financial assistance, including rules on:
- (i) the degree of organisation of producers;
 - (ii) modifications of operational programmes;
 - (iii) reductions of financial assistance entitlements in case of late submission of financial assistance applications;
 - (iv) the lodging, releasing and forfeiture of securities in case of advance payments;
 - (v) the maximum proportion of union reimbursement of the national financial assistance.

Article 127

Implementing powers

The Commission may, by means of implementing acts, adopt all necessary measures relating to this Subsection regarding:

- (a) the management of operational funds and communications in respect of estimated amounts of operational funds;
- (b) the submission of operational programmes, including time limits and required accompanying documents;

- (c) the format of operational programmes;
- (d) the management of monitoring and evaluation of national strategies and operational programmes pursuant to Article 126(a)(vi);
- (e) communications by the Member States to the producer organisations and associations of producer organisations in respect of amounts of approved aid;
- (f) aid applications and payments of aid, including advance and partial payments of aid;
- (g) loans to finance crisis prevention and management measures;
- (h) the respect for marketing standards in case of withdrawals;
- (i) transport, sorting and packaging costs in case of free distribution;
- (j) promotion, communication and training measures in case of crisis prevention and management;
- (k) the management of harvest insurance measures;
- (l) provisions on state aids for crisis prevention and management measures;
- (m) the authorisation to pay national financial assistance;
- (n) application for and payment of national financial assistance;
- (o) reimbursement of national financial assistance.

SUBSECTION III

SCHOOL FRUIT SCHEME

Article 128

Aid for the supply of fruit and vegetable, processed fruit and vegetable and banana products to children

1. Under conditions to be determined by the Commission by means of delegated and implementing acts pursuant to Articles 129 and 130, Union aid shall be granted for:
 - (a) the supply to children in educational establishments, including nurseries, other pre-school establishments, primary and secondary schools, of products of the fruit and vegetables, processed fruit and vegetables, and bananas sectors; and
 - (b) certain related costs linked to logistics and distribution, equipment, publicity, monitoring and evaluation.
2. Member States, at national or regional level, wishing to participate in the scheme shall draw up a prior strategy for its implementation containing, in particular, the

budget of their scheme including the Union and national contributions, the duration, the target group, the eligible products and the involvement of relevant stakeholders. They shall also provide for the accompanying measures necessary to make the scheme effective.

3. When drawing up their strategies, Member States shall draw up a list of products of the fruit and vegetables, processed fruit and vegetables, and bananas sectors that will be eligible under their respective schemes. This list, however, shall not include products excluded by a measure adopted by the Commission by means of delegated acts pursuant to Article 129. They shall choose their products on the basis of objective criteria which may include seasonality, availability of produce or environmental concerns. In this connection, Member States may give preference to products of EU origin.
4. The Union aid referred to in paragraph 1 shall neither:
 - (a) exceed EUR 90 million per school year; nor
 - (b) exceed 50 % of the costs of supply and related costs referred to in paragraph 1, or 75 % of such costs in the regions eligible under the Convergence Objective in accordance with Article 5(1) of Council Regulation (EC) No 1083/2006²² and in the outermost regions referred to in Article 349 of the Treaty; nor
 - (c) cover costs other than the costs of supply and related costs referred to in paragraph 1.
5. The Union aid provided for in paragraph 1 shall be allocated to each Member State on the basis of objective criteria based on their proportion of six to ten year old children. However, Member States participating in the scheme shall each receive at least EUR 175 000 of Union aid. Member States participating in the scheme shall apply every year for Union aid on the basis of their strategy. Following the requests of the Member States, the Commission shall decide on definitive allocations, within the appropriations available in the budget.
6. Union aid provided for in paragraph 1 shall not be used to replace funding for any existing national school fruit schemes or other school distribution schemes that include fruit. However, if a Member State already has a scheme in place that would be eligible for Union aid under this Article and intends to extend it or make it more effective, including as regards the target group of the scheme, its duration or eligible products, Union aid may be granted provided that the limits of paragraph 4(b) are abided by as regards the proportion of Union aid to the total national contribution. In this case, the Member State shall indicate in its strategy how it intends to extend its scheme or make it more effective.
7. Member States may, in addition to Union aid, grant national aid for the supply of products and related costs referred to in paragraph 1. These costs may also be covered by contributions from the private sector. Member States may also grant national aid for financing the accompanying measures referred to in paragraph 2.

²² OJ L 210, 31.7.2006, p. 25.

8. The Union School Fruit Scheme shall be without prejudice to any separate national school fruit schemes which are compatible with Union law.
9. The Union may also finance, under Article 5 of Regulation (EC) No 1290/2005, information, monitoring and evaluation measures relating to the School Fruit Scheme, including raising public awareness of it, and related networking measures.

Article 129

Delegated powers

1. In order to promote the healthy eating habits of children, the Commission may, by means of delegated acts, adopt rules on:
 - (a) the products that are ineligible for the scheme;
 - (b) the target group of the scheme;
 - (c) the national or regional strategies that Member States must draw up in order to benefit from the aid, including the accompanying measures;
 - (d) the approval and selection of aid applicants.
2. In order to ensure the efficient and targeted use of European Funds, the Commission may by means of delegated acts, adopt rules on:
 - (a) the indicative allocation of aid between Member States, the method for reallocating aid between Member States based on applications received and any reductions to be applied as a consequence of non-compliance with the rules of the scheme;
 - (b) the costs eligible for aid, including the possibility of fixing an overall ceiling for such costs;
 - (c) monitoring and evaluation.
3. In order to ensure that operators respect their obligations the Commission shall, by means of delegated acts, adopt measures to prevent fraud and irregularities including the suspension of the right to participate in the scheme and the withdrawal of approval.
4. In order to promote awareness of the scheme the Commission may, by means of delegated acts, require beneficiaries to publicise the subsidising role of the scheme.

Article 130

Implementing powers

The Commission may, by means of implementing acts, adopt all necessary measures related to this Subsection as regards, in particular:

- (a) the definitive allocation of aid between Member States;
- (b) the aid applications and payments;
- (c) the checks;
- (d) the methods of publicising, and networking measures in respect of, the scheme;
- (e) the notification of information to the Commission.

SECTION VII

SUPPORT PROGRAMMES IN THE WINE SECTOR

SUBSECTION I

INTRODUCTORY PROVISIONS

Article 131

Scope

This Section lays down the rules governing the attribution of Union funds to Member States and the use of those funds by Member States through national support programmes (hereinafter referred to as support programmes) to finance specific support measures to assist the wine sector.

Article 132

Compatibility and consistency

1. Support programmes shall be compatible with Union law and consistent with the activities, policies and priorities of the Union.
2. Member States shall be responsible for the support programmes and ensure that they are internally consistent and drawn up and implemented in an objective manner, taking into account the economic situation of the producers concerned and the need to avoid unjustified unequal treatment between producers.

Member States shall be responsible for providing for and carrying out the necessary checks, verifications and penalties in case of non-compliance with the support programmes.

3. No support shall be granted:
 - (a) for research projects and measures to support research projects;

- (b) for measures which are contained in Member States' rural development programmes under Regulation (EC) No 1698/2005.

SUBSECTION II

SUBMISSION AND CONTENT OF SUPPORT PROGRAMMES

Article 133

Submission of support programmes

1. Each producer Member State referred to in Annex X shall submit to the Commission a draft five-year support programme containing measures in accordance with this Section.

Support programmes that became applicable in accordance with the first subparagraph of Article 5(1) of Council Regulation (EC) No 479/2008²³ shall continue to apply under this Regulation.

The support measures in the support programmes shall be drawn up at the geographical level which the Member States deem most appropriate. Before being submitted to the Commission, the support programme shall be subject to consultation with the competent authorities and organisations at the appropriate territorial level.

Each Member State shall submit one single draft support programme which may accommodate regional particularities.

2. Support programmes shall become applicable three months after their submission to the Commission.

However, if the Commission, by means of an implementing act without the assistance of the Committee referred to in Article 323(1), finds that the submitted support programme does not comply with the conditions laid down in this Section, the Commission shall inform the Member State thereof. In such a case, the Member State shall submit a revised support programme to the Commission. The revised support programme shall become applicable two months after its notification unless an incompatibility persists in which case this subparagraph shall apply.

3. Paragraph 2 shall apply *mutatis mutandis* to changes in respect of support programmes submitted by Member States.
4. Article 134 shall not apply where a Member State's only measure in a support programme consists of the transfer to the Single Payment Scheme referred to in Article 137. In such case, Article 308(5) shall apply only in relation to the year in which the transfer takes place and Article 308(6) shall not apply.

²³ OJ L 148, 6.6.2008, p. 1.

Article 134

Content of support programmes

Support programmes shall consist of the following elements:

- (a) a detailed description of the measures proposed as well as their quantified objectives;
- (b) the results of consultations held;
- (c) an appraisal showing the expected technical, economic, environmental and social impact;
- (d) a schedule for implementing the measures;
- (e) a general financing table showing the resources to be deployed and the envisaged indicative allocation of the resources between the measures in accordance with ceilings provided for in Annex X;
- (f) the criteria and quantitative indicators to be used for monitoring and evaluation as well as the steps taken to ensure that the support programmes are implemented appropriately and effectively; and
- (g) the designation of competent authorities and bodies responsible for implementing the support programme.

Article 135

Eligible measures

1. Support programmes shall contain one or more of the following measures:
 - (a) Single Payment Scheme support in accordance with Article 137;
 - (b) promotion in accordance with Article 138;
 - (c) restructuring and conversion of vineyards in accordance with Article 139;
 - (d) green harvesting in accordance with Article 140;
 - (e) mutual funds in accordance with Article 141;
 - (f) harvest insurance in accordance with Article 142;
 - (g) investments in accordance with Article 143;
 - (h) by-product distillation in accordance with Article 144;
 - (i) potable alcohol distillation in accordance with Article 103w of Regulation (EC) No 1234/2007;

- (j) crisis distillation in accordance with Article 103x of Regulation (EC) No 1234/2007;
 - (k) use of concentrated grape must in accordance with Article 103y of Regulation (EC) No 1234/2007.
2. Support programmes shall not contain other measures than the ones listed in Articles 137 to 144 of this Regulation and Articles 103w, 103x and 103y of Regulation (EC) No 1234/2007.

Article 136

General rules concerning support programmes

1. The allocation of the available Union funds as well as the budgetary limits are provided for in Annex X.
2. Union support shall only relate to eligible expenditure incurred after the submission of the relevant support programme as referred to in Article 133(1).
3. Member States shall not contribute to the costs of measures financed by the Union under the support programmes.
4. By way of derogation from paragraph 3, Member States may grant national aid in accordance with the relevant Union rules on State aid for the measures referred to in Articles 138, 142 and 143.

The maximum aid rate as laid down in the relevant Union rules on State aids shall apply to the global public financing, including both Union and national funds.

SUBSECTION III

SPECIFIC SUPPORT MEASURES

Article 137

Single Payment Scheme and support to vine-growers

1. Member States may provide support to vine-growers by allocating to them payment entitlements within the meaning of Chapter 1 of Title III of Regulation (EC) No 73/2009 in accordance with point O of Annex VII to that Regulation.
2. Member States intending to make use of the possibility referred to in paragraph 1 shall foresee such support in their support programmes, including, as regards subsequent transfers of funds to the Single Payment Scheme, by way of changes to those programmes in accordance with Article 133(3).
3. Once effective, support as referred to in paragraph 1 shall:

- (a) remain in the Single Payment Scheme and no longer be available, or be made available under Article 133(3), for the measures listed in Articles 138 to 144 of this Regulation and Articles 103w, 103x and 103y of Regulation (EC) No 1234/2007 in subsequent years of the operation of the support programmes;
- (b) commensurately reduce the amount of funds available for measures listed in Articles 138 to 144 of this Regulation and Articles 103w, 103x and 103y of Regulation (EC) No 1234/2007 in the support programmes.

Article 138

Promotion on third-country markets

1. Support under this Article shall cover information or promotion measures concerning Union wines in third countries, thereby improving their competitiveness in those countries.
2. The measures referred to in paragraph 1 shall relate to wines with a protected designation of origin or a protected geographical indication or wines with an indication of the wine grape variety.
3. The measures referred to in paragraph 1 may consist only of:
 - (a) public relations, promotion or advertisement measures, in particular highlighting the advantages of the Union products, especially in terms of quality, food safety or environmental friendliness;
 - (b) participation at events, fairs or exhibitions of international importance;
 - (c) information campaigns, in particular on the Union systems covering designations of origin, geographical indications and organic production;
 - (d) studies of new markets, necessary for the expansion of market outlets;
 - (e) studies to evaluate the results of the information and promotion measures.
4. The Union contribution to promotion activities shall not exceed 50 % of the eligible expenditure.

Article 139

Restructuring and conversion of vineyards

1. The objective of measures relating to the restructuring and conversion of vineyards shall be to increase the competitiveness of wine producers.
2. The restructuring and conversion of vineyards shall be supported in accordance with this Article only if Member States submit the inventory of their production potential in accordance with Article 304(3).

3. Support for the restructuring and conversion of vineyards may only cover one or more of the following activities:
 - (a) varietal conversion, including by means of grafting-on;
 - (b) relocation of vineyards;
 - (c) improvements to vineyard management techniques.

The normal renewal of vineyards which have come to the end of their natural life shall not be supported.
4. Support for the restructuring and conversion of vineyards may only take the following forms:
 - (a) compensation to producers for the loss of revenue due to the implementation of the measure;
 - (b) contribution to the costs of restructuring and conversion.
5. Compensation to producers for the loss of revenue as referred to in paragraph 4(a) may cover up to 100 % of the relevant loss and take either of the following forms:
 - (a) notwithstanding Subsection II of Section V of Chapter III of Title I of Part II setting out the transitional planting right regime, the permission for both old and new vines to coexist for a fixed period which shall not exceed three years, until the end of the transitional regime concerning planting rights;
 - (b) financial compensation.
6. The Union contribution to the actual costs of the restructuring and conversion of vineyards shall not exceed 50 %. In regions classified as convergence regions in accordance with Regulation (EC) No 1083/2006, the Union contribution to the costs of restructuring and conversion shall not exceed 75 %.

Article 140

Green harvesting

1. For the purposes of this Article, green harvesting means the total destruction or removal of grape bunches while still in their immature stage, thereby reducing the yield of the relevant area to zero.
2. Support for green harvesting shall contribute to restoring the balance of supply and demand in the market in wine in the Union in order to prevent market crises.
3. Support for green harvesting may be granted as compensation in the form of a flat rate payment per hectare to be determined by the Member State concerned.

The payment shall not exceed 50 % 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.

4. The Member States concerned shall establish a system based on objective criteria to ensure that the green harvesting measure does not lead to compensation of individual wine producers in excess of the ceiling referred to in the second subparagraph of paragraph 3.

Article 141

Mutual funds

1. Support for the setting up of mutual funds shall provide assistance to producers seeking to insure themselves against market fluctuations.
2. Support for the setting up of mutual funds may be granted in the form of temporary and degressive aid to cover the administrative costs of the funds.

Article 142

Harvest insurance

1. Support for harvest insurance shall contribute to safeguarding producers' incomes where these are affected by natural disasters, adverse climatic events, diseases or pest infestations.
2. Support for harvest insurance may be granted in the form of a financial Union contribution which must not exceed:
 - (a) 80 % of the cost of the insurance premiums paid for by producers for insurance against losses resulting from adverse climatic events which can be assimilated to natural disasters;
 - (b) 50 % of the cost of the insurance premiums paid for by producers for insurance against:
 - (i) losses referred to in point (a) and against other losses caused by adverse climatic events;
 - (ii) losses caused by animals, plant diseases or pest infestations.
3. Support for harvest insurance may only be granted if the insurance payments concerned do not compensate producers for more than 100 % of the income loss suffered, taking into account any compensation the producers may have obtained from other support schemes related to the insured risk.
4. Support for harvest insurance shall not distort competition in the insurance market.

Article 143

Investments

1. Support may be granted for tangible or intangible investments in processing facilities, winery infrastructure and marketing of wine which improve the overall performance of the enterprise and concern one or more of the following:
 - (a) the production or marketing of products referred to in Part II of Annex XII;
 - (b) the development of new products, processes and technologies related to the products referred to in Part II of Annex XII.
2. Support under paragraph 1 at its maximum rate shall be limited to micro, small and medium-sized enterprises within the meaning of Commission Recommendation 2003/361/EC of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises²⁴. For the territories of the Azores, Madeira, the Canary Islands, the smaller Aegean islands within the meaning of Regulation (EC) No 1405/2006 and the French overseas departments, no size limits shall apply for the maximum rate. For enterprises that are not covered by Article 2(1) of Title I of the Annex to Recommendation 2003/361/EC with less than 750 employees or with a turnover of less than EUR 200 million, the maximum aid intensity shall be halved.

Support shall not be granted to enterprises in difficulty within the meaning of the Community guidelines on State aid for rescuing and restructuring firms in difficulty²⁵.
3. The eligible expenditure shall exclude the elements referred to in Article 71(3)(a), (b) and (c) of Regulation (EC) No 1698/2005.
4. The following maximum aid rates in relation to the eligible investment costs shall apply to the Union contribution:
 - (a) 50 % in regions classified as convergence regions in accordance with Regulation (EC) No 1083/2006;
 - (b) 40 % in regions other than convergence regions;
 - (c) 75 % in the outermost regions in accordance with Regulation (EC) No 247/2006;
 - (d) 65 % in the smaller Aegean islands within the meaning of Regulation (EC) No 1405/2006.
5. Article 72 of Regulation (EC) No 1698/2005 shall apply *mutatis mutandis* to support referred to in paragraph 1 of this Article.

²⁴ OJ L 124, 20.5.2003, p. 36.

²⁵ OJ C 244, 1.10.2004, p. 2.

Article 144

By-product distillation

1. Support may be granted for the voluntary or obligatory distillation of by-products of wine making which has been carried out in accordance with the conditions laid down in Section D of Part II of Annex XIII.

The amount of aid shall be fixed per % volume and per hectolitre of alcohol produced. No aid shall be paid for the volume of alcohol contained in the by-products to be distilled which exceeds 10 % in relation to the volume of alcohol contained in the wine produced.

2. The maximum applicable aid levels shall be based on collection and processing costs and fixed by the Commission by means of implementing acts pursuant to Article 147.
3. The alcohol resulting from the supported distillation referred to in paragraph 1 shall be used exclusively for industrial or energy purposes so as to avoid distortion of competition.

Article 145

Cross-compliance

Where farmers are found not to have complied on their holding, at any time during three years from payment under the support programmes for restructuring and conversion or at any time during one year from payment under the support programmes for green harvesting, with the statutory management requirements and the good agricultural and environmental condition referred to in Articles 6 and 22 to 24 of Regulation (EC) No 73/2009, the amount of the payment shall, where non-compliance is the result of an action or omission directly imputable to the farmer, be reduced or cancelled, partially or wholly depending on the severity, extent, permanence and repetition of the non-compliance, and the farmer shall, where applicable, be ordered to reimburse it in accordance with the conditions set out in those provisions.

SUBSECTION IV

PROCEDURAL PROVISIONS

Article 146

Delegated powers

In order to ensure that support programmes meet their objectives and that there is a targeted use of European funds, the Commission may, by means of delegated acts, adopt rules:

- (a) on the responsibility for expenditure between the date of receipt of the support programmes, and modifications to support programmes and their date of applicability;

- (b) on eligibility criteria of support measures, the type of expenditure and operations eligible for support, measures ineligible for support and the maximum level of support per measure;
- (c) on changes to support programmes after they have become applicable;
- (d) on requirements and thresholds for advance payments, including the requirement for a security where an advance payment is made;
- (e) containing general provisions and definitions for the purposes of this Section;
- (f) to avoid misuse of the support measures, including restrictions to avoid double funding of projects;
- (g) under which producers shall withdraw the by-products of winemaking, exceptions from this obligation in order to avoid additional administrative burden and provisions for the voluntary certification of distillers;
- (h) laying down the requirements, including specific checks, to be undertaken by the Member States for the implementation of the support measures, as well as restrictions and checks to ensure consistency with the scope of the support measures;
- (i) on the suspension of payments by the Commission in case of non-compliance by a Member State with the communication requirements or if the communication appears incorrect;
- (j) regarding payments to beneficiaries, including payments through insurance intermediaries in the case of the support provided for in Article 142, recovery of undue payments, national sanctions and artificially created situations for the purpose of payment.

Article 147

Implementing powers

The Commission may, by means of implementing acts, adopt the necessary measures related to this Section regarding:

- (a) requirements relating to the notification of the support programmes, including the content, format, timing, deadlines and mechanism of notification, and the corresponding financial planning, as well as relating to the revision of the programmes;
- (b) communications relating to State aid;
- (c) application and selection procedures;
- (d) evaluation of the supported actions;
- (e) the calculation and payment of aid for green harvesting and by-product distillation;

- (f) requirements on financial management and checks of the support measures by the Member States;
- (g) rules on coherence of measures;
- (h) rules on the establishment of non-compliance and on the reduction, cancellation or reimbursement of amounts for the purposes of Article 145.

SECTION VIII

SPECIAL PROVISIONS FOR THE APICULTURE SECTOR

Article 148

Scope

1. With a view to improving general conditions for the production and marketing of apiculture products, Member States may draw up a national programme for a period of three years (hereinafter referred to as the ‘apiculture programme’).
2. Member States may pay specific national aids for the protection of apiaries disadvantaged by structural or natural conditions or under economic development programmes, except for those allocated for production or trade. These aids shall be notified to the Commission by Member States together with the submission of the apiculture programme in accordance with Article 152.

Article 149

Apiculture programme

The measures which may be included in the apiculture programme shall be the following:

- (a) technical assistance to beekeepers and groupings of beekeepers;
- (b) control of varroasis;
- (c) rationalisation of transhumance;
- (d) measures to support laboratories carrying out analyses of the physico-chemical properties of honey;
- (e) measures to support the restocking of hives in the Union;
- (f) cooperation with specialised bodies for the implementation of applied research programmes in the field of beekeeping and apiculture products.

Measures financed from the European Agricultural Fund for Rural Development in accordance with Regulation (EC) No 1698/2005 shall be excluded from the apiculture programme.

Article 150

Study of the production and marketing structure in the beekeeping sector

To be eligible for the part-financing provided for in Article 151(1), Member States shall carry out a study of the production and marketing structure in the beekeeping sector in their territory.

Article 151

Financing

1. The Union shall provide part-financing for the apiculture programmes equivalent to 50 % of the expenditure borne by Member States.
2. Expenditure relating to the measures taken under the apiculture programmes shall be made by the Member States by 15 October each year.

Article 152

Consultation

The apiculture programme shall be drawn up in close collaboration with the representative organisations and beekeeping cooperatives. It shall be submitted to the Commission for approval.

Article 153

Delegated powers

In order to ensure a targeted use of Union funds for apiculture, the Commission may, by means of delegated acts, adopt:

- (a) rules on the obligations relating to the content of national programmes and the studies referred to in Article 150; and
- (b) the conditions for the allocation of the Union's financial contribution to each participating Member State based on *inter alia* total number of hives in the Union.

Article 154

Implementing powers

The Commission may, by means of implementing acts:

- (a) adopt rules on the notification by Member States of their national programmes and adjustments to these programmes, including monitoring plans;

- (b) adopt rules to ensure that measures financed under the apiculture programmes are not simultaneously subject to payments under another Union scheme, and for the reallocation of unused funds;
- (c) approve the apiculture programmes submitted by Member States, including the allocation of the Union's financial contribution;
- (d) update the statistics on the number of bee hives based on information from Member States.

SECTION IX

AIDS IN THE SILKWORM SECTOR

Article 155

Aid to be granted to silkworm rearers

1. Union aid shall be granted for silkworms falling within CN code ex 0106 90 00 and for silkworm eggs falling within CN code ex 0511 99 85 reared within the Union.
2. The aid shall be granted to silkworm rearers for each box of silkworm eggs used, on condition that the boxes contain a minimum quantity of eggs, to be determined, and that the worms have been successfully reared.
3. Member States are authorised to grant aid solely to rearers who have obtained their boxes of eggs from an approved body and who, on successful completion of rearing, have delivered the cocoons which have been produced to an approved body.
4. Measures on fixing the aid per box of silkworm eggs used shall be taken by the Council in accordance with Article 43(3) of the Treaty.

Article 156

Delegated powers

In order to ensure efficient use of European Funds, the Commission may, by means of delegated acts, adopt rules on:

- (a) the minimum quantity of eggs and other conditions regarding successful rearing referred to in Article 155(2);
- (b) the conditions to be met by the approved bodies referred to in Article 155(3).

Article 157

Implementing powers

The Commission may, by means of implementing acts, adopt all necessary measures related to this Section regarding:

- (a) aid applications and accompanying documents;
- (b) reductions to the aid in case of late submission of applications;
- (c) Member State checks on the approved bodies referred to in Article 155(3);
- (d) Member State notifications.

TITLE II
**RULES CONCERNING MARKETING AND PRODUCER
ORGANISATIONS**

[CHAPTER I

Rules concerning marketing

SECTION I

MARKETING STANDARDS

SUBSECTION I

INTRODUCTORY PROVISIONS

Article 158

Scope

Without prejudice to any other provisions applicable to products listed in Annex I and to agricultural ethyl alcohol as referred to in Part I of Annex II, as well as the provisions adopted in the veterinary and food sectors to ensure that products comply with hygiene and health standards and to protect animal and human health, this Section lays down the rules concerning the general marketing standard and marketing standards by sector and/or product for products listed in Annex I and agricultural ethyl alcohol as referred to in Part I of Annex II.

SUBSECTION II

GENERAL MARKETING STANDARD

Article 159

Conformity with the general marketing standard

1. For the purposes of this Regulation a product complies with the "general marketing standard" if it is of sound, fair and marketable quality.

2. Where no marketing standards as referred to in Subsection III and in Council Directives 2000/36/EC²⁶, 2001/112/EC²⁷, 2001/113/EC²⁸, 2001/114/EC²⁹, 2001/110/EC³⁰, 2001/111/EC³¹, were established, products listed in Annex I to this Regulation which are ready for retail sale as human food as referred to in Article 3(7) of Regulation (EC) No 178/2002 may only be marketed if they conform to the general marketing standard.
3. A product shall be considered as conforming to the general marketing standard where the product intended to be marketed is in conformity with an applicable standard, as appropriate, adopted by any of the international organisations listed in Annex XI.

Article 160

Delegated powers

In order to address changes in the market situation, taking into account the specificity of each sector, the Commission may, by means of delegated acts, adopt, modify and derogate from requirements related to the general marketing standard referred to in Article 159(1), and rules concerning the conformity referred to in paragraph 3 of that Article.

SUBSECTION III

MARKETING STANDARDS BY SECTORS OR PRODUCTS

Article 161

General principle

The products for which marketing standards by sectors or products have been laid down may be marketed in the Union only in accordance with such standards.

Article 162

Establishment and content

1. In order to take account of the expectations of consumers and to contribute to the improvement of the economic conditions for the production and marketing of agricultural products as well as to their quality, the Commission may, by means of delegated acts, adopt marketing standards by sectors or products referred to in

²⁶ OJ L 197, 3.8.2000, p. 19.

²⁷ OJ L 10, 12.1.2002, p. 58.

²⁸ OJ L 10, 12.1.2002, p. 67.

²⁹ OJ L 15, 17.1.2002, p. 19.

³⁰ OJ L 10, 12.1.2002, p. 47.

³¹ OJ L 10, 12.1.2002, p. 53.

Article 158, at all stages of the marketing, as well as derogations and exemptions from the application of such standards in order to adapt to the constantly changing market conditions, to the evolving consumer demands, as well as in order to take account of developments in relevant international standards and avoid creating obstacles to product innovation.

2. The marketing standards referred to in paragraph 1 may relate where appropriate to the requirements for:
 - (a) the definition, designation and/or sales descriptions other than those set out in this Regulation and lists of carcasses and parts thereof to which Annex XII applies;
 - (b) classification criteria such as grading into classes, weight, sizing, age and category;
 - (c) the plant variety or animal race or the commercial type;
 - (d) the presentation, sales descriptions, labelling linked to obligatory marketing standards, packaging, rules to be applied in relation to packing centres, marking, wrapping, year of harvesting and use of specific terms;
 - (e) criteria such as appearance, consistency, conformation, product characteristics;
 - (f) specific substances used in production, or components or constituents, including their quantitative content, purity and identification;
 - (g) the type of farming and production method including oenological practices and related administrative rules, and operating circuit;
 - (h) coupage of must and wine including definitions thereof, blending and restrictions thereof;
 - (i) the conservation method and temperature;
 - (j) the place of farming and/or origin;
 - (k) the frequency of collection, delivery, preservation and handling;
 - (l) the identification or registration of the producer and/or the industrial facilities in which the product has been prepared or processed;
 - (m) the percentage of water content;
 - (n) restrictions as regards the use of certain substances and/or practices;
 - (o) specific use;
 - (p) commercial documents, accompanying documents and registers to be kept;
 - (q) storage, transport;
 - (r) the certification procedure;

- (s) the conditions governing the disposal, the holding, circulation and use of products not in conformity to the marketing standards by sectors or products as referred to in paragraph 1 and/or to the definitions, designations and sales descriptions referred to in Article 163, as well as the disposal of by-products;
 - (t) time limits;
 - (u) notification by the Member States, notifications from different establishments to the competent authorities of the Member States and rules for obtaining statistical information on the markets in different products.
3. The marketing standards by sectors or products referred to in paragraph 1 shall be established without prejudice to the provisions on Optional Quality Terms of Regulation of the European Parliament and of the Council [*Regulation on agricultural product quality schemes*], and taking into account:
- (a) the specificities of the products concerned;
 - (b) the need to ensure the conditions for a smooth placing of those products on the market;
 - (c) the interest of consumers to receive adequate and transparent product information, including the place of farming to be determined on a case by case approach at the appropriate geographical level;
 - (d) where appropriate the methods used for determining their physical, chemical and organoleptic characteristics;
 - (e) the standard recommendations adopted by international bodies.

Article 163

Definition, designation and/or sale description for certain sectors and/or products

1. The definitions, designations and/or sale descriptions provided for in Annex XII shall apply to the following sectors or products:
- (a) olive oil and table olives;
 - (b) wine;
 - (c) beef and veal;
 - (d) milk and milk products intended for human consumption;
 - (e) poultrymeat;
 - (f) spreadable fats intended for human consumption.
2. A definition, designation or sale description provided for in Annex XII may be used in the Union only for the marketing of a product which complies with the corresponding requirements laid down in Annex XII.

3. In order to adapt to evolving consumer demands, and in order to take technical progress into account and avoid creating obstacles to product innovation, the Commission may, by means of delegated acts, adopt any necessary modification, derogation or exemption to the definitions and sales descriptions provided for in Annex XII.

Article 164

Tolerance

In order to take into account the specificity of each sector, the Commission may, by means of delegated acts, adopt a tolerance for each standard beyond which the entire batch of products will be considered as not respecting the standard.

Article 165

Oenological practices

1. Where the International Organisation of Vine and Wine (OIV) has recommended and published methods of analysis for determining the composition of products and rules whereby it may be established whether products have undergone processes contrary to the authorised oenological practices, these should be the methods and rules applicable.

Where there are no methods and rules recommended and published by the OIV, corresponding methods and rules shall be adopted by the Commission as referred to in point (g) of Article 162(2).

Pending the adoption of such rules, the methods and rules to be used shall be those allowed by the Member State concerned.

2. Only oenological practices authorised in accordance with Annex XIII and provided for in point (g) of Article 162(2) and in Article 168(2) and (3) shall be used in the production and conservation in the Union of products of the wine sector.

The first subparagraph shall not apply to:

- (a) grape juice and concentrated grape juice;
- (b) grape must and concentrated grape must intended for the preparation of grape juice.

Authorised oenological practices shall only be used for the purposes of ensuring proper vinification, proper preservation or proper refinement of the product.

Products of the wine sector shall be produced in the Union in accordance with the relevant restrictions laid down in Annex XIII.

Products of the wine sector listed in Part II of Annex XII, which have undergone unauthorised Union oenological practices or, where applicable, unauthorised

national oenological practices or which contravene the restrictions laid down in Annex XIII, shall not be marketed in the Union.

3. When authorising oenological practices for wine as referred to in point (g) of Article 162(2), the Commission shall:
 - (a) base itself on the oenological practices and methods of analyses recommended and published by the OIV as well as on the results of experimental use of as yet unauthorised oenological practices;
 - (b) take into account the protection of human health;
 - (c) take into account the possible risk of consumers being misled due to their established expectations and perceptions, having regard to the availability and feasibility of informational means to exclude such risks;
 - (d) allow the preservation of the natural and essential characteristics of the wine and not cause a substantial change in the composition of the product concerned;
 - (e) ensure an acceptable minimum level of environmental care;
 - (f) respect the general rules concerning oenological practices and restrictions laid down in Annex XIII.

Article 166

Wine grape varieties

1. Products listed in Part II of Annex XII and produced in the Union shall be made from wine grape varieties classifiable according to paragraph 2 of this Article.
2. Subject to paragraph 3, Member States shall classify which wine grape varieties may be planted, replanted or grafted on their territories for the purpose of wine production.

Only wine grape varieties meeting the following conditions may be classified by Member States:

- (a) the variety concerned belongs to the *Vitis vinifera* or comes from a cross between the species *Vitis vinifera* and other species of the genus *Vitis*;
- (b) the variety is not one of the following: Noah, Othello, Isabelle, Jacquez, Clinton and Herbemont.

Where a wine grape variety is deleted from the classification referred to in the first subparagraph, grubbing-up of this variety shall take place within 15 years of its deletion.

3. Member States whose wine production does not exceed 50 000 hectolitres per wine year, calculated on the basis of the average production during the latest five wine

years, shall be exempted from the classification obligation referred to in the first subparagraph of paragraph 2.

However, also in the Member States referred to in the first subparagraph, only wine grape varieties complying with the second subparagraph of paragraph 2 may be planted, replanted or grafted for the purpose of wine production.

4. By way of derogation from the first and third subparagraphs of paragraph 2 and the second subparagraph of paragraph 3, the planting, replanting or grafting of the following wine grape varieties shall be allowed by the Member States for scientific research and experimental purposes:
 - (a) wine grape varieties which are not classified as far as Member States referred to in paragraph 3 are concerned;
 - (b) wine grape varieties which do not comply with points (a) and (b) of the second subparagraph of paragraph 2 as far as Member States referred to in paragraph 3 are concerned.
5. Areas planted with wine grape varieties for the purpose of wine production planted in breach of paragraphs 2, 3 and 4 shall be grubbed up.

However, there shall be no obligation to grub up such areas where the relevant production is intended exclusively for consumption by the wine-producers' households.
6. Member States shall take the necessary measures to check compliance by producers with paragraphs 2 to 5.

Article 167

Specific use of wine

Except for bottled wine in respect of which there is evidence that bottling was performed before 1 September 1971, wine produced from wine grape varieties listed in the classifications drawn up in accordance with the first subparagraph of Article 166(2) but not conforming to one of the categories laid down in Part II of Annex XII, shall be used only for consumption by individual wine-producers' households, for the production of wine vinegar or for distillation.

Article 168

National rules for certain products and/or sectors

1. Notwithstanding Article 162(1), Member States may adopt or maintain national rules laying down different quality levels for spreadable fats. Such rules shall allow those quality levels to be assessed on the basis of criteria relating in particular to the raw materials used, the organoleptic characteristics of the products and their physical and microbiological stability.

Member States making use of this option provided for in the first subparagraph shall ensure that other Member States' products which comply with the criteria laid down by those national rules may, under non-discriminatory conditions, use terms which, by virtue of those rules, state that those criteria are complied with.

2. Member States may limit or exclude the use of certain oenological practices and provide for more stringent restrictions for wines authorised under Union law produced in their territory with a view to reinforcing the preservation of the essential characteristics of wines with a protected designation of origin or a protected geographical indication and of sparkling wines and liqueur wines.

Member States shall communicate those limitations, exclusions and restrictions to the Commission, which shall bring them to the attention of the other Member States.

3. Member States may allow the experimental use of unauthorised oenological practices under conditions specified by the Commission, by means of delegated acts adopted pursuant to paragraph 4.
4. In order to ensure the correct and transparent application, the Commission may, by means of delegated acts, specify the conditions for the application of paragraphs 1, 2 and 3 as well as the conditions for the holding, circulation and use of the products obtained from the experimental practices as referred to in paragraph 3.

SUBSECTION IV

MARKETING STANDARDS RELATED TO IMPORT AND EXPORT

Article 169

General provisions

In order to take account of the specificities in trade between the Union and certain third countries and of the special character of some agricultural products, the Commission may, by means of delegated acts, define the conditions under which imported products are considered as providing an equivalent level of compliance with the Union requirements concerning marketing standards and which allow for measures derogating from Article 161 and determine the rules relating to the application of the marketing standards to products exported from the Union.

Article 170

Special provisions for the imports of wine

1. Save as otherwise provided for in agreements concluded pursuant to Article 218 of the Treaty, the provisions concerning designation of origin and geographical indications and labelling of wine set out in the Subsection II of Section II of this Chapter and in the definitions and sales descriptions referred to in Article 163 of this

Regulation, shall apply to products falling under CN codes 2009 61, 2009 69 and 2204 which are imported into the Union.

2. Save as otherwise provided for in agreements concluded pursuant to Article 218 of the Treaty, products referred to in paragraph 1 of this Article shall be produced in accordance with oenological practices recommended and published by the OIV or authorised by the Union pursuant to this Regulation and measures adopted pursuant to this Regulation.
3. The import of the products referred to in paragraph 1 shall be subject to the presentation of:
 - (a) a certificate evincing compliance with the provisions referred to in paragraphs 1 and 2, to be drawn up by a competent body, included on a list to be made public by the Commission, in the product's country of origin;
 - (b) an analysis report drawn up by a body or department designated by the product's country of origin, in so far as the product is intended for direct human consumption.

SUBSECTION V

COMMON PROVISIONS

Article 171

National checks

Member States shall carry out checks, based on a risk analysis, in order to verify whether products conform to the rules laid down in this Section and shall apply administrative penalties as appropriate.

Article 172

Implementing powers

The Commission may, by means of implementing acts, adopt all necessary measures related to this Section and in particular:

- (a) lay down rules for the implementation of the general marketing standard;
- (b) lay down rules for the implementation of the definitions and sales descriptions provided for in Annex XII;
- (c) draw up the list of the products referred to in the second paragraph of point 5 of Part III of Annex XII and in point (a) of the sixth paragraph of Part VI of Annex XII, on the basis of indicative lists of products which Member States regard as corresponding in their territory to the products referred to in the second paragraph of

point 5 of Part III of Annex XII and in point (a) of the sixth paragraph of Part VI of Annex XII and which Member States shall send to the Commission;

- (d) lay down rules for the implementation of the marketing standards by sector or product including the detailed rules for the taking of samples and the methods of analysis for determining the composition of products;
- (e) lay down rules whereby it may be established whether products have undergone processes contrary to the authorised oenological practices;
- (f) lay down rules for performing the checks of compliance with the marketing standards by sector or product;
- (g) lay down rules for fixing of the tolerance level;
- (h) adopt provisions related to the authorities responsible for performing the checks for compliance as well as to the content, the frequency and the marketing stage to which those checks shall apply;
- (i) adopt the necessary measures for the implementation of the derogation provided for in Article 169.]

SECTION II

DESIGNATIONS OF ORIGIN, GEOGRAPHICAL INDICATIONS AND TRADITIONAL TERMS IN THE WINE SECTOR

SUBSECTION I

INTRODUCTORY PROVISIONS

Article 173

Scope

1. Rules relating to designations of origin, geographical indications and traditional terms laid down in this Section shall apply to the products referred to in points 1, 3 to 6, 8, 9, 11, 15 and 16 of Part II of Annex XII.
2. The rules referred to in paragraph 1 shall be based on:
 - (a) protecting of legitimate interests of:
 - (i) consumers; and
 - (ii) producers;

- (b) ensuring the smooth operation of the internal market in the products concerned; and
- (c) promoting the production of quality products, whilst allowing national quality policy measures.

SUBSECTION II

DESIGNATIONS OF ORIGIN AND GEOGRAPHICAL INDICATIONS

Article 174

Definitions

1. For the purposes of this Subsection, the following definitions shall apply:
 - (a) "designation of origin" means the name of a region, a specific place or, in exceptional cases, a country used to describe a product referred to in Article 173(1) that complies with the following requirements:
 - (i) its quality and characteristics are essentially or exclusively due to a particular geographical environment with its inherent natural and human factors;
 - (ii) the grapes from which it is produced come exclusively from this geographical area;
 - (iii) its production takes place in this geographical area; and
 - (iv) it is obtained from vine varieties belonging to *Vitis vinifera*;
 - (b) "geographical indication" means an indication referring to a region, a specific place or, in exceptional cases, a country, used to describe a product referred to in Article 173(1) which complies with the following requirements:
 - (i) it possesses a specific quality, reputation or other characteristics attributable to that geographical origin;
 - (ii) at least 85 % of the grapes used for its production come exclusively from this geographical area;
 - (iii) its production takes place in this geographical area; and
 - (iv) it is obtained from vine varieties belonging to *Vitis vinifera* or a cross between the *Vitis vinifera* species and other species of the genus *Vitis*.
2. Certain traditionally used names shall constitute a designation of origin where they:
 - (a) designate a wine;

- (b) refer to a geographical name;
 - (c) meet the requirements referred to in paragraph 1(a)(i) to (iv); and
 - (d) undergo the procedure conferring protection on designations of origin and geographical indications laid down in this Subsection.
3. Designations of origin and geographical indications, including those relating to geographical areas in third countries, shall be eligible for protection in the Union in accordance with the rules laid down in this Subsection.

Article 175

Content of applications for protection

1. Applications for protection of names as designations of origin or geographical indications shall include a technical file containing:
- (a) the name to be protected;
 - (b) the name and address of the applicant;
 - (c) a product specification as referred to in paragraph 2; and
 - (d) a single document summarising the product specification referred to in paragraph 2.
2. The product specification shall enable interested parties to verify the relevant conditions of production of the designation of origin or geographical indication.
- It shall consist at least of:
- (a) the name to be protected;
 - (b) a description of the wine(s):
 - (i) for wines with a designation of origin, its principal analytical and organoleptic characteristics;
 - (ii) for wines with a geographical indication, its principal analytical characteristics as well as an evaluation or indication of its organoleptic characteristics;
 - (c) where applicable, the specific oenological practices used to make the wine(s) as well as the relevant restrictions on making the wine(s);
 - (d) the demarcation of the geographical area concerned;
 - (e) the maximum yields per hectare;
 - (f) an indication of the wine grape variety or varieties the wine(s) is obtained from;

- (g) the details bearing out the link referred to in Article 174(1)(a)(i) or, as the case may be, in Article 174(1)(b)(i);
- (h) applicable requirements laid down in Union or national legislation or, where foreseen by Member States, by an organisation which manages the protected designation of origin or the protected geographical indication, having regard to the fact that such requirements shall be objective, and non-discriminatory and compatible with Union law;
- (i) the name and address of the authorities or bodies verifying compliance with the provisions of the product specification and their specific tasks.

Article 176

Application for protection relating to a geographical area in a third country

1. Where the application for protection concerns a geographical area in a third country, it shall contain in addition to the elements provided for in Article 175, proof that the name in question is protected in its country of origin.
2. The application shall be sent to the Commission, either directly from the applicant or via the authorities of the third country concerned.
3. The application for protection shall be filed in one of the official languages of the Union or accompanied by a certified translation into one of those languages.

Article 177

Applicants

1. Any interested group of producers, or in exceptional cases a single producer, may apply for the protection of a designation of origin or geographical indication. Other interested parties may participate in the application.
2. Producers may lodge an application for protection only for wines which they produce.
3. In the case of a name designating a trans-border geographical area or a traditional name connected to a trans-border geographical area, a joint application may be lodged.

Article 178

Preliminary national procedure

1. Applications for protection of a designation of origin or a geographical indication of wines in accordance with Article 174 originating in the Union shall be subject to a preliminary national procedure in accordance with this Article.

2. The application for protection shall be filed with the Member State in which territory the designation of origin or geographical indication originates.
3. The Member State shall examine the application for protection in order to verify whether it meets the conditions set out in this Subsection.

The Member State shall carry out a national procedure ensuring adequate publication of the application and providing for a period of at least two months from the date of publication within which any natural or legal person having a legitimate interest and resident or established on its territory may object to the proposed protection by lodging a duly substantiated statement with the Member State.

4. If the Member State considers that the designation of origin or geographical indication does not meet the relevant requirements or is incompatible with Union law in general, it shall reject the application.
5. If the Member State considers that the relevant requirements are met, it shall:
 - (a) publish the single document and the product specification at least on the Internet; and
 - (b) forward to the Commission an application for protection containing the following information:
 - (i) the name and address of the applicant;
 - (ii) the single document referred to in Article 175(1)(d);
 - (iii) a declaration by the Member State that it considers that the application lodged by the applicant meets the conditions required; and
 - (iv) the reference to publication, as referred to in point (a).

The information referred to in point (b) of the first subparagraph shall be forwarded in one of the official languages of the Union or accompanied by a certified translation into one of those languages.

6. Member States shall have the laws, regulations or administrative provisions in place that are necessary to comply with Article 118f of Regulation (EC) No 1234/2007 and this Article as from 1 August 2009.
7. Where a Member State has no national legislation concerning the protection of designations of origin and geographical indications, it may, on a transitional basis only, grant protection to the name in accordance with the terms of this Subsection at national level with effect from the day the application is lodged with the Commission. Such transitional national protection shall cease on the date on which a decision on registration or refusal under this Subsection is taken.

Article 179

Scrutiny by the Commission

1. The Commission shall make the date of submission of the application for protection of the designation of origin or geographical indication public.
2. The Commission shall examine whether the applications for protection referred to in Article 178(5) meet the conditions laid down in this Subsection.
3. Where the Commission considers that the conditions laid down in this Subsection are met, it shall, by means of implementing acts without the assistance of the Committee referred to in Article 323(1), decide to publish in the *Official Journal of the European Union* the single document referred to in Article 175(1)(d) and the reference to the publication of the product specification referred to in Article 178(5).
4. Where the Commission considers that the conditions laid down in this Subsection are not met, it shall, by means of implementing acts, decide to reject the application.

Article 180

Objection procedure

Within two months from the date of publication provided for in Article 179(3), any Member State or third country, or any natural or legal person having a legitimate interest, resident or established in a Member State other than that applying for the protection or in a third country, may object to the proposed protection by lodging a duly substantiated statement relating to the conditions of eligibility as laid down in this Subsection with the Commission.

In the case of natural or legal persons resident or established in a third country, such statement shall be lodged, either directly or via the authorities of the third country concerned, within the time limit of two months referred to in the first paragraph.

Article 181

Decision on protection

On the basis of the information available to the Commission upon the completion of the objection procedure referred to in Article 180, the Commission shall, by means of implementing acts, either decide to confer protection on the designation of origin or geographical indication which meets the conditions laid down in this Subsection and is compatible with Union law, or to reject the application where those conditions are not satisfied.

Article 182

Homonyms

1. A name, for which an application is lodged, and which is wholly or partially homonymous with that of a name already registered under this Regulation concerning the wine sector, shall be registered with due regard for local and traditional usage and for any risk of confusion.

A homonymous name which misleads the consumer into believing that products come from another territory shall not be registered even if the name is accurate as far as the actual territory, region or place of origin of the products in question is concerned.

The use of a registered homonymous name shall be subject to there being a sufficient distinction in practice between the homonym registered subsequently and the name already on the register, having regard to the need to treat the producers concerned in an equitable manner and the need not to mislead the consumer.

2. Paragraph 1 shall apply *mutatis mutandis* if a name, for which an application is lodged, is wholly or partially homonymous with a geographical indication protected as such under the legislation of Member States.

Member States shall not register non-identical geographical indications for protection under their respective legislation on geographical indications if a designation of origin or geographical indication is protected in the Union by virtue of the Union law relevant to designations of origin and geographical indications.

3. Where the name of a wine grape variety contains or consists of a protected designation of origin or a protected geographical indication, that name shall not be used for the purposes of labelling the products covered by this Regulation, except where otherwise decided by the Commission, by means of delegated acts, in order to take existing labelling practices into account.
4. The protection of designations of origin and geographical indications for products covered in Article 174 shall be without prejudice to protected geographical indications applying in relation to spirit drinks within the meaning of Regulation (EC) No 110/2008 of the European Parliament and of the Council³² and vice versa.

Article 183

Grounds for refusal of protection

1. Names that have become generic shall not be protected as a designation of origin or geographical indication.

For the purposes of this Subsection, a “name that has become generic” means the name of a wine which, although it relates to the place or the region where this

³² OJ L 39, 13.2.2008, p. 16.

product was originally produced or marketed, has become the common name of a wine in the Union.

To establish whether or not a name has become generic, account shall be taken of all relevant factors, in particular:

- (a) the existing situation in the Union, notably in areas of consumption;
 - (b) the relevant Union or national legislation.
2. A name shall not be protected as a designation of origin or geographical indication where, in the light of a trademark's reputation and renown, protection is liable to mislead the consumer as to the true identity of the wine.

Article 184

Relationship with trademarks

1. Where a designation of origin or a geographical indication is protected under this Regulation, the registration of a trademark corresponding to one of the situations referred to in Article 185(2) and relating to a product falling under one of the categories listed in Part II of Annex XII shall be refused if the application for registration of the trademark is submitted after the date of submission of the application for protection of the designation of origin or geographical indication to the Commission and the designation of origin or geographical indication is subsequently protected.

Trademarks registered in breach of the first subparagraph shall be invalidated.

2. Without prejudice to Article 183(2), a trademark the use of which corresponds to one of the situations referred to in Article 185(2), which has been applied for, registered or established by use, if that possibility is provided for by the legislation concerned, in the territory of the Union before the date on which the application for protection of the designation of origin or geographical indication is submitted to the Commission, may continue to be used and renewed notwithstanding the protection of a designation of origin or geographical indication, provided that no grounds for the trademark's invalidity or revocation exist as specified by the Directive 2008/95/EC of the European Parliament and of the Council³³ or by Council Regulation (EC) No 207/2009³⁴.

In such cases the use of the designation of origin or geographical indication shall be permitted alongside the relevant trademarks.

³³ OJ L 299, 8.11.2008, p. 25.

³⁴ OJ L 78, 24.3.2009, p. 1.

Article 185

Protection

1. Protected designations of origins and protected geographical indications may be used by any operator marketing a wine which has been produced in conformity with the corresponding product specification.
2. Protected designations of origins and protected geographical indications and the wines using those protected names in conformity with the product specification shall be protected against:
 - (a) any direct or indirect commercial use of a protected name:
 - (i) by comparable products not complying with the product specification of the protected name; or
 - (ii) in so far as such use exploits the reputation of a designation of origin or a geographical indication;
 - (b) any misuse, imitation or evocation, even if the true origin of the product or service is indicated or if the protected name is translated or accompanied by an expression such as “style”, “type”, “method”, “as produced in”, “imitation”, “flavour”, “like” or similar;
 - (c) any other false or misleading indication as to the provenance, origin, nature or essential qualities of the product, on the inner or outer packaging, advertising material or documents relating to the wine product concerned, and the packing of the product in a container liable to convey a false impression as to its origin;
 - (d) any other practice liable to mislead the consumer as to the true origin of the product.
3. Protected designations of origin or protected geographical indications shall not become generic in the Union within the meaning of Article 183(1).
4. Member States shall take the steps necessary to stop unlawful use of protected designations of origin and protected geographical indications as referred to in paragraph 2.

Article 186

Register

The Commission shall establish and maintain an electronic register of protected designations of origin and protected geographical indications for wine which shall be publicly accessible.

Article 187

Designation of competent authority

1. Member States shall designate the competent authority or authorities responsible for checks in respect of the obligations established by this Subsection in accordance with the criteria laid down in Article 4 of Regulation (EC) No 882/2004 of the European Parliament and of the Council³⁵.
2. Member States shall ensure that any operator complying with this Subsection is entitled to be covered by a system of checks.
3. Member States shall inform the Commission of the competent authority or authorities referred to in paragraph 1. The Commission shall make their names and addresses public and update them periodically.

Article 188

Verification of compliance with specifications

1. In respect of protected designations of origin and protected geographical indications relating to a geographical area within the Union, annual verification of compliance with the product specification, during the production and during or after conditioning of the wine, shall be ensured by:
 - (a) the competent authority or authorities referred to in Article 187(1); or
 - (b) one or more bodies responsible for the verification within the meaning of point 5 of the second subparagraph of Article 2 of Regulation (EC) No 882/2004 operating as a product certification body in accordance with the criteria laid down in Article 5 of that Regulation.

The costs of such verification shall be borne by the operators subject to it.

2. In respect of protected designations of origin and protected geographical indications relating to a geographical area in a third country, annual verification of compliance with the product specification, during the production and during or after conditioning of the wine, shall be ensured by:
 - (a) one or more public authorities designated by the third country; or
 - (b) one or more certification bodies.
3. The certification bodies referred to in paragraphs 1(b) and 2(b) shall comply with, and be accredited in accordance with, the European standard EN 45011 or ISO/IEC Guide 65 (General requirements for bodies operating product certification systems).

³⁵ OJ L 165, 30.4.2004, p. 1.

4. Where the authority or authorities referred to in paragraphs 1(a) and 2(a) verify compliance with the product specification, they shall offer adequate guarantees of objectivity and impartiality, and have at their disposal the qualified staff and resources needed to carry out their tasks.

Article 189

Amendments to product specifications

1. An applicant satisfying the conditions of Article 177 may apply for approval of an amendment to the product specification of a protected designation of origin or a protected geographical indication, in particular to take account of developments in scientific and technical knowledge or to redefine the geographical area referred to in point (d) of the second subparagraph of Article 175(2). Applications shall describe and give reasons for the amendments requested.
2. Where the proposed amendment involves one or more amendments to the single document referred to in Article 175(1)(d), Articles 178 to 181 shall apply *mutatis mutandis* to the amendment application. However, if the proposed amendment is only minor, the Commission shall, by means of implementing acts, decide whether to approve the application without following the procedure laid down in Article 179(2) and Article 180 and in the case of approval, the Commission shall proceed to the publication of the elements referred to in Article 179(3).
3. Where the proposed amendment does not involve any change to the single document, the following rules shall apply:
 - (a) where the geographical area is in a given Member State, that Member State shall express its position on the amendment and, if it is in favour, shall publish the amended product specification and inform the Commission of the amendments approved and the reasons for them;
 - (b) where the geographical area is in a third country, the Commission shall, by means of implementing acts, decide whether to approve the proposed amendment.

Article 190

Cancellation

1. The Commission may, at its own initiative or at the duly substantiated request of a Member State, of a third country or of a natural or legal person having a legitimate interest, decide, by means of implementing acts, to cancel the protection of a designation of origin or a geographical indication if compliance with the corresponding product specification is no longer ensured.

Articles 178 to 181 shall apply *mutatis mutandis*.

Article 191

Existing protected wine names

1. Wine names, which are protected in accordance with Articles 51 and 54 of Regulation (EC) No 1493/1999 and Article 28 of Commission Regulation (EC) No 753/2002³⁶, shall automatically be protected under this Regulation. The Commission shall list them in the register provided for in Article 186 of this Regulation.
2. Member States shall, in respect of existing protected wine names referred to in paragraph 1, transmit to the Commission:
 - (a) the technical files as provided for in Article 175(1);
 - (b) the national decisions of approval.
3. Wine names referred to in paragraph 1, for which the information referred to in paragraph 2 is not submitted by 31 December 2011, shall lose protection under this Regulation. The Commission shall take the corresponding formal step of removing such names from the register provided for in Article 186 by means of implementing acts without the assistance of the Committee referred to in Article 323(1).
4. Article 190 shall not apply in respect of existing protected wine names referred to in paragraph 1 of this Article.

Until 31 December 2014 the Commission may, at its own initiative, decide, by means of implementing acts, to cancel protection of existing protected wine names referred to in paragraph 1 if they do not meet the conditions laid down in Article 174.

Article 192

Fees

Member States may charge a fee to cover their costs, including those incurred in examining applications for protection, statements of objections, applications for amendments and requests for cancellations under this Subsection.

Article 193

Delegated powers

1. In order to take account of the specificities of the production in the demarcated geographical area, the Commission may, by means of delegated acts, adopt:
 - (a) principles for the demarcation of the geographical area, and

³⁶ OJ L 118, 4.5.2002, p. 1.

- (b) definitions, restrictions and derogations related to the production in the demarcated geographical area.
2. In order to ensure product quality and traceability, the Commission may, by means of delegated acts, provide for the conditions under which product specifications may include additional requirements as referred to in Article 175(2)(h).
 3. In order to ensure the legitimate rights or interests of producers or operators, the Commission may, by means of delegated acts:
 - (a) define in which cases a single producer may apply for the protection of a designation of origin or geographical indication;
 - (b) adopt restrictions as regards the type of applicant that may apply for the protection of a designation of origin or geographical indication;
 - (c) adopt specific measures related to the national procedures applicable to trans-border applications;
 - (d) define the date of submission of an application or a request;
 - (e) define the date from which protection shall run;
 - (f) establish the conditions under which an amendment is to be considered as minor within the meaning of Article 189(2);
 - (g) define the date on which an amendment shall enter into force.
 4. In order to ensure an adequate protection, the Commission may, by means of delegated acts, adopt restrictions regarding the protected name.
 5. In order to prevent the unlawful use of protected designations of origin and protected geographical indications, the Commission may, by means of delegated acts, define the actions to be implemented by the Member States in this respect.
 6. In order to ensure the efficiency of the checks provided for in this Subsection, the Commission may, by means of delegated acts, adopt the necessary measures regarding the notification of operators to the competent authorities.
 7. In order to ensure that economic operators and competent authorities are not prejudiced by the application of this Subsection as regards wine names which have been granted protection prior to 1 August 2009, the Commission may, by means of delegated acts, adopt transitional provisions concerning:
 - (a) wine names recognised by Member States as designations of origin or geographical indications by 1 August 2009;
 - (b) preliminary national procedure;
 - (c) wines placed on the market or labelled before a specific date; and
 - (d) amendments to the product specifications.

Article 194

Implementing powers

1. The Commission may, by means of implementing acts, adopt all necessary measures related to this Subsection regarding:
 - (a) the information to be provided in the product specification with regard to the link between the geographical area and the final product;
 - (b) the making of decisions on protection or rejection available to the public;
 - (c) the establishment and the maintenance of the register referred to in Article 186;
 - (d) the conversion from protected designation of origin to protected geographical indication;
 - (e) the submission of trans-border applications;
 - (f) checks and verification to be carried out by the Member States, including testing.

2. The Commission may, by means of implementing acts, adopt all necessary measures related to this Subsection as regards the procedure, including admissibility, for the examination of applications for protection or for the approval of an amendment of a designation of origin or a geographical indication, as well as the procedure, including admissibility, for requests for objection, cancellation, or conversion, and the submission of information related to existing protected wine names, in particular with respect to:
 - (a) models for documents and the transmission format;
 - (b) time limits;
 - (c) the details of the facts, evidence and supporting documents to be submitted in support of the application or request.

Article 195

Implementing acts to be adopted without the assistance of the Committee referred to in Article 323(1)

Where an application or a request is deemed inadmissible, the Commission shall, by means of implementing acts without the assistance of the Committee referred to in Article 323(1), decide to reject it as inadmissible.

SUBSECTION III

TRADITIONAL TERMS

Article 196

Definition

“Traditional term” means a term traditionally used in Member States for products referred to in Article 173(1) to designate:

- (a) that the product has a protected designation of origin or a protected geographical indication under Union or national law; or
- (b) the production or ageing method or the quality, colour, type of place, or a particular event linked to the history of the product with a protected designation of origin or a protected geographical indication.

Article 197

Protection

1. A protected traditional term may only be used for a product which has been produced in conformity with the definition referred to in Article 196.

Traditional terms shall be protected against unlawful use.

Member States shall take the steps necessary to stop the unlawful use of protected traditional terms.

2. Traditional terms shall not become generic in the Union.

Article 198

Delegated powers

1. In order to ensure an adequate protection, the Commission may, by means of delegated acts, adopt provisions regarding the language and the spelling of the term to be protected.
2. In order to ensure the legitimate rights or interests of producers or operators, the Commission may, by means of delegated acts, define the following:
 - (a) the type of applicants that may apply for the protection of a traditional term;
 - (b) the conditions of validity of an application for recognition of a traditional term;

- (c) the grounds for objecting to a proposed recognition of a traditional term;
 - (d) the scope of the protection, including the relationship with trademarks, protected traditional terms, protected designations of origin or geographical indications, homonyms, or certain wine grape names;
 - (e) the grounds for cancellation of a traditional term;
 - (f) the date of submission of an application or a request.
3. In order to take account of the specificities in trade between the Union and certain third countries, the Commission may, by means of delegated acts, adopt the conditions under which traditional terms may be used on products from third countries and provide for derogations from Article 196.
 4. In order to prevent the unlawful use of protected traditional terms, the Commission may, by means of delegated acts, specify the actions to be implemented by the Member States in this respect.

Article 199

Implementing powers

1. The Commission may, by means of implementing acts, adopt all necessary measures related to this Subsection as regards the procedure, including admissibility, for the examination of applications for protection or for the approval of a modification of a traditional term, as well as the procedure, including admissibility, for requests for objection or cancellation, in particular with respect to:
 - (a) models for documents and the transmission format;
 - (b) time limits;
 - (c) the details of the facts, evidence and supporting documents to be submitted in support of the application or request.
2. The Commission shall, by means of implementing acts, decide to accept or reject an application for protection of a traditional term or a request for a modification of the protected term or the cancellation of the protection of a traditional term.
3. The Commission shall, by means of implementing acts, provide for the protection of traditional terms for which the application for protection has been accepted, in particular by classifying them in accordance with point (a) or (b) of Article 196 and by publishing a definition and/or the conditions of use.

Article 200

Implementing acts to be adopted without the assistance of the Committee referred to in Article 323(1)

Where an application or a request is deemed inadmissible, the Commission shall, by means of implementing acts without the assistance of the Committee referred to in Article 323(1), decide to reject it as inadmissible.

SECTION III

LABELLING AND PRESENTATION IN THE WINE SECTOR

Article 201

Definition

For the purposes of this Section:

- (a) "labelling" means any words, particulars, trademarks, brand name, pictorial matter or symbol placed on any packaging, document, notice, label, ring or collar accompanying or referring to a given product;
- (b) "presentation" means any information conveyed to consumers by virtue of the packaging of the product concerned, including the form and type of bottles.

Article 202

Applicability of horizontal rules

Save as otherwise provided for in this Regulation, Directive 2008/95/EC, Council Directive 89/396/EEC³⁷, Directive 2000/13/EC of the European Parliament and of the Council³⁸ and Directive 2007/45/EC of the European Parliament and of the Council³⁹ shall apply to the labelling and presentation of products falling under their scopes.

Article 203

Compulsory particulars

1. Labelling and presentation of the products referred to in points 1 to 11, 13, 15 and 16 of Part II of Annex XII marketed in the Union or for export shall contain the following compulsory particulars:

³⁷ OJ L 186, 30.6.1989, p. 21.

³⁸ OJ L 109, 6.5.2000, p. 29.

³⁹ OJ L 247, 21.9.2007, p. 17.

- (a) the designation for the category of the grapevine product in accordance with Part II of Annex XII;
 - (b) for wines with a protected designation of origin or a protected geographical indication:
 - (i) the term “protected designation of origin” or “protected geographical indication”; and
 - (ii) the name of the protected designation of origin or the protected geographical indication;
 - (c) the actual alcoholic strength by volume;
 - (d) an indication of provenance;
 - (e) an indication of the bottler or, in the case of sparkling wine, aerated sparkling wine, quality sparkling wine or quality aromatic sparkling wine, the name of the producer or vendor;
 - (f) an indication of the importer in the case of imported wines; and
 - (g) in the case of sparkling wine, aerated sparkling wine, quality sparkling wine or quality aromatic sparkling wine, an indication of the sugar content.
2. By way of derogation from paragraph 1(a), the reference to the category of the grapevine product may be omitted for wines whose labels include the name of a protected designation of origin or a protected geographical indication.
 3. By way of derogation from paragraph 1(b), the reference to the terms “protected designation of origin” or “protected geographical indication” may be omitted in the following cases:
 - (a) where a traditional term as referred to in Article 196(a) is displayed on the label;
 - (b) in exceptional circumstances to be determined by the Commission by means of delegated acts in order to ensure compliance with existing labelling practices.

Article 204

Optional particulars

1. Labelling and presentation of the products referred to in Article 203(1) may in particular contain the following optional particulars:
 - (a) the vintage year;
 - (b) the name of one or more wine grape varieties;
 - (c) in the case of wines other than those referred to in Article 203(1)(g), terms indicating the sugar content;

- (d) for wines with a protected designation of origin or a protected geographical indication, traditional terms as referred to in Article 196(b);
 - (e) the Union symbol indicating the protected designation of origin or the protected geographical indication;
 - (f) terms referring to certain production methods;
 - (g) for wines bearing a protected designation of origin or a protected geographical indication, the name of another geographical unit that is smaller or larger than the area underlying the designation of origin or geographical indication.
2. Without prejudice to Article 182(3), as regards the use of particulars referred to in paragraph 1(a) and (b) for wines without a protected designation of origin or a protected geographical indication:
- (a) Member States shall introduce laws, regulations or administrative provisions to ensure certification, approval and verification procedures so as to guarantee the veracity of the information concerned;
 - (b) Member States may, on the basis of non-discriminatory and objective criteria and with due regard to loyal competition, for wine produced from wine grape varieties on their territory, draw up lists of excluded wine grape varieties, in particular if:
 - (i) there is a risk of confusion for consumers as to the true origin of the wine due to the fact that the given wine grape variety forms an integral part of an existing protected designation of origin or a protected geographical indication;
 - (ii) the relevant checks would not be cost effective due to the fact that the given wine grape variety represents a very small part of the Member State vineyard;
 - (c) mixtures of wines from different Member States shall not give rise to labelling of the wine grape variety or varieties unless the Member States concerned agree otherwise and ensure the feasibility of the relevant certification, approval and verification procedures.

Article 205

Languages

1. Compulsory and optional particulars referred to in Articles 203 and 204 shall, where expressed in words, appear in one or more official language of the Union.
2. Notwithstanding paragraph 1, the name of a protected designation of origin or a protected geographical indication or a traditional term as referred to in Article 196(a) shall appear on the label in the language or languages for which the protection applies.

In the case of protected designations of origin or protected geographical indications or national specific designations using a non-Latin alphabet, the name may also appear in one or more official languages of the Union.

Article 206

Enforcement

The competent authorities of the Member States shall take measures to ensure that a product referred to in Article 203(1) which is not labelled in conformity with this Section is not placed on, or is withdrawn from, the market.

Article 207

Delegated powers

1. In order to ensure the conformity with horizontal rules related to labelling and presentation, and to consider the specificities of the wine sector, the Commission may, by means of delegated acts, adopt definitions, rules and restrictions concerning:
 - (a) the presentation and use of labelling particulars other than those provided for in this Section;
 - (b) certain compulsory particulars, in particular:
 - (i) terms to be used to formulate the compulsory particulars and their conditions of use;
 - (ii) terms referring to a holding and the conditions for their use;
 - (iii) provisions allowing the producing Member States to establish additional rules relating to compulsory particulars;
 - (iv) provisions allowing further derogations in addition to those referred to in Article 203(2) as regards the omission of the reference to the category of the grapevine product; and
 - (v) provisions on the use of languages;
 - (c) optional particulars, in particular:
 - (i) terms to be used to formulate the optional particulars and their conditions of use;
 - (ii) provisions allowing the producing Member States to establish additional rules relating to optional particulars;
 - (d) the presentation, in particular:
 - (i) the conditions of use of certain bottle shapes, and a list of certain specific bottle shapes;

- (ii) the conditions of use of "sparkling wine"-type bottles and closures;
 - (iii) provisions allowing the producing Member States to establish additional rules relating to presentation;
 - (iv) provisions on the use of languages.
2. In order to ensure the efficiency of the certification, approval and verification procedures provided for in this Section, the Commission may, by means of delegated acts, adopt the necessary measures in this respect.
 3. In order to ensure the legitimate interests of operators, the Commission may, by means of delegated acts, adopt rules as regards temporary labelling and presentation of wines bearing a designation of origin or a geographical indication, whose designation of origin or geographical indication concerned meet the requirements as referred to in Article 178(5).
 4. In order to ensure that economic operators are not prejudiced, the Commission may, by means of delegated acts, adopt transitional provisions as regards wine placed on the market and labelled before 1 August 2009.
 5. In order to prevent the marketing in the Union or the export of products not labelled in conformity with this Section, the Commission may, by means of delegated acts, define the actions to be implemented by the Member States in this respect.
 6. In order to take account of the specificities in trade between the Union and certain third countries, the Commission may, by means of delegated acts, adopt derogations from this Section.

Article 208

Implementing powers

The Commission may, by means of implementing acts, adopt all necessary measures related to this Section concerning procedures, notifications and technical criteria.

CHAPTER II

Producer organisations, producer groups, interbranch organisations, operator organisations

SECTION I

GENERAL PRINCIPLES

Article 209

Producer organisations

Member States shall recognise producer organisations, which:

- (a) are constituted by producers of one of the following sectors:
 - (i) hops;
 - (ii) olive oil and table olives;
 - (iii) fruit and vegetables in respect of farmers growing one or more products of that sector and/or of such products solely intended for processing;
 - [(iv) milk and milk products;]
 - (v) silkworms;
- (b) are formed on the initiative of the producers;
- (c) pursue a specific aim which may in particular, or as regards the fruit and vegetables sector shall, include one or more of the following objectives:
 - (i) ensuring that production is planned and adjusted to demand, particularly in terms of quality and quantity;
 - (ii) concentration of supply and the placing on the market of the products produced by its members;
 - (iii) optimising production costs and stabilising producer prices.

Member States may also recognise producer organisations constituted by producers in any sector referred to in Article 1, other than those sectors referred to in point (a) of the first paragraph, on the conditions set out in points (b) and (c) of that paragraph.

Member States may, as regards the wine sector, recognise producer organisations under the same conditions as those set out in points (b) and (c) of the first paragraph and which apply rules of association which require their members, in particular, to:

- (a) apply the rules adopted by the producer organisation relating to production reporting, production, marketing and protection of the environment;
- (b) provide the information requested by the producer organisation for statistical purposes, in particular on growing areas and market evolution;
- (c) pay penalties for infringement of obligations under the rules of association.

The following specific aims within the meaning of point (c) of the first paragraph may be pursued, in particular, in the wine sector:

- (a) promoting and providing technical assistance for the use of environmentally sound cultivation practices and production techniques;
- (b) promoting initiatives for the management of by-products of wine making and the management of waste in particular to protect the quality of water, soil and landscape and preserving or encouraging biodiversity;
- (c) carrying out research into sustainable production methods and market developments;
- (d) contributing to the achievement of support programmes as referred to in Section VII of Chapter IV of Title I of this Part.

Article 210

Interbranch organisations

1. Member States shall recognise interbranch organisations which:
 - (a) are made up of representatives of economic activities linked to the production of, trade in, and/or processing of products in the following sectors:
 - (i) the olive oil and table olives sector;
 - (ii) the tobacco sector;
 - (b) are formed on the initiative of all or some of the organisations or associations which constitute them;
 - (c) pursue a specific aim, which may, in particular relate to:
 - (i) concentrating and coordinating supply and marketing of the produce of the members;
 - (ii) adapting production and processing jointly to the requirements of the market and improving the product;
 - (iii) promoting the rationalisation and improvement of production and processing;
 - (iv) carrying out research into sustainable production methods and market developments.

2. Where interbranch organisations referred to in paragraph 1 carry out their activities in the territories of several Member States, recognition shall be granted by the Commission by means of implementing acts without the assistance of the Committee referred to in Article 323(1).
3. Further to paragraph 1, Member States shall, with regard to the fruit and vegetables sector, and may, with regard to the wine sector, also recognise interbranch organisations which:
 - (a) are made up of representatives of economic activities linked to the production of, trade in, or processing of the products of the sectors referred to in the introductory words;
 - (b) are formed on the initiative of all or some of the representatives referred to in point (a);
 - (c) carry out one, and in the case of the fruit and vegetables sector, two or more, of the following activities in one or more regions of the Union, taking into account the interests of consumers, and, without prejudice to other sectors, in the wine sector taking into account public health and the interests of consumers:
 - (i) improving knowledge and the transparency of production and the market;
 - (ii) helping to coordinate better the way the products of the fruit and vegetables and the wine sectors are placed on the market, in particular by means of research and market studies;
 - (iii) drawing up standard forms of contract compatible with Union rules;
 - (iv) exploiting to a fuller extent the potential of the fruit and vegetables produced, and the potential of production in the wine sector;
 - (v) providing the information and carrying out the research necessary to adjust production towards products more suited to market requirements and consumer tastes and expectations, in particular with regard to product quality and protection of the environment;
 - (vi) seeking ways of restricting the use of plant-health products and other inputs and ensuring product quality and soil and water conservation;
 - (vii) developing methods and instruments for improving product quality at all stages of production and marketing and, as regards the wine sector, also vinification;
 - (viii) exploiting the potential of organic farming and protecting and promoting such farming as well as designations of origin, quality labels and geographical indications;
 - (ix) promoting integrated production or other environmentally sound production methods;

- (x) with regard to the fruit and vegetables sector, laying down rules, as regards the production and marketing rules referred to in points 2 and 3 of Annex XIV, which are stricter than Union or national rules;
- (xi) with regard to the wine sector:
 - providing information on particular characteristics of wine with a protected designation of origin or a protected geographical indication,
 - encouraging moderate and responsible consumption of wine and informing on the harm linked to hazardous consumption patterns,
 - carrying out promotion actions for wine, especially in third countries.

[4. Member States may also recognise inter-branch organisations which:

- (a) are made up of representatives of economic activities linked to the production of, trade in, or processing of products of the milk and milk products sector;
- (b) are formed on the initiative of all or some of the representatives referred to in point (a);
- (c) carry out one or more of the following activities in one or more regions of the Union, taking into account the interests of consumers:
 - (i) improving knowledge and the transparency of production and the market, including by publication of statistical data on the prices, volumes and durations of contracts for the delivery of raw milk which have been previously concluded, and by providing analyses of potential future market developments at regional or national level;
 - (ii) helping to coordinate better the way the products of the milk and milk products sector are placed on the market, in particular by means of research and market studies;
 - (iii) drawing up standard forms of contract compatible with Union rules;
 - (iv) providing the information and carrying out the research necessary to adjust production towards products more suited to market requirements and consumer tastes and expectations, in particular with regard to product quality and protection of the environment;
 - (v) seeking ways of restricting the use of animal-health products and other inputs;
 - (vi) developing methods and instruments for improving product quality at all stages of production and marketing;

- (vii) exploiting the potential of organic farming and protecting and promoting such farming as well as designations of origin, quality labels and geographical indications; and
- (viii) promoting integrated production or other environmentally sound production methods.]

Article 211

Common provisions concerning producer and interbranch organisations

1. Article 209 and Article 210(1) shall apply without prejudice to the recognition, decided by Member States on the basis of national law and in compliance with Union law, of producer organisations or interbranch organisations respectively, in any sector referred to in Article 1 except for the sectors referred to in point (a) of the first paragraph of Article 209 and in Article 210(1).
2. Producer organisations recognised or approved in accordance with Regulations (EC) No 865/2004, (EC) No 1952/2005 and (EEC) No 707/76 shall be considered as recognised producer organisations under Article 209 of this Regulation.

Interbranch organisations recognised or approved in accordance with Regulations (EEC) No 2077/92 and (EC) No 865/2004 shall be considered recognised interbranch organisations under Article 210 of this Regulation.

Article 212

Operator organisations

For the purposes of this Regulation, operator organisations shall comprise recognised producer organisations, recognised interbranch organisations or recognised organisations of other operators in the olive oil and table olives sector or their associations.

SECTION II

RULES CONCERNING PRODUCER AND INTERBRANCH ORGANISATIONS AND PRODUCER GROUPS IN THE FRUIT AND VEGETABLES SECTOR

SUBSECTION I

RULES OF ASSOCIATION AND RECOGNITION OF PRODUCER ORGANISATIONS

Article 213

Rules of association of producer organisations

1. The rules of association of a producer organisation in the fruit and vegetables sector shall require its producer members, in particular, to:
 - (a) apply the rules adopted by the producer organisation relating to production reporting, production, marketing and protection of the environment;
 - (b) belong to only one producer organisation in respect of a given holding's production of any given product referred to in point (a)(iii) of the first paragraph of Article 209;
 - (c) market their entire production concerned through the producer organisation;
 - (d) provide the information requested by the producer organisation for statistical purposes, in particular on growing areas, quantities cropped, yields and direct sales;
 - (e) pay the financial contributions provided for in its rules of association for the establishment and replenishment of the operational fund provided for in Article 120.
2. Notwithstanding paragraph 1(c), where the producer organisation so authorises and where this is in compliance with the terms and conditions laid down by the producer organisation, the producer members may:
 - (a) sell no more than a fixed percentage of their production and/or products directly on their holdings and/or outside their holdings to consumers for their personal needs, such percentages being fixed by Member States at not less than 10 %;
 - (b) market themselves or through another producer organisation designated by their own organisation, quantities of products which are marginal in relation to the volume of marketable production of their organisation;
 - (c) market themselves or through another producer organisation designated by their own organisation products which, because of their characteristics, are not

normally covered by the commercial activities of the producer organisation concerned.

3. The rules of association of a producer organisation shall also provide for:
 - (a) procedures for determining, adopting and amending the rules referred to in paragraph 1;
 - (b) the imposition on members of financial contributions needed to finance the producer organisation;
 - (c) rules enabling the producer members to scrutinise democratically their organisation and its decisions;
 - (d) penalties for infringement of obligations under the rules of association, particularly non-payment of financial contributions, or of the rules laid down by the producer organisation;
 - (e) rules on the admission of new members, particularly a minimum membership period;
 - (f) the accounting and budgetary rules necessary for the operation of the organisation.
4. Producer organisations in the fruit and vegetables sector shall be deemed as acting in the name of, and on behalf of, their members in economic matters.

Article 214

Recognition

1. Member States shall recognise as producer organisations in the fruit and vegetables sector all legal entities or clearly defined parts of legal entities applying for such recognition, provided that:
 - (a) they have the objective of the use of environmentally sound cultivation practices, production techniques and waste management practices in particular to protect the quality of water, soil and landscape and preserve or encourage biodiversity and meet the requirements laid down in Articles 209 and 213 and provide the relevant evidence therefore;
 - (b) they have a minimum number of members and cover a minimum volume or value of marketable production to be laid down by Member States, and provide the relevant evidence therefore;
 - (c) there is sufficient evidence that they can carry out their activities properly, both over time and in terms of effectiveness and concentration of supply, to which end Member States may decide which of the products, or groups of products referred to in point (a)(iii) of the first paragraph of Article 209 should be covered by the producer organisation;

- (d) they effectively enable their members to obtain technical assistance in using environmentally-sound cultivation practices;
- (e) they effectively provide their members, where necessary, with the technical means for collecting, storing, packaging and marketing their produce;
- (f) they ensure proper commercial and accounting management of their activities; and
- (g) they do not hold a dominant position on a given market unless this is necessary in pursuance of the objectives of Article 39 of the Treaty.

2. Member States shall:

- (a) decide whether to grant recognition to a producer organisation within three months of the lodging of an application accompanied by all the relevant evidence;
- (b) carry out checks at regular intervals to ascertain that producer organisations comply with this Chapter, impose the penalties on such organisations in the event of non-compliance or irregularities concerning the provisions of this Regulation and decide, where necessary, to withdraw recognition;
- (c) notify the Commission, once per year, of every decision to grant, refuse or withdraw recognition.

SUBSECTION II

ASSOCIATION OF PRODUCER ORGANISATIONS AND PRODUCER GROUPS

Article 215

Association of producer organisations in the fruit and vegetables sector

An association of producer organisations in the fruit and vegetables sector shall be formed on the initiative of recognised producer organisations and may carry out any of the activities of a producer organisation referred to in this Regulation. To this end, Member States may recognise, on request, an association of producer organisations where:

- (a) the Member State considers that the association is capable of effectively carrying out those activities; and
- (b) the association does not hold a dominant position on a given market unless this is necessary in pursuance of the objectives of Article 39 of the Treaty.

Article 213(4) shall apply *mutatis mutandis*.

Article 216

Outsourcing

Member States may permit a recognised producer organisation in the fruit and vegetables sector or a recognised association of producer organisations in that sector to outsource any of its activities, including to subsidiaries, provided that it provides sufficient evidence to the Member State that doing so is an appropriate way to achieve the objectives of the producer organisation or association of producer organisations concerned.

Article 217

Producer groups in the fruit and vegetables sector

1. In Member States which acceded to the European Union on 1 May 2004 or thereafter, or in the outermost regions of the Union as referred to in Article 349(2) of the Treaty, or in the smaller Aegean Islands as referred to in Article 1(2) of Regulation (EC) No 1405/2006, producer groups may be formed as a legal entity or clearly defined part of a legal entity, on the initiative of farmers who are growers of one or more products of the fruit and vegetables sector and/or of such products solely intended for processing, with a view to being recognised as a producer organisation.

Such producer groups may be allowed a transitional period in which to meet the conditions for recognition as a producer organisation in accordance with Article 209.

In order to qualify, those producer groups shall present a phased recognition plan to the relevant Member State, acceptance of which shall signal the start of the transitional period referred to in the second subparagraph and shall constitute a preliminary recognition. The transitional period shall be no more than five years long.

2. Before acceptance of the recognition plan, Member States shall inform the Commission of their intentions and the likely financial implications thereof.

SUBSECTION III

EXTENSION OF RULES TO PRODUCERS IN AN ECONOMIC AREA

Article 218

Extension of rules

1. In cases where a producer organisation in the fruit and vegetables sector which operates in a specific economic area is considered, in respect of a specific product, to be representative of production and producers in that area, the Member State concerned may, at the request of the producer organisation, make the following rules

binding on producers established in that economic area who do not belong to the producer organisation:

- (a) the rules referred to in Article 213(1)(a);
- (b) the rules required to implement the measures referred to in Article 121(2)(c).

The first subparagraph shall apply on condition that those rules:

- (a) have been in force for at least one marketing year;
- (b) are included in the exhaustive list in Annex XIV;
- (c) are made binding for no more than three marketing years.

However, the condition referred to in point (a) of the second subparagraph shall not apply if the rules concerned are those listed in points 1, 3 and 5 of Annex XIV. In this case, the extension of rules may not apply for more than one marketing year.

2. For the purposes of this Subsection, “economic area” means a geographical zone made up of adjoining or neighbouring production regions in which production and marketing conditions are homogeneous.

Member States shall notify a list of economic areas to the Commission.

Within one month of notification, the Commission shall, by means of an implementing act without the assistance of the Committee referred to in Article 323(1), approve the list or shall, after consultation with the Member State concerned, decide on the amendments which the latter must make to it. The Commission shall make the approved list publicly available by the methods it considers appropriate.

3. A producer organisation shall be deemed representative within the meaning of paragraph 1 where its members account for at least 50 % of the producers in the economic area in which it operates and it covers at least 60 % of the volume of production of that area. Without prejudice to paragraph 5, in calculating these percentages account shall not be taken of producers or production of organic products covered, until 31 December 2008, by Regulation (EEC) No 2092/91 and, from 1 January 2009, by Regulation (EC) No 834/2007.
4. The rules which are made binding on all producers in a specific economic area:
 - (a) shall not cause any damage to other producers in the Member State concerned or in the Union;
 - (b) shall not apply, unless they expressly cover them, to products delivered for processing under a contract signed before the beginning of the marketing year, with the exception of the rules on production reporting referred to in Article 213(1)(a);
 - (c) shall not be incompatible with Union and national rules in force.

5. Rules may not be made binding on producers of organic products covered, until 31 December 2008, by Regulation (EEC) No 2092/91 and, from 1 January 2009, by Regulation (EC) No 834/2007 unless such a measure has been agreed to by at least 50 % of such producers in the economic area in which the producer organisation operates and that organisation covers at least 60 % of such production of that area.

Article 219

Notification

Member States shall notify the Commission forthwith of the rules which they have made binding on all producers in a specific economic area pursuant to Article 218(1). The Commission shall make those rules publicly available by the methods it considers appropriate.

Article 220

Repeal of the extension of rules

The Commission shall, by means of implementing acts without the assistance of the Committee referred to in Article 323(1), decide that a Member State shall repeal an extension of the rules decided on by that Member State pursuant to Article 218(1):

- (a) where it finds that the extension in question to other producers excludes competition in a substantial part of the internal market or jeopardises free trade, or that the objectives of Article 39 of the Treaty are endangered;
- (b) where it finds that Article 101(1) of the Treaty applies to the rules extended to other producers. The Commission's decision with regard to those rules shall apply only from the date of such a finding;
- (c) where it finds after checks that this Subsection has not been complied with.

Article 221

Financial contributions of non-member producers

Where Article 218(1) is applied, the Member State concerned may decide, on scrutiny of evidence presented, that non-member producers shall be liable to the producer organisation for the part of the financial contributions paid by the producer members, insofar as these are used to cover:

- (a) administrative costs resulting from applying the rules referred to in Article 218(1);
- (b) the cost of research, market studies and sales promotion undertaken by the organisation or association and benefiting all producers in the area.

Article 222

Extension of rules of associations of producer organisations

For the purposes of this Subsection, any reference to producer organisations shall also be construed as a reference to recognised associations of producer organisations.

SUBSECTION IV

INTERBRANCH ORGANISATIONS IN THE FRUIT AND VEGETABLES SECTOR

Article 223

Recognition and withdrawal of recognition

1. If warranted by the Member State's structures, Member States may recognise as interbranch organisations in the fruit and vegetables sector all legal entities established on their territory which make an appropriate application, on condition that:
 - (a) they carry out their activity in one or more regions in the Member State concerned;
 - (b) they represent a significant share of the production of, trade in and/or processing of fruit and vegetables and products processed from fruit and vegetables in the region or regions in question and, where more than one region is involved, they can demonstrate a minimum level of representativeness in each region for each of the branches that they group;
 - (c) they carry out two or more of the activities referred to in Article 210(3)(c);
 - (d) they are not themselves engaged in the production or processing or marketing of fruit and vegetables or products processed from fruit and vegetables;
 - (e) they do not engage in any of the agreements, decisions and concerted practices referred to in Article 285(4).
2. Before granting recognition Member States shall notify the Commission of the interbranch organisations which have applied for recognition, providing all relevant information about their representativeness and their various activities, together with all other information needed for an assessment.

The Commission may, by means of implementing acts without the assistance of the Committee referred to in Article 323(1), object to recognition within a time limit of two months after notification.
3. Member States shall:
 - (a) decide whether to grant recognition within three months of the lodging of an application with all relevant supporting documents;

- (b) carry out checks at regular intervals to ascertain that interbranch organisations comply with the terms and conditions for recognition, impose the penalties on such organisations in the event of non-compliance or irregularities concerning the provisions of this Regulation and decide, where necessary, to withdraw recognition;
 - (c) withdraw recognition if:
 - (i) the requirements and conditions for recognition laid down in this Subsection are no longer met;
 - (ii) the interbranch organisation engages in any of the agreements, decisions and concerted practices referred to in Article 285(4), without prejudice to any other penalties to be imposed pursuant to national law;
 - (iii) the interbranch organisation fails to comply with the notification obligation referred to in Article 285(2);
 - (d) notify the Commission, within two months, of any decision to grant, refuse or withdraw recognition.
4. Recognition shall constitute an authorisation to carry out the activities listed in Article 210(3)(c), subject to the terms of this Regulation.
 5. The Commission shall, by means of implementing acts, lay down the terms and conditions on which and the frequency with which the Member States are to report to the Commission on the activities of interbranch organisations.
 6. The Commission may, as a result of checks, request a Member State, by means of an implementing act without the assistance of the Committee referred to in Article 323(1), to withdraw recognition.
 7. The Commission shall make publicly available a list of recognised interbranch organisations, by the methods it considers appropriate, indicating the economic sphere or the area of their activities and the activities carried out within the meaning of Article 224. Withdrawals of recognition shall also be made publicly available.

Article 224

Extension of rules

1. In cases where an interbranch organisation operating in a specific region or regions of a Member State is considered to be representative of the production of or trade in or processing of a given product, the Member State concerned may, at the request of that interbranch organisation, make binding some of the agreements, decisions or concerted practices agreed on within that organisation for a limited period on other operators operating in the region or regions in question, whether individuals or groups, who do not belong to the organisation.
2. An interbranch organisation shall be deemed representative within the meaning of paragraph 1 where it accounts for at least two thirds of the production or trade in or

processing of the product or products concerned in the region or regions concerned of a Member State. Where the application for extension of its rules to other operators covers more than one region, the interbranch organisation must demonstrate a minimum level of representativeness for each of the branches it groups in each of the regions concerned.

3. The rules for which extension to other operators may be requested:
 - (a) shall have one of the following aims:
 - (i) production and market reporting;
 - (ii) stricter production rules than those laid down in Union or national rules;
 - (iii) drawing up of standard contracts which are compatible with Union rules;
 - (iv) rules on marketing;
 - (v) rules on protecting the environment;
 - (vi) measures to promote and exploit the potential of products;
 - (vii) measures to protect organic farming as well as designations of origin, quality labels and geographical indications;
 - (b) shall have been in force for at least one marketing year;
 - (c) may be made binding for no more than three marketing years;
 - (d) shall not cause any damage to other operators in the Member State concerned or the Union.

However, the condition referred to in point (b) of the first subparagraph shall not apply if the rules concerned are those listed in points 1, 3 and 5 of Annex XIV. In this case, the extension of rules may not apply for more than one marketing year.

4. The rules referred to in points (a)(ii), (iv) and (v) of the first subparagraph of paragraph 3 shall not be other than those set out in Annex XIV. The rules referred to in point (a)(ii) of the first subparagraph of paragraph 3 shall not apply to products which were produced outside the specific region or regions referred to in paragraph 1.

Article 225

Notification and repeal of the extension of rules

1. Member States shall notify the Commission forthwith of the rules which they have made binding on all operators in one or more specific regions pursuant to Article 224(1). The Commission shall make those rules publicly available by the methods it considers appropriate.

2. Before the rules are made publicly available, the Commission shall inform the Committee referred to in Article 323(1) of any notification of the extension of interbranch agreements.
3. The Commission shall, by means of implementing acts without the assistance of the Committee referred to in Article 323(1), decide that a Member State must repeal an extension of the rules decided on by that Member State in the cases referred to in Article 220.

Article 226

Financial contributions of non-members

In cases where rules for one or more products are extended and where one or more of the activities referred to in Article 224(3)(a) are pursued by a recognised interbranch organisation and are in the general economic interest of those persons whose activities relate to one or more of the products concerned, the Member State which has granted recognition may decide that individuals or groups which are not members of the interbranch organisation but which benefit from those activities shall pay the organisation all or part of the financial contributions paid by its members to the extent that such contributions are intended to cover costs directly incurred as a result of pursuing the activities in question.

SECTION III

RULES CONCERNING PRODUCER AND INTERBRANCH ORGANISATIONS IN THE WINE SECTOR

Article 227

Recognition

1. Member States may recognise producer and interbranch organisations which have lodged an application for recognition with the Member State concerned and the application contains evidence that the entity:
 - (a) as regards producer organisations:
 - (i) meets the requirements laid down in Article 209;
 - (ii) has a minimum number of members, to be laid down by the Member State concerned;
 - (iii) covers a minimum volume of marketable production, to be laid down by the Member State concerned, in the area where the organisation operates;
 - (iv) can carry out its activities properly, both over time and in terms of effectiveness and concentration of supply;

- (v) effectively enables its members to obtain technical assistance in using environmentally sound cultivation practices;
- (b) as regards interbranch organisations:
- (i) meets the requirements laid down in Article 210(3);
 - (ii) carries out its activities in one or more regions in the territory concerned;
 - (iii) represents a significant share of the production of, or trade in, products covered by this Regulation;
 - (iv) does not engage in the production, processing or marketing of products of the wine sector.
2. Producer organisations recognised in accordance with Regulation (EC) No 1493/1999 shall be considered as recognised producer organisations under this Article.
- Organisations meeting the criteria set out in Article 210(3) and of paragraph (1)(b) of this Article, which have been recognised by Member States, shall be considered as recognised interbranch organisations under those provisions.
3. Articles 214(2) and 223(3) shall apply *mutatis mutandis* to producer and interbranch organisations respectively in the wine sector. However:
- (a) the periods referred to in Article 214(2)(a) and in Article 223(3)(a) respectively shall be four months;
 - (b) the applications for recognition referred to in Article 214(2)(a) and Article 223(3)(a) shall be lodged with the Member State where the organisation has its headquarters;
 - (c) the annual notifications referred to in Article 214(2)(c) and Article 223(3)(d) respectively shall be made by 1 March each year.

SECTION IV

RULES CONCERNING INTERBRANCH ORGANISATIONS IN THE TOBACCO SECTOR

Article 228

Payment of subscription by non-members

1. Where one or more of the activities referred to in paragraph 2 is pursued by a recognised interbranch organisation in the tobacco sector and is in the general economic interest of those persons whose activities relate to one or more of the products concerned, the Member State which has granted recognition, or the Commission, without the assistance of the Committee referred to in Article 323(1), where recognition has been granted by the Commission, may decide that individuals

or groups which are not members of the organisation but which benefit from those activities shall pay the organisation all or part of the subscriptions paid by its members to the extent that such subscriptions are intended to cover costs, other than administrative costs of any description, directly incurred as a result of pursuing the activities in question.

2. The activities referred to in paragraph 1 shall relate to one of the following objectives:
 - (a) research to add value to the products, in particular through new uses which do not pose a threat to public health;
 - (b) studies to improve the quality of leaf or baled tobacco;
 - (c) research into methods of cultivation permitting reduced use of plant health products and guaranteeing conservation of the soil and the environment.
3. The Member States concerned shall notify the Commission of decisions which they intend to take under paragraph 1. Such decisions may not apply before the expiry of a three month period starting from the date of notification to the Commission. Within that three month period the Commission may, by means of an implementing act without the assistance of the Committee referred to in Article 323(1), call for the rejection of all or part of the draft decision if the general economic interest put forward does not appear to be well founded.
4. Where the activities of an interbranch organisation recognised by the Commission, in accordance with this Chapter are in the general economic interest, the Commission shall notify its draft decision to the Member States concerned, who shall then have two months to make their comments.

[SECTION V

PRODUCER ORGANISATIONS IN THE MILK AND MILK PRODUCTS SECTOR

Article 229

Contractual negotiations in the milk and milk products sector

1. Contracts for the delivery of raw milk by a farmer to a processor of raw milk, or to a collector within the meaning of the second subparagraph of Article 311(1), may be negotiated by a producer organisation in the milk and milk products sector which is recognised under Article 209, on behalf of its farmer members for part or all of their joint production.
2. The negotiation by the producer organisation may take place:
 - (a) whether or not there is a transfer of ownership of the raw milk by the farmers to the producer organisation,

- (b) whether or not the price negotiated is the same as regards the joint production of some or all of the farmer members,
 - (c) provided that the total volume of raw milk covered by such negotiations by a particular producer organisation does not exceed:
 - (i) 3.5% of total Union production, and
 - (ii) 33% of the total national production of any particular Member State covered by such negotiations by that producer organisation, and
 - (iii) 33% of the total combined national production of all the Member States covered by such negotiations by that producer organisation,
 - (d) provided the farmers concerned are not members of any other producer organisation which also negotiates such contracts on their behalf, and
 - (e) provided that the producer organisation notifies the competent authorities of the Member State or Member States in which it operates.
3. For the purposes of this Article, references to producer organisations shall also cover associations of such producer organisations. In order to ensure that these associations may be appropriately monitored, the Commission may, by means of delegated acts, adopt rules on the conditions for recognition of such associations.
4. For the purposes of applying point (c) of paragraph 2, the Commission shall publish, by the methods it considers appropriate, the amounts of raw milk production in the Union and the Member States using the most up-to-date information available.
5. By way of derogation from paragraph 2(c)(ii) and (iii), even where the threshold of 33% is not exceeded, the competition authority referred to in the second subparagraph may decide in an individual case that the negotiation by the producer organisation may not take place if it considers that this is necessary in order to prevent competition being excluded or in order to avoid serious prejudice to SME processors of raw milk in its territory.

The decision referred to in the first subparagraph shall be taken by the Commission by means of implementing acts without the assistance of the Committee referred to in Article 323(1) for negotiations covering the production of more than one Member State. In other cases it shall be taken by the national competition authority of the Member State the production of which is covered by the negotiations.

The decisions referred to in the first and second subparagraphs shall not apply earlier than the date of their notification to the undertakings concerned.

6. For the purposes of this Article:

- (a) a "national competition authority" shall be the authority referred to in Article 5 of Regulation (EC) No 1/2003 on the implementation of the rules on competition laid down in Articles 81 and 82 of the Treaty⁴⁰;
- (b) a "SME" shall mean a micro, small or medium-sized enterprise within the meaning of Commission Recommendation 2003/361/EC of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises.]

SECTION VI

PROCEDURAL RULES

Article 230

Delegated and implementing powers

1. In order to ensure that the objectives and responsibilities of producer organisations, producer groups in the fruit and vegetables sector, operator organisations in the olive oil and table olives sector and interbranch organisations are clearly defined so as to contribute to the effectiveness of the actions of such organisations and groups, the Commission may, by means of delegated acts, adopt rules on the following:
 - (a) the specific aims to be pursued by such groups and organisations, the rules of association, the recognition, structure, legal personality, membership, size, accountability and activities of such groups and organisations, the effects deriving from recognition, the withdrawal of recognition, derogations on the minimum size, and mergers;
 - (b) the extension of certain rules of interbranch organisations to non-members;
 - (c) transnational producer organisations and transnational associations of producer organisations including administrative assistance to be given by the relevant competent authorities in the case of transnational cooperation;
 - (d) outsourcing of activities and the provision of technical means by producer organisations or associations of producer organisations;
 - (e) the minimum volume or value of marketable production of a producer organisation;
 - (f) derogations from the requirements laid down in Articles 209, 210 and 212;
 - (g) sanctions in case of non-respect of recognition criteria.
2. The Commission may, by means of implementing acts, adopt the necessary measures relating to this Chapter, in particular on:

⁴⁰ OJ L 1, 4.1.2003, p. 1.

- (a) notifications to be made by the Member States;
- (b) applications for recognition as a producer organisation;
- (c) the implementation of recognition plans by producer groups;
- (d) the extension of the recognition;
- (e) checks and verification.

PART III

TRADE WITH THIRD COUNTRIES

CHAPTER I

General provisions

Article 231

General principles

Unless otherwise provided for in this Regulation or in provisions adopted pursuant thereto, the following shall be prohibited in trade with third countries:

- (a) the levying of any charge having equivalent effect to a customs duty;
- (b) the application of any quantitative restriction or measure having equivalent effect.

Article 232

Combined nomenclature

The general rules for interpreting the Combined Nomenclature, provided for in Council Regulation (EEC) No 2658/87 of 23 July 1987 on the tariff and statistical nomenclature and on the Common Customs Tariff⁴¹ (hereinafter referred to as ‘Combined Nomenclature’), and the special rules for its application shall apply to the tariff classification of products covered by this Regulation. The tariff nomenclature resulting from the application of this Regulation, including, as the case may be, the definitions in Annexes III and Part II of Annex XII shall be included in the Common Customs Tariff.

⁴¹ OJ L 256, 7.9.1987, p. 1.

CHAPTER II

Imports

Section I

Import licences

Article 233

Import licences

Without prejudice to cases where import licences are required in accordance with this Regulation, imports of one or more products of the following sectors into the Union may be made subject to the presentation of an import licence, taking account of the need for import licences for the management of the markets concerned and, in particular, for monitoring the imports of the products in question:

- (a) cereals;
- (b) rice;
- (c) sugar;
- (d) seeds;
- (e) olive oil and table olives, with regard to products falling within CN codes 1509, 1510 00, 0709 90 39, 0711 20 90, 2306 90 19, 1522 00 31 and 1522 00 39;
- (f) flax and hemp, as far as hemp is concerned;
- (g) fruit and vegetables;
- (h) processed fruit and vegetables;
- (i) bananas;
- (j) wine;
- (k) live plants;
- (l) beef and veal;
- (m) milk and milk products;
- (n) pigmeat;
- (o) sheepmeat and goatmeat;

- (p) eggs;
- (q) poultrymeat;
- (r) agricultural ethyl alcohol.

Article 234

Issue of licences

Import licences shall be issued by Member States to any applicant, irrespective of their place of establishment in the Union, unless any act adopted in accordance with Article 43(2) of the Treaty provides otherwise, and without prejudice to measures taken for the application of this Chapter.

Article 235

Validity

Import licences shall be valid throughout the Union.

Article 236

Security

1. Save as otherwise provided for by the Commission, by means of delegated acts pursuant to Article 238, licences shall be issued subject to the lodging of a security guaranteeing that the products are imported within the period of validity of the licence.
2. Except in cases of *force majeure*, the security shall be forfeited in whole or in part if the import is not carried out, or is carried out only partially, within the period of validity of the licence.

Article 237

Special security in the wine sector

1. For juice and musts falling under CN codes 2009 61, 2009 69 and 2204 30 for which the application of the Common Customs Tariff duties depends on the import price of the product, the actual amount of that price shall be verified either by checking every consignment or by using a flat-rate import value calculated by the Commission, by means of implementing acts without the assistance of the Committee referred to in Article 323(1), on the basis of price quotations for the same products in the countries of origin.

Should the declared entry price of the consignment be higher than the flat-rate import value, if such applies, increased by a margin adopted by the Commission by

means of implementing acts that may not exceed the flat-rate import value by more than 10 %, a security must be lodged equal to the import duties determined on the basis of the flat-rate import value.

If the entry price of the consignment is not declared, the application of Common Customs Tariff duties shall be dependent on the flat-rate import value or on the application, under conditions to be determined by the Commission by means of implementing acts, of the relevant provisions of customs legislation.

2. Should derogations adopted in accordance with Article 43(2) of the Treaty referred to in point 5 of Section B or Section C of Part II of Annex XIII be applied to imported products, importers shall lodge a security for those products with the designated customs authorities at the time of release for free circulation. The security shall be released on presentation by the importer of proof, to the satisfaction of the customs authorities of the Member State of release for free circulation, that the musts were made into grape juice, used in other products outside the wine sector or, if vinified, have been appropriately labelled.

Article 238

Delegated powers

1. In order to take account of the evolution of trade and market developments, the needs of the markets concerned and when necessary for monitoring imports of the products in question, the Commission may, by means of delegated acts, determine:
 - (a) the list of the products of the sectors referred to in Article 233 subject to the presentation of an import licence;
 - (b) the cases and situations where the presentation of an import licence is not required, based on, in particular, the customs status of the products in question, the trade arrangements to be respected, the purposes of operations, the legal status of the applicant and the quantities involved.
2. In order to define the main elements of the import licence system, the Commission may, by means of delegated acts:
 - (a) define the rights and obligations deriving from the licence, its legal effects, including the possibility of a tolerance as regards the respect of the obligation to import, and the indication of the origin and provenance where that is compulsory;
 - (b) provide that the issue of a licence or the release into free circulation shall be subject to the presentation of a document issued by a third country or an entity certifying *inter alia* the origin, the authenticity and the quality characteristics of the products;
 - (c) adopt the rules applicable to the transfer of the licence or, as necessary, the restrictions on this transmissibility;

- (d) adopt the rules necessary for the reliability and the efficiency of the licence system and the situations where a specific administrative assistance between Member States is needed to prevent or deal with cases of fraud and irregularities;
- (e) determine the cases and situations where the lodging of a security is not required.

Article 239

Implementing powers

The Commission shall, by means of implementing acts, adopt all necessary measures related to this Section, including rules on:

- (a) the lodging of applications and the issuing of licences and their use;
- (b) the period of validity of the licence and the amount of security to be lodged;
- (c) the proofs that the requirements linked to the use of licences have been fulfilled;
- (d) the issue of replacement licences and duplicate licences;
- (e) the treatment of licences by Member States and the exchange of information needed for the management of the system.

SECTION II

IMPORT DUTIES AND LEVIES

Article 240

Import duties

Save as otherwise provided for pursuant to this Regulation, the rates of import duty in the Common Customs Tariff shall apply to the products referred to in Article 1.

Article 241

Calculation of import duties for cereals

1. Notwithstanding Article 240, the import duty on products covered by CN codes 1001 10 00, 1001 90 91, ex 1001 90 99 (high quality common wheat), 1002 00 00, 1005 10 90, 1005 90 00 and 1007 00 90 other than hybrid for sowing, shall be equal to the intervention price valid for such products on importation increased by 55 %, minus the c.i.f. import price applicable to the consignment in question. However, that duty may not exceed the conventional rate of duty as determined on the basis of the Combined Nomenclature.

2. The import duty referred to in paragraph 1 shall be calculated by the Commission by means of implementing acts without the assistance of the Committee referred to in Article 323(1) on the basis of representative c.i.f. import prices established on a regular basis for the products referred to in paragraph 1 of this Article.

Article 242

Calculation of import duties for husked rice

1. Notwithstanding Article 240, the import duty on husked rice falling within CN code 1006 20 shall be fixed by the Commission by means of implementing acts without the assistance of the Committee referred to in Article 323(1) within 10 days of the end of the reference period concerned in accordance with point 1 of Annex XV.

The Commission shall, by means of implementing acts without the assistance of the Committee referred to in Article 323(1), fix a new applicable duty if the calculations performed under that Annex indicate a need to change the duty. Until such time as a new applicable duty is fixed, the duty previously fixed shall apply.

2. In order to calculate the imports referred to in point 1 of Annex XV, account shall be taken of the quantities for which import licences for husked rice falling within CN code 1006 20 were issued in the corresponding reference period, excluding the import licences for Basmati rice referred to in Article 243.
3. The annual reference quantity shall be 449 678 tonnes. The partial reference quantity for each marketing year shall correspond to half the annual reference quantity.

Article 243

Calculation of import duties for husked basmati rice

Notwithstanding Article 240, the husked Basmati rice varieties falling within CN codes 1006 20 17 and 1006 20 98 listed in Annex XVI shall qualify for a zero rate of import duty under the conditions fixed by the Commission by means of delegated and implementing acts adopted pursuant to Articles 249 and 250.

Article 244

Calculation of import duties for milled rice

1. Notwithstanding Article 240, the import duty for semi-milled or wholly milled rice falling within CN code 1006 30 shall be fixed by the Commission, by means of implementing acts without the assistance of the Committee referred to in Article 323(1), within ten days after the end of the reference period concerned in accordance with point 2 of Annex XV.

The Commission shall, by means of implementing acts without the assistance of the Committee referred to in Article 323(1), fix a new applicable duty if the calculations

performed under that Annex indicate a need to change the duty. Until such time as a new applicable duty is fixed, the duty previously fixed shall apply.

2. In order to calculate imports referred to in point 2 of Annex XV, account shall be taken of the quantities for which import licences for semi-milled or wholly milled rice falling within CN code 1006 30 were issued in the corresponding reference period.

Article 245

Calculation of import duties for broken rice

Notwithstanding Article 240, the import duty on broken rice falling within CN code 1006 40 00 shall be EUR 65 per tonne.

Article 246

Entry price system for the fruit and vegetables and the processed fruit and vegetables sectors

1. Should application of the Common Customs Tariff duty rate depend on the entry price of the imported consignment, the veracity of this price shall be checked using a standard import value calculated by the Commission, by means of implementing acts without the assistance of the Committee referred to in Article 323(1), by product and by origin, on the basis of the weighted average of prices for the product on Member States' representative import markets or on other markets, where appropriate.

Specific provisions may, however, be adopted by the Commission by means of implementing acts for verifying the entry price of products imported primarily for processing.

2. Where the declared entry price of the consignment in question is higher than the standard import value, increased by a margin set by the Commission by means of implementing acts which may not exceed the standard import value by more than 10 %, the lodging of a security equal to the import duty determined on the basis of the standard import value shall be required.
3. If the entry price of the consignment in question is not declared at the time of customs clearance, the Common Customs Tariff duty rate to be applied shall depend on the standard import value or be arrived at by application of the relevant customs legislation provisions under conditions to be determined by the Commission by means of delegated and implementing acts pursuant to Article 249 and 250.

Article 247

Additional import duties

1. The Commission may, by means of implementing acts, determine the products of the cereals, rice, sugar, fruit and vegetables, processed fruit and vegetables, beef and

veal, milk and milk products, pig meat, sheep meat and goat meat, eggs, poultry and bananas sectors, as well as of grape juice and grape must, to which, when imported subject to the rate of duty laid down in Articles 240 to 246, an additional import duty is to be applied in order to prevent or counteract adverse effects on the Union market which may result from those imports, if:

- (a) the imports are made at a price below the level notified by the Union to the WTO (the trigger price); or
- (b) the volume of imports in any year exceeds a certain level (the trigger volume).

The trigger volume shall be based on market access opportunities defined, where applicable, as imports as a percentage of the corresponding domestic consumption during the three previous years.

2. Additional import duties shall not be imposed where the imports are unlikely to disturb the Union market, or where the effects would be disproportionate to the intended objective.
3. For the purposes of paragraph 1(a), import prices shall be determined on the basis of the c.i.f. import prices of the consignment under consideration.

C.i.f. import prices shall be checked against the representative prices for the product on the world market or on the Union import market for that product.

4. The Commission may, by means of implementing acts without the assistance of the Committee referred to in Article 323(1), fix the representative prices and trigger volumes for the purposes of applying additional import duties in the framework of the rules adopted pursuant to Article 250(d).

Article 248

Suspension of import duties in the sugar sector

The Commission may, by means of implementing acts, suspend import duties in whole or in part for certain quantities in respect of the following products to guarantee the supply necessary for the manufacturing of products referred to in Article 55(2):

- (a) sugar falling within CN code 1701;
- (b) isoglucose falling within CN codes 1702 30 10, 1702 40 10, 1702 60 10 and 1702 90 30.

Article 249

Delegated powers

1. In order to ensure that operators respect their obligations, the Commission may, by means of delegated acts, adopt the requirement for the lodging of a security for the import of specific types of high quality cereals and Basmati rice.

2. In order to ensure the proper functioning of the Basmati rice regime, the Commission may, by means of delegated acts, determine further requirements that operators have to fulfil in order to lodge an application for an import licence under Article 243.
3. In order to take account of the specificities of the cereals sector, the Commission shall by means of delegated acts establish minimum quality requirements necessary to benefit from a reduction in the rate of the import duty.

Article 250

Implementing powers

The Commission may, by means of implementing acts, adopt:

- (a) as regards Article 241:
 - (i) the price quotations to be taken into consideration;
 - (ii) the possibility, where appropriate in specific cases, of giving operators the opportunity to know the duty applicable before the arrival of the consignments concerned;
- (b) the necessary rules to verify the correct application of the duties referred to in Article 243 with a view to checking the characteristics and quality of the products imported, and the measures to be taken for specific difficulties encountered in the application of the regime;
- (c) as regards Article 246, rules on the calculation of the standard import value, on the reporting of prices, on the identification of representative markets and on the entry price;
- (d) as regards Article 247, further rules necessary for the application of paragraph 1 of that Article;
- (e) provisions to verify the characteristics and quality of products imported.

SECTION III

IMPORT QUOTA MANAGEMENT

Article 251

Tariff quotas

1. Tariff quotas for imports of products referred to in Article 1 resulting from agreements concluded in accordance with Article 218 of the Treaty or from any other act adopted in accordance with Article 43(2) of the Treaty shall be opened and

administered by the Commission by means of delegated and implementing acts pursuant to Articles 253, 254 and 255.

2. Tariff quotas shall be administered in a manner which avoids any discrimination between the operators concerned, by applying one of the following methods or a combination of them or another appropriate method:
 - (a) a method based on the chronological order of the lodging of applications ('first come, first served' principle);
 - (b) a method of distribution in proportion to the quantities requested when the applications were lodged (using the 'simultaneous examination method');
 - (c) a method based on taking traditional trade patterns into account (using the 'traditional/newcomers method').
3. The method of administration adopted shall, where appropriate, give due weight to the supply requirements of the Union market and the need to safeguard the equilibrium of that market.

Article 252

Specific rules

1. With regard to the import quota of 54 703 tonnes of frozen beef and veal meat falling within CN codes 0202 20 30, 0202 30 and 0206 29 91 and intended for processing, the European Parliament and the Council, acting in accordance with the procedure laid down in Article 43(2) of the Treaty, may lay down that all or part of the quota shall cover equivalent quantities of quality meat, applying a conversion rate of 4,375.
2. In the case of tariff quota for import into Spain of 2 000 000 tonnes of maize and 300 000 tonnes of sorghum and tariff quota for import into Portugal of 500 000 tonnes of maize, the rules referred to in Article 253 shall also include the provisions necessary for carrying out the tariff quota imports and, where appropriate, the public storage of the quantities imported by the paying agencies of the Member States concerned and their disposal on the markets of those Member States.

Article 253

Delegated powers

1. In order to ensure fair access for the quantities available and an equal treatment of operators within the import tariff quota, the Commission shall by means of delegated acts:
 - (a) determine the conditions and eligibility requirements that an operator has to fulfil to lodge an application within the import tariff quota; the provisions concerned may require a minimum experience in trade with third countries and assimilated territories, or in processing activity, expressed in a minimum

quantity and period of time in a given market sector; those provisions may include specific rules to suit the needs and practices in force in a certain sector in respect to, in particular, the uses and needs of the processing industries;

- (b) adopt provisions relating to the transfer of rights between operators and when necessary the limitations to transfer within the management of the import tariff quota.
2. In order to ensure that operators respect their obligations and to guarantee the application of the agreements or of the commitments of the Union, the Commission may by means of delegated acts:
- (a) make the participation in the import tariff quota subject to the lodging of a security;
 - (b) adopt the rules necessary for the reliability and the efficiency of the licence system, in particular, relating to the situations where a specific administrative assistance between Member States is needed; including provisions establishing the obligation for the Member States to notify data and information;
 - (c) adopt rules to prevent fraud and irregularities, providing for, *inter alia*, the payment of specific penalties, and the exclusion of the concerned operators from the participation in the tariff quota in proportion to the detected frauds and irregularities.

Article 254

Implementing powers

1. The Commission shall, by means of implementing acts, provide for:
- (a) the annual tariff quotas, if necessary suitably phased over the year and shall determine the administrative method to be used;
 - (b) rules for the application of the specific provisions laid down in the agreement or act adopting the import regime, in particular, where necessary, on:
 - (i) guarantees covering the nature, provenance and origin of the product;
 - (ii) recognition of the document used for verifying the guarantees referred to in point (i);
 - (iii) the presentation of a document issued by the exporting country;
 - (iv) destination and use of the products;
 - (c) the period of validity of the licences or of the authorisations;
 - (d) the amounts of the security;
 - (e) rules on publication of information and communications.

2. The Commission may, by means of implementing acts, provide for:
 - (a) the use of licences, and, when necessary, specific rules relating to, in particular, the conditions under which applications for import shall be lodged and authorisation granted within the tariff quota;
 - (b) the monitoring of the import regime.

Article 255

Implementing acts to be adopted without the assistance of the Committee referred to in Article 323(1)

1. The Commission shall, by means of implementing acts without the assistance of the Committee referred to in Article 323(1), adopt the provisions to manage the process to guarantee that the quantities available within the import tariff quota are not exceeded, in particular by fixing an allocation coefficient to each application when the available quantities are reached, rejecting pending applications and when necessary to suspend the lodging of applications.
2. The Commission may, by means of implementing acts without the assistance of the Committee referred to in Article 323(1), adopt provisions for the reallocation of the unused quantities.

SECTION IV

SPECIAL PROVISIONS FOR CERTAIN PRODUCTS

SUBSECTION I

SPECIAL PROVISIONS FOR IMPORTS IN RESPECT OF THE CEREALS AND RICE SECTORS

Article 256

Imports of mixtures of different cereals

The import duty applicable to mixtures composed of cereals falling within points (a) and (b) of Part I of Annex I shall be established as follows:

- (a) in the case where the mixture is composed of two of such cereals, the import duty shall be that applicable:
 - (i) to the component cereal predominating by weight, when the cereal represents at least 90 % of the weight of the mixture;

- (ii) to the component cereal liable to the higher import duty, when neither of the two component cereals represents at least 90 % of the weight of the mixture;
- (b) in the case where the mixture is composed of more than two of such cereals, and where several cereals each represent more than 10 % by weight of the mixture, the import duty applicable to the mixture shall be the highest of the import duties applicable to such cereals, even when the amount of the import duty is the same for two or more of the cereals.

Where only one cereal represents more than 10 % of the weight of the mixture, the import duty to be applied shall be that applicable to this cereal;

- (c) in all cases not covered by points (a) and (b), the import duty shall be the highest of the import duties applicable to the cereals composing the mixture concerned, even when the amount of the import duty is the same for two or more of the cereals.

Article 257

Imports of mixtures between cereals and rice

The import duty applicable to mixtures composed of one or more of the cereals falling within points (a) and (b) of Part I of Annex I, on the one hand, and of one or more of the products falling within points (a) and (b) of Part II of Annex I, on the other, shall be that applicable to the component cereal or product liable to the highest import duty.

Article 258

Imports of mixtures of rice

The import duty applicable to mixtures composed either of rice classifiable under several different processing groups or stages or of rice classifiable under one or more different processing groups or stages on the one hand and of broken rice on the other shall be that applicable:

- (a) to the component predominating by weight, when that component represents at least 90 % of the weight of the mixture;
- (b) to the component liable to the highest import duty, when no component represents at least 90 % of the weight of the mixture.

Article 259

Applicability of the tariff classification

Where the method for fixing the import duty set out in Articles 256, 257 and 258 cannot be applied, the duty to be applied to the mixtures referred to in those Articles shall be that determined by the tariff classification of the mixtures.

SUBSECTION II

IMPORT ARRANGEMENTS FOR SUGAR

Article 260

Traditional supply need for refining

1. A traditional supply need of sugar for refining is fixed for the Union at 2 489 735 tonnes per marketing year, expressed in white sugar.
2. The sole sugar beet processing plant at work in 2005 in Portugal is deemed to be a full-time refiner.
3. Import licences for sugar for refining shall be issued only to full-time refiners provided that the quantities concerned do not exceed the quantities that may be imported in the framework of the traditional supply need referred to in paragraph 1. The licences may be transferred only between full-time refiners and their validity expires at the end of the marketing year for which they have been issued.

This paragraph shall apply for the first three months of each marketing year.

Article 261

Delegated powers

In order to ensure that imported sugar intended for refining is refined in accordance with this Subsection, the Commission may, by means of delegated acts, adopt:

- (a) certain definitions for the operation of the import arrangements referred to in Article 260;
- (b) the conditions and eligibility requirements that an operator has to fulfil to lodge an application for an import licence, including the lodging of a security;
- (c) rules on administrative penalties to be charged.

Article 262

Implementing powers

The Commission may, by means of implementing acts, adopt the necessary rules on the proofs and documents to be supplied regarding import requirements and obligations for operators, in particular full-time refiners.

SUBSECTION III

SPECIAL PROVISIONS FOR IMPORTS OF HEMP

Article 263

Imports of hemp

1. The following products may be imported into the Union only if the following conditions are met:
 - (a) raw true hemp falling within CN code 5302 10 00 meeting the conditions laid down in Article 39 of Regulation (EC) No 73/2009;
 - (b) seeds of varieties of hemp falling within CN code ex 1207 99 15 for sowing accompanied by proof that the tetrahydrocannabinol level does not exceed that fixed in accordance with Article 39 of Regulation (EC) No 73/2009;
 - (c) hemp seeds other than for sowing, falling within CN code 1207 99 91 imported only by importers authorised by the Member State in order to ensure that such seeds are not intended for sowing.
2. Without prejudice to any specific provisions which may be adopted by the Commission by means of implementing acts pursuant to Article 318, imports into the Union of the products specified in paragraph 1(a) and (b) of this Article shall be subject to checks to determine whether the conditions provided for in paragraph 1 of this Article are met.
3. This Article shall apply without prejudice to more restrictive provisions adopted by Member States in compliance with the Treaty and the obligations arising under the WTO Agreement on Agriculture.

SUBSECTION IV

SPECIAL PROVISIONS FOR IMPORTS OF HOPS

Article 264

Imports of hops

1. Products of the hops sector may be imported from third countries only if their quality standards are at least equivalent to those adopted for like products harvested within the Union or made from such products.
2. Products shall be considered as being of the standard referred to in paragraph 1 if they are accompanied by an attestation issued by the authorities of the country of

origin and recognised as equivalent to the certificate referred to in Article 117 of Regulation (EC) No 1234/2007.

In the case of hop powder, hop powder with higher lupulin content, extract of hops and mixed hop products, the attestation may be recognised as being equivalent to the certificate only if the alpha acid content of these products is not lower than that of the hops from which they have been prepared.

3. In order to minimise the administrative burden, the Commission may, by means of delegated acts, set the conditions under which obligations related to an attestation of equivalence and the labelling of packaging do not apply.
4. The Commission shall, by means of implementing acts, adopt rules related to this Article, including the rules on the recognition of attestations of equivalence and on the checking of imports of hops.

SECTION V

SAFEGUARD AND INWARD PROCESSING

Article 265

Safeguard measures

1. Safeguard measures against imports into the Union shall be taken by the Commission, subject to paragraph 3 of this Article, in accordance with Council Regulations (EC) No 260/2009⁴² and (EC) No 625/2009⁴³.
2. Save as otherwise provided for pursuant to any other act of the European Parliament and the Council and any other act of the Council, safeguard measures against imports into the Union provided for in international agreements concluded in accordance with Article 218 of the Treaty shall be taken by the Commission in accordance with paragraph 3 of this Article.
3. The Commission may take measures referred to in paragraphs 1 and 2 by means of implementing acts at the request of a Member State or on its own initiative. If the Commission receives a request from a Member State, it shall take a decision thereon, by means of implementing acts, within five working days following receipt of the request. In cases of urgency, the Commission shall take a decision, acting in accordance with Article 323(2).

The measures adopted shall be communicated forthwith to the Members States and shall take effect immediately.

⁴² OJ L 84, 31.3.2009, p. 1.

⁴³ OJ L 185, 17.7.2009, p. 1.

4. Union safeguard measures adopted pursuant to paragraph 3 shall be revoked or amended by the Commission by means of implementing acts. In cases of urgency, the Commission shall take a decision, acting in accordance with Article 323(2).

Article 266

Suspension of processing and inward processing arrangements

1. Where the Union market is disturbed or is liable to be disturbed by processing or inward processing arrangements, the Commission may by means of implementing acts, at the request of a Member State or on its own initiative, fully or partially suspend the use of processing or inward processing arrangements for the products of the cereals, rice, sugar, olive oil and table olives, fruit and vegetables, processed fruit and vegetables, wine, beef and veal, milk and milk products, pigmeat, sheepmeat and goatmeat, eggs, poultrymeat and agricultural ethyl alcohol sectors. If the Commission receives a request from a Member State, it shall take a decision thereon, by means of implementing acts, within five working days following receipt of the request. In cases of urgency, the Commission shall take a decision, acting in accordance with Article 323(2).

The measures adopted shall be communicated forthwith to the Members States and shall take effect immediately.

2. To the extent necessary for the proper functioning of the CMO, the use of inward processing arrangements for the products referred to in paragraph 1 may be fully or partially prohibited by the European Parliament and the Council, acting in accordance with the procedure laid down in Article 43(2) of the Treaty.

CHAPTER III

Exports

Section I

Export licences

Article 267

Export licences

1. Without prejudice to cases where export licences are required in accordance with this Regulation, exports of one or more products of the following sectors from the Union may be made subject to the presentation of an export licence, taking account of the need for export licences for the management of the markets concerned and, in particular, for monitoring the exports of the products in question:
 - (a) cereals;
 - (b) rice;
 - (c) sugar;
 - (d) olive oil and table olives, with regard to olive oil referred to in point (a) of Part VII of Annex I;
 - (e) fruit and vegetables;
 - (f) processed fruit and vegetables;
 - (g) wine;
 - (h) beef and veal;
 - (i) milk and milk products;
 - (j) pigmeat;
 - (k) sheepmeat and goatmeat;
 - (l) eggs;
 - (m) poultrymeat;
 - (n) agricultural ethyl alcohol.
2. Articles 234, 235 and 236 shall apply *mutatis mutandis*.

Article 268

Delegated powers

1. In order to take account of the evolution of trade and market developments, the needs of the markets concerned and when necessary for monitoring exports of the products in question, the Commission may, by means of delegated acts, determine:
 - (a) the list of the products of the sectors referred to in Article 267(1) subject to the presentation of an export licence;
 - (b) the cases and situations where the presentation of an export licence is not required, based on, in particular, the customs status of the products in question, the purposes of operations, the legal status of the applicant and the quantities involved.
2. In order to define the main elements of the export licence system, the Commission may by means of delegated acts:
 - (a) define the rights and obligations deriving from the licence, its legal effects, including the possibility of a tolerance as regards the respect of the obligation to export, and the indication of the destination where that is compulsory;
 - (b) adopt the rules applicable to the transfer of the licence or as necessary the restrictions on this transmissibility;
 - (c) adopt the rules necessary for the reliability and the efficiency of the licence system and the situations where a specific administrative assistance between Member States is needed to prevent or deal with cases of fraud;
 - (d) determine the cases and situations where the lodging of a security is not required.

Article 269

Implementing powers

The Commission shall, by means of implementing acts, adopt all necessary rules related to this Section, including rules on:

- (a) the lodging of applications and the issuing of licences and their use;
- (b) the period of validity of the licences and the amount of security to be lodged;
- (c) the proofs that the requirements linked to the use of licences have been fulfilled;
- (d) the issue of replacement licences and duplicate licences;
- (e) the treatment of licences by Member States and the exchange of information needed for the management of the system.

Article 270

Implementing acts to be adopted without the assistance of the Committee referred to in Article 323(1)

The Commission may, by means of implementing acts without the assistance of the Committee referred to in Article 323(1), limit the quantities for which licences may be issued, reject quantities applied for and suspend the lodging of applications in order to manage the market where large quantities are applied for.

SECTION II

EXPORT REFUNDS

Article 271

Scope of export refunds

1. To the extent necessary to enable exports on the basis of world market quotations or prices and within the limits resulting from agreements concluded in accordance with Article 218 of the Treaty, the difference between those quotations or prices and prices in the Union may be covered by export refunds for:
 - (a) the products of the following sectors to be exported without further processing:
 - (i) cereals;
 - (ii) rice;
 - (iii) sugar, with regard to the products listed in points (b), (c), (d) and (g) of Part III of Annex I;
 - (iv) beef and veal;
 - (v) milk and milk products;
 - (vi) pigmeat;
 - (vii) eggs;
 - (viii) poultrymeat;
 - (b) the products listed in point (a)(i), (ii), (iii), (v) and (vii) to be exported in the form of goods listed in Annexes XVII and XVIII.

In the case of the milk and milk products exported in the form of products listed in Part IV of Annex XVII, export refunds may only be granted for products listed in points (a) to (e) and (g) of Part XVI of Annex I.

2. Export refunds on products exported in the form of processed goods listed in Annexes XVII and XVIII may not be higher than those applicable to the same products exported without further processing.
3. Insofar as is necessary to take account of the specificities of production of certain spirit drinks obtained from cereals, including their long maturation period, the Commission may, by means of delegated acts, adopt provisions concerning the eligibility of products and operators to export refunds, in particular the definition and characteristics of the products, and the establishment of coefficients for the purposes of calculating export refunds taking account of the ageing process of the products concerned.
4. The Commission shall, by means of implementing acts, adopt all necessary measures related to this Article, including the technical and procedural requirements for national checks in respect of the products referred to in paragraph 3.
5. The Commission may, by means of implementing acts without the assistance of the Committee referred to in Article 323(1), fix the coefficient adjusting the export refund for the products referred to in paragraph 3 of this Article.

Article 272

Export refund distribution

The quantities which may be exported with an export refund shall be allocated by the method which:

- (a) is most suited to the nature of the product and the situation on the market in question, allowing the most efficient possible use of the resources available, account being taken of the efficiency and structure of Union exports without creating discrimination between the operators concerned and in particular between large and small operators;
- (b) is least cumbersome administratively for operators, account being taken of administrative requirements;
- (c) avoids any discrimination between the operators concerned.

Article 273

Export refund fixation

1. Export refunds shall be the same for the whole Union. They may vary according to destination, especially where the world market situation, the specific requirements of certain markets, or obligations resulting from agreements concluded in accordance with Article 218 of the Treaty make this necessary.
2. Measures on the fixing of refunds shall be taken by the Council in accordance with Article 43(3) of the Treaty.

Granting of export refund

1. Refunds on products listed in Article 271(1)(a) exported as such without further processing shall only be granted on application and on presentation of an export licence.
2. The refund applicable to products referred to in paragraph 1 shall be that applicable on the day of application for the licence or, as the case may be, that resulting from the tendering procedure concerned and, in the case of a differentiated refund, that applicable on the same day:
 - (a) for the destination indicated on the licence; or
 - (b) where appropriate, for the actual destination if this differs from the destination indicated on the licence, in which case the amount applicable shall not exceed the amount applicable to the destination indicated on the licence.

The Commission may, by means of implementing acts without the assistance of the Committee referred to in Article 323(1), take appropriate measures to prevent abuse of the flexibility provided for in this paragraph. These measures may, in particular, relate to the procedure for submitting applications and to the notifications exporters have to make.

3. In order to take account of the specificities of trade and transport conditions in the case of eggs for hatching and of day-old chicks, the Commission may decide, by means of delegated acts, that export licences may be granted *ex post*.
4. In order to ensure equality of access to export refunds for exporters of products mentioned in Annex I to the Treaty, and of products processed thereof, the Commission may, by means of delegated acts, decide to apply paragraphs 1 and 2 to the goods referred to in Article 271(1)(b) of this Regulation.

The Commission may, by means of implementing acts, adopt all necessary measures related to this paragraph.

5. In order to minimise the administrative burden for humanitarian welfare organisations, the Commission may, by means of delegated acts, grant derogations from paragraphs 1 and 2 in the case of products on which export refunds are paid under food-aid operations.
6. The refund shall be paid upon submission of proof that:
 - (a) the products have been exported from the Union;
 - (b) in the case of a differentiated refund, the products have reached the destination indicated on the licence or another destination for which a refund was fixed, without prejudice to point (b) of paragraph 2.

7. The Commission may, by means of delegated acts, establish further conditions for the granting of export refunds in order to prevent diversion of trade, in particular the condition that:
 - (a) refunds are only paid for products of EU origin;
 - (b) the amount of refunds for imported products shall be limited to the duties collected on importation where those duties are lower than the refund applicable.

Article 275

Export refunds for live animals in the beef and veal sector

1. With regard to products of the beef and veal sector, the granting and the payment of the refund for exports of live animals shall be subject to compliance with the animal welfare requirements established in Union legislation and, in particular, the protection of animals during transport.
2. In order to encourage exporters to respect animal welfare conditions and to enable the competent authorities to verify correct expenditure of export refunds where this is conditional on respect for animal welfare requirements, the Commission shall by means of delegated acts:
 - (a) adopt provisions on the respect of animal welfare requirements outside the customs territory of the Union, and the verification and reporting thereof, including the use of independent third parties;
 - (b) fix the penalties on the payment or recovery of the export refund for the non respect of legal requirements on animal welfare conditions.
3. The Commission may, by means of implementing acts, adopt all necessary measures related to this Article.

Article 276

Export limits

Observance of the volume commitments resulting from the agreements concluded in accordance with Article 218 of the Treaty shall be ensured on the basis of export licences issued for the reference periods which apply to the products concerned. With regard to compliance with the obligations arising under the WTO Agreement on Agriculture, the ending of a reference period shall not affect the validity of export licences.

Article 277

Delegated powers

1. In order to ensure that operators respect their obligations when participating in tendering procedures, the Commission shall, by means of delegated acts, designate the primary requirement for release of licence securities for tendered export refunds.
2. In order to minimise the administrative burden for operators and authorities, the Commission may, by means of delegated acts, set thresholds below which the obligation to present an export licence may not be required, and designate destinations where an exemption for the obligation to present an export licence can be justified.
3. In order to adhere to practical situations justifying full or partial eligibility to export refunds, and in order to help operators bridge the period between the application for and the final payment of the export refund, the Commission may, by means of delegated acts, adopt measures pertaining to:
 - (a) another date for the refund;
 - (b) the consequences for the payment of the export refund when the product code or destination mentioned in a licence is not in conformity with the actual product or destination;
 - (c) advance payment of export refunds including the conditions for the lodging and release of a security;
 - (d) checks and proof when doubts on the real destination of products exist including the opportunity for re-importation into the customs territory of the Union;
 - (e) destinations treated as exports from the Union, and inclusion of destinations within the customs territory of the Union eligible for export refunds.
4. In order to ensure that products benefiting from export refunds are exported from the customs territory of the Union and to avoid their return to that territory, and in order to minimise the administrative burden for operators in generating and submitting proof that refund products reached a country of destination for differentiated refunds, the Commission may, by means of delegated acts, adopt measures pertaining to:
 - (a) the time limit by which the exit from the customs territory of the Union must be finalised, including the time for temporary re-entry;
 - (b) the processing that products benefiting from export refunds may undergo during that period;
 - (c) the proof of having reached a destination for differentiated refunds;
 - (d) the refund thresholds and conditions under which exporters may be exempted from such proof;

- (e) conditions for approval of proof of reaching a destination for differentiated refunds by independent third parties.
- 5. In order to take account of the specificities of the different sectors the Commission may, by means of delegated acts, adopt specific requirements and conditions for operators and of the products eligible for an export refund.
- 6. In order to enable adaptation to developments in the processing industry, the Commission may, by means of delegated acts, amend Annex XVII, taking into account the criteria referred to in Article 8(2) of Council Regulation (EC) No 1216/2009⁴⁴.
- 7. In order to ensure equality of treatment in terms of the conditions to export refunds for exporters of products mentioned in Annex I to the Treaty, and of products processed thereof, the Commission shall, by means of delegated acts, adopt rules for the application of Article 274(5), (6) and (7) for products referred to in Article 271(1)(b), taking into account the provisions of Regulation (EC) No 1216/2009.

Article 278

Implementing powers

The Commission shall, by means of implementing acts, adopt all necessary measures related to this Section, in particular:

- (a) on the redistribution of exportable quantities which have not been allocated or utilised;
- (b) for monitoring whether operations conferring entitlement to the payment of refunds and all other amounts in respect of export transactions have actually been carried out and executed correctly, including physical checks and document scrutiny;
- (c) on products referred to in Article 271(1)(b).

SECTION III

EXPORT QUOTA MANAGEMENT IN THE MILK AND MILK PRODUCTS SECTOR

Article 279

Management of tariff quotas opened by third countries

- 1. With regard to milk and milk products, where an agreement concluded in accordance with Article 218 of the Treaty provides for the total or partial management of a tariff quota opened by a third country, the Commission may, by

⁴⁴ OJ L 328, 15.12.2009, p. 10.

means of delegated acts, adopt specific measures in order to ensure that the quota applied for is used in accordance with the objectives of the international Agreement concerned.

2. The tariff quotas referred to in paragraph 1 shall be administered in a manner which avoids any discrimination between the operators concerned and which guarantees the full use of the possibilities available under the quota concerned, by applying one of the following methods or a combination of them or another appropriate method:
 - (a) a method based on the chronological order of the lodging of applications ('first come, first served' principle);
 - (b) a method of distribution in proportion to the quantities requested when the applications were lodged (using the 'simultaneous examination method');
 - (c) a method based on taking traditional trade patterns into account (using the 'traditional/new arrival method').
3. The Commission shall, by means of implementing acts, adopt the necessary provisions for the administration of quotas opened in accordance with this Section.
4. The Commission shall, by means of implementing acts without the assistance of the Committee referred to in Article 323(1), adopt the provisions to manage the process to
 - (a) guarantee that the quantities available under quotas opened in accordance with this Section are not exceeded;
 - (b) reallocate unused quantities.

SECTION IV

SPECIAL IMPORT TREATMENT BY THIRD COUNTRIES

Article 280

Certificates for products benefiting from a special import treatment in a third country

1. When products are exported which may, in accordance with agreements concluded by the Union in accordance with Article 218 of the Treaty, benefit from a special treatment on importation into a third country if certain conditions are respected, the competent authorities of the Member States shall, on request and after appropriate checks, issue a document certifying that the conditions are met.
2. The Commission shall, by means of implementing acts, adopt all necessary measures related to paragraph 1.

SECTION V

SPECIAL PROVISIONS FOR LIVE PLANTS

Article 281

Minimum export prices

1. In order to take account of the development of the market for each of the products of the live plants sector falling within CN code 0601 10, one or more minimum prices for exports to third countries may be fixed each year in good time before the marketing season. Measures on fixing the minimum prices shall be taken by the Council in accordance with Article 43(3) of the Treaty.

Exportation of such products shall be permitted only at a price equal to or above the minimum price fixed for the product in question.

2. The Commission shall, by means of implementing acts, adopt all necessary administrative measures related to the first subparagraph of paragraph 1, having regard to the obligations arising from agreements concluded in accordance with Article 218 of the Treaty.

SECTION VI

OUTWARD PROCESSING

Article 282

Suspension of outward processing arrangements

1. Where the Union market is disturbed or is liable to be disturbed by outward processing arrangements, the Commission may by means of implementing acts, at the request of a Member State or on its own initiative, fully or partially suspend the use of outward processing arrangements for the products of the cereals, rice, fruit and vegetables, processed fruit and vegetables, wine, beef and veal, pigmeat, sheepmeat and goatmeat and poultrymeat sectors. If the Commission receives a request from a Member State, it shall take a decision thereon, by means of implementing acts, within five working days following receipt of the request. In cases of urgency, the Commission shall take a decision, acting in accordance with Article 323(2).

The measures adopted shall be communicated forthwith to the Members States and shall take effect immediately.

2. To the extent necessary for the proper functioning of the CMO, the use of outward processing arrangements for the products referred to in paragraph 1 may be fully or

partially prohibited by the European Parliament and the Council, acting in accordance with the procedure laid down in Article 43(2) of the Treaty.

PART IV

COMPETITION RULES

CHAPTER I

Rules applying to undertakings

Article 283

Application of Articles 101 to 106 of the Treaty

Save as otherwise provided for in this Regulation, Articles 101 to 106 of the Treaty and provisions for the application thereof shall, subject to Articles 284, 285, 286 [and 287] of this Regulation, apply to all agreements, decisions and practices referred to in Articles 101(1) and 102 of the Treaty which relate to the production of, or trade in, the products covered by this Regulation.

Article 284

Exceptions

1. Article 101(1) of the Treaty shall not apply to the agreements, decisions and practices referred to in Article 283 of this Regulation which are an integral part of a national market organisation or are necessary for the attainment of the objectives set out in Article 39 of the Treaty.

In particular, Article 101(1) of the Treaty shall not apply to agreements, decisions and practices of farmers, farmers' associations, or associations of such associations belonging to a single Member State which concern the production or sale of agricultural products or the use of joint facilities for the storage, treatment or processing of agricultural products, and under which there is no obligation to charge identical prices, unless the Commission finds that competition is thereby excluded or that the objectives of Article 39 of the Treaty are jeopardised.

2. After consulting the Member States and hearing the undertakings or associations of undertakings concerned and any other natural or legal person that it considers appropriate, the Commission shall have sole power, subject to review by the Court of Justice of the European Union, to determine which agreements, decisions and practices fulfil the conditions specified in paragraph 1. For that purpose, the Commission shall, by means of implementing acts without the assistance of the Committee referred to in Article 323(1), adopt a Decision which shall be published.

The Commission shall undertake such determination either on its own initiative or at the request of a competent authority of a Member State or of an interested undertaking or association of undertakings.

3. The publication of the Decision referred to in the first subparagraph of paragraph 2 shall state the names of the parties and the main content of the Decision. It shall have regard to the legitimate interest of undertakings in the protection of their business secrets.

Article 285

Agreements and concerted practices in the fruit and vegetables sector

1. Article 101(1) of the Treaty shall not apply to the agreements, decisions and concerted practices of recognised interbranch organisations with the object of carrying out the activities referred to in Article 210(3)(c) of this Regulation.
2. Paragraph 1 shall apply only provided that:
 - (a) the agreements, decisions and concerted practices have been notified to the Commission;
 - (b) within two months of receipt of all the details required the Commission by means of implementing acts without the assistance of the Committee referred to in Article 323(1) has not found that the agreements, decisions or concerted practices are incompatible with Union rules.
3. The agreements, decisions and concerted practices may not be put into effect before the lapse of the period referred to in paragraph 2(b).
4. The following agreements, decisions and concerted practices shall in any case be declared incompatible with Union rules:
 - (a) agreements, decisions and concerted practices which may lead to the partitioning of markets in any form within the Union;
 - (b) agreements, decisions and concerted practices which may affect the sound operation of the market organisation;
 - (c) agreements, decisions and concerted practices which may create distortions of competition which are not essential to achieving the objectives of the common agricultural policy pursued by the interbranch organisation activity;
 - (d) agreements, decisions and concerted practices which entail the fixing of prices, without prejudice to activities carried out by interbranch organisations in the application of specific Union rules;
 - (e) agreements, decisions and concerted practices which may create discrimination or eliminate competition in respect of a substantial proportion of the products in question.

5. If, following expiry of the two-month period referred to in paragraph 2(b), the Commission finds that the conditions for applying paragraph 1 have not been met, it shall, by means of implementing acts without the assistance of the Committee referred to in Article 323(1), take a Decision declaring that Article 101(1) of the Treaty applies to the agreement, decision or concerted practice in question.

That Commission Decision shall not apply earlier than the date of its notification to the interbranch organisation concerned, unless that interbranch organisation has given incorrect information or abused the exemption provided for in paragraph 1.

6. In the case of multiannual agreements, the notification for the first year shall be valid for the subsequent years of the agreement. However, in that event, the Commission may, on its own initiative or at the request of another Member State, issue a finding of incompatibility at any time.

Article 286

Agreements and concerted practices in the tobacco sector

1. Article 101(1) of the Treaty shall not apply to the agreements and concerted practices of recognised interbranch organisations in the tobacco sector, intended to implement the aims referred to in Article 210(1)(c) of this Regulation provided that:
 - (a) the agreements and concerted practices have been notified to the Commission;
 - (b) the Commission, by means of implementing acts without the assistance of the Committee referred to in Article 323(1) and within three months of receipt of all the details required, has not found that those agreements or concerted practices are incompatible with Union competition rules.

The agreements and concerted practices may not be implemented during that three-month period.

2. Agreements and concerted practices shall be declared contrary to Union competition rules in the following cases where:
 - (a) they may lead to the partitioning of markets in any form within the Union;
 - (b) they may affect the sound operation of the market organisation;
 - (c) they may create distortions of competition which are not essential to achieving the objectives of the common agricultural policy pursued by the interbranch organisation measure;
 - (d) they entail the fixing of prices or quotas, without prejudice to measures taken by interbranch organisations in the application of specific provisions of Union rules;
 - (e) they may create discrimination or eliminate competition in respect of a substantial proportion of the products in question.

3. If, following expiry of the three-month period referred to in point (b) of paragraph 1, the Commission finds that the conditions for applying this Chapter have not been met, it shall, by means of implementing acts without the assistance of the Committee referred to in Article 323(1), take a decision declaring that Article 101(1) of the Treaty applies to the agreement or concerted practice in question.

That decision shall not apply earlier than the date of notification to the interbranch organisation concerned, unless that interbranch organisation has given incorrect information or misused the exemption provided for in paragraph 1.

[Article 287]

Agreements and concerted practices in the milk and milk products sector

1. Article 101(1) of the Treaty shall not apply to the agreements, decisions and concerted practices of recognised interbranch organisations with the object of carrying out the activities referred to in Article 210(4)(c) of this Regulation.
2. Paragraph 1 shall apply only provided that:
 - (a) the agreements, decisions and concerted practices have been notified to the Commission;
 - (b) within three months of receipt of all the details required, the Commission, by means of implementing acts without the assistance of the Committee referred to in Article 323(1), has not found that the agreements, decisions or concerted practices are incompatible with Union rules.
3. The agreements, decisions and concerted practices may not be put into effect before the lapse of the period referred to in paragraph 2(b).
4. The following agreements, decisions and concerted practices shall in any case be declared incompatible with Union rules:
 - (a) agreements, decisions and concerted practices which may lead to the partitioning of markets in any form within the Union;
 - (b) agreements, decisions and concerted practices which may affect the sound operation of the market organisation;
 - (c) agreements, decisions and concerted practices which may create distortions of competition which are not essential to achieving the objectives of the common agricultural policy pursued by the interbranch organisation activity;
 - (d) agreements, decisions and concerted practices which entail the fixing of prices;
 - (e) agreements, decisions and concerted practices which may create discrimination or eliminate competition in respect of a substantial proportion of the products in question.

5. If, following expiry of the period referred to in paragraph 2(b), the Commission finds that the conditions for applying paragraph 1 have not been met, it shall, by means of implementing acts without the assistance of the Committee referred to in Article 323(1), take a Decision declaring that Article 101(1) of the Treaty applies to the agreement, decision or concerted practice in question.

That Commission Decision shall not apply earlier than the date of its notification to the interbranch organisation concerned, unless that interbranch organisation has given incorrect information or abused the exemption provided for in paragraph 1.

6. In the case of multiannual agreements, the notification for the first year shall be valid for the subsequent years of the agreement. However, in that event, the Commission may, on its own initiative or at the request of another Member State, issue a finding of incompatibility at any time.]

Article 288

Binding effect of agreements and concerted practices on non-members in the tobacco sector

1. Interbranch organisations in the tobacco sector may request that certain of their agreements or concerted practices be made binding for a limited period on individuals and groups in the economic sector concerned which are not members of the trade branches which they represent, in the areas in which the branches operate.

In order for their rules to be extended, interbranch organisations shall represent at least two thirds of the production and/or the trade concerned. Where the proposed extension of the rules is of inter-regional scope, the interbranch organisations shall prove they possess a minimum degree of representativeness, in respect of each of the grouped branches, in each region covered.

2. The rules for which an extension of scope is requested shall have been in force for at least one year and shall relate to one of the following objectives:
 - (a) knowledge of production and the market;
 - (b) definition of minimum qualities;
 - (c) use of cultivation methods compatible with the protection of the environment;
 - (d) definition of minimum standards of packing and presentation;
 - (e) use of certified seed and monitoring of product quality.
3. Extension of the rules shall be subject to approval by the Commission by means of implementing acts without the assistance of the Committee referred to in Article 323(1).

Article 289

Implementing powers in respect of agreements and concerted practices

In order to guarantee a uniform application of Articles 285, 286, [287] and 288, the Commission may, by means of implementing acts, adopt all necessary measures, including the rules concerning notification and publication.

CHAPTER II

State aid rules

Article 290

Application of Articles 107, 108 and 109 of the Treaty

Articles 107, 108 and 109 of the Treaty shall apply to the production of, and trade in, the products referred to in Article 1.

However, Articles 107, 108 and 109 of the Treaty shall not apply to payments made by Member States in conformity with this Regulation and provided for in Subsection III of Section IVa of Chapter III of Title I of Part II of Regulation (EC) No 1234/2007 and Articles 37 to 41, 108, 111, 114, 117, 120, 123, 128, 148, 291(2), 292 to 297, and Section VII of Chapter IV of Title I of Part II of this Regulation. Nevertheless, with regard to Article 136(4) only Article 108 of the Treaty shall not apply.

Article 291

Specific provisions for the milk and milk products sector

1. Subject to Article 107(2) of the Treaty, aids the amount of which is fixed on the basis of the price or quantity of products listed in Part XVI of Annex I of this Regulation shall be prohibited.

National measures permitting equalisation between the prices of products listed in Part XVI of Annex I of this Regulation shall also be prohibited.

2. Until 31 March 2014 Member States may grant state aid of a total annual amount of up to 55 % of the ceiling set out in Article 69(4) and (5) of Regulation (EC) No 73/2009 to farmers in the dairy sector in addition to Union support granted in accordance with Article 68(1)(b) of that Regulation. However, the total amount of Union support under the measures referred to in Article 69(4) of that Regulation and State aid shall in no case exceed the ceiling referred to in Article 69(4) and (5).

Article 292

Specific provisions for Finland and Sweden

Subject to Commission authorisation, by means of implementing acts without the assistance of the Committee referred to in Article 323(1), aids for the production and marketing of reindeer and reindeer products (CN ex 0208 and ex 0210) may be granted by Finland and Sweden insofar as they do not entail any increase in traditional levels of production.

Article 293

Specific provisions for the sugar sector

Member States which reduce their sugar quota by more than 50 % of the sugar quota fixed on 20 February 2006 in Annex III to Regulation (EC) No 318/2006 may grant temporary State aid during the period for which the transitional aid for beet growers is being paid in accordance with Article 93 of Regulation (EC) No 73/2009. The Commission shall, on the basis of an application by any Member State concerned, adopt a decision by means of implementing acts without the assistance of the Committee referred to in Article 323(1), on the total amount of the State aid available for this measure.

For Italy, the temporary aid referred to in the first subparagraph shall not exceed a total of EUR 11 per marketing year per tonne of sugar beet to be granted to sugar beet growers and for the transport of sugar beet.

Finland may grant aid up to EUR 350 per hectare per marketing year to sugar beet growers.

The Member States concerned shall inform the Commission within 30 days of the end of each marketing year of the amount of State aid actually granted in that marketing year.

Article 294

Specific provisions for the German Alcohol Monopoly

[The derogation contained in the second paragraph of Article 290 of this Regulation shall apply to aid payments granted by Germany in the existing national framework of the German Alcohol Monopoly ("the Monopoly") for products marketed, after further transformation, by the Monopoly, as ethyl alcohol of agricultural origin listed in Annex I to the Treaty. That derogation shall operate only until 31 December 2017, shall be without prejudice to the application of Article 108(1) and the first sentence of Article 108(3) of the Treaty and shall be conditional upon compliance with the following provisions:

- (a) the total production of ethyl alcohol under the Monopoly benefiting from the aid shall gradually decrease from the maximum of 600 000 hl in 2011, to 420 000 hl in 2012 and to 240 000 hl in 2013 and may amount to a maximum of 60 000 hl per year from 1 January 2014 until 31 December 2017, on which date the Monopoly shall cease to exist;
- (b) the production by agricultural bonded distilleries benefiting from the aid shall gradually decrease from 540 000 hl in 2011, to 360 000 hl in 2012 and 180 000 hl in 2013. By 31 December 2013 all agricultural bonded distilleries shall leave the Monopoly. Upon leaving the Monopoly, each agricultural bonded distillery shall be allowed to receive a compensatory aid of EUR 257,50 per hl of nominal distilling rights within the meaning of the applicable German legislation. This compensatory aid may be granted no later than 31 December 2013. It may, however, be paid in several instalments, of which the last shall be no later than 31 December 2017;
- (c) the small-scale flat-rate distilleries, distillery users and fruit cooperative distilleries may benefit from the aid granted by the Monopoly until 31 December 2017, on

condition that the production benefiting from the aid does not exceed 60 000 hl per year;

- (d) the total amount of aid paid from 1 January 2011 to 31 December 2013 shall not exceed EUR 269,9 million and the total amount of aid paid from 1 January 2014 to 31 December 2017 shall not exceed EUR 268 million; and
- (e) before 30 June each year Germany shall submit a report to the Commission on the functioning of the Monopoly and the aid granted in the framework thereof in the previous year. The Commission shall forward that report to the European Parliament and the Council. Moreover, the annual reports to be submitted in the years 2013 to 2016 shall include an annual phasing-out plan for the following year concerning the small-scale flat-rate distilleries, distillery users and fruit cooperative distilleries.]

Article 295

Specific provisions for potatoes

Member States may continue to pay state aids under any existing schemes in respect of the production of and trade in potatoes, fresh or chilled, of CN code 0701 until 31 December 2011.

Article 296 [To be deleted after 31/12/2010]

Specific provisions for the fruit and vegetables sector

With regard to the fruit and vegetables sector, Member States may pay a state aid until 31 December 2010 under the following conditions:

- (a) the state aid is paid only to producers of fruit and vegetables who are not members of a recognised producer organisation and who sign a contract with a recognised producer organisation in which they accept that they shall apply the crisis prevention and management measures of the producer organisation concerned;
- (b) the amount of aid paid to such producers is no more than 75 % of the Union support received by the members of the producer organisation concerned; and
- (c) the Member State concerned presents a report to the Commission by 31 December 2010 on the effectiveness and efficiency of the state aid, in particular analysing how much it has supported the organisation of the sector. The Commission will examine the report and decide whether to make any appropriate proposals.

Article 297

National aid for distillation of wine in cases of crisis

1. From 1 August 2012, Member States may grant national aid to wine producers for the voluntary or mandatory distillation of wine in justified cases of crisis.

2. The aid referred to in paragraph 1 shall be proportionate and allow this crisis to be addressed.
3. The overall amount of aid available in a Member State in any given year for such aid shall not exceed 15 % of the globally available funds per Member State laid down in Annex X for that year.
4. Member States which wish to make use of the aid referred to in paragraph 1 shall submit a duly substantiated notification to the Commission. The Commission shall, by means of implementing acts without the assistance of the Committee referred to in Article 323(1), decide whether the measure is approved and aid may be granted.
5. The alcohol resulting from distillation referred to in paragraph 1 shall be used exclusively for industrial or energy purposes so as to avoid distortion of competition.
6. The Commission may, by means of implementing acts, adopt all necessary measures related to this Article.

PART V

SPECIFIC PROVISIONS FOR SEVERAL OR INDIVIDUAL SECTORS

CHAPTER I

Specific provisions for several sectors

SECTION I

DISTURBANCES OF THE MARKETS

Article 298

Disturbances as regards internal market prices

In order to react efficiently and effectively against threats of market disturbance, the Commission may, by means of delegated acts adopted under the urgency procedure and subject to Article 300, take the necessary measures in the case of the following situations, when those situations are likely to continue, thereby disturbing or threatening to disturb the markets:

- (a) with regard to the products of the sugar, hops, beef and veal, milk and milk products, sheepmeat and goatmeat sectors, where the prices on the Union market for any of those products rise or fall significantly;
- (b) with regard to the products of the pigmeat, eggs and poultrymeat sectors and, with regard to olive oil, where the prices on the Union market for any of those products rise significantly.

Article 299

Disturbances caused by quotations or prices on the world market

In order to react efficiently and effectively against threats of market disturbance, the Commission may, where, with regard to the products of the cereals, rice, sugar and milk and milk products sectors, the quotations or prices on the world market of one or more products reach a level that disrupts or threatens to disrupt the availability of supply on the Union market and where that situation is likely to continue or to deteriorate, by means of delegated acts adopted under the urgency procedure and subject to Article 300 take the necessary measures for the sector concerned. It may in particular suspend import duties in whole or in part for certain quantities.

Article 300

Conditions for the adoption of delegated acts in cases of disturbances

The measures provided for in Articles 298 and 299 may be adopted:

- (a) provided that any other measures available under this Regulation appear insufficient;
- (b) having regard to the obligations arising from agreements concluded in accordance with Article 218(2) of the Treaty.

Article 301

Implementing powers

The Commission may, by means of implementing acts, adopt all necessary rules related to Articles 298 and 299. Those rules may, in particular, relate to procedures, notifications, technical criteria and administrative or physical checks to be conducted by the Member States.

SECTION II

REPORTING

Article 302

Reporting in respect of certain sectors

The Commission shall present a report to the European Parliament and to the Council:

- (1) every three years and for the first time by 31 December 2010[2013] on the implementation of the measures concerning the apiculture sector set out in Section VIII of Chapter IV of Title I of Part II;
- (2) by 31 December 2013 on the implementation of the provisions set out in Section VI of Chapter IV of Title I of Part II and Chapter II of Title II of Part II as regards producer organisations, operational funds and operational programmes in the fruit and vegetables sector;
- (3) by 31 August 2012 on the application of the School Fruit Scheme provided for in Article 128, accompanied, if necessary, by appropriate proposals. The report shall in particular address the issues of the extent to which the scheme has promoted the establishment of well functioning School Fruit Schemes in Member States and the impact of the Scheme on the improvement of children's eating habits;
- (4) by [31 December 2010 and] 31 December 2012 regarding the evolution of the market situation and the consequent conditions for smoothly phasing out the milk quota system, accompanied if necessary by appropriate proposals. Furthermore, a

report shall study the consequences for producers of cheeses with a protected designation of origin in accordance with Regulation (EC) No 510/2006;

- (5) by 31 December 2011 on the implementation of the promotion measures in the wine sector referred to in Article 138;
- (6) by 31 December 2012 concerning the wine sector, in particular taking into account the experience gained with the implementation of the reform.[;]
- [(7) by 31 December 2014 at the latest on the application of the scheme for food distribution to the most deprived persons in the Union provided for in Article 17, together with any appropriate proposal.]
- [(8) by 30 June 2014 and by 31 December 2018 on the development of the market situation in the milk and milk products sector and in particular on the operation of point (iv) of the first paragraph of Article 209 and of Articles 210(4), 229, 287, 310 and 311, covering in particular potential incentives to encourage farmers to enter into joint production agreements together with any appropriate proposals.]

CHAPTER II

SPECIFIC PROVISIONS FOR INDIVIDUAL SECTORS

SECTION I

HOPS

Article 303

Registration of contracts in the hops sector

1. Any contract to supply hops produced within the Union concluded between a producer or producer organisation on the one hand and a buyer on the other shall be registered by the bodies designated for that purpose by each producer Member State concerned.
2. Contracts relating to the supply of specific quantities at agreed prices for a period covering one or more harvests and concluded before 1 August of the year of the first harvest concerned shall be known as 'contracts concluded in advance'. They shall be registered separately.
3. The data on which registration is based may be used only for the purposes of this Regulation.
4. The Commission shall, by means of implementing acts, lay down rules concerning the registration of contracts to supply hops.

SECTION II

WINE

Article 304

Vineyard register and inventory

1. Member States shall maintain a vineyard register which contains updated information on the production potential.
2. Member States in which the total area planted with vines of wine grape varieties classifiable according to Article 166(2) is less than 500 hectares shall not be subject to the obligation laid down in paragraph 1.
3. Member States, which provide for the measure “restructuring and conversion of vineyards” in their support programmes in accordance with Article 139, shall, on the basis of the vineyard register, submit to the Commission by 1 March each year an updated inventory of their production potential.
4. Any time after 1 January 2016, the Commission may decide that paragraphs 1, 2 and 3 no longer apply.
5. In order to facilitate the monitoring and the verification of the production potential by Member States, the Commission may, by means of delegated acts, adopt rules on the scope and content of the vineyard register and exemptions.
6. The Commission may, by means of implementing acts, adopt provisions on verification of information.

Article 305

Compulsory declarations in the wine sector

1. Producers of grapes for wine making and producers of must and wine shall declare to the competent national authorities each year the quantities produced from the last harvest.
2. Member States may require merchants of grapes for wine making to declare each year the quantities marketed from the last harvest.
3. Producers of must and wine, and merchants other than retailers, shall declare to the competent national authorities each year their stocks of must and wine, whether from the harvest of the current year or from the harvest of preceding years. Must and wine imported from third countries shall be stated separately.
4. In order to ensure that producers and merchants referred to in paragraphs 1, 2 and 3 respect their obligations, the Commission may, by means of delegated acts, adopt rules:

- (a) on the content of compulsory declarations and exemptions;
 - (b) on the content of the declarations referred to in point (a) and the conditions for submission, as well as exemptions from the obligation to submit the declarations;
 - (c) on penalties to be applied where declarations are not submitted to Member States within due time.
5. The Commission may, by means of implementing acts:
- (a) lay down conditions in relation to the model forms to be used for the compulsory declarations;
 - (b) adopt rules on conversion coefficients for products other than wine;
 - (c) specify the deadlines for submission of compulsory declarations;
 - (d) lay down rules on inspections and reporting by Member States to the Commission.

Article 306

Accompanying documents and register in the wine sector

1. The products of the wine sector shall be put into circulation within the Union only with an officially authorised accompanying document.
2. Natural or legal persons or groups of persons who hold products covered by the wine sector in the exercise of their trade, in particular producers, bottlers and processors, as well as merchants, shall keep inwards and outwards registers in respect of those products.
3. In order to facilitate the transport of wine products and verification thereof by Member States, the Commission may, by means of delegated acts:
 - (a) adopt rules on the accompanying document, when it shall be used and exemptions to the obligation to use such a document;
 - (b) establish the conditions under which an accompanying document is to be regarded as certifying protected designations of origin or geographical indications;
 - (c) establish rules on penalties to be applied in case of non-compliance with the accompanying documents;
 - (d) establish an obligation to keep a register;
 - (e) specify who shall keep a register and exemptions from the obligation to keep a register;
 - (f) indicate the operations to be included in the register;

- (g) establish rules concerning the use of accompanying documents and registers.
4. The Commission may, by means of implementing acts, adopt:
- (a) rules on the composition of the register, the products to be contained therein, deadlines for entries in registers and the closures of registers;
 - (b) a measure requiring Member States to determine the maximum acceptable percentages for losses;
 - (c) general and transitional provisions for the keeping of registers;
 - (d) rules determining how long accompanying documents and registers shall be kept;
 - (e) rules on communications from Member States to the Commission;
 - (f) rules as regards obvious errors, force majeure and exceptional circumstances.

Article 307

Designation of responsible national authorities for the wine sector

1. Without prejudice to any other provisions of this Regulation concerning the determination of competent national authorities, Member States shall designate one or more authorities which shall be responsible for ensuring compliance with Union rules in the wine sector. In particular, Member States shall designate the laboratories authorised to carry out official analyses in the wine sector. The designated laboratories shall meet the general criteria for the operation of testing laboratories set out in ISO/IEC 17025.
2. Member States shall inform the Commission of the names and addresses of the authorities and laboratories referred to in paragraph 1. The Commission shall make this information public and update it periodically.

Article 308

Notification and evaluation in the wine sector

1. As concerns unlawful plantings planted after 31 August 1998, referred to in Article 82, Member States shall notify the Commission by 1 March each year of the areas which were planted with vines without a corresponding planting right after 31 August 1998, as well as of the areas grubbed up in accordance with paragraph 1 of that Article.
2. As concerns the obligatory regularisation of unlawful plantings planted before 1 September 1998 referred to in Article 83, Member States shall notify the Commission by 1 March of each of the relevant years of:

- (a) the areas planted with vines without a corresponding planting right before 1 September 1998;
- (b) the areas regularised in accordance with paragraph 1 of that Article, the fees as provided for in that paragraph as well as the average value of the regional planting rights as provided for in paragraph 2 of that Article.

Member States shall, for the first time by 1 March 2010, notify the Commission of the areas grubbed up in accordance with the first subparagraph of Article 83(4).

The end of the transitional ban on new plantings on 31 December 2015 as provided for in Article 89(1), shall not affect the obligations provided for in this paragraph.

3. Member States shall submit to the Commission by 1 March each year, and for the first time by 1 March 2010, a report on the implementation of the measures provided for in their support programmes referred to in Section VII of Chapter IV of Title I of Part II during the previous financial year.

Those reports shall list and describe the measures for which Union assistance under the support programmes was granted and shall, in particular, provide details on the implementation of the promotion measures referred to in Article 138.

4. Member States shall, by 1 March 2011 and, a second time, by 1 March 2014, submit to the Commission an evaluation of the costs and benefits of the support programmes as well as an indication of how to increase their efficiency.
5. The Commission may, by means of implementing acts, adopt rules on notifications and evaluation in order to ensure uniform application of this Article.

SECTION III

MILK AND MILK PRODUCTS

Article 309

Promotional levy in the milk and milk products sector

Without prejudice to the application of Articles 107, 108 and 109 of the Treaty as provided for in the first paragraph of Article 290 of this Regulation, a Member State may impose a promotional levy on its milk producers in respect of marketed quantities of milk or milk equivalent in order to finance the measures on promoting consumption in the Union, expanding the markets for milk and milk products and improving quality.

[Article 310]

Compulsory declarations in the milk and milk products sector

1. Processors of raw milk shall declare to the competent national authority the quantity of raw milk that has been delivered to them each month.

2. In order to ensure the usefulness and timeliness of such declarations for market management purposes, the Commission may, by means of delegated acts, adopt rules on the scope, content, format and timing of such declarations.

Article 311

Contractual relations in the milk and milk products sector

1. If a Member State decides that every delivery of raw milk by a farmer to a processor of raw milk must be covered by a written contract between the parties, such contract shall fulfil the conditions laid down in paragraph 2.

In the case described in the first subparagraph, the Member State concerned shall also decide that if the delivery of raw milk is made through one or more collectors, each stage of the delivery must be covered by such a contract between the parties. To this end, a "collector" means an undertaking which transports raw milk from a farmer or another collector to a processor of raw milk or another collector, where the ownership of the raw milk is transferred in each case.

2. The contract shall:
 - (a) be concluded in advance of the delivery,
 - (b) be made in writing, and
 - (c) include, in particular, the following elements:
 - (i) the price payable for the delivery, which shall:
 - be static and be set out in the contract, and/or
 - vary only on factors which are set out in the contract, in particular the development of the market situation based on market indicators, the volume delivered and the quality or composition of the raw milk delivered,
 - (ii) the volume which may and/or shall be delivered and the timing of deliveries, and
 - (iii) the duration of the contract, which may include an indefinite duration with termination clauses.
3. By way of derogation from paragraph 1, a contract shall not be required where raw milk is delivered by a farmer to a processor of raw milk where the processor is a co-operative of which the farmer is a member if its statutes contain provisions having similar effects as those set out in points (a), (b) and (c) of paragraph 2.
4. All elements of contracts for the delivery of raw milk concluded by farmers, collectors or processors of raw milk, including those elements referred to in paragraph 2(c), shall be freely negotiated between the parties.

5. In order to guarantee a uniform application of this Article, the Commission may, by means of implementing acts, adopt all necessary measures.]

SECTION IV

ETHYL ALCOHOL

Article 312

Notifications in the ethyl alcohol sector

1. As regards the products of the ethyl alcohol sector, the Member States shall notify the Commission of the following information:
 - (a) the production of ethyl alcohol of agricultural origin expressed as hectolitres of pure alcohol, broken down by alcohol-producing product used;
 - (b) the volume of ethyl alcohol of agricultural origin disposed of, expressed as hectolitres of pure alcohol, broken down by sector of destination;
 - (c) the stocks of ethyl alcohol of agricultural origin available in the Member State at the end of the previous year;
 - (d) forecast production for the current year.

Rules for notifying this information and, in particular, the frequency of notification and the definition of the sectors of destination shall be adopted by the Commission by means of implementing acts.

2. On the basis of the information referred to in paragraph 1 and of any other information available, the Commission shall, by means of implementing acts without the assistance of the Committee referred to in Article 323(1), draw up a Union balance for the market in ethyl alcohol of agricultural origin for the previous year and an estimated balance for the current year.

The Union balance shall also contain information on ethyl alcohol of non-agricultural origin. The precise content and means of collecting such information shall be laid down by the Commission by means of implementing acts.

For the purposes of this paragraph, 'ethyl alcohol of non-agricultural origin' shall mean products falling within CN codes 2207, 2208 90 91 and 2208 90 99 not obtained from a specific agricultural product listed in Annex I to the Treaty.

3. The Commission shall notify the Member States of the balances referred to in paragraph 2.

PART VI

GENERAL PROVISIONS

Article 313

Financial provisions

Regulation (EC) No 1290/2005 and the provisions adopted for the application thereof shall apply to the expenditure incurred by the Member States in carrying out obligations under this Regulation.

Article 314

Transfer of amounts available in the wine sector to rural development

1. The amounts fixed in paragraph 2, based on historical expenditure under Regulation (EC) No 1493/1999 for intervention measures to regulate agricultural markets as referred to in Article 3(1)(b) of Regulation (EC) No 1290/2005, shall be available as additional Union funds for measures in wine-producing regions under the rural development programming financed under Regulation (EC) No 1698/2005.
2. The following amounts shall be available in the given calendar years:
 - 2010: EUR 82 110 000,
 - from 2011 onwards: EUR 122 610 000.
3. The amounts set in paragraph 2 shall be allocated among Member States in accordance with Annex XIX.
4. The Commission shall, by means of implementing acts, adopt all necessary rules related to this Article.

Article 315

Measures to resolve specific practical problems

1. The Commission shall, by means of implementing acts, adopt the measures which are both necessary and justifiable in an emergency, in order to resolve specific practical problems. Such measures may derogate from provisions of this Regulation, but only to the extent that, and for such a period, as is strictly necessary.
2. Where it is necessary, in order to resolve the problem in question, the Commission shall act in accordance with Article 323(2).

Article 316

Exchange of information

1. Member States and the Commission shall notify each other of any information necessary for the application of this Regulation or for market monitoring and analysis and for complying with the international obligations concerning the products referred to in Article 1. That information may, where appropriate, be transmitted or made available to the competent authorities of third countries and may be made public.
2. In order to make notifications referred to in paragraph 1 fast, efficient, accurate, and cost effective, the Commission shall, by means of delegated acts, lay down:
 - (a) the nature and type of the information to be notified;
 - (b) the methods of notification;
 - (c) the rules related to the access rights to the information or information systems made available;
 - (d) the conditions and means of publication of the information.
3. The Commission shall, by means of implementing acts, adopt:
 - (a) rules on providing the information as necessary for the application of this Article;
 - (b) arrangements for the management of the information to be notified, as well as rules on content, form, timing, frequency and deadlines of the notifications;
 - (c) arrangements for transmitting or making information and documents available to the Member States, the competent authorities in third countries, or the public.

Article 317

Circumvention clause

Without prejudice to any specific provisions, no advantage provided for under this Regulation shall be granted in favour of a natural or legal person in respect of whom it is established that the conditions required for obtaining such advantages were created artificially, contrary to the objectives of this Regulation.

Checks and verifications, administrative measures, administrative penalties and their reporting

1. In order to strike a balance between a deterrent effect of charges, sanctions and penalties to be imposed for non-compliance with any of the obligations resulting from the application of this Regulation on the one hand, and a flexible application of the system on the other hand, the Commission shall, by means of delegated acts, adopt the rules and conditions relating to the following:
 - (a) the exclusion and suspension of payment or a reduction rate of aids, payments or refunds, in particular in case time limits have not been respected, the product, size or quantity is not in conformity with the application, the evaluation of a scheme or the notification of information did not take place, is incorrect or is not notified on time;
 - (b) the reduction of the payment to the Member States concerning their agricultural expenditure in case the time limits established for the recovery of the contribution to payment of surplus levy have not been met, or suspension of monthly payments in case Member States fail to send or to send in time, or send incorrect information to the Commission;
 - (c) the standard amounts an offerer or tenderer has to pay when intervention products do not meet the quality requirements;
 - (d) the partial or total recovery of payments in case an approval or a recognition plan has been suspended or withdrawn or in case of undue payment;
 - (e) the extra amount, additional charges or interest rate to be applied in case of fraud, irregularity, absence of proof that an obligation has been fulfilled or over-time declarations;
 - (f) the grubbing up of vineyards used illegally;
 - (g) the rate of reduction to be applied on release of securities for refunds, licences, offers, tenders or specific applications when an obligation covered by that security has partially or totally not been met;
 - (h) the retention by Member States of the amounts recovered as sanctions and penalties or their assignment to the budget of the Union;
 - (i) the exclusion of an operator or an applicant from public intervention and private storage, from the licence application system or from the tariff quota systems in case of fraud or submission of incorrect information;
 - (j) the withdrawal or suspension of an approval or a recognition, in particular when an operator, producer organisation, association of producer organisations, producer group or inter-branch organisation fails to respect or no longer meets the conditions required, including failure to make notifications;

- (k) the application of appropriate national penalties on operators involved in the procedure of production in excess of quotas.

The charges and administrative sanctions and penalties provided for pursuant to the first subparagraph shall be graduated according to the severity, extent, permanence and repetition of the non-compliance found.

2. The Commission shall, by means of implementing acts, adopt the following:
 - (a) the rules concerning administrative and physical checks to be conducted by the Member States with regard to the respect of obligations resulting from the application of this Regulation;
 - (b) the procedures and technical criteria related to the administrative measures and administrative penalties referred to in paragraph 1 where non-compliance with any of the obligations resulting from the application of this Regulation is found;
 - (c) the procedures and criteria related to the recovery of undue payments as regards the implementation of the rules and conditions referred to in point (d) of paragraph 1;
 - (d) the rules and methods on the reporting of the checks and verification carried out and their results;
 - (e) where the specific needs for proper management of the system so require, rules introducing additional requirements with respect to customs procedures, in particular as laid down in Regulation (EC) No 450/2008 of the European Parliament and of the Council⁴⁵.
3. The Commission may, by means of implementing acts, determine the rules on the measurement of areas in the wine sector ensuring uniform application of the provisions of this Regulation. Such rules may, in particular, relate to verification and rules governing the specific financial procedures for the improvement of checks.

Article 319

Compatibility with the integrated administration and control system

For the purposes of applying this Regulation in the wine sector, Member States shall ensure that the administration and control procedures, referred to in Article 318, which relate to areas, are compatible with the integrated administration control system (IACS) as regards the following elements:

- (a) the computerised database;
- (b) the identification systems for agricultural parcels referred to in Article 17 of Regulation (EC) No 73/2009;

⁴⁵ OJ L 145, 4.6.2008, p. 1.

(c) the administrative checks.

The procedures shall allow, without any problems or conflicts, a common functioning or the exchange of data with the IACS.

PART VII

DELEGATIONS OF POWER, IMPLEMENTING PROVISIONS, TRANSITIONAL AND FINAL RULES

CHAPTER I

Delegations of power and implementing provisions

Article 320

Commission powers

Save as otherwise explicitly provided for in this Regulation, where powers are conferred upon the Commission, it shall act:

- in accordance with the procedure referred to in Article 321 in the case of delegated acts;
- in accordance with the procedure referred to in Articles 321 and 322 in the case of delegated acts adopted under the urgency procedure; and
- in accordance with the procedure referred to in Article 323 in the case of implementing acts.

Article 321

Delegated acts

1. The powers to adopt the delegated acts referred to in this Regulation shall be conferred on the Commission for an indeterminate period of time.

As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.

2. The delegation of power referred to in paragraph 1 may be revoked by the European Parliament or by the Council.

The institution which has commenced an internal procedure for deciding whether to revoke the delegation of power shall endeavour to inform the other institution and the Commission within a reasonable time before the final decision is taken, indicating the delegated powers which could be subject to revocation and possible reasons for a revocation.

The decision of revocation shall put an end to the delegation of the powers specified in that decision. It shall take effect immediately or at a later date specified therein. It shall not affect the validity of the delegated acts already in force. It shall be published in the *Official Journal of the European Union*.

3. The European Parliament and the Council may object to the delegated act within a period of two months from the date of notification. At the initiative of the European Parliament or the Council this period shall be extended by one month.

If, on expiry of that period, neither the European Parliament nor the Council has objected to the delegated act, it shall be published in the *Official Journal of the European Union* and shall enter into force at the date stated therein.

The delegated act may be published in the *Official Journal of the European Union* and enter into force before the expiry of that period if the European Parliament and the Council have both informed the Commission of their intention not to raise objections.

If the European Parliament or the Council objects to a delegated act, it shall not enter into force. The institution which objects shall state the reasons for objecting to the delegated act.

Article 322

Urgency procedure

1. Delegated acts adopted under this Article shall enter into force without delay and shall apply as long as no objection is expressed in accordance with paragraph 2. The notification of a delegated act adopted under this Article to the European Parliament and to the Council shall state the reasons for the use of the urgency procedure.
2. The European Parliament or the Council may object to a delegated act adopted under this Article in accordance with the procedure referred to in Article 321(3). In such a case, the act shall cease to apply. The institution which objects to such a delegated act shall state its reasons.

Article 323

Implementing acts Committee

1. [Where implementing acts are adopted pursuant to this Regulation, the Commission shall be assisted by the Committee for the Common Organisation of the Agricultural Markets and the procedure provided for in Article [5] of Regulation (EU) No [xxxx/yyyy](*to be completed following the adoption of the regulation on control mechanisms, as referred to in Article 291(2) of the TFEU, currently the subject of discussion by the European Parliament and the Council*) shall apply.]
2. In the cases of urgency provided for in Articles 265, 266, 282 and 315(2) of this Regulation, the procedure provided for in Article [6] of Regulation (EU) No [xxxx/yyyy] shall apply.

Article 324

Organisation of the Committee

The organisation of the meetings of the Committee referred to in Article 323(1) shall take into account, in particular, the scope of its responsibilities, the specificities of the subject to be dealt with, and the need to involve appropriate expertise.

CHAPTER II

Transitional and final provisions

Article 325

Repeals

1. Regulation (EEC) No 922/72 is repealed.
2. Regulation (EC) No 1234/2007 is repealed.

However, Articles 113a, 113b, 114, 115, 116, 117(1) to (4) of Regulation (EC) No 1234/2007 as well as Annexes XIa (II) second paragraph, XIa (IV to IX), XII (IV)(2), XIII (VI) second paragraph, XIV(A), XIV (B)(I) (2) and (3), XIV (B)(III) and XIV (C), XV (II), (III), (IV) and (VI), to that Regulation, for the purpose of applying those Articles, shall continue to apply until the date to be determined pursuant to Article 326 of this Regulation.

Furthermore:

- Articles 85o to 85x of Regulation (EC) No 1234/2007, as well as Annex Xd and Xe to that Regulation, for the purpose of applying those Articles, shall continue to apply until the end of the wine year 2010/2011;
 - Articles 84a, 86 to 95a, 188a(3) and 188a(4) of Regulation (EC) No 1234/2007 as well as Annexes Xa, and XI to that Regulation, for the purpose of applying those Articles, shall continue to apply until the end of the 2011/2012 marketing year for the products concerned;
 - Articles 103w, 103x and 103y of Regulation (EC) No 1234/2007 as well as Annex XVa to that Regulation, for the purposes of applying those Articles, shall continue to apply until 31 July 2012.
3. References to Regulation (EC) No 1234/2007 shall be construed as references to this Regulation and be read in accordance with the correlation table set out in Annex XX to this Regulation.

Article 326

Date of application of marketing rules

In order to ensure legal certainty as regards the application of marketing rules, the Commission shall, by means of delegated acts, determine the date on which the provisions of Regulation (EC) No 1234/2007 referred to in the second subparagraph of Article 325(2) of this Regulation or parts thereof cease to apply to the sector concerned. That date shall be the date of application of the corresponding marketing rules to be established pursuant to the delegated acts provided for in Section I of Chapter I of Title II of Part II of this Regulation.

Article 327

Transitional rules in the fruit and vegetables and the processed fruit and vegetables sectors

1. This Regulation shall not affect the recognition of producer groups, producer organisations and associations of producer organisations granted before the entry into force of this Regulation, nor shall it have any impact on pending recognition plans or operational programmes.
2. In order to ensure that all arrangements provided for in Regulation (EC) No 1234/2007 are maintained, the Commission may adopt transitional rules by means of delegated acts.

Article 328

Transitional rules in the wine sector

In order to ensure that economic operators are not prejudiced by the entry into force of this Regulation, the Commission may, by means of delegated acts, adopt the measures required to facilitate the transition from the arrangements provided for in Regulations (EC) No 1493/1999 and (EC) No 479/2008 to those laid down in this Regulation.

Article 329

Entry into force

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

[However, Article 159 shall apply from [...]/one year after the entry into force]].

2. As regards the sugar sector, Title I of Part II shall apply until the end of the marketing year 2014/2015 for sugar.

The provisions related to the system of milk production limitation established in Chapter III of Title I of Part II shall, in accordance with Article 59, apply until 31 March 2015.

[As regards the milk and milk products sector, point (iv) of the first paragraph of Article 209 and Articles 210(4), 229, 287, 310 and 311 shall apply until 30 June 2020.]

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

Done at Brussels,

For the European Parliament
The President

For the Council
The President

ANNEX I

LIST OF PRODUCTS REFERRED TO IN ARTICLE 1(1)

Part I: Cereals

As regards cereals, this Regulation shall cover the products listed in the following table:

CN code	Description
(a) 0709 90 60	Sweetcorn, fresh or chilled
0712 90 19	Dried sweetcorn, whole, cut, sliced, broken or in powder, but not further prepared, other than hybrid for sowing
1001 90 91	Common wheat and meslin seed
1001 90 99	Spelt, common wheat and meslin other than for sowing
1002 00 00	Rye
1003 00	Barley
1004 00	Oats
1005 10 90	Maize (corn) seed other than hybrid
1005 90 00	Maize other than seed
1007 00 90	Grain sorghum, other than hybrids for sowing
1008	Buckwheat, millet and canary seed; other cereals
(b) 1001 10	Durum wheat
(c) 1101 00 00	Wheat or meslin flour
1102 10 00	Rye flour
1103 11	Groats and meal of wheat
1107	Malt, whether or not roasted
(d) 0714	Manioc, arrowroot, salep, Jerusalem artichokes, sweet potatoes and similar roots and tubers with high starch or inulin content, fresh, chilled, frozen or dried, whether or not sliced or in the form of pellets; sago pith
ex 1102	Cereal flours other than of wheat or meslin:
1102 20	– Maize (corn) flour
1102 90	– Other:
1102 90 10	– – Barley flour
1102 90 30	– – Oat flour
1102 90 90	– – Other
ex 1103	Cereal groats, meal and pellets with the exception of groats and meal of wheat (subheading 1103 11), groats and meal of rice (subheading 1103 19 50) and pellets of rice (subheading 1103 20 50)
ex 1104	Cereal grains otherwise worked (for example, hulled, rolled, flaked, pearled, sliced or kibbled), except rice of heading 1006 and flaked rice of subheading 1104 19 91; germ of cereals, whole, rolled, flaked or ground
1106 20	Flour, meal and powder of sago or of roots or tubers of heading 0714
ex 1108	Starches; inulin:
	– Starches:
1108 11 00	– – Wheat starch
1108 12 00	– – Maize (corn) starch
1108 13 00	– – Potato starch
1108 14 00	– – Manioc (cassava) starch
ex 1108 19	– – Other starches:
1108 19 90	– – – Other

CN code	Description
1702	Other sugars, including chemically pure lactose, maltose, glucose and fructose, in solid form; sugar syrups not containing added flavouring or colouring matter; artificial honey, whether or not mixed with natural honey; caramel:
ex 1702 30	– Glucose and glucose syrup, not containing fructose or containing in the dry state less than 20 % by weight of fructose:
	– – Other:
ex 1702 30 50	– – – In the form of white crystalline powder, whether or not agglomerated, containing in the dry state less than 99 % by weight of glucose
ex 1702 30 90	– – – Other, containing in the dry state less than 99 % by weight of glucose
ex 1702 40	– Glucose and glucose syrup, containing in the dry state at least 20 % but less than 50 % by weight of fructose, excluding invert sugar:
1702 40 90	– – Other
ex 1702 90	– Other, including invert sugar and other sugar and sugar syrup blends containing in the dry state 50 % by weight of fructose:
1702 90 50	– – Maltodextrine and maltodextrine syrup
	– – Caramel:
	– – – Other:
1702 90 75	– – – – In the form of powder, whether or not agglomerated
1702 90 79	– – – – Other
2106	Food preparations not elsewhere specified or included:
ex 2106 90	– Other
	– – Flavoured or coloured sugar syrups:
	– – – Other
2106 90 55	– – – – Glucose syrup and maltodextrine syrup
ex 2302	Bran, sharps and other residues, whether or not in the form of pellets, derived from the sifting, milling or other working of cereals
ex 2303	Residues of starch manufacture and similar residues, beet-pulp, bagasse and other waste of sugar manufacture, brewing or distilling dregs and waste, whether or not in the form of pellets:
2303 10	– Residues of starch manufacture and similar residues
2303 30 00	– Brewing or distilling dregs and waste
ex 2306	Oilcake and other solid residues, whether or not ground or in the form of pellets, resulting from the extraction of vegetable fats or oils, other than those of headings 2304 and 2305:
	– Other
2306 90 05	– – Of maize (corn) germ
ex 2308	Vegetable materials and vegetable waste, vegetable residues and by-products, whether or not in the form of pellets, of a kind used in animal feeding, not elsewhere specified or included:
2308 00 40	– Acorns and horse-chestnuts; pomace or marc of fruit, other than grapes
2309	Preparations of a kind used in animal feeding:
ex 2309 10	– Dog or cat food, put up for retail sale:
2309 10 11	– – Containing starch, glucose, glucose syrup, maltodextrine or maltodextrine syrup of subheadings
2309 10 13	1702 30 50, 1702 30 90, 1702 40 90, 1702 90 50 and 2106 90 55 or milk products
230910 31	
2309 10 33	
2309 10 51	
2309 10 53	

CN code	Description
ex 2309 90	– Other:
2309 90 20	– – Products referred to in additional note 5 to chapter 23 of the Combined Nomenclature
	– – Other, including premixes:
2309 90 31	– – – Containing starch, glucose, glucose syrup, maltodextrine or maltodextrine syrup of subheadings
2309 90 33	1702 30 50, 1702 30 90, 1702 40 90, 1702 90 50 and 2106 90 55 or milk products:
2309 90 41	
2309 90 43	
2309 90 51	
2309 90 53	

(¹) For the purposes of this subheading 'milk products' means products falling within headings 0401 to 0406 as well as subheadings 1702 11, 1702 19 and 2106 90 51.

Part II: Rice

As regards rice, this Regulation shall cover the products listed in the following table:

CN code	Description
(a) 1006 10 21 to 1006 10 98	Rice in the husk (paddy or rough), other than for sowing
1006 20	Husked (brown) rice
1006 30	Semi-milled or wholly milled rice, whether or not polished or glazed
(b) 1006 40 00	Broken rice
(c) 1102 90 50	Rice flour
1103 19 50	Rice groats and meal
1103 20 50	Pellets of rice
1104 19 91	Flaked grains of rice
ex 1104 19 99	Rolled grains of rice
1108 19 10	Rice starch

Part III: Sugar

As regards sugar, this Regulation shall cover the products listed in the following table:

	CN code	Description
(a)	1212 91	Sugar beet
	1212 99 20	Sugar cane
(b)	1701	Cane or beet sugar and chemically pure sucrose, in solid form
(c)	1702 20	Maple sugar and maple syrup
	1702 60 95 and 1702 90 95	Other sugars in solid form and sugar syrups, not containing added flavouring or colouring matter, but not including lactose, glucose, maltodextrine and isoglucose
	1702 90 71	Caramel containing 50 % or more by weight of sucrose in the dry matter
	2106 90 59	Flavoured or coloured sugar syrups, other than isoglucose, lactose, glucose and maltodextrine syrups
(d)	1702 30 10	Isoglucose
	1702 40 10	
	1702 60 10	
	1702 90 30	
(e)	1702 60 80 1702 90 80	Inulin syrup
	(f)	1703
(g)	2106 90 30	Flavoured or coloured isoglucose syrups
(h)	2303 20	Beet pulp, bagasse and other waste of sugar manufacture

Part IV: Dried fodder

As regards dried fodder, this Regulation shall cover the products listed in the following table:

	CN code	Description
(a)	ex 1214 10 00	– Meal and pellets of lucerne artificially heat-dried – Meal and pellets of lucerne otherwise dried and ground
	ex 1214 90 90	– Lucerne, sainfoin, clover, lupins, vetches and similar fodder products, artificially heat-dried, except hay and fodder kale and products containing hay – Lucerne, sainfoin, clover, lupins, vetches, honey lotus, chickling pea and birdsfoot, otherwise dried and ground
(b)	ex 2309 90 99	– Protein concentrates obtained from lucerne juice and grass juice – Dehydrated products obtained exclusively from solid residues and juice resulting from preparation of the abovementioned concentrates

Part V: Seeds

As regards seeds, this Regulation shall cover the products listed in the following table

CN code	Description
0712 90 11	Sweetcorn hybrids: – for sowing
0713 10 10	Peas (<i>Pisum sativum</i>): – for sowing
ex 0713 20 00	Chickpeas (garbanzos): – for sowing
ex 0713 31 00	Beans of the species <i>Vigna mungo</i> (L.) Hepper or <i>Vigna radiata</i> (L.) Wilczek: – for sowing
ex 0713 32 00	Small red (Adzuki) beans (<i>Phaseolus</i> or <i>Vigna angularis</i>): – for sowing
0713 33 10	Kidney beans, including white pea beans (<i>Phaseolus vulgaris</i>): – for sowing
ex 0713 39 00	Other beans: – for sowing
ex 0713 40 00	Lentils: – for sowing
ex 0713 50 00	Broad beans (<i>Vicia faba</i> var. <i>major</i>) and horse beans (<i>Vicia faba</i> var. <i>equina</i> , <i>Vicia faba</i> var. <i>minor</i>): – for sowing
ex 0713 90 00	Other dried leguminous vegetables: – for sowing
1001 90 10	Spelt: – for sowing
ex 1005 10	Hybrid maize (corn) seed
1006 10 10	Rice in the husk (paddy or rough): – for sowing
1007 00 10	Grain sorghum hybrids: – for sowing
1201 00 10	Soya beans, whether or not broken: – for sowing
1202 10 10	Groundnuts, not roasted or otherwise cooked, in shell: – for sowing
1204 00 10	Linseed, whether or not broken: – for sowing
ex 1205 10 10 and 1205 90 00	Rape or colza seeds, whether or not broken: – for sowing
1206 00 10	Sunflower seeds, whether or not broken: – for sowing
ex 1207	Other oil seeds and oleaginous fruits, whether or not broken: – for sowing
1209	Seeds, fruit and spores, of a kind used: – for sowing

Part VI: Hops

1. As regards hops, this Regulation shall cover the products listed in the following table

CN code	Description
1210	Hop cones, fresh or dried, whether or not ground, powdered or in the form of pellets; lupulin

2. The rules of this Regulation on marketing and trade with third countries shall also apply to the following products:

CN code	Description
1302 13 00	Vegetable saps and extracts of hops

Part VII: Olive oil and table olives

As regards olive oil and table olives, this Regulation shall cover the products listed in the following table:

CN code	Description
(a) 1509	Olive oil and its fractions, whether or not refined, but not chemically modified
1510 00	Other oils and their fractions, obtained solely from olives, whether or not refined, but not chemically modified, including blends of these oils or fractions with oils or fractions of heading 1509
(b) 0709 90 31	Olives, fresh or chilled, for uses other than the production of oil
0709 90 39	Other olives, fresh or chilled
0710 80 10	Olives (uncooked or cooked by steaming or boiling water), frozen
0711 20	Olives provisionally preserved (for example, by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption
ex 0712 90 90	Olives dried, whole, cut, sliced, broken or in powder, but not further prepared
2001 90 65	Olives prepared or preserved by vinegar or acetic acid
ex 2004 90 30	Olives prepared or preserved otherwise than by vinegar or acetic acid, frozen
2005 70	Olives prepared or preserved otherwise than by vinegar or acetic acid, not frozen
(c) 1522 00 31	Residues resulting from the treatment of fatty substances or animal or vegetable waxes containing oil having the characteristics of olive oil
1522 00 39	
2306 90 11	Oil-cake and other residues resulting from the extractions of olive oil
2306 90 19	

Part VIII: Flax and hemp grown for fibre

As regards flax and hemp grown for fibre, this Regulation shall cover the products listed in the following table:

CN code	Description
5301	Flax, raw or processed but not spun; flax tow and waste (including yarn waste and garnetted stock)
5302	True hemp (<i>Cannabis sativa</i> L.) raw or processed but not spun; tow and waste of true hemp (including yarn waste and garnetted stock)

Part IX: Fruit and vegetables

As regards fruit and vegetables, this Regulation shall cover the products listed in the following table:

CN code	Description
0702 00 00	Tomatoes, fresh or chilled
0703	Onions, shallots, garlic, leeks and other alliaceous vegetables, fresh or chilled
0704	Cabbages, cauliflowers, kohlrabi, kale and similar edible brassicas, fresh or chilled
0705	Lettuce (<i>Lactuca sativa</i>) and chicory (<i>Cichorium</i> spp.), fresh or chilled
0706	Carrots, turnips, salad beetroot, salsify, celeriac, radishes and similar edible roots, fresh or chilled
0707 00	Cucumbers and gherkins, fresh or chilled
0708	Leguminous vegetables, shelled or unshelled, fresh or chilled
ex 0709	Other vegetables, fresh or chilled, excluding vegetables of subheadings 0709 60 91, 0709 60 95, 0709 60 99, 0709 90 31, 0709 90 39 and 0709 90 60
ex 0802	Other nuts, fresh or dried, whether or not shelled or peeled, excluding areca (or betel) and cola nuts falling within subheading 0802 90 20
0803 00 11	Fresh plantains
ex 0803 00 90	Dried plantains
0804 20 10	Figs, fresh
0804 30 00	Pineapples
0804 40 00	Avocados
0804 50 00	Guavas, mangos and mangosteens
0805	Citrus fruit, fresh or dried
0806 10 10	Fresh table grapes
0807	Melons (including watermelons) and papaws (papayas), fresh
0808	Apples, pears and quinces, fresh
0809	Apricots, cherries, peaches (including nectarines), plums and sloes, fresh
0810	Other fruit, fresh
0813 50 31 0813 50 39	Mixtures exclusively of nuts of headings 0801 and 0802
0910 20	Saffron
ex 0910 99	Thyme, fresh or chilled
ex 1211 90 85	Basil, melissa, mint, <i>origanum vulgare</i> (oregano/wild marjoram), rosemary, sage, fresh or chilled
1212 99 30	Locust beans

Part X: Processed fruit and vegetable products

As regards processed fruit and vegetable products, this Regulation shall cover the products listed in the following table:

CN Code	Description
(a) ex 0710	Vegetables (uncooked or cooked by steaming or boiling in water) frozen, excluding sweetcorn of subheading 0710 40 00, olives of subheading 0710 80 10 and fruits of the genus <i>Capsicum</i> or of the genus <i>Pimenta</i> of subheading 0710 80 59
ex 0711	Vegetables provisionally preserved (for example, by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption, excluding olives of subheading 0711 20, fruits of the genus <i>Capsicum</i> or of the genus <i>Pimenta</i> of subheading 0711 90 10 and sweetcorn of subheading 0711 90 30
ex 0712	Dried vegetables, whole, cut, sliced, broken or in powder, but not further prepared, excluding potatoes dehydrated by artificial heat-drying and unfit for human consumption falling within subheading ex 0712 90 05, sweetcorn falling within the subheadings ex 0712 90 11 and 0712 90 19 and olives falling

	within subheading ex 0712 90 90
0804 20 90	Dried figs
0806 20	Dried grapes
ex 0811	Fruit and nuts, uncooked or cooked by steaming or boiling in water, frozen, not containing added sugar or other sweetening matter, excluding frozen bananas falling within subheading ex 0811 90 95

CN Code	Description
ex 0812	Fruit and nuts, provisionally preserved (for example by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption, excluding bananas provisionally preserved falling within subheading ex 0812 90 98
ex 0813	Fruit, dried, other than that of headings 0801 to 0806; mixtures of nuts or dried fruits of this chapter excluding mixtures exclusively of nuts of headings 0801 and 0802 falling within subheadings 0813 50 31 and 0813 50 39
0814 00 00	Peel of citrus fruit or melons (including watermelons), fresh, frozen, dried or provisionally preserved in brine, in sulphur water or in other preservative solutions
0904 20 10	Dried sweet peppers, neither crushed nor ground
(b) ex 0811	Fruit and nuts, uncooked or cooked by steaming or boiling in water, frozen, containing added sugar or other sweetening matter
ex 1302 20	Pectic substances and pectinates
ex 2001	Vegetables, fruit, nuts and other edible parts of plants, prepared or preserved by vinegar or acetic acid, excluding: <ul style="list-style-type: none"> - fruit of the genus <i>Capsicum</i> other than sweet peppers or pimentos of subheading 2001 90 20 - sweetcorn (<i>Zea mays</i> var. <i>saccharata</i>) of subheading 2001 90 30 - yams, sweet potatoes and similar edible parts of plants containing 5 % or more by weight of starch of subheading 2001 90 40 - palm hearts of subheading 2001 90 60 - olives of subheading 2001 90 65 - vine leaves, hop shoots and other similar edible parts of plants falling within subheading ex 2001 90 97
2002	Tomatoes prepared or preserved otherwise than by vinegar or acetic acid
2003	Mushrooms and truffles, prepared or preserved otherwise than by vinegar or acetic acid
ex 2004	Other vegetables prepared or preserved otherwise than by vinegar or acetic acid, frozen, other than the products of heading 2006, excluding sweetcorn (<i>Zea mays</i> var. <i>saccharata</i>) of subheading ex 2004 90 10, olives of subheading ex 2004 90 30 and potatoes prepared or preserved in the form of flour, meal or flakes of subheading 2004 10 91
ex 2005	Other vegetables prepared or preserved otherwise than by vinegar or acetic acid, not frozen, other than products of heading 2006 excluding olives of subheading 2005 70, sweetcorn (<i>Zea mays</i> var. <i>saccharata</i>) of subheading 2005 80 00 and fruit of the genus <i>Capsicum</i> , other than sweet peppers or pimentos of subheading 2005 99 10 and potatoes prepared or preserved in the form of flour, meal or flakes of subheading 2005 20 10
ex 2006 00	Fruit, nuts, fruit-peel and other parts of plants, preserved by sugar (drained, glacé or crystallised), excluding bananas preserved by sugar falling within headings ex 2006 00 38 and ex 2006 00 99
ex 2007	Jams, fruit jellies, marmalades, fruit or nut purée and fruit or nut pastes, being cooked preparations, whether or not containing added sugar or other sweetening matter, excluding: <ul style="list-style-type: none"> - homogenised preparations of bananas of subheading ex 2007 10 - jams, jellies, marmalades, purée or pastes of bananas of subheadings ex 2007 99 39, ex 2007 99 50 and ex 2007 99 97
ex 2008	Fruit, nuts and other edible parts of plants, otherwise prepared or preserved, whether or not containing added sugar or other sweetening matter or spirit, not elsewhere specified or included, excluding: <ul style="list-style-type: none"> - peanut butter of subheading 2008 11 10 - palm hearts of subheading 2008 91 00 - maize of subheading 2008 99 85 - yams, sweet potatoes and similar edible parts of plants, containing 5 % or more by weight of starch of subheading 2008 99 91 - vine leaves, hop shoots and other similar edible parts of plants falling within subheading ex 2008 99 99 - mixtures of banana otherwise prepared or preserved of subheadings ex 2008 92 59, ex 2008 92 78, ex 2008 92 93 and ex 2008 92 98 - bananas otherwise prepared or preserved of subheadings ex 2008 99 49, ex 2008 99 67 and ex 2008 99 99
ex 2009	Fruit juices (excluding grape juice and grape must of subheadings 2009 61 and 2009 69 and banana juice of subheading ex 2009 80) and vegetable juices, unfermented and not containing added spirit, whether or not containing added sugar or other sweetening matter

Part XI: Bananas

As regards bananas, this Regulation shall cover the products listed in the following table:

CN codes	Description
0803 00 19	Fresh bananas, excluding plantains
ex 0803 00 90	Dried bananas, excluding plantains
ex 0812 90 98	Bananas provisionally preserved
ex 0813 50 99	Mixtures containing dried bananas
1106 30 10	Flour, meal and powder of bananas
ex 2006 00 99	Bananas preserved by sugar
ex 2007 10 99	Homogenised preparations of bananas
ex 2007 99 39 ex 2007 99 50 ex 2007 99 97	Jams, jellies, marmalades, purées and pastes of bananas
ex 2008 92 59 ex 2008 92 78 ex 2008 92 93 ex 2008 92 98	Mixtures containing bananas otherwise prepared or preserved, not containing added spirit
ex 2008 99 49 ex 2008 99 67 ex 2008 99 99	Bananas otherwise prepared or preserved
ex 2009 80 35 ex 2009 80 38 ex 2009 80 79 ex 2009 80 86 ex 2009 80 89 ex 2009 80 99	Banana juice

Part XII: Wine

As regards wine, this Regulation shall cover the products listed in the following table:

CN code	Description
(a) 2009 61 2009 69 2204 30 92 2204 30 94 2204 30 96 2204 30 98	Grape juice (including grape must) Other grape musts, other than those in fermentation or with fermentation arrested otherwise than by the addition of alcohol
(b) ex 2204	Wine of fresh grapes, including fortified wines; grape must other than that of heading 2009, excluding other grape must of subheadings 2204 30 92, 2204 30 94, 2204 30 96 and 2204 30 98
(c) 0806 10 90 2209 00 11 2209 00 19	Fresh grapes other than table grapes Wine vinegar
(d) 2206 00 10 2307 00 11 2307 00 19 2308 00 11 2308 00 19	Piquette Wine lees Grape marc

Part XIII: Live trees and other plants, bulbs, roots and the like, cut flowers and ornamental foliage

As regards live trees and other plants, bulbs, roots and the like, cut flowers and ornamental foliage, this Regulation shall cover all the products falling within Chapter 6 of the Combined Nomenclature.

Part XIV: Raw tobacco

As regards raw tobacco, this Regulation shall cover raw or non-manufactured tobacco and tobacco refuse falling within CN code 2401.

Part XV: Beef and veal

As regards beef and veal, this Regulation shall cover the products listed in the following table:

	CN code	Description
(a)	0102 90 05 to 0102 90 79	Live animals of the domestic bovine species, other than pure-bred breeding animals
	0201	Meat of bovine animals, fresh or chilled
	0202	Meat of bovine animals, frozen
	0206 10 95	Thick skirt and thin skirt, fresh or chilled
	0206 29 91	Thick skirt and thin skirt, frozen
	0210 20	Meat of bovine animals, salted, in brine, dried or smoked
	0210 99 51	Thick skirt and thin skirt, salted, in brine, dried or smoked
	0210 99 90	Edible flours and meals of meat or meat offal
	1602 50 10	Other prepared or preserved meat or meat offal of bovine animals, uncooked; mixtures of cooked meat or offal and uncooked meat or offal
	1602 90 61	Other prepared or preserved meat containing bovine meat or offal, uncooked; mixtures of cooked meat or offal and uncooked meat or offal
(b)	0102 10	Live bovine pure-bred breeding animals
	0206 10 98	Edible offal of bovine animals excluding thick skirt and thin skirt, fresh or chilled, other than for the manufacture of pharmaceutical products
	0206 21 00	Edible offal of bovine animals excluding thick skirt and thin skirt, frozen, other than for the manufacture of pharmaceutical products
	0206 22 00	Edible offal of bovine animals excluding thick skirt and thin skirt, frozen, other than for the manufacture of pharmaceutical products
	0206 29 99	Edible offal of bovine animals excluding thick skirt and thin skirt, frozen, other than for the manufacture of pharmaceutical products
	0210 9959	Edible meat offal of bovine animals, salted, in brine, dried or smoked, other than thick skirt and thin skirt
ex	1502 00 90	Fats of bovine animals other than those of heading 1503
	1602 50 31 and 1602 50 95	Other prepared or preserved meat or meat offal, of bovine animals, other than uncooked meat or meat offal and mixtures of cooked meat or offal and uncooked meat or offal
	1602 90 69	Other prepared or preserved meat containing bovine meat or offal other than uncooked, and mixtures of cooked meat or offal and uncooked meat or offal.

Part XVI: Milk and milk products

As regards milk and milk products, this Regulation shall cover the products listed in the following table:

	CN code	Description
(a)	0401	Milk and cream, not concentrated nor containing added sugar or other sweetening matter
(b)	0402	Milk and cream, concentrated or containing added sugar or other sweetening matter
(c)	0403 10 11 to 0403 10 39 0403 9011 to 0403 90 69	Buttermilk, curdled milk and cream, yogurt, kephir and other fermented or acidified milk and cream, whether or not concentrated or containing added sugar or other sweetening matter not flavoured nor containing added fruit, nuts or cocoa
(d)	0404	Whey, whether or not concentrated or containing added sugar or other sweetening matter; products consisting of natural milk constituents, whether or not containing added sugar or other sweetening matter, not elsewhere specified or included
(e)	ex 0405	Butter and other fats and oils derived from milk; dairy spreads of a fat content of more than 75 % but less than 80 %
(f)	0406	Cheese and curd
(g)	1702 19 00	Lactose and lactose syrup not containing added flavouring or colouring matter, containing by weight less than 99 % lactose, expressed as anhydrous lactose, calculated on the dry matter
(h)	2106 90 51	Flavoured or coloured lactose syrup
(i)	ex 2309	Preparations of a kind used in animal feeding: – Preparations and feedingstuffs containing products to which this Regulation applies, directly or by virtue of Regulation (EC) No 1667/2006, except preparations and feedingstuffs falling under Part I of this Annex.

Part XVII: Pigmeat

As regards pigmeat, this Regulation shall cover the products listed in the following table:

	CN code	Description
(a)	ex 0103	Live swine, of domestic species, other than pure-bred breeding animals
(b)	ex 0203	Meat of domestic swine, fresh, chilled, or frozen
	ex 0206	Edible offal of domestic swine, other than for the manufacture of pharmaceutical products, fresh, chilled or frozen
	ex 0209 00	Pig fat, free of lean meat, not rendered or otherwise extracted, fresh, chilled, frozen, salted, in brine, dried or smoked
	ex 0210	Meat and edible meat offal of domestic swine, salted, in brine, dried or smoked
(c)	1501 00 11 1501 00 19	Pig fat (including lard)
	1601 00	Sausages and similar products, of meat, meat offal or blood; food preparations based on these products
	1602 10 00	Homogenised preparations of meat, meat offal or blood
	1602 20 90	Preparations or preserves of liver of any animal, other than goose or duck
	1602 41 10 1602 42 10 1602 49 11 to 1602 49 50	Other preparations and preserves containing meat or offal of domestic swine
	1602 90 10	Preparations of blood of any animal
	1602 90 51	Other preparations or preserves containing meat or meat offal of domestic swine
	1902 20 30	Stuffed pasta, whether or not cooked or otherwise prepared, containing more than 20 % by weight of sausages and the like, of meat and meat offal of any kind, including fats of any kind or origin

Part XVIII: Sheepmeat and goatmeat

As regards sheepmeat and goatmeat, this Regulation shall cover the products listed in the following table:

	CN code	Description
(a)	0104 10 30	Lambs (up to one year old)
	0104 10 80	Live sheep other than pure-bred breeding animals and lambs
	0104 20 90	Live goats other than pure-bred breeding animals
	0204	Meat of sheep or goats, fresh, chilled or frozen
	0210 99 21	Meat of sheep and goats, with bone in, salted, in brine, dried or smoked
	0210 99 29	Meat of sheep and goats, boneless, salted, in brine, dried or smoked
(b)	0104 10 10	Live sheep — pure-bred breeding animals
	0104 20 10	Live goats — pure-bred breeding animals
	0206 80 99	Edible offal of sheep and goats, fresh or chilled, other than for the manufacture of pharmaceutical products
	0206 90 99	Edible offal of sheep and goats, frozen, other than for the manufacture of pharmaceutical products
ex	0210 99 60	Edible offal of sheep and goats, salted, in brine, dried or smoked
	1502 00 90	Fats of sheep or goats, other than those of 1503
	(c)	1602 90 72
1602 90 74		mixtures of cooked and uncooked meat or offal
(d)	1602 90 76	Other prepared or preserved meat or meat offal of sheep or goats, other than uncooked or mixtures
	1602 90 78	of cooked and uncooked meat or offal

Part XIX: Eggs

As regards eggs, this Regulation shall cover the products listed in the following table:

	CN code	Description
(a)	0407 00 11	Poultry eggs, in shell, fresh, preserved or cooked
	0407 00 19	
	0407 00 30	
(b)	0408 11 80	Bird's eggs, not in shell, and egg yolks, fresh, dried, cooked by steaming or by boiling in water, moulded, frozen or otherwise preserved, whether or not containing added sugar or other sweetening matter, other than unfit for human consumption
	0408 19 81	
	0408 19 89	
	0408 91 80	
	0408 99 80	

Part XX: Poultrymeat

As regards poultrymeat, this Regulation shall cover the products listed in the following table:

CN code	Description	
(a) 0105	Live poultry, that is to say, fowls of the species <i>Gallus domesticus</i> , ducks, geese, turkeys and guinea fowls	
(b) ex 0207	Meat and edible offal, of the poultry of heading 0105 fresh, chilled or frozen, excluding livers falling within point (c)	
(c) 0207 13 91	Poultry livers, fresh, chilled or frozen	
0207 14 91		
0207 26 91		
0207 27 91		
0207 34		
0207 35 91		
0207 36 81		
0207 36 85		
0207 36 89		
0210 99 71		Poultry livers, salted, in brine, dried or smoked
0210 99 79		
(d) 0209 00 90		Poultry fat, not rendered or otherwise extracted, fresh, chilled, frozen, salted, in brine, dried or smoked
(e) 1501 00 90		Poultry fat
(f) 1602 20 10		Goose or duck livers, otherwise prepared or preserved
1602 31	Meat or meat offal of poultry of heading 0105, otherwise prepared or preserved	
1602 32		
1602 39		

Part XXI: Other products

CN code	Description
ex 0101	Live horses, asses, mules and hinnies:
0101 10	– Pure-bred breeding animals:
0101 10 10	– – Horses ^(a)
0101 10 90	– – Other
0101 90	– Other:
	– – Horses:
0101 90 19	– – – Other than for slaughter
0101 90 30	– – Asses
0101 90 90	– – Mules and hinnies
ex 0102	Live bovine animals:
ex 0102 90	– Other than pure-bred breeding animals:
0102 90 90	– – Other than domestic species
ex 0103	Live swine:
0103 10 00	– Pure-bred breeding animals ^(b)
	– Other:
ex 0103 91	– – Weighing less than 50 kg:
0103 91 90	– – – Other than domestic species
ex 0103 92	– – Weighing 50 kg or more

CN code	Description
0103 92 90	-- Other than domestic species
0106	Other live animals
ex 0203	Meat of swine, fresh, chilled or frozen:
	-- Fresh or chilled:
ex 0203 11	-- Carcasses and half-carcasses:
0203 11 90	--- Other than of domestic swine
ex 0203 12	-- Hams, shoulders and cuts thereof, with bone in:
0203 12 90	--- Other than of domestic swine
ex 0203 19	-- Other:
0203 19 90	--- Other than of domestic swine
	-- Frozen:
ex 0203 21	-- Carcasses and half-carcasses:
0203 21 90	--- Other than of domestic swine
ex 0203 22	-- Hams, shoulders and cuts thereof, with bone in:
0203 22 90	--- Other than of domestic swine
ex 0203 29	-- Other:
0203 29 90	--- Other than of domestic swine
ex 0205 00	Meat of asses, mules or hinnies, fresh, chilled or frozen:
ex 0206	Edible offal of bovine animals, swine, sheep, goats, horses, asses, mules or hinnies, fresh, chilled or frozen:
ex 0206 10	-- Of bovine animals, fresh or chilled
0206 10 10	-- For the manufacture of pharmaceutical products (°)
	-- Of bovine animals, frozen:
ex 0206 22 00	-- Livers:
	--- For the manufacture of pharmaceutical products (°)
ex 0206 29	-- Other:
0206 29 10	--- For the manufacture of pharmaceutical products (°)
ex 0206 30 00	-- Of swine, fresh or chilled:
	-- For the manufacture of pharmaceutical products (°)
	-- Other:
	--- other than of domestic swine
	-- Of swine, frozen:
ex 0206 41 00	-- Livers:
	--- For the manufacture of pharmaceutical products (°)
	--- Other:
	---- other than of domestic swine
ex 0206 49 00	-- Other:
	--- Of domestic swine:
	---- For the manufacture of pharmaceutical products (°)
	---- Other
ex 0206 80	-- Other, fresh or chilled:
0206 80 10	-- For the manufacture of pharmaceutical products (°)
	-- Other:
0206 80 91	--- Of horses, asses, mules and hinnies
ex 0206 90	-- Other, frozen:
0206 90 10	-- For the manufacture of pharmaceutical products (°)
	-- Other:
0206 90 91	--- Of horses, asses, mules and hinnies
0208	Other meat and edible meat offal, fresh, chilled or frozen

CN code	Description
ex 0210	Meat and edible meat offal, salted, in brine, dried or smoked; edible flours and meals of meat or meat offal:
	– Meat of swine:
ex 0210 11	– – Hams, shoulders and cuts thereof, with bone in:
0210 11 90	– – – Other than of domestic swine
ex 0210 12	– – Bellies (streaky) and cuts thereof:
0210 12 90	– – – Other than of domestic swine
ex 0210 19	– – Other:
0210 19 90	– – – Other than of domestic swine
	– Other, including edible flours and meals of meat or meat offal:
0210 91 00	– – Of primates
0210 92 00	– – Of whales, dolphins and porpoises (mammals of the order <i>Cetacea</i>); of manatees and dugongs (mammals of the order <i>Sirenia</i>)
0210 93 00	– – Of reptiles (including snakes and turtles)
ex 0210 99	– – Other:
	– – – Meat:
0210 99 31	– – – – Of reindeer
0210 99 39	– – – – Other
	– – – Offal:
	– – – – Other than of domestic swine, bovine animals, sheep and goats
0210 99 80	– – – – – Other than poultry livers
ex 0407 00	Birds' eggs, in shell, fresh, preserved or cooked:
0407 00 90	– Other than of poultry
ex 0408	Birds' eggs, not in shell, and egg yolks, fresh, dried, cooked by steaming or by boiling in water, moulded, frozen or otherwise preserved, whether or not containing added sugar or other sweetening matter:
	– Egg yolks:
ex 0408 11	– – Dried:
0408 11 20	– – – Unfit for human consumption ^(d)
ex 0408 19	– – Other:
0408 19 20	– – – Unfit for human consumption ^(d)
	– Other:
ex 0408 91	– – Dried:
0408 91 20	– – – Unfit for human consumption ^(d)
ex 0408 99	– – Other:
0408 99 20	– – – Unfit for human consumption ^(d)
0410 00 00	Edible products of animal origin, not elsewhere specified or included
0504 00 00	Guts, bladders and stomachs of animals (other than fish), whole and pieces thereof, fresh, chilled, frozen, salted, in brine, dried or smoked
ex 0511	Animal products not elsewhere specified or included; dead animals of Chapter 1 or 3, unfit for human consumption:
0511 10 00	– Bovine semen
	– Other:
ex 0511 99	– – Other:
0511 99 85	– – – Other
ex 0709	Other vegetables, fresh or chilled:
ex 0709 60	– Fruits of the genus <i>Capsicum</i> or of the genus <i>Pimenta</i> :
	– – Other:
0709 60 91	– – – – Of the genus <i>Capsicum</i> , for the manufacture of capsaicin or capsaicin oleoresin dyes ^(e)
0709 60 95	– – – – For the industrial manufacture of essential oils or resinoids ^(e)
0709 60 99	– – – – Other

CN code	Description
ex 0710	Vegetables (uncooked or cooked by steaming or boiling in water), frozen:
ex 0710 80	– Other vegetables:
0710 80 59	– – Fruits of the genus <i>Capsicum</i> or of the genus <i>Pimenta</i> :
ex 0711	– – – Other than sweet peppers
ex 0711 90	Vegetables provisionally preserved (for example, by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption:
0711 90 10	– Other vegetables; mixtures of vegetables:
ex 0713	– – Vegetables:
ex 0713 10	– – – Fruits of the genus <i>Capsicum</i> or of the genus <i>Pimenta</i> , excluding sweet peppers
0713 10 90	Dried leguminous vegetables, shelled, whether or not skinned or split:
ex 0713 20 00	– Peas (<i>Pisum sativum</i>):
ex 0713 31 00	– – Other than for sowing
ex 0713 32 00	– Chickpeas (garbanzos):
ex 0713 33	– – Other than for sowing
0713 33 90	– Beans (<i>Vigna</i> spp., <i>Phaseolus</i> spp.):
ex 0713 39 00	– – Beans of the species <i>Vigna mungo</i> (L) Hepper or <i>Vigna radiata</i> (L) Wilczek:
ex 0713 40 00	– – – Other than for sowing
ex 0713 50 00	– Small red (Adzuki) beans (<i>Phaseolus</i> or <i>Vigna angularis</i>):
ex 0713 90 00	– – – Other than for sowing
0801	– Kidney beans, including white pea beans (<i>Phaseolus vulgaris</i>):
ex 0802	– – – Other than for sowing
ex 0802 90 20	– – Other:
ex 0804	– – – Other than for sowing
0804 10 00	– Lentils:
0902	– – Other than for sowing
ex 0904	– Broad beans (<i>Vicia faba</i> var. <i>major</i>) and horse beans (<i>Vicia faba</i> var. <i>equina</i> and <i>Vicia faba</i> var. <i>minor</i>):
0905 00 00	– – Other than for sowing
0906	– Other:
0907 00 00	– – Other than for sowing
0908	Coconuts, Brazil nuts and cashew nuts, fresh or dried, whether or not shelled or peeled
0909	Other nuts, fresh or dried, whether or not shelled or peeled:
ex 0910	– Other:
ex 1106	– – Areca (or betel) and cola
1106 10 00	Dates, figs, pineapples, avocados, guavas, mangoes and mangosteens, fresh or dried:
ex 1106 30	– Dates
1106 30 90	Tea, whether or not flavoured
	Pepper of the genus <i>Piper</i> ; dried or crushed or ground fruits of the genus <i>Capsicum</i> or of the genus <i>Pimenta</i> , excluding sweet peppers falling within subheading 0904 20 10
	Vanilla
	Cinnamon and cinnamon-tree flowers
	Cloves (whole fruit, cloves and stems)
	Nutmeg, mace and cardamoms
	Seeds of anise, badian, fennel, coriander, cumin or caraway; juniper berries
	Ginger, turmeric (curcuma), bay leaves, curry and other spices excluding thyme and saffron
	Flour, meal and powder of the dried leguminous vegetables of heading 0713, of sago or of roots or tubers of heading 0714 or of the products of Chapter 8:
	– Of the dried leguminous vegetables of heading 0713
	– Of the products of Chapter 8:
	– – Other than bananas

CN code	Description
ex 1108	Starches; inulin:
1108 20 00	– Inulin
1201 00 90	Soya beans, whether or not broken, other than for sowing
1202 10 90	Groundnuts, not roasted or otherwise cooked, in shell, other than for sowing
1202 20 00	Ground-nuts, not roasted or otherwise cooked, shelled, whether or not broken
1203 00 00	Copra
1204 00 90	Linseed, whether or not broken, other than for sowing
1205 10 90 and ex 1205 90 00	Rape or colza seeds, whether or not broken, other than for sowing
1206 00 91	Sunflower seeds, whether or not broken, other than for sowing
1206 00 99	
1207 20 90	Cotton seeds, whether or not broken, other than for sowing
1207 40 90	Sesamum seeds, whether or not broken, other than for sowing
1207 50 90	Mustard seeds, whether or not broken, other than for sowing
1207 91 90	Poppy seeds, whether or not broken, other than for sowing
1207 99 91	Hemp seeds, whether or not broken, other than for sowing
ex 1207 99 97	Other oilseeds and oleaginous fruits, whether or not broken, other than for sowing
1208	Flours and meals of oil seeds or oleaginous fruits, other than those of mustard
1211	Plants and parts of plants (including seeds and fruits) of a kind used primarily in perfumery, in pharmacy or for insecticidal, fungicidal or similar purposes, fresh or dried, whether or not cut, crushed or powdered excluding the products listed under CN code ex1211 90 85 in Part IX of this Annex;
ex 1212	Locust beans, seaweeds and other algae, sugar beet and sugar cane, fresh, chilled, frozen or dried, whether or not ground; fruit stones and kernels and other vegetable products (including unroasted chicory roots of the variety <i>Cichorium intybus sativum</i>) of a kind used primarily for human consumption, not elsewhere specified or included:
ex 1212 20 00	– Seaweeds and other algae used primarily in pharmacy or for human consumption
	– Other:
ex 1212 99	– – Other than sugar cane :
1212 99 41 and 1212 99 49	– – – Locust bean seeds
ex 1212 99 70	– – – Other, excluding chicory root
1213 00 00	Cereal straw and husks, unprepared, whether or not chopped, ground, pressed or in the form of pellets
ex 1214	Swedes, mangolds, fodder roots, hay, lucerne (alfalfa), clover, sainfoin, forage kale, lupines, vetches and similar forage products, whether or not in the form of pellets:
ex 1214 10 00	– Lucerne (alfalfa) meal and pellets, excluding of lucerne artificially heat-dried or of lucerne otherwise dried and ground
ex 1214 90	– Other:
1214 90 10	– – Mangolds, swedes and other fodder roots
ex 1214 90 90	– – Other, excluding:
	– Lucerne, sainfoin, clover, lupines, vetches and similar fodder products artificially heat-dried, except hay and fodder kale and products containing hay
	– Lucerne, sainfoin, clover, lupines, vetches, honey lotus, chickling pea and birdsfoot, otherwise dried and ground
ex 1502 00	Fats of bovine animals, sheep or goats, other than those of heading 1503:
ex 1502 00 10	– For industrial uses other than the manufacture of foodstuffs for human consumption, excluding fats obtained from bones and waste (°)
1503 00	Lard stearin, lard oil, oleostearin, oleo-oil and tallow oil, not emulsified or mixed or otherwise prepared
1504	Fats and oils and their fractions, of fish or marine mammals, whether or not refined, but not chemically modified
1507	Soya-bean oil and its fractions, whether or not refined, but not chemically modified
1508	Groundnut oil and its fractions, whether or not refined, but not chemically modified
1511	Palm oil and its fractions, whether or not refined, but not chemically modified
1512	Sunflower-seed, safflower or cotton-seed oil and fractions thereof, whether or not refined, but not chemically modified

CN code	Description
1513	Coconut (copra), palm kernel or babassu oil and fractions thereof, whether or not refined, but not chemically modified
1514	Rape, colza or mustard oil and fractions thereof, whether or not refined, but not chemically modified
ex 1515	Other fixed vegetable fats and oils (excluding jojoba oil of subheading ex 1515 90 11) and their fractions, whether or not refined, but not chemically modified
ex 1516	Animal or vegetable fats and oils and their fractions, partly or wholly hydrogenated, inter-esterified, re-esterified or elaidinised, whether or not refined, but not further prepared (excluding hydrogenated castor oil, so called 'opalwax' of subheading 1516 20 10)
ex 1517	Margarine; edible mixtures or preparations of animal or vegetable fats or oils or of fractions of different fats or oils of this chapter, other than edible fats or oils or their fractions of heading 1516, excluding subheadings 1517 10 10, 1517 90 10 and 1517 90 93
1518 00 31 1518 00 39	Fixed vegetable oils, fluid, mixed for technical or industrial uses other than the manufacture of foodstuffs for human consumption (°)
1522 00 91	Oil foots and dregs; soapstocks, resulting from the treatment of fatty substances or animal or vegetable waxes, excluding those containing oil having the characteristics of olive oil
1522 00 99	Other residues resulting from the treatment of fatty substances or animal or vegetable waxes, excluding those containing oil having the characteristics of olive oil
ex 1602	Other prepared or preserved meat, meat offal or blood:
	– Of swine:
ex 1602 41	– – Hams and cuts thereof:
1602 41 90	– – – Other than of domestic swine
ex 1602 42	– – Shoulders and cuts thereof:
1602 42 90	– – – Other than of domestic swine
ex 1602 49	– – Other, including mixtures:
1602 49 90	– – – Other than of domestic swine
ex 1602 90	– Other, including preparations of blood of any animal:
	– – Other than preparations of blood of any animal:
1602 90 31	– – – Of game or rabbit
	– – – Other:
	– – – – Other than containing the meat or meat offal of domestic swine:
	– – – – – Other than containing bovine meat or offal:
1602 90 99	– – – – – Other than of sheep or goats
1603 00	Extracts and juices of meat, fish or crustaceans, molluscs or other aquatic invertebrates
1801 00 00	Cocoa beans, whole or broken, raw or roasted
1802 00 00	Cocoa shells, husks, skins and other cocoa waste
ex 2001	Vegetables, fruit, nuts and other edible parts of plants, prepared or preserved by vinegar or acetic acid:
ex 2001 90	– Other:
2001 90 20	– – Fruits of the genus <i>Capsicum</i> other than sweet peppers or pimentos
ex 2005	Other vegetables prepared or preserved otherwise than by vinegar or acetic acid, not frozen, other than products of heading 2006:
ex 2005 99	– Other vegetables and mixtures of vegetables:
2005 99 10	– – Fruits of the genus <i>Capsicum</i> other than sweet peppers or pimentos
ex 2206	Other fermented beverages (for example, cider, perry, mead); mixtures of fermented beverages and mixtures of fermented beverages and non-alcoholic beverages, not elsewhere specified or included:
2206 00 31 to 2206 00 89	– Other than piquette
ex 2301	Flours, meals and pellets, of meat or meat offal, of fish or of crustaceans, molluscs or other aquatic invertebrates, unfit for human consumption; greaves:
2301 10 00	– Flours, meals and pellets, of meat or meat offal; greaves

CN code	Description
ex 2302	Bran, sharps and other residues, whether or not in the form of pellets, derived from the sifting, milling or other working of cereals or of leguminous plants:
2302 50 00	– Of leguminous plants
2304 00 00	Oilcake and other solid residues, whether or not ground or in the form of pellets, resulting from the extraction of soya-bean oil
2305 00 00	Oilcake and other solid residues, whether or not ground or in the form of pellets, resulting from the extraction of groundnut oil
ex 2306	Oilcake and other solid residues, whether or not ground or in the form of pellets, resulting from the extraction of vegetable fats or oils, other than those of heading 2304 or 2305 with the exception of CN subheading 2306 90 05 (oilcake and other solid residues resulting from the extraction of maize (corn) germ) and 2306 90 11 and 2306 90 19 (oilcake and other solid residues resulting from the extraction of olive oil)
ex 2307 00	Wine lees; argol:
2307 00 90	– Argol
ex 2308 00	Vegetable materials and vegetable waste, vegetable residues and by-products, whether or not in the form of pellets, of a kind used in animal feeding, not elsewhere specified or included:
2308 00 90	– Other than grape marc, acorns and horse-chestnuts, pomace or marc of fruit, other than grapes
ex 2309	Preparations of a kind used in animal feeding:
ex 2309 10	– Dog or cat food, put up for retail sale:
2309 10 90	– – Other than containing starch, glucose, glucose syrup, maltodextrine or maltodextrine syrup of subheadings 1702 30 50, 1702 30 90, 1702 40 90, 1702 90 50 and 2106 90 55 or milk products
ex 2309 90	– Other:
2309 90 10	– – Fish or marine mammal solubles
	– – Other, including premixes:
ex 2309 90 91 to 2309 90 99	– – – Other than containing starch, glucose, glucose syrup, maltodextrine or maltodextrine syrup of subheadings 1702 30 50, 1702 30 90, 1702 40 90, 1702 90 50 and 2106 90 55 or milk products, excluding
	– Protein concentrates obtained from lucerne juice and grass juice
	– Dehydrated products obtained exclusively from solid residues and juice resulting from the preparation of the concentrates referred to in the first indent
<p>^(a) Entry under this subheading is subject to the conditions laid down in the relevant Union provisions (see Council Directive 94/28/EC (OJ L 178, 12.7.1994, p. 66); Commission Decision 93/623/EEC (OJ L 298, 3.12.1993, p. 45)).</p> <p>^(b) Entry under this subheading is subject to conditions laid down in the relevant Union provisions (see Council Directive 88/661/EEC (OJ L 382, 31.12.1988, p. 36); Council Directive 94/28/EC (OJ L 178, 12.7.1994, p. 66); Commission Decision 96/510/EC (OJ L 210, 20.8.1996, p. 53)).</p> <p>^(c) Entry under this subheading is subject to conditions laid down in the relevant Union provisions (see Articles 291 to 300 of Commission Regulation (EEC) No 2454/93 (OJ L 253, 11.10.1993, p. 1) and subsequent amendments).</p> <p>^(d) Entry under this subheading is subject to conditions laid down in paragraph F of Section II of the preliminary provisions of the Combined Nomenclature.</p>	

ANNEX II

LIST OF PRODUCTS FOR WHICH SPECIFIC MEASURES HAVE BEEN ESTABLISHED AS REFERRED TO IN ARTICLE 1(2)

Part I: Ethyl alcohol of agricultural origin

1. As regards ethyl alcohol, this Regulation shall cover the products listed in the following table:

CN code	Description
ex 2207 10 00	Undenatured ethyl alcohol of an alcoholic strength by volume of 80 % vol. or higher obtained from the agricultural products listed in Annex I to the Treaty
ex 2207 20 00	Ethyl alcohol and other spirits, denatured, of any strength, obtained from the agricultural products listed in Annex I to the Treaty
ex 2208 90 91 and ex 2208 90 99	Undenatured ethyl alcohol of an alcoholic strength by volume of less than 80 % vol. obtained from the agricultural products listed in Annex I to the Treaty

2. Section I of Chapter II of Part III on import licences and Section I of Chapter III of that Part shall apply also to products based on ethyl alcohol of agricultural origin falling within CN code 2208 put up in containers of more than two litres and presenting all the characteristics of ethyl alcohol as described in point 1.

Part II: Apiculture products

As regards apiculture products, this Regulation shall cover the products listed in the following table:

CN code	Description
0409	Natural honey
ex 0410 00 00	Royal jelly and propolis, edible
ex 0511 99 85	Royal jelly and propolis, non-edible
ex 1212 99 70	Pollen
ex 152190	Beeswax

Part III: Silkworms

As regards silkworms, this Regulation shall cover silkworms falling within CN code ex 0106 90 00 and silkworm eggs falling within CN code ex 0511 99 85.

ANNEX III

DEFINITIONS REFERRED TO IN ARTICLE 2(1)

Part I: Definitions concerning the rice sector

- I. The terms ‘paddy rice’, ‘husked rice’, ‘semi-milled rice’, ‘wholly milled rice’, ‘round grain rice’, ‘medium grain rice’, ‘long grain rice A or B’ and ‘broken rice’ shall be defined as follows:
1. (a) ‘Paddy rice’ means rice which has retained its husk after threshing.
 - (b) ‘Husked rice’ means paddy rice from which only the husk has been removed. Examples of rice falling within this definition are those with the commercial descriptions ‘brown rice’, ‘cargo rice’, ‘loonzain’ and ‘riso sbramato’.
 - (c) ‘Semi-milled rice’ means paddy rice from which the husk, part of the germ and the whole or part of the outer layers of the pericarp but not the inner layers have been removed.
 - (d) ‘Wholly milled rice’ means paddy rice from which the husk, the whole of the outer and inner layers of the pericarp, the whole of the germ in the case of long grain or medium grain rice and at least part thereof in the case of round grain rice have been removed, but in which longitudinal white striations may remain on not more than 10 % of the grains.
2. (a) ‘Round grain rice’ means rice, the grains of which are of a length not exceeding 5,2 mm and of a length/width ratio of less than 2.
 - (b) ‘Medium grain rice’ means rice, the grains of which are of a length exceeding 5,2 mm but not exceeding 6,0 mm and of a length/width ratio no greater than 3.
 - (c) ‘Long grain rice’ means:
 - (i) long grain rice A, rice, the grains of which are of a length exceeding 6,0 mm and of which the length/width ratio is greater than 2 but less than 3;
 - (ii) long grain rice B, rice, the grains of which are of a length exceeding 6,0 mm and of which the length/width ratio is equal to or greater than 3.
 - (d) ‘Measurements of the grains’ means grain measurements are taken on wholly milled rice by the following method:
 - (i) take a sample representative of the batch;
 - (ii) sieve the sample so as to retain only whole grains, including immature grains;

- (iii) carry out two measurements of 100 grains each and work out the average;
 - (iv) express the result in millimetres, rounded off to one decimal place.
 - 3. 'Broken rice' means grain fragments the length of which does not exceed three quarters of the average length of the whole grain.
- II. As regards grains and broken grains which are not of unimpaired quality, the following definitions shall apply:
- A. 'Whole grains' means grains from which only part of the end has been removed, irrespective of characteristics produced at each stage of milling.
 - B. 'Clipped grains' means grains from which the entire end has been removed.
 - C. 'Broken grains or fragments' means grains from which a part of the volume greater than the end has been removed; broken grains include:
 - large broken grains (pieces of grain of a length not less than half that of a grain, but not constituting a complete grain),
 - medium broken grains (pieces of grain of a length not less than a quarter of the length of a grain but which are smaller than the minimum size of 'large broken grains'),
 - fine broken grains (pieces of grain less than a quarter of the size of a grain but too large to pass through a sieve with a mesh of 1,4 mm),
 - fragments (small pieces or particles of grain which can pass through a sieve with a mesh of 1,4 mm); split grains (pieces produced by a longitudinal split in the grain) come under this definition.
 - D. 'Green grains' means grains which are not fully ripened.
 - E. 'Grains showing natural malformation' means grains showing a natural malformation whether or not of hereditary origin, as compared with the morphological characteristics typical of the variety.
 - F. 'Chalky grains' means grains at least three-quarters of the surface of which looks opaque and chalky.
 - G. 'Grains striated with red' means grains showing longitudinal red striations of differing intensity and shades, due to residues from the pericarp.
 - H. 'Spotted grains' means grains showing a well-defined small circle of dark colour of more or less regular shape; spotted grains also include those which show slight black striations on the surface only; the striations and spots must not show a yellow or dark aureole.
 - I. 'Stained grains' means grains which have undergone, on a small area of their surface, an obvious change in their natural colour; the stains may be of

different colours (blackish, reddish, brown); deep black striations are also to be regarded as stains. If the colour of the stains is sufficiently marked (black, pink, reddish-brown) to be immediately visible and if they cover an area not less than half that of the grain, the grains must be considered to be yellow grains.

- J. 'Yellow grains' means grains which have undergone, totally or partially, otherwise than by drying, a change in their natural colour and have taken on a lemon or orange-yellow tone.
- K. 'Amber grains' means grains which have undergone, otherwise than by drying, a slight uniform change in colour over the whole surface; this change alters the colour of the grains to a light amber-yellow.

Part II: Definitions concerning the sugar sector

1. 'white sugars' means sugars, not flavoured or coloured or containing any other added substances, containing, in the dry state, 99,5 % or more by weight of sucrose, determined by the polarimetric method;
2. 'raw sugars' means sugars, not flavoured or coloured or containing any other added substances, containing, in the dry state, less than 99,5 % by weight of sucrose, determined by the polarimetric method;
3. 'isoglucose' means the product obtained from glucose or its polymers with a content by weight in the dry state of at least 10 % fructose;
4. 'inulin syrup' means the immediate product obtained by hydrolysis of inulin or oligofructoses, containing in the dry state at least 10 % fructose in free form or as sucrose, and expressed as sugar/isoglucose equivalents. In order to avoid restrictions on the market for products with low sweetening power produced by inulin fibre processors without inulin syrup quota, this definition may be amended by the Commission;
5. 'quota sugar', 'quota isoglucose' and 'quota inulin syrup' mean any quantity of sugar, isoglucose or inulin syrup production attributed to a specific marketing year under the quota of the undertaking concerned;
6. 'industrial sugar' means any quantity of sugar production attributed to a specific marketing year over and above the sugar quantity referred to in point (5), intended for the production by the industry of one of the products referred to in Article 55(2);
7. 'industrial isoglucose' and 'industrial inulin syrup' mean any quantity of isoglucose or inulin syrup production attributed to a specific marketing year, intended for the production by the industry of one of the products referred to in Article 55(2);
8. 'surplus sugar', 'surplus isoglucose' and 'surplus inulin syrup' mean any quantity of sugar, isoglucose or inulin syrup production attributed to a specific marketing year over and above the respective quantities referred to in points (5), (6) and (7);
9. 'quota beet' means all sugar beet processed into quota sugar;
10. 'delivery contract' means a contract concluded between a seller and an undertaking for the delivery of beet for the manufacture of sugar;
11. 'agreement within the trade' means one of the following:
 - (a) an agreement concluded at Union level, prior to the conclusion of any delivery contract, between a group of national undertakings' organisations on the one hand and a group of national sellers' organisations on the other;
 - (b) an agreement concluded, prior to the conclusion of any delivery contract, between undertakings or an undertakings' organisation recognised by the Member State concerned on the one hand and a sellers' association recognised by the Member State concerned on the other;

- (c) in the absence of any agreement as referred to in point (a) or (b), the law on companies and the law on cooperatives, in so far as they govern the delivery of sugar beet by the shareholders or members of a company or cooperative manufacturing sugar;
- (d) in the absence of any agreement as referred to in point (a) or (b), the arrangements existing before the conclusion of any delivery contract, provided the sellers accepting the arrangement supply at least 60 % of the total beet bought by the undertaking for the manufacture of sugar in one or more factories.

12. 'full-time refiner' means a production unit:

- of which the sole activity consists of refining imported raw cane sugar, or
- which refined in the marketing year 2004/2005 a quantity of at least 15 000 tonnes of imported raw cane sugar.

Part III: Definitions concerning the hops sector

1. 'hops' means the dried inflorescences, also known as cones, of the (female) climbing hop plant (*Humulus lupulus*); these inflorescences, which are greenish yellow and of an ovoid shape, have a flower stalk and their longest dimension generally varies from 2 to 5 cm;
2. 'hop powder' means the product obtained by milling the hops, containing all the natural elements thereof;
3. 'hop powder with higher lupulin content' means the product obtained by milling the hops after mechanical removal of a part of the leaves, stalks, bracts and rachides;
4. 'extract of hops' means the concentrated products obtained by the action of a solvent on the hops or on the hop powder;
5. 'mixed hop products' means a mixture of two or more of the products referred to in points (1) to (4).

Part IV: Definitions concerning the wine sector

Vine-related

1. "Grubbing-up" means the complete elimination of all vine stocks on an area planted with vines.
2. "Planting" means the definitive establishment of vine plants or parts of vine plants, whether or not grafted, with a view to producing grapes or to establishing a graft nursery.
3. "Grafting-on" means the grafting of a vine which has already been subject to a previous grafting.

Produce-related

4. “Fresh grapes” means the fruit of the vine used in making wine, ripe or even slightly raisined, which may be crushed or pressed by normal wine-cellar means and which may spontaneously produce alcoholic fermentation.
5. “Fresh grape must with fermentation arrested by the addition of alcohol” means a product which:
 - (a) has an actual alcoholic strength of not less than 12 % volume and not more than 15 % volume;
 - (b) is obtained by addition to unfermented grape must, which has a natural alcoholic strength of not less than 8,5 % volume and is exclusively derived from wine grape varieties classifiable according to Article 166(2):
 - (i) either of neutral alcohol of vinous origin, including alcohol obtained from the distillation of dried grapes, having an actual alcoholic strength of not less than 96 % volume;
 - (ii) or of an unrectified product derived from the distillation of wine and having an actual alcoholic strength of not less than 52 % volume and not more than 80 % volume.
6. “Grape juice” means the unfermented but fermentable liquid product which:
 - (a) is obtained by appropriate treatment rendering it fit for consumption as it is;
 - (b) is obtained from fresh grapes or from grape must or by reconstitution. Where obtained by reconstitution, it shall be reconstituted from concentrated grape must or concentrated grape juice.

An actual alcoholic strength of the grape juice of not more than 1 % volume is permissible.

7. “Concentrated grape juice” means uncaramelised grape juice obtained by partial dehydration of grape juice carried out by any authorised method other than by direct heat in such a way that the figure indicated by a refractometer used in accordance with a method to be prescribed at a temperature of 20 °C is not less than 50,9 %.

An actual alcoholic strength of the concentrated grape juice of not more than 1 % volume is permissible.

8. “Wine lees” means the residue:
 - (a) accumulating in vessels containing wine after fermentation, during storage or after authorised treatment;
 - (b) obtained from filtering or centrifuging the product referred to in (a);
 - (c) accumulating in vessels containing grape must during storage or after authorised treatment; or
 - (d) obtained from filtering or centrifuging the product referred to in (c).

9. “Grape marc” means the residue from the pressing of fresh grapes, whether or not fermented.
10. “Piquette” means a product obtained by:
 - (a) the fermentation of untreated grape marc macerated in water; or
 - (b) leaching fermented grape marc with water.
11. “Wine fortified for distillation” means a product which:
 - (a) has an actual alcoholic strength of not less than 18 % volume and not more than 24 % volume;
 - (b) is obtained exclusively by the addition to wine containing no residual sugar of an unrectified product derived from the distillation of wine and having a maximum actual alcoholic strength of 86 % volume; or
 - (c) has a maximum volatile acidity of 1,5 grams per litre, expressed as acetic acid.
12. “Cuvée” means:
 - (a) the grape must;
 - (b) the wine; or
 - (c) the mixture of grape musts and/or wines with different characteristics, intended for the preparation of a specific type of sparkling wine.

Alcoholic strength

13. “Actual alcoholic strength by volume” means the number of volumes of pure alcohol contained at a temperature of 20 °C in 100 volumes of the product at that temperature.
14. “Potential alcoholic strength by volume” means the number of volumes of pure alcohol at a temperature of 20 °C capable of being produced by total fermentation of the sugars contained in 100 volumes of the product at that temperature.
15. “Total alcoholic strength by volume” means the sum of the actual and potential alcoholic strengths.
16. “Natural alcoholic strength by volume” means the total alcoholic strength by volume of a product before any enrichment.
17. “Actual alcoholic strength by mass” means the number of kilograms of pure alcohol contained in 100 kilograms of product.
18. “Potential alcoholic strength by mass” means the number of kilograms of pure alcohol capable of being produced by total fermentation of the sugars contained in 100 kilograms of product.
19. “Total alcoholic strength by mass” means the sum of the actual and potential alcoholic strength.

Part V: Definitions concerning the beef and veal sector

1. ‘bovine animals’ means live animals of the domestic bovine species falling within CN codes ex 0102 10, 0102 90 05 to 0102 90 79;
2. ‘adult bovine animals’ means bovine animals the live weight of which is more than 300 kilograms.

Part VI: Definitions concerning the milk and milk products sector

For the purpose of the implementation of the tariff quota for butter of New Zealand origin, the phrase ‘manufactured directly from milk or cream’ does not exclude butter manufactured from milk or cream, without the use of stored materials, in a single, self-contained and uninterrupted process which may involve the cream passing through a stage of concentrated milkfat and/or the fractionation of such milkfat.

Part VII: Definitions concerning the eggs sector

1. ‘eggs in shell’ means poultry eggs in shell, fresh, preserved, or cooked, other than eggs for hatching specified in 2.;
2. ‘eggs for hatching’ means poultry eggs for hatching;
3. ‘whole products’ means birds' eggs not in shell, whether or not containing added sugar or other sweetening matter suitable for human consumption;

4. 'separated products' means birds' egg yolks, whether or not containing added sugar or other sweetening matter suitable for human consumption.

Part VIII: Definitions concerning the poultrymeat sector

1. 'live poultry' means live fowls, ducks, geese, turkeys and guinea fowls each weighing more than 185 grams;
2. 'chicks' means live fowls, ducks, geese, turkeys and guinea fowls, each weighing not more than 185 grams;
3. 'slaughtered poultry' means dead fowls, ducks, geese, turkeys and guinea fowls, whole, with or without offal;
4. 'derived products' means the following:
 - (a) products specified in point (a) of Part XX of Annex I;
 - (b) products specified in point (b) of Part XX of Annex I, excluding slaughtered poultry and edible offal, known as 'poultry cuts';
 - (c) edible offals specified in point (b) of Part XX of Annex I;
 - (d) products specified in point (c) of Part XX of Annex I;
 - (e) products specified in points (d) and (e) of Part XX of Annex I;
 - (f) products referred to in point (f) of Part XX of Annex I, other than those products falling within CN codes 1602 20 11 and 1602 20 19.

Part IX: Definitions concerning the apiculture sector

1. 'Honey' means the natural sweet substance produced by *Apis mellifera* bees from the nectar of plants or from secretions of living parts of plants or excretions of plant-sucking insects on the living parts of plants, which the bees collect, transform by combining with specific substances of their own, deposit, dehydrate, store and leave in honeycombs to ripen and mature.

The main types of honey are as follows:

- (a) according to origin:
 - (i) blossom honey or nectar honey: honey obtained from the nectar of plants;
 - (ii) honeydew honey: honey obtained mainly from excretions of plant sucking insects (*Hemiptera*) on the living part of plants or secretions of living parts of plants;
- (b) according to mode of production and/or presentation:
 - (iii) comb honey: honey stored by bees in the cells of freshly built broodless combs or thin comb foundation sheets made solely of beeswax and sold in sealed whole combs or sections of such combs;
 - (iv) chunk honey or cut comb in honey: honey which contains one or more pieces of comb honey;
 - (v) drained honey: honey obtained by draining decapped broodless combs;
 - (vi) extracted honey: honey obtained by centrifuging decapped broodless combs;
 - (vii) pressed honey: honey obtained by pressing broodless combs with or without the application of moderate heat not exceeding 45 °C;
 - (viii) filtered honey: honey obtained by removing foreign inorganic or organic matter in such a way as to result in the significant removal of pollen.

'Baker's honey' means honey which is:

- (a) suitable for industrial uses or as an ingredient in other foodstuffs which are then processed and
- (b) may:
 - have a foreign taste or odour, or
 - have begun to ferment or have fermented, or
 - have been overheated.

2. 'Apiculture products' means honey, beeswax, royal jelly, propolis or pollen.

ANNEX IV

STANDARD QUALITY OF RICE AND SUGAR AS REFERRED TO IN ARTICLE 8(1) AND (3)

A. Standard quality for paddy rice

Paddy rice of standard quality shall:

- (a) be of a sound and fair marketable quality, free of odour;
- (b) contain a moisture content of maximum 13 %;
- (c) have a yield of wholly milled rice 63 % by weight in whole grains (with a tolerance of 3 % of clipped grains) of which a percentage by weight of wholly milled rice grains which are not of unimpaired quality:

chalky grains of paddy rice under CN codes CN 1006 10 27 and CN 1006 10 98	1,5 %
chalky grains of paddy rice under CN codes other than CN 1006 10 27 and CN 1006 10 98:	2,0 %
grains striated with red	1,0 %
spotted grains	0,50 %
stained grains	0,25 %
yellow grains	0,02 %
amber grains	0,05 %

B. Standard qualities for sugar

I. Standard quality for sugar beet

Standard quality beet shall:

- (a) be of sound and fair merchantable quality;
- (b) have a sugar content of 16 % at the reception point.

II. Standard quality for white sugar

1. White sugar of the standard quality shall have the following characteristics:

- (a) be of sound, genuine and merchantable quality; dry, in homogeneous granulated crystals, free-flowing;
- (b) minimum polarisation: 99,7;
- (c) maximum moisture content: 0,06 %;
- (d) maximum invert sugar content: 0,04 %;

- (e) the number of points determined under point 2 shall not exceed a total of 22, nor:

15 for the ash content,

9 for the colour type, determined using the method of the Brunswick Institute of Agricultural Technology (hereinafter referred to as the Brunswick method),

6 for the colouring of the solution, determined using the method of the International Commission for Uniform Methods of Sugar Analysis (hereinafter referred to as the ICUMSA method).

2. One point shall correspond to:
- (a) 0,0018 % of ash content determined using the ICUMSA method at 28° Brix,
 - (b) 0,5 units of colour type determined using the Brunswick method,
 - (c) 7,5 units of colouring of the solution determined using the ICUMSA method.
3. The methods for determining the factors referred to in point 1 shall be those used for determining those factors under the intervention measures.

III. Standard quality for raw sugar

1. Raw sugar of the standard quality shall be sugar with a yield in white sugar of 92 %.
2. The yield of raw beet sugar shall be calculated by subtracting from the degree of polarisation of that sugar:
 - (a) its percentage ash content multiplied by four;
 - (b) its percentage invert sugar content multiplied by two;
 - (c) the number 1.
3. The yield of raw cane sugar shall be calculated by subtracting 100 from the degree of polarisation of that sugar multiplied by two.

ANNEX V

UNION SCALES FOR THE CLASSIFICATION OF CARCASSES REFERRED TO IN ARTICLE 34

A. Union scale for the classification of carcasses of adult bovine animals

I. Definitions

The following definitions shall apply:

1. 'carcass': the whole body of a slaughtered animal as presented after bleeding, evisceration and skinning;
2. 'half-carcass': the product obtained by separating the carcass referred to in point (1) symmetrically through the middle of each cervical, dorsal, lumbar and sacral vertebra and through the middle of the sternum and the ischiopubic symphysis.

II. Categories

The carcasses shall be divided into the following categories:

- A: carcasses of uncastrated young male animals of less than two years of age;
- B: carcasses of other uncastrated male animals;
- C: carcasses of castrated male animals;
- D: carcasses of female animals that have calved;
- E: carcasses of other female animals.

III. Classification

The carcasses shall be classified by successive assessment of:

1. Conformation, defined as follows:

Development of carcass profiles, in particular the essential parts (round, back, shoulder)

Conformation class	Description
S Superior	All profiles extremely convex; exceptional muscle development (double muscled carcass type)
E Excellent	All profiles convex to super-convex; exceptional muscle development
U Very good	Profiles on the whole convex, very good muscle development

R Good	Profiles on the whole straight; good muscle development
O Fair	Profiles straight to concave; average muscle development
P Poor	All profiles concave to very concave; poor muscle development

2. Fat cover, defined as follows:

Amount of fat on the outside of the carcass and in the thoracic cavity

Class of fat cover	Description
1 low	None up to low fat cover
2 slight	Slight fat cover, flesh visible almost everywhere
3 average	Flesh with the exception of the round and shoulder, almost everywhere covered with fat, slight deposits of fat in the thoracic cavity
4 high	Flesh covered with fat, but on the round and shoulder still partly visible, some distinctive fat deposits in the thoracic cavity
5 very high	Entire carcass covered with fat; heavy deposits in the thoracic cavity

IV. Presentation

Carcasses and half-carcasses shall be presented:

1. without the head and without the feet; the head shall be separated from the carcass at the atloido-occipital joint and the feet shall be severed at the carpometacarpal or tarsometatarsal joints,
2. without the organs contained in the thoracic and abdominal cavities with or without the kidneys, the kidney fat and the pelvic fat,
3. without the sexual organs and the attached muscles and without the udder or the mammary fat.

V. Classification and identification

Slaughterhouses approved under Article 4 of Regulation (EC) No 853/2004 of the European Parliament and of the Council⁴⁶ shall take measures to ensure that all carcasses or half-carcasses from adult bovine animals slaughtered in such slaughterhouses and bearing a health mark provided for Article 5(2) in conjunction with Chapter III of Section I of Annex I to Regulation (EC)

⁴⁶ OJ L 139, 30.4.2004, p. 55.

No 854/2004 of the European Parliament and of the Council⁴⁷ are classified and identified in accordance with the Union scale.

Before identification by marking, Member States may grant authorisation to have the external fat removed from the carcasses or half-carcasses if this is justified by the fat cover.

B. Union scale for the classification of pig carcasses

I. Definition

'carcass' shall mean the body of a slaughtered pig, bled and eviscerated, whole or divided down the mid-line.

II. Classification

Carcasses shall be divided into classes according to their estimated lean-meat content and classified accordingly:

Classes	Lean meat as percentage of carcass weight
S	60 or more (*)
E	55 or more
U	50 or more but less than 55
R	45 or more but less than 50
O	40 or more but less than 45
P	less than 40

(*) [Member States may introduce, for pigs slaughtered in their territory, a separate class of 60 % or more of lean meat designated with the letter S.]

III. Presentation

Carcasses shall be presented without tongue, bristles, hooves, genital organs, flare fat, kidneys and diaphragm.

IV. Lean-meat content

1. The lean-meat content shall be assessed by means grading methods authorised by the Commission. Only statistically proven assessment methods based on the physical measurement of one or more anatomical parts of the pig carcass may be authorised. Authorisation of grading methods shall be subject to compliance with a maximum tolerance for statistical error in assessment.

2. However, the commercial value of the carcasses shall not be determined solely by their estimated lean-meat content.

V. Identification of carcasses

⁴⁷ OJ L 139, 30.4.2004, p. 206.

Unless otherwise provided for by the Commission, classified carcasses shall be identified by marking in accordance with the Union scale.

C. Union scale for the classification of sheep carcasses

I. Definition

As regards the terms 'carcass' and 'half-carcass' the definitions laid down in point A.I shall apply.

II. Categories

The carcasses shall be divided into the following categories:

A: carcasses of sheep under 12 months old,

B: carcasses of other sheep.

III. Classification

The carcasses shall be classified by way of application of the provisions in point A.III. *mutatis mutandis*. However, the term 'round' in point A.III.1 and in rows 3 and 4 of the table under point A.III.2. shall be replaced by the term 'hindquarter'.

IV. Presentation

Carcasses and half-carcasses shall be presented without the head (severed at the atlantooccipital joint), the feet (severed at the carpometacarpal or tarsometatarsal joints), the tail (severed between the sixth and seventh caudal vertebrae), the udder, the genitalia, the liver and the pluck. Kidneys and kidney fat are included in the carcass.

V. Identification of carcasses

Classified carcasses and half-carcasses shall be identified by marking in accordance with the Union scale.

ANNEX VI

NATIONAL AND REGIONAL QUOTAS FOR THE PRODUCTION OF SUGAR, ISOGLUCOSE AND INULIN SYRUP AS REFERRED TO IN ARTICLE 50

from the 2010/2011 marketing year onwards

(in tonnes)

Member States or regions (1)	Sugar (2)	Isoglucose (3)	Inulin syrup (4)
Belgium	676 235,0	114 580,2	0
Bulgaria	0	89 198,0	
Czech Republic	372 459,3		
Denmark	372 383,0		
Germany	2 898 255,7	56 638,2	
Ireland	0		
Greece	158 702,0	0	
Spain	498 480,2	53 810,2	
France (metropolitan)	3 004 811,15		0
French overseas departments	432 220,05		
Italy	508 379,0	32 492,5	
Latvia	0		
Lithuania	90 252,0		
Hungary	105 420,0	220 265,8	
Netherlands	804 888,0	0	0
Austria	351 027,4		
Poland	1 405 608,1	42 861,4	
Portugal (mainland)	0	12 500,0	
Autonomous Region of the Azores	9 953,0		
Romania	104 688,8	0	

Slovenia	0		
Slovakia	112 319,5	68 094,5	
Finland	80 999,0	0	
Sweden	293 186,0		
United Kingdom	1 056 474,0	0	
TOTAL	13 336 741,2	690 440,8	0

ANNEX VII

DETAILED RULES ON TRANSFERS OF SUGAR OR ISOGLUCOSE QUOTAS IN ACCORDANCE WITH ARTICLE 53

I

For the purposes of this Annex:

- (a) 'merger of undertakings' means the consolidation of two or more undertakings into a single undertaking;
- (b) 'transfer of an undertaking' means the transfer or absorption of the assets of an undertaking having quota to one or more undertakings;
- (c) 'transfer of a factory' means the transfer of ownership of a technical unit, including all the plant required to manufacture the product concerned, to one or more undertakings, resulting in the partial or total absorption of the production of the undertaking making the transfer;
- (d) 'lease of a factory' means the leasehold contract of a technical unit including all the plant required for the manufacture of sugar, with a view to its operation, concluded for a period of at least three consecutive marketing years, which the parties agree not to terminate before the end of the third marketing year, with an undertaking which is established in the same Member State, as the factory concerned, if, after the lease takes effect, the undertaking which rents the factory can be considered a solely sugar-producing undertaking for its entire production.

II

- 1. Without prejudice to point 2, in the event of the merger or transfer of sugar-producing undertakings or the transfer of sugar factories, the quota shall be adjusted as follows:
 - (a) in the event of the merger of sugar-producing undertakings, the Member States shall allocate to the undertaking resulting from the merger a quota equal to the sum of the quotas allocated prior to the merger to the sugar-producing undertakings concerned;
 - (b) in the event of the transfer of a sugar-producing undertaking, the Member State shall allocate the quota of the transferred undertaking to the transferee undertaking for the production of sugar or, if there is more than one transferee undertaking, the allocation shall be made in proportion to the sugar production absorbed by each of them;
 - (c) in the event of the transfer of a sugar factory, the Member State shall reduce the quota of the undertaking transferring ownership of the factory and shall increase the quota of the sugar-producing undertaking or undertakings purchasing the factory in question by the quantity deducted in proportion to the production absorbed.

2. Where a number of the sugar-beet or cane growers directly affected by one of the operations referred to in point 1 expressly show their willingness to supply their beet or cane to a sugar-producing undertaking which is not party to those operations, the Member State may make the allocation on the basis of the production absorbed by the undertaking to which they intend to supply their beet or cane.
3. In the event of closure, in circumstances other than those referred to in point 1, of:
 - (a) a sugar-producing undertaking;
 - (b) one or more factories of a sugar-producing undertaking,

the Member State may allocate the part of the quotas involved in such closure to one or more sugar-producing undertakings.

Also in the case referred to in point (b) of the first subparagraph, where some of the producers concerned expressly show their willingness to supply their beet or cane to a given sugar-producing undertaking, the Member State may allocate the proportion of the quotas corresponding to the beet or cane concerned to the undertaking which they intend to supply with those products.

4. Where the derogation referred to in Article 43(6) is invoked, the Member State concerned may require the beet growers and the sugar undertakings concerned by that derogation to include in their agreements within the trade special clauses enabling the Member State to apply points 2 and 3 of this Section.
5. In the event of the lease of a factory belonging to a sugar-producing undertaking, the Member State may reduce the quota of the undertaking offering the factory for rent and allocate the portion by which the quota was reduced to the undertaking which rents the factory in order to produce sugar in it.

If the lease is terminated during the period of three marketing years referred to in point I (d) the adjustment of quota under the first subparagraph of this point shall be cancelled retroactively by the Member State as at the date on which the lease took effect. However, if the lease is terminated by reason of *force majeure*, the Member State shall not be bound to cancel the adjustment.

6. Where a sugar-producing undertaking can no longer ensure that it meets its obligations under Union legislation towards the sugar-beet or cane producers concerned, and where that situation has been ascertained by the competent authorities of the Member State concerned, the latter may allocate for one or more marketing years the part of the quotas involved to one or more sugar-producing undertakings in proportion to the production absorbed.
7. Where a Member State grants a sugar producing undertaking price and outlet guarantees for processing sugar beet into ethyl alcohol, that Member State may, in agreement with that undertaking and the beet growers concerned, allocate all or part of the sugar production quotas to one or more other undertakings for one or more marketing years.

III

In the event of the merger or transfer of isoglucose-producing undertakings or the transfer of an isoglucose-producing factory, the Member State may allocate the quotas involved for the production of isoglucose to one or more other undertakings, whether or not they have a production quota.

IV

The measures taken pursuant to Sections II and III may take effect only if the following conditions are met:

- (a) the interests of each of the parties concerned are taken into consideration;
- (b) the Member State concerned considers that they are likely to improve the structure of the beet, cane and sugar-manufacturing sectors;
- (c) they concern undertakings established in the same territory for which the quota is set in Annex VI.

V

When the merger or transfer occurs between 1 October and 30 April of the following year, the measures referred to in Sections II and III shall take effect for the current marketing year.

When the merger or transfer occurs between 1 May and 30 September of the same year, the measures referred to in Sections II and III shall take effect for the following marketing year.

VI

Where Sections II and III are applied, Member States shall inform the Commission of the adjusted quotas not later than 15 days after the expiry of the periods referred to in Section V.

ANNEX VIII

NATIONAL QUOTAS FOR THE PRODUCTION OF MILK AND OTHER MILK PRODUCTS AS REFERRED TO IN ARTICLE 59

(quantities (tonnes) per twelve-month period per Member State):

Member State	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Belgium	3 427 288,740	3 461 561,627	3 496 177,244	3 531 139,016	3 566 450,406	3 602 114,910	3 602 114,910
Bulgaria	998 580,000	1 008 565,800	1 018 651,458	1,028 837,973	1 039 126,352	1 049 517,616	1 049 517,616
Czech Republic	2 792 689,620	2 820 616,516	2 848 822,681	2 877 310,908	2 906 084,017	2 935 144,857	2 935 144,857
Denmark	4 612 619,520	4 658 745,715	4 705 333,172	4 752 386,504	4 799 910,369	4 847 909,473	4 847 909,473
Germany	28 847 420,391	29 135 894,595	29 427 253,541	29 721 526,076	30 018 741,337	30 318 928,750	30 318 928,750
Estonia	659 295,360	665 888,314	672 547,197	679 272,669	686 065,395	692 926,049	692 926,049
Ireland	5 503 679,280	5 558 716,073	5 614 303,234	5 670 446,266	5 727 150,729	5 784 422,236	5 784 422,236
Greece	836 923,260	845 292,493	853 745,418	862 282,872	870 905,700	879 614,757	879 614,757
Spain	6 239 289,000	6 301 681,890	6 364 698,709	6 428 345,696	6 492 629,153	6 557 555,445	6 557 555,445
France	25 091 321,700	25 342 234,917	25 595 657,266	25 851 613,839	26 110 129,977	26 371 231,277	26 371 231,277
Italy	10 740 661,200	11 288 542,866	11 288 542,866	11 288 542,866	11 288 542,866	11 288 542,866	11 288 542,866
Cyprus	148 104,000	149 585,040	151 080,890	152 591,699	154 117,616	155 658,792	155 658,792
Latvia	743 220,960	750 653,170	758 159,701	765 741,298	773 398,711	781 132,698	781 132,698
Lithuania	1 738 935,780	1 756 325,138	1 773 888,389	1 791 627,273	1 809 543,546	1 827 638,981	1 827 638,981
Luxembourg	278 545,680	281 331,137	284 144,448	286 985,893	289 855,752	292 754,310	292 754,310
Hungary	2 029 861,200	2 050 159,812	2 070 661,410	2 091 368,024	2 112 281,704	2 133 404,521	2 133 404,521
Malta	49 671,960	50 168,680	50 670,366	51 177,070	51 688,841	52 205,729	52 205,729
Netherlands	11 465 630,280	11 580 286,583	11 696 089,449	11 813 050,343	11 931 180,847	12 050 492,655	12 050 492,655
Austria	2 847 478,469	2 875 953,254	2 904 712,786	2 933 759,914	2 963 097,513	2 992 728,488	2 992 728,488
Poland	9 567 745,860	9 663 423,319	9 760 057,552	9 857 658,127	9 956 234,709	10 055 797,056	10 055 797,056

Portugal	1 987 521,000	2 007 396,210	2 027 470,172	2 047 744,874	2 068 222,323	2 088 904,546	2 088 904,546
Romania	3 118 140,000	3 149 321,400	3 180 814,614	3 212 622,760	3 244 748,988	3 277 196,478	3 277 196,478
Slovenia	588 170,760	594 052,468	599 992,992	605 992,922	612 052,851	618 173,380	618 173,380
Slovakia	1 061 603,760	1 072 219,798	1 082 941,996	1 093 771,416	1 104 709,130	1 115 756,221	1 115 756,221
Finland	2 491 930,710	2 516 850,017	2 542 018,517	2 567 438,702	2 593 113,089	2 619 044,220	2 619 044,220
Sweden	3 419 595,900	3 453 791,859	3 488 329,778	3 523 213,075	3 558 445,206	3 594 029,658	3 594 029,658
United Kingdom	15 125 168,940	15 276 420,629	15 429 184,836	15 583 476,684	15 739 311,451	15 896 704,566	15 896 704,566

ANNEX IX

REFERENCE FAT CONTENT REFERRED TO IN ARTICLE 63

Member State	g/kg
Belgium	36,91
Bulgaria	39,10
Czech Republic	42,10
Denmark	43,68
Germany	40,11
Estonia	43,10
Greece	36,10
Spain	36,37
France	39,48
Ireland	35,81
Italy	36,88
Cyprus	34,60
Latvia	40,70
Lithuania	39,90
Luxembourg	39,17
Hungary	38,50
Netherlands	42,36
Austria	40,30
Poland	39,00
Portugal	37,30
Romania	38,50
Slovenia	41,30
Slovakia	37,10
Finland	43,40
Sweden	43,40
United Kingdom	39,70

ANNEX X

BUDGET FOR SUPPORT PROGRAMMES REFERRED TO IN ARTICLE 136(1)

In 1 000 EUR

Budget year	2009	2010	2011	2012	2013	from 2014 onwards
BG	15 608	21 234	22 022	27 077	26 742	26 762
CZ	2 979	4 076	4 217	5 217	5 151	5 155
DE	22 891	30 963	32 190	39 341	38 867	38 895
EL	14 286	19 167	19 840	24 237	23 945	23 963
ES	213 820	284 219	279 038	358 000	352 774	353 081
FR	171 909	226 814	224 055	284 299	280 311	280 545
IT(*)	238 223	298 263	294 135	341 174	336 736	336 997
CY	2 749	3 704	3 801	4 689	4 643	4 646
LT	30	37	45	45	45	45
LU	344	467	485	595	587	588
HU	16 816	23 014	23 809	29 455	29 081	29 103
MT	232	318	329	407	401	402
AT	8 038	10 888	11 313	13 846	13 678	13 688
PT	37 802	51 627	53 457	65 989	65 160	65 208
RO	42 100	42 100	42 100	42 100	42 100	42 100
SI	3 522	3 770	3 937	5 119	5 041	5 045
SK	2 938	4 022	4 160	5 147	5 082	5 085
UK	0	61	67	124	120	120

(*) The national ceilings in Annex VIII to Regulation (EC) No 73/2009 for Italy corresponding to years 2008, 2009 and 2010 are reduced by EUR 20 million and those amounts have been included in the budget amounts of Italy for the years 2009, 2010 and 2011 as laid down in this table.

ANNEX XI

INTERNATIONAL ORGANISATIONS REFERRED TO IN ARTICLE 159(3)

- Codex Alimentarius
- United Nations Economic Commission for Europe

ANNEX XII

DEFINITIONS, DESIGNATIONS AND SALES DESCRIPTION OF PRODUCTS REFERRED TO IN ARTICLE 163

For the purposes of this Annex, the sale description is the name under which a foodstuff is sold, within the meaning of Article 5(1) of Directive 2000/13/EC.

Part I. Meat of bovine animals aged 12 months or less

I. DEFINITION

For the purposes of this Part of this Annex, “meat” means all carcasses, meat on the bone or boned, and offal, whether or not cut, intended for human consumption, obtained from bovine animals aged 12 months or less, presented fresh, frozen or deep-frozen, whether or not wrapped or packed.

On slaughter, all bovine animals aged 12 months or less shall be classified by the operators, under the supervision of the competent authority, in one of the following two categories:

- (A) Category V: bovine animals aged 8 months or less
Category identification letter: V;
- (B) Category Z: bovine animals aged more than 8 months but not more than 12 months
Category identification letter: Z.

II. SALES DESCRIPTIONS

1. The meat of bovine animals aged 12 months or less shall only be marketed in the Member States under the following sales description(s) laid down for each Member State:

- (A) For the meat of bovine animals aged 8 months or less [(Category identification letter: V)]:

Country of marketing

Sales descriptions to be used

Belgium

veau, viande de veau/kalfsvlees/Kalbfleisch

Bulgaria

месо от малки телета

Czech Republic

Telecí

Denmark

Lyst kalvekød

Germany

Kalbfleisch

Estonia

Vasikaliha

<u>Greece</u>	<u>μωσγάρι γάλακτος</u>
<u>Spain</u>	<u>Ternera blanca, carne de ternera blanca</u>
<u>France</u>	<u>veau, viande de veau</u>
<u>Ireland</u>	<u>Veal</u>
<u>Italy</u>	<u>vitello, carne di vitello</u>
<u>Cyprus</u>	<u>μωσγάρι γάλακτος</u>
<u>Latvia</u>	<u>Tela gala</u>
<u>Lithuania</u>	<u>Veršiena</u>
<u>Luxembourg</u>	<u>veau, viande de veau/Kalbfleisch</u>
<u>Hungary</u>	<u>Borjúhús</u>
<u>Malta</u>	<u>Vitella</u>
<u>Netherlands</u>	<u>Kalfsvlees</u>
<u>Austria</u>	<u>Kalbfleisch</u>
<u>Poland</u>	<u>Ciełecina</u>
<u>Portugal</u>	<u>Vitela</u>
<u>Romania</u>	<u>carne de vitel</u>
<u>Slovenia</u>	<u>Teletina</u>
<u>Slovakia</u>	<u>Teľacie mäso</u>
<u>Finland</u>	<u>vaalea vasikanliha/ljust kalvkött</u>
<u>Sweden</u>	<u>ljust kalvkött</u>
<u>United Kingdom</u>	<u>Veal</u>

(B) For the meat of bovine animals aged more than 8 months but not more than 12 months [(Category identification letter: Z)]:

<u>Country of marketing</u>	<u>Sales descriptions to be used</u>
<u>Belgium</u>	<u>jeune bovin, viande de jeune bovin/jongrundvlees/Jungrindfleisch</u>
<u>Bulgaria</u>	<u>Телешко месо</u>
<u>Czech Republic</u>	<u>hovězí maso z mladého skotu</u>
<u>Denmark</u>	<u>Kalvekød</u>
<u>Germany</u>	<u>Jungrindfleisch</u>
<u>Estonia</u>	<u>noorloomaliha</u>

<u>Greece</u>	<u>vealό μοσχάρι</u>
<u>Spain</u>	<u>Ternera, carne de ternera</u>
<u>France</u>	<u>jeune bovin, viande de jeune bovin</u>
<u>Ireland</u>	<u>rosé veal</u>
<u>Italy</u>	<u>vitellone, carne di vitellone</u>
<u>Cyprus</u>	<u>vealό μοσχάρι</u>
<u>Latvia</u>	<u>jaunlopa gala</u>
<u>Lithuania</u>	<u>Jautiena</u>
<u>Luxembourg</u>	<u>jeune bovin, viande de jeune bovin/Jungrindfleisch</u>
<u>Hungary</u>	<u>Növendék marha húsa</u>
<u>Malta</u>	<u>Vitellun</u>
<u>Netherlands</u>	<u>rosé kalfsvlees</u>
<u>Austria</u>	<u>Jungrindfleisch</u>
<u>Poland</u>	<u>młoda wolowina</u>
<u>Portugal</u>	<u>Vitelão</u>
<u>Romania</u>	<u>carne de tineret bovin</u>
<u>Slovenia</u>	<u>meso težjih telet</u>
<u>Slovakia</u>	<u>mäso z mladého dobytku</u>
<u>Finland</u>	<u>vasikanliha/kalvkött</u>
<u>Sweden</u>	<u>Kalvkött</u>
<u>United Kingdom</u>	<u>Beef</u>

2. The sales descriptions referred to in point 1 may be supplemented by an indication of the name or designation of the pieces of meat or offal concerned.
3. The sales descriptions listed for category V in point A of the table set-out in point 1 and any new name derived from those sales descriptions shall only be used if the requirements of this Annex are met.

In particular, the terms “veau”, “teleci”, “Kalb”, “μοσχάρι”, “ternera”, “kalv”, “veal”, “vitello”, “vitella”, “kalf”, “vitela” and “teletina” shall not be used in a sales description or be indicated on the labelling of the meat of bovine animals aged more than 12 months.

4. The conditions referred to in 1 shall not apply to the meat of bovine animals for which a protected designation of origin or geographical indication has been registered in accordance with Regulation (EC) No 510/2006, before 29 June 2007.

Part II. Grapevine products

(1) Wine

Wine shall be the product obtained exclusively from the total or partial alcoholic fermentation of fresh grapes, whether or not crushed, or of grape must.

Wine shall:

- (a) have, whether or not following application of the processes specified in Section B of Part I of Annex XIII, an actual alcoholic strength of not less than 8,5% volume provided that the wine derives exclusively from grapes harvested in wine-growing zones A and B referred to in the Appendix to this Annex, and of not less than 9 % volume in other wine-growing zones;
- (b) have, by way of derogation from the otherwise applicable minimum actual alcoholic strength, where it has a protected designation of origin or a protected geographical indication, whether or not following application of the processes specified in Section B of Part I of Annex XIII, an actual alcoholic strength of not less than 4,5 % volume;
- (c) have a total alcoholic strength of not more than 15 % volume. However, by way of derogation:
 - the upper limit for the total alcoholic strength may reach up to 20 % volume for wines which have been produced without any enrichment from certain wine-growing areas of the Union, to be determined by the Commission by means of delegated acts pursuant to Article 162(1),
 - the upper limit for the total alcoholic strength may exceed 15 % volume for wines with a protected designation of origin which have been produced without enrichment;
- (d) have, subject to derogations which may be adopted by the Commission by means of delegated acts pursuant to Article 162(1), a total acidity content, expressed as tartaric acid, of not less than 3,5 grams per litre or 46,6 milliequivalents per litre.

“Retsina” shall be wine produced exclusively in the geographical territory of Greece using grape must treated with resin from the Aleppo pine. The use of Aleppo pine resin is permitted solely for the purpose of obtaining “Retsina” wine under the conditions laid down in Greece’s applicable provision.

By way of derogation from point (b) “Tokaji eszencia” and “Tokajská eszencia” are considered wine.

However, notwithstanding Article 163(2), Member States may allow the use of the term “wine” if:

- (a) it is accompanied by the name of a fruit in the form of a composite name to market products obtained by the fermentation of fruit other than grapes; or
- (b) it is part of a composite name.

Any confusion with products corresponding to the wine categories in this Annex shall be avoided.

(2) New wine still in fermentation

New wine still in fermentation shall be the product in which the alcoholic fermentation is not yet complete and which is not yet separated from its lees.

(3) Liqueur wine

Liqueur wine shall be the product:

- (a) which has an actual alcoholic strength of not less than 15 % volume and not more than 22 % volume;
- (b) which has a total alcoholic strength of not less than 17,5 % volume, except for certain liqueur wines with a designation of origin or with a geographical indication appearing on a list to be drawn up by the Commission by means of delegated acts pursuant to Article 162(1);
- (c) which is obtained from:
 - grape must in fermentation,
 - wine,
 - a combination of the above products, or
 - grape must or a mixture thereof with wine for certain liqueur wines with a protected designation of origin or a protected geographical indication, to be determined by the Commission by means of delegated acts pursuant to Article 162(1);
- (d) which has an initial natural alcoholic strength of not less than 12 % volume except for certain liqueur wines with a protected designation of origin or a protected geographical indication appearing on a list to be drawn up by the Commission by means of delegated acts pursuant to Article 162(1);
- (e) to which the following has been added:
 - (i) individually or in combination:
 - neutral alcohol of vine origin, including alcohol produced from the distillation of dried grapes, having an actual alcoholic strength of not less than 96 % volume,

- wine or dried grape distillate, having an actual alcoholic strength of not less than 52 % volume and not more than 86 % volume;
- (ii) together with one or more of the following products where appropriate:
- concentrated grape must,
 - a combination of one of the products referred to in point (e)(i) with a grape must referred to in the first and fourth indent of point (c);
- (f) to which, by way of derogation from point (e), has been added, in so far as certain liqueur wines with a protected designation of origin or a protected geographical indication are concerned which appear on a list to be drawn up by the Commission by means of delegated acts pursuant to Article 162(1):
- (i) either of products listed in point (e)(i) individually or in combination; or
- (ii) one or more of the following products:
- wine alcohol or dried grape alcohol with an actual alcoholic strength of not less than 95 % volume and not more than 96 % volume,
 - spirits distilled from wine or from grape marc, with an actual alcoholic strength of not less than 52 % volume and not more than 86 % volume,
 - spirits distilled from dried grapes, with an actual alcoholic strength of not less than 52 % volume and of less than 94,5 % volume; and
- (iii) one or more of the following products, where appropriate:
- partially fermented grape must obtained from raisined grapes,
 - concentrated grape must obtained by the action of direct heat, complying, with the exception of this operation, with the definition of concentrated grape must,
 - concentrated grape must,
 - a combination of one of the products listed in point (f)(ii) with a grape must referred to in the first and fourth indents of point (c).
- (4) Sparkling wine

Sparkling wine shall be the product:

- (a) which is obtained by first or second alcoholic fermentation:
 - from fresh grapes,
 - from grape must, or,
 - from wine;
- (b) which, when the container is opened, releases carbon dioxide derived exclusively from fermentation;
- (c) which has an excess pressure, due to carbon dioxide in solution, of not less than 3 bar when kept at a temperature of 20 °C in closed containers; and
- (d) for which the total alcoholic strength of the cuvées intended for their preparation shall not be less than 8,5 % volume.

(5) Quality sparkling wine

Quality sparkling wine shall be the product:

- (a) which is obtained by first or second alcoholic fermentation:
 - from fresh grapes,
 - from grape must, or
 - from wine;
- (b) which, when the container is opened, releases carbon dioxide derived exclusively from fermentation;
- (c) which has an excess pressure, due to carbon dioxide in solution, of not less than 3,5 bar when kept at a temperature of 20 °C in closed containers; and
- (d) for which the total alcoholic strength of the cuvées intended for their preparation shall not be less than 9 % volume.

(6) Quality aromatic sparkling wine

Quality aromatic sparkling wines shall be the quality sparkling wine:

- (a) which is obtained only by making use, when constituting the cuvée, of grape must or grape in fermentation which is derived from specific wine grape varieties on a list to be drawn up by the Commission by means of delegated acts pursuant to Article 162(1).

Quality aromatic sparkling wines traditionally produced using wines when constituting the cuvée, shall be determined by the Commission by means of delegated acts pursuant to in Article 162(1);

- (b) which has an excess pressure, due to carbon dioxide in solution, of not less than 3 bar when kept at a temperature of 20°C in closed containers;
- (c) of which the actual alcoholic strength may not be less than 6 % volume; and
- (d) of which the total alcoholic strength may not be less than 10 % volume.

(7) Aerated sparkling wine

Aerated sparkling wine shall be the product which:

- (a) is obtained from wine without a protected designation of origin or a protected geographical indication;
- (b) releases, when the container is opened, carbon dioxide derived wholly or partially from an addition of that gas; and
- (c) has an excess pressure, due to carbon dioxide in solution, of not less than 3 bar when kept at a temperature of 20 °C in closed containers.

(8) Semi-sparkling wine

Semi-sparkling wine shall be the product which:

- (a) is obtained from wine provided that such wine has a total alcoholic strength of not less than 9 % volume;
- (b) has an actual alcoholic strength of not less than 7 % volume;
- (c) has an excess pressure, due to endogenous carbon dioxide in solution of not less than 1 bar and not more than 2,5 bar when kept at a temperature of 20 °C in closed containers; and
- (d) is placed in containers of 60 litres or less.

(9) Aerated semi-sparkling wine

Aerated semi-sparkling wine shall be the product which:

- (a) is obtained from wine;
- (b) has an actual alcoholic strength of not less than 7 % volume and a total alcoholic strength of not less than 9 % volume;
- (c) has an excess pressure of not less than 1 bar and not more than 2,5 bar when kept at a temperature of 20 °C in closed containers due to carbon dioxide in solution which has been wholly or partially added; and

(d) is placed in containers of 60 litres or less.

(10) Grape must

Grape must shall be the liquid product obtained naturally or by physical processes from fresh grapes. An actual alcoholic strength of the grape must of not more than 1 % volume is permissible.

(11) Partially fermented grape must

Grape must in fermentation shall be the product obtained from the fermentation of grape must which has an actual alcoholic strength of more than 1 % volume but less than three fifths of its total alcoholic strength by volume.

(12) Partially fermented grape must extracted from raisined grapes

Grape must in fermentation extracted from raisined grapes shall be the product obtained from the partial fermentation of grape must obtained from raisined grapes, the total sugar content of which before fermentation is at least 272 grams per litre and the natural and actual alcoholic strength of which shall not be less than 8 % volume. However, certain wines, to be determined by the Commission by means of delegated acts pursuant to Article 162(1), that meet these requirements shall not be considered as grape must in fermentation extracted from raisined grapes.

(13) Concentrated grape must

Concentrated grape must shall be uncaramelised grape must which is obtained by partial dehydration of grape must carried out by any authorised method other than by direct heat in such a way that the figure indicated by a refractometer used in accordance with a method to be prescribed in accordance with the third sub-paragraph of Article 165(1) and Article 172(d) at a temperature of 20 °C is not less than 50,9 %.

An actual alcoholic strength of the concentrated grape must of not more than 1 % volume is permissible.

(14) Rectified concentrated grape must

Rectified concentrated grape must shall be the liquid uncaramelised product which:

- (a) is obtained by partial dehydration of grape must carried out by any authorised method other than direct heat in such a way that the figure indicated by a refractometer used in accordance with a method to be prescribed in accordance with the third sub-paragraph of Article 165(1) and Article 172(d) at a temperature of 20 °C is not less than 61,7 %;
- (b) has undergone authorised treatment for de-acidification and elimination of constituents other than sugar;
- (c) has the following characteristics:

- a pH of not more than 5 at 25 Brix,
- an optical density at 425 nm for a thickness of 1 cm of not more than 0,100 in grape must concentrated at 25 Brix,
- a sucrose content undetectable by a method of analysis to be defined,
- a Folin-Ciocalteu index of not more than 6,00 at 25 °Brix,
- a titratable acidity of not more than 15 milliequivalents per kilogram of total sugars,
- a sulphur dioxide content of not more than 25 milligrams per kilogram of total sugars,
- a total cation content of not more than 8 milliequivalents per kilogram of total sugars,
- a conductivity at 25 °Brix and 20 °C of not more than 120 micro-Siemens/cm,
- a hydroxymethylfurfural content of not more than 25 milligrams per kilogram of total sugars,
- presence of mesoinositol.

An actual alcoholic strength of the rectified concentrated grape must of not more than 1 % volume is permissible.

(15) Wine from raisined grapes

Wine from raisined grapes shall be the product which:

- (a) is produced without enrichment, from grapes left in the sun or shade for partial dehydration;
- (b) has a total alcoholic strength of at least 16 % volume and an actual alcoholic strength of at least 9 % volume; and
- (c) has a natural alcoholic strength of a least 16 % volume (or 272 grams sugar/litre).

(16) Wine of overripe grapes

Wine of overripe grapes shall be the product which:

- (a) is produced without enrichment;
- (b) has a natural alcoholic strength of more than 15 % volume; and
- (c) has a total alcoholic strength of not less than 15 % volume and an actual alcoholic strength of not less than 12 % volume.

Member States may prescribe a period of ageing for this product.

(17) Wine vinegar

Wine vinegar shall be vinegar which:

- (a) is obtained exclusively by acetous fermentation of wine; and
- (b) has a total acidity of not less than 60 grams per litre expressed as acetic acid.

Part III. Milk and milk products

1. The term 'milk' means exclusively the normal mammary secretion obtained from one or more milkings without either addition thereto or extraction therefrom.

However, the term 'milk' may be used:

- (a) for milk treated without altering its composition or for milk the fat content of which is standardised under Part IV of this Annex;
 - (b) in association with a word or words to designate the type, grade, origin and/or intended use of such milk or to describe the physical treatment or the modification in composition to which it has been subjected, provided that the modification is restricted to an addition and/or withdrawal of natural milk constituents.
2. For the purposes of this Part, 'milk products' means products derived exclusively from milk, on the understanding that substances necessary for their manufacture may be added provided that those substances are not used for the purpose of replacing, in whole or in part, any milk constituent.

The following shall be reserved exclusively for milk products.

- (a) the following names used at all stages of marketing:
 - (i) whey,
 - (ii) cream,
 - (iii) butter,
 - (iv) buttermilk,
 - (v) butteroil,
 - (vi) caseins,
 - (vii) anhydrous milkfat (AMF),
 - (viii) cheese,

- (ix) yogurt,
 - (x) kephir,
 - (xi) koumiss,
 - (xii) viili/fil,
 - (xiii) smetana,
 - (xiv) fil;
- (b) names within the meaning of Article 5 of Directive 2000/13/EC actually used for milk products.
3. The term ‘milk’ and the designations used for milk products may also be used in association with a word or words to designate composite products of which no part takes or is intended to take the place of any milk constituent and of which milk or a milk product is an essential part either in terms of quantity or for characterisation of the product.
4. The origin of milk and milk products to be defined by the Commission shall be stated if it is not bovine.
5. The designations referred to in points 1, 2 and 3 of this Part may not be used for any product other than those referred to in that point.

However, this provision shall not apply to the designation of products the exact nature of which is clear from traditional usage and/or when the designations are clearly used to describe a characteristic quality of the product.

6. In respect of a product other than those described in points 1, 2 and 3 of this Part, no label, commercial document, publicity material or any form of advertising as defined in Article 2 of Council Directive 2006/114/EC⁴⁸ or any form of presentation, may be used which claims, implies or suggests that the product is a dairy product.

However, in respect of a product which contains milk or milk products, the designation ‘milk’ or the designations referred to in the second subparagraph of points 2 of this Part may be used only to describe the basic raw materials and to list the ingredients in accordance with Directive 2000/13/EC.

Part IV. Milk for human consumption falling within CN code 0401

I. Definitions

For the purposes of this Part:

- (a) ‘milk’ means the produce of the milking of one or more cows;

⁴⁸ OJ L 376, 27.12.2006, p. 21.

- (b) 'drinking milk' means the products referred to in point III intended for delivery without further processing to the consumer;
- (c) 'fat content' means the ratio by mass of parts of milk fat per hundred parts of milk in the milk concerned;
- (d) 'protein content' means the ratio by mass of parts of protein per hundred parts of milk in the milk concerned (obtained by multiplying by 6,38 the total nitrogen content of the milk expressed as a percentage by mass).

II. Delivery or sale to the final consumer

- (1) Only milk complying with the requirements laid down for drinking milk may be delivered or sold without processing to the final consumer, either directly or through the intermediary of restaurants, hospitals, canteens or other similar mass caterers.
- (2) The sales descriptions to be used for those products shall be those given in point III of this Part. Those descriptions shall be used only for the products referred to in that point, without prejudice to their use in composite descriptions.
- (3) Member States shall adopt measures to inform consumers of the nature and composition of the products concerned where the absence of such information is likely to cause confusion.

III. Drinking milk

- 1. The following products shall be considered as drinking milk:
 - (a) raw milk: milk which has not been heated above 40°C or subjected to treatment having equivalent effect;
 - (b) whole milk: heat-treated milk which, with respect to fat content, meets one of the following requirements:
 - (i) standardised whole milk: milk with a fat content of at least 3,50 % (m/m). However, Member States may provide for an additional category of whole milk with a fat content of 4,00 % (m/m) or above;
 - (ii) non-standardised whole milk: milk with a fat content that has not been altered since the milking stage either by the addition or removal of milk fats or by mixture with milk the natural fat content of which has been altered. However, the fat content may not be less than 3,50 % (m/m);
 - (c) semi-skimmed milk: heat-treated milk whose fat content has been reduced to at least 1,50 % (m/m) and at most 1,80 % (m/m);
 - (d) skimmed-milk: heat-treated milk whose fat content has been reduced to not more than 0,50 % (m/m).

Heat-treated milk not complying with the fat content requirements laid down in points (b), (c) and (d) of the first subparagraph shall be considered drinking milk provided that the fat content is clearly indicated with one decimal and easily readable on the packaging in form of "... % fat". Such milk shall not be described as whole milk, semi-skimmed milk or skimmed milk.

2. Without prejudice to point 1(b)(ii), only the following modifications shall be allowed:
 - (a) in order to meet the fat contents laid down for drinking milk, modification of the natural fat content by the removal or addition of cream or the addition of whole milk, semi-skimmed milk or skimmed milk;
 - (b) enrichment of milk with milk proteins, mineral salts or vitamins;
 - (c) reduction of the lactose content by conversion to glucose and galactose.

Modifications in the composition of milk referred to in points (b) and (c) shall be allowed only if they are indelibly indicated on the packing of the product so that it can be easily seen and read. However, such indication shall not remove the obligation as regards nutrition labelling laid down by Council Directive 90/496/EEC⁴⁹. Where proteins are added, the protein content of the enriched milk must be 3,8 % (m/m) or more.

However, Member States may limit or prohibit modifications to the composition of milk referred to in points (b) and (c).

3. Drinking milk shall:
 - (a) have a freezing point close to the average freezing point for raw milk recorded in the area of origin of the drinking milk collected;
 - (b) have a mass of not less than 1028 grams per litre for milk containing 3,5 % (m/m) of fat at a temperature of 20°C or the equivalent weight per litre for milk having a different fat content;
 - (c) contain a minimum of 2,9 % (m/m) of protein for milk containing 3,5 % (m/m) of fat or an equivalent concentration in the case of milk having a different fat content.

⁴⁹

OJ L 276, 6.10.1990, p. 40.

Part V. Products of the poultrymeat sector

I This Part of this Annex shall apply in relation to the marketing within the Union by way of business or trade, of certain types and presentations of poultrymeat, and poultrymeat or poultry offal preparations and products, of the following species

- Gallus domesticus,
- ducks,
- geese,
- turkeys,
- guinea fowls.

These provisions shall also apply to poultrymeat in brine falling within CN code 0210 99 39.

II Definitions

- (1) 'poultrymeat' means poultrymeat suitable for human consumption, which has not undergone any treatment other than cold treatment;
- (2) "fresh poultrymeat" means poultrymeat which has not been stiffened at any time by the cooling process prior to being kept at a temperature not below $-2\text{ }^{\circ}\text{C}$ and not higher than $+4\text{ }^{\circ}\text{C}$. However, Member States may lay down slightly different temperature requirements for the minimum length of time necessary for the cutting and handling of fresh poultrymeat performed in retail shops or in premises adjacent to sales points, where the cutting and handling are performed solely for the purpose of supplying the consumer directly on the spot;
- (3) "frozen poultrymeat" means poultrymeat which must be frozen as soon as possible within the constraints of normal slaughtering procedures and is to be kept at a temperature no higher than $-12\text{ }^{\circ}\text{C}$ at any time
- (4) 'quick-frozen poultrymeat' means poultrymeat which is to be kept at a temperature no higher than $-18\text{ }^{\circ}\text{C}$ at any time within the tolerances as provided for in Council Directive 89/108/EEC⁵⁰.
- (5) "poultrymeat preparation" means poultrymeat including poultrymeat that has been reduced to fragments, which has had foodstuffs, seasonings or additives added to it or which has undergone processes insufficient to modify the internal muscle fibre structure of the meat;
- (6) "fresh poultrymeat preparation" means a poultrymeat preparation for which fresh poultrymeat has been used.

⁵⁰ OJ L 40, 11. 2. 1999, p. 34.

However, Member States may lay down slightly different temperature requirements to be applied for the minimum length of time necessary and only to the extent necessary to facilitate the cutting and handling performed in the factory during the production of fresh poultrymeat preparations;

- (7) “poultrymeat product” means a meat product as defined in point 7.1 of Annex I to Regulation (EC) No 853/2004 for which poultrymeat has been used.

Part VI. Spreadable fats

The products referred to in Article 163 may not be supplied or transferred without processing to the ultimate consumer either directly or through restaurants, hospitals, canteens or similar establishments, unless they meet the requirements set out in the Annex.

The sales descriptions of these products shall be those specified in this Part.

The sales descriptions below shall be reserved to the products defined therein with the following CN codes and having a fat content of at least 10% but less than 90% by weight:

- (a) milk fats falling within CN codes 0405 and ex2106;
- (b) fats falling within CN code ex1517;
- (c) fats composed of plant and/or animal products falling within CN codes ex 1517 and ex 2106.

The fat content excluding salt shall be at least two-thirds of the dry matter.

However, these sales descriptions shall only apply to products which remain solid at a temperature of 20°C, and which are suitable for use as spreads.

These definitions shall not apply to:

- (a) the designation of products the exact nature of which is clear from traditional usage and/or when the designations are clearly used to describe a characteristic quality of the product;
- (b) concentrated products (butter, margarine, blends) with a fat content of 90 % or more.

Fat group	Sales description	Product categories
Definitions		Additional description of the category with an indication of the % fat content by weight
<p>A. Milk fats</p> <p>Products in the form of a solid, malleable emulsion, principally of the water-in-oil type, derived exclusively from milk and/or certain milk products, for which the fat is the essential constituent of value. However, other substances necessary for their manufacture may be added, provided those substances are not used for the purpose of replacing, either in whole or in part, any milk constituents.</p>	<ol style="list-style-type: none"> 1. Butter 2. Three-quarter fat butter (*) 3. Half fat butter (**) 4. Dairy spread X % 	<p>The product with a milk-fat content of not less than 80 % but less than 90 %, a maximum water content of 16 % and a maximum dry non-fat milk-material content of 2 %.</p> <p>The product with a milk-fat content of not less than 60 % but not more than 62 %.</p> <p>The product with a milk-fat content of not less than 39 % but not more than 41 %.</p> <p>The product with the following milk-fat contents:</p> <ul style="list-style-type: none"> - less than 39 %, - more than 41 % but less than 60 %, - more than 62 % but less than 80 %.
<p>B. Fats</p> <p>Products in the form of a solid, malleable emulsion, principally of the water-in-oil type, derived from solid and/or liquid vegetable and/or animal fats suitable for human consumption, with a milk-fat content of not more than 3 % or the fat content.</p>	<ol style="list-style-type: none"> 1. Margarine 2. Three-quarter-fat margarine (***) 3. Half-fat margarine (****) 4. Fat spreads X % 	<p>The product obtained from vegetable and/or animal fats with a fat content of not less than 80 % but less than 90 %.</p> <p>The product obtained from vegetable and/or animal fats with a fat content of not less than 60 % but not more than 62 %.</p> <p>The product obtained from vegetable and/or animal fats with a fat content of not less than 39 % but not more than 41 %.</p> <p>The product obtained from vegetable and/or animal fats with the following fat contents:</p> <ul style="list-style-type: none"> - less than 39 %, - more than 41 % but less than 60 %, - more than 62 % but less than 80 %.

Fat group	Sales description	Product categories
Definitions		Additional description of the category with an indication of the % fat content by weight
<p>C. Fats composed of plant and/or animal products</p> <p>Products in the form of a solid, malleable emulsion principally of the water-in-oil type, derived from solid and/or liquid vegetable and/or animals fats suitable for human consumption, with a milk-fat content of between 10 % and 80 % of the fat content.</p>	<p>1. Blend</p> <p>2. Three-quarter-fat blend (*****)</p> <p>3. Half-fat blend (*****)</p> <p>4. Blended spread X %</p>	<p>The product obtained from a mixture of vegetable and/or animal fats with a fat content of not less than 80 % but less than 90 %.</p> <p>The product obtained from a mixture of vegetable and/or animal fats with a fat content of not less than 60 % but not more than 62 %.</p> <p>The product obtained from a mixture of vegetable and/or animal fats with a fat content of not less than 39 % but not more than 41 %.</p> <p>The product obtained from a mixture of vegetable and/or animal fats with the following fat contents:</p> <ul style="list-style-type: none"> - less than 39 %, - more than 41 % but less than 60 %, - more than 62 % but less than 80 %.

(*) corresponding to 'smør 60' in Danish.

(**) corresponding to 'smør 40' in Danish.

(***) corresponding to 'margarine 60' in Danish.

(****) corresponding to 'margarine 60' in Danish.

(*****) corresponding to 'blandingsprodukt 60' in Danish.

(*****) corresponding to 'blandingsprodukt 40' in Danish.

Note: The milk-fat component of the products listed in this Part may be modified only by physical processes.

Part VII. Descriptions and definitions of olive oil and olive pomace oils

The use of the descriptions and definitions of olive oils and olive pomace oils set out in this Part shall be compulsory as regards the marketing of the products concerned within the Union and, insofar as compatible with international compulsory rules, in trade with third countries.

Only oils referred to in points 1(a) and (b), 3 and 6 of this Part may be marketed at the retail stage.

(1) VIRGIN OLIVE OILS

Oils obtained from the fruit of the olive tree solely by mechanical or other physical means under conditions that do not lead to alterations in the oil, which have not undergone any treatment other than washing, decantation, centrifugation or filtration, to the exclusion of oils obtained using solvents or using adjuvants having a chemical or biochemical action, or by re-esterification process and any mixture with oils of other kinds.

Virgin olive oils are exclusively classified and described as follows:

(a) Extra virgin olive oil

Virgin olive oil having a maximum free acidity, in terms of oleic acid, of 0,8 g per 100 g, the other characteristics of which comply with those laid down for this category.

(b) Virgin olive oil

Virgin olive oil having a maximum free acidity, in terms of oleic acid, of 2 g per 100 g, the other characteristics of which comply with those laid down for this category.

(c) Lampante olive oil

Virgin olive oil having a free acidity, in terms of oleic acid, of more than 2 g per 100 g, and/or the other characteristics of which comply with those laid down for this category.

(2) REFINED OLIVE OIL

Olive oil obtained by refining virgin olive oil, having a free acidity content expressed as oleic acid, of not more than 0,3 g per 100 g, and the other characteristics of which comply with those laid down for this category.

(3) OLIVE OIL — COMPOSED OF REFINED OLIVE OILS AND VIRGIN OLIVE OILS

Olive oil obtained by blending refined olive oil and virgin olive oil other than lampante olive oil, having a free acidity content expressed as oleic acid, of not more than 1 g per 100 g, and the other characteristics of which comply with those laid down for this category.

(4) CRUDE OLIVE-POMACE OIL

Oil obtained from olive pomace by treatment with solvents or by physical means or oil corresponding to lampante olive oil, except for certain specified characteristics, excluding oil obtained by means of re-esterification and mixtures with other types of oils, and the other characteristics of which comply with those laid down for this category.

(5) REFINED OLIVE-POMACE OIL

Oil obtained by refining crude olive-pomace oil, having free acidity content expressed as oleic acid, of not more than 0,3 g per 100 g, and the other characteristics of which comply with those laid down for this category.

(6) OLIVE-POMACE OIL

Oil obtained by blending refined olive-pomace oil and virgin olive oil other than lampante olive oil, having a free acidity content expressed as oleic acid, of not more than 1 g per 100 g, and the other characteristics of which comply with those laid down for this category.

Appendix to Annex XII (referred to in Part II)

Wine growing zones

The wine-growing zones shall be the following:

(1) Wine-growing zone A comprises:

- (a) in Germany: the areas planted with vines other than those included in point 2(a);
- (b) in Luxembourg: the Luxembourg wine-growing region;
- (c) in Belgium, Denmark, Ireland, the Netherlands, Poland, Sweden and the United Kingdom: the wine-growing areas of these countries;
- (d) in the Czech Republic: the wine growing region of Čechy.

(2) Wine-growing zone B comprises:

- (a) in Germany, the areas planted with vines in the specified region Baden;
- (b) in France, the areas planted with vines in the departments not mentioned in this Annex and in the following departments:
 - in Alsace: Bas-Rhin, Haut-Rhin,
 - in Lorraine: Meurthe-et-Moselle, Meuse, Moselle, Vosges,
 - in Champagne: Aisne, Aube, Marne, Haute-Marne, Seine-et-Marne,

- in the Jura: Ain, Doubs, Jura, Haute-Saône,
 - in Savoie: Savoie, Haute-Savoie, Isère (commune de Chapareillan),
 - in the Val de Loire: Cher, Deux-Sèvres, Indre, Indre-et-Loire, Loir-et-Cher, Loire-Atlantique, Loiret, Maine-et-Loire, Sarthe, Vendée, Vienne, and the areas planted with vines in the arrondissement of Cosne-sur-Loire in the department of Nièvre;
- (c) in Austria, the Austrian wine-growing area;
- (d) in the Czech Republic, the wine-growing region of Morava and the areas planted with vines not included in point 1(d);
- (e) in Slovakia, the areas planted with vines in the following regions: Malokarpatská vinohradnícka oblasť, Južnoslovenská vinohradnícka oblasť, Nitrianska vinohradnícka oblasť, Stredoslovenská vinohradnícka oblasť, Východoslovenská vinohradnícka oblasť and the wine growing areas not included in point 3(f);
- (f) in Slovenia, the areas planted with vines in the following regions:
- in the Podravje region: Štajerska Slovenija, Prekmurje,
 - in the Posavje region: Bizeljsko Sremič, Dolenjska and Bela krajina, and the areas planted with vines in the regions not included in point 4(d);
- (g) in Romania, in the area of Podişul Transilvaniei.
- (3) Wine-growing zone C I comprises:
- (a) in France, areas planted with vines:
- in the following departments: Allier, Alpes-de-Haute-Provence, Hautes-Alpes, Alpes-Maritimes, Ariège, Aveyron, Cantal, Charente, Charente-Maritime, Corrèze, Côte-d'Or, Dordogne, Haute-Garonne, Gers, Gironde, Isère (with the exception of the commune of Chapareillan), Landes, Loire, Haute-Loire, Lot, Lot-et-Garonne, Lozère, Nièvre (except for the arrondissement of Cosne-sur-Loire), Puy-de-Dôme, Pyrénées-Atlantiques, Hautes-Pyrénées, Rhône, Saône-et-Loire, Tarn, Tarn-et-Garonne, Haute-Vienne, Yonne,
 - in the arrondissements of Valence and Die in the department of Drôme (except for the cantons of Dieulefit, Loriol, Marsanne and Montélimar),
 - in the arrondissement of Tournon, in the cantons of Antraigues, Burzet, Coucouron, Montpezat-sous-Bauzon, Privas, Saint-Etienne de Lugdarès, Saint-Pierreville, Valgorge and la Voulte-sur-Rhône of the department of Ardèche;
- (b) in Italy, areas planted with vines in the Valle d'Aosta region and in the provinces of Sondrio, Bolzano, Trento and Belluno;

- (c) in Spain, areas planted with vines in the provinces of A Coruña, Asturias, Cantabria, Guipúzcoa and Vizcaya;
 - (d) in Portugal, areas planted with vines in that part of the region of Norte which corresponds to the designated wine area of ‘Vinho Verde’ as well as the “Concelhos de Bombarral, Lourinhã, Mafra e Torres Vedras” (with the exception of ‘Freguesias da Carvoeira e Dois Portos’), belonging to the ‘Região vitícola da Extremadura’;
 - (e) in Hungary, all areas planted with vines,
 - (f) in Slovakia, areas planted with vines in the Tokajská vinohradnícka oblasť,
 - (g) in Romania, areas planted with vines not included in point 2(g) or 4(f).
- (4) Wine-growing zone C II comprises:
- (a) in France, areas planted with vines:
 - in the following departments: Aude, Bouches-du-Rhône, Gard, Hérault, Pyrénées-Orientales (except for the cantons of Olette and Arles-sur-Tech), Vaucluse,
 - in the part of the department of Var bounded in the south by the northern limit of the communes of Evenos, Le Beausset, Solliès-Toucas, Cuers, Puget-Ville, Collobrières, La Garde-Freinet, Plan-de-la-Tour and Sainte-Maxime,
 - in the arrondissement of Nyons and the canton of Loriol-sur-Drôme in the department of Drôme,
 - in those parts of the department of Ardèche not listed in point 3(a);
 - (b) in Italy, areas planted with vines in the following regions: Abruzzo, Campania, Emilia-Romagna, Friuli-Venezia Giulia, Lazio, Liguria, Lombardy (except for the province of Sondrio), Marche, Molise, Piedmont, Tuscany, Umbria, Veneto (except for the province of Belluno), including the islands belonging to those regions, such as Elba and the other islands of the Tuscan archipelago, the Ponziante islands, Capri and Ischia;
 - (c) in Spain, areas planted with vines in the following provinces:
 - Lugo, Orense, Pontevedra,
 - Ávila (except for the communes which correspond to the designated wine ‘comarca’ of Cebreros), Burgos, León, Palencia, Salamanca, Segovia, Soria, Valladolid, Zamora,
 - La Rioja,
 - Álava,

- Navarra,
 - Huesca,
 - Barcelona, Girona, Lleida,
 - in that part of the province of Zaragoza which lies to the north of the river Ebro,
 - in those communes of the province of Tarragona included in the Penedés designation of origin,
 - in that part of the province of Tarragona which corresponds to the designated wine ‘comarca’ of Conca de Barberá;
- (d) in Slovenia, areas planted with vines in the following regions: Brda or Goriška Brda, Vipavska dolina or Vipava, Kras and Slovenska Istra;
- (e) in Bulgaria, areas planted with vines in the following regions: Dunavska Ravnina (Дунавска равнина), Chernomorski Rayon (Черноморски район), Rozova Dolina (Розова долина);
- (f) in Romania, areas planted with vines in the following regions:
Dealurile Buzăului, Dealu Mare, Severinului and Plaiurile Drâncei, Colinele Dobrogei, Terasele Dunării, the South wine region, including sands and other favourable regions.
- (5) Wine-growing zone C III (a) comprises:
- (a) in Greece, areas planted with vines in the following nomoi: Florina, Imathia, Kilkis, Grevena, Larisa, Ioannina, Levkas, Akhaia, Messinia, Arkadia, Korinthia, Iraklio, Khandia, Rethimni, Samos, Lasithi and the island of Thira (Santorini);
 - (b) in Cyprus, areas planted with vines located at altitudes exceeding 600 metres;
 - (c) in Bulgaria, areas planted with vines not included in point 4(e).
- (6) Wine-growing zone C III (b) comprises:
- (a) in France, areas planted with vines:
 - in the departments of Corsica,
 - in that part of the department of Var situated between the sea and a line bounded by the communes (which are themselves included) of Evenos, Le Beausset, Solliès-Toucas, Cuers, Puget-Ville, Collobrières, La Garde-Freinet, Plan-de-la-Tour and Sainte-Maxime,
 - in the cantons of Olette and Arles-sur-Tech in the department of Pyrénées-Orientales;

- (b) in Italy, areas planted with vines in the following regions: Calabria, Basilicata, Apulia, Sardinia and Sicily, including the islands belonging to those regions, such as Pantelleria and the Lipari, Egadi and Pelagian islands;
- (c) in Greece, areas planted with vines not listed in point 5(a);
- (d) in Spain: areas planted with vines not included in points 3(c) or 4(c);
- (e) in Portugal, areas planted with vines in the regions not included in point 3(d);
- (f) in Cyprus, areas planted with vines located at altitudes not exceeding 600 metres;
- (g) in Malta, areas planted with vines.

The demarcation of the territories covered by the administrative units referred to in this Annex is that resulting from the national provisions in force on 15 December 1981 and, for Spain, from the national provisions in force on 1 March 1986 and, for Portugal, from the national provisions in force on 1 March 1998.

ANNEX XIII

Part I

Enrichment, acidification and de-acidification in certain wine-growing zones

A. Enrichment limits

1. Where climatic conditions have made it necessary in certain winegrowing zones of the Union referred to in the Appendix to Annex XII, the Member States concerned may allow to supplement the natural alcoholic strength by volume of fresh grapes, grape must, grape must in fermentation, new wine still in fermentation and wine obtained from wine grape varieties classifiable according to Article 166.
2. The increase in natural alcoholic strength by volume shall be achieved by means of the oenological practices referred to in Section B and shall not exceed the following limits:
 - (a) 3 % volume in wine-growing zone A referred to in the Appendix to Annex XII;
 - (b) 2 % volume in wine-growing zone B referred to in the Appendix to Annex XII;
 - (c) 1,5 % volume in wine-growing zones C referred to in the Appendix to Annex XII.
3. In years when climatic conditions have been exceptionally unfavourable, Member States may request that the limit(s) laid down in point 2 be raised by 0,5 %. In response to such a request, the Commission under the powers as referred to in Article 172 shall adopt the implementing act as soon as possible. The Commission shall endeavour to take a decision within four weeks after the request has been lodged.

B. Enrichment processes

1. The increase in natural alcoholic strength by volume provided for in Section A shall only be effected:
 - (a) in respect of fresh grapes, grape must in fermentation or new wine still in fermentation, by adding sucrose, concentrated grape must or rectified concentrated grape must;
 - (b) in respect of grape must, by adding sucrose, concentrated grape must or rectified concentrated grape must, or by partial concentration, including reverse osmosis;
 - (c) in respect of wine, by partial concentration through cooling.
2. The processes referred to in point 1 shall be mutually exclusive where wine or grape must is enriched with concentrated grape must or rectified concentrated

grape must and an aid has been paid under Article 103y of Regulation (EC) No 1234/2007.

3. The addition of sucrose provided for in points 1(a) and (b) may only be performed by dry sugaring and only in the following areas:
 - (a) wine-growing zone A referred to in the Appendix to Annex XII;
 - (b) wine-growing zone B referred to in the Appendix to Annex XII;
 - (c) wine-growing zone C referred to in the Appendix to Annex XII,

with the exception of vineyards in Italy, Greece, Spain, Portugal, Cyprus and vineyards in the French departments under jurisdiction of the courts of appeal of:

- Aix-en-Provence,
- Nîmes,
- Montpellier,
- Toulouse,
- Agen,
- Pau,
- Bordeaux,
- Bastia.

However, enrichment by dry sugaring may be authorised by the national authorities as an exception in the abovementioned French departments. France shall notify the Commission and the other Member States forthwith of any such authorisations.

4. The addition of concentrated grape must or rectified concentrated grape must shall not have the effect of increasing the initial volume of fresh crushed grapes, grape must, grape must in fermentation or new wine still in fermentation by more than 11 % in wine-growing zone A, 8 % in wine-growing zone B and 6,5 % in wine-growing zone C referred to in the Appendix to Annex XII.
5. The concentration of grape must or of wine subjected to the processes referred to in point 1:
 - (a) shall not have the effect of reducing the initial volume of these products by more than 20 %;
 - (b) shall, notwithstanding point (2)(c) of Section A, not increase the natural alcoholic strength of these products by more than 2 % volume.

6. The processes referred to in points 1 and 5 shall not raise the total alcoholic strength of the fresh grapes, grape must, grape must in fermentation, new wine still in fermentation, or wine:
 - (a) in wine-growing zone A referred to in the Appendix to Annex XII to more than 11,5 % volume;
 - (b) in wine-growing zone B referred to in the Appendix to Annex XII to more than 12 % volume;
 - (c) in wine-growing zone C I referred to in the Appendix to Annex XII to more than 12,5 % volume;
 - (d) in wine-growing zone C II referred to in the Appendix to Annex XII to more than 13 % volume; and
 - (e) in wine-growing zone C III referred to in the Appendix to Annex XII to more than 13,5 % volume.
7. By way of derogation from point 6, Member States may:
 - (a) in relation to red wine, raise the upper limit of total alcoholic strength of the products referred to in point 6 to 12 % volume in wine-growing zone A and 12,5 % volume in winegrowing zone B referred to in the Appendix to Annex XII;
 - (b) raise the total alcoholic strength by volume of the products referred to in point 6 for the production of wines with a designation of origin to a level to be determined by Member States.

C. Acidification and de-acidification

1. Fresh grapes, grape must, grape must in fermentation, new wine still in fermentation and wine may be subject to:
 - (a) de-acidification in wine-growing zones A, B and C I referred to in the Appendix to Annex XII;
 - (b) acidification and de-acidification in wine-growing zones C I, C II and C III (a) referred to in the Appendix to Annex XII, without prejudice to point 7 of this Section; or
 - (c) acidification in wine-growing zone C III (b) referred to in the Appendix to Annex XII.
2. Acidification of the products, other than wine, referred to in point 1 may be carried out only up to a limit of 1,50 g/l expressed as tartaric acid, or 20 milliequivalents per litre.
3. Acidification of wines may be carried out only up to a limit of 2,50 g/l expressed as tartaric acid, or 33,3 milliequivalents per litre.

4. De-acidification of wines may be carried out only up to a limit of 1 g/l expressed as tartaric acid, or 13,3 milliequivalents per litre.
5. Grape must intended for concentration may be partially de-acidified.
6. Notwithstanding point 1, in years when climatic conditions have been exceptional, Member States may authorise acidification of the products referred to in point 1 in wine-growing zones A and B, referred to in the Appendix to Annex XII, under the conditions referred to in points 2 and 3 of this Section.
7. Acidification and enrichment, except by way of derogation to be adopted by the Commission by means of delegated acts pursuant to Article 162(1), and acidification and de-acidification of one and the same product shall be mutually exclusive processes.

D. Processes

1. None of the processes referred to in Sections B and C, with the exception of the acidification and de-acidification of wines, shall be authorised unless carried out, under conditions to be determined by the Commission by means of delegated acts pursuant to Article 162(1), at the time when the fresh grapes, grape must, grape must in fermentation or new wine still in fermentation are being turned into wine or into any other beverage intended for direct human consumption referred to in Article 1(1)(1) other than sparkling wine or aerated sparkling wine in the wine-growing zone where the fresh grapes used were harvested.
2. The concentration of wines shall take place in the wine-growing zone where the fresh grapes used were harvested.
3. Acidification and de-acidification of wines shall take place only in the wine making undertaking and in the wine-growing zone where the grapes used to produce the wine in question were harvested.
4. Each of the processes referred to in points 1, 2 and 3 shall be notified to the competent authorities. The same shall apply in respect of the quantities of concentrated grape must rectified concentrated grape must or sucrose held in the exercise of their profession by natural or legal persons or groups of persons, in particular producers, bottlers, processors and merchants to be determined by the Commission by means of delegated acts pursuant to Article 162(1), at the same time and in the same place as fresh grapes, grape must, grape must in fermentation or wine in bulk. The notification of these quantities may, however, be replaced by entry in a goods inwards and stock utilisation register.
5. Each of the processes referred to in Sections B and C shall be recorded on the accompanying document, as provided for in Article 306, under cover of which the products having undergone the processes are put into circulation.
6. Those processes, subject to derogations justified by exceptional climatic conditions, shall not be carried out:

- (a) in wine-growing zone C referred to in the Appendix to Annex XII after 1 January;
- (b) in wine-growing zones A and B referred to in the Appendix to Annex XII after 16 March, and

they shall be carried out only for products of the grape harvest immediately preceding those dates.

7. Notwithstanding point 6, concentration by cooling and acidification and deacidification of wines may be practised throughout the year.

Part II Restrictions

A. General

1. All authorised oenological practices shall exclude the addition of water, except where required on account of a specific technical necessity.
2. All authorised oenological practices shall exclude the addition of alcohol, except for practices related to obtaining fresh grape must with fermentation arrested by the addition of alcohol, liqueur wine, sparkling wine, wine fortified for distillation and semi-sparkling wine.
3. Wine fortified for distillation shall only be used for distillation.

B. Fresh grapes, grape must and grape juice

1. Fresh grape must in which fermentation is arrested by the addition of alcohol shall be used only during the stage of preparation of products which do not fall under CN codes 2204 10, 2204 21 and 2204 29. This is without prejudice to any stricter provisions which Member States may apply to the preparation in their territory of products which do not fall under CN codes 2204 10, 2204 21 and 2204 29.
2. Grape juice and concentrated grape juice shall not be made into wine or added to wine. They shall not undergo alcoholic fermentation in the territory of the Union.
3. The provisions of points 1 and 2 shall not apply to products intended for the production, in the United Kingdom, Ireland and Poland, of products falling within CN code 2206 00 for which Member States may allow the use of a composite name, including the sales designation 'wine'.
4. Grape must in fermentation extracted from raisined grapes shall be put on the market only for the manufacture of liqueur wines only in the wine-growing regions where this usage was traditional on 1 January 1985, and for the manufacture of wine of overripe grapes.
5. Unless otherwise decided in accordance with Article 43(2) of the Treaty pursuant to the international obligations of the Union, fresh grapes, grape

must, grape must in fermentation, concentrated grape must, rectified concentrated grape must, grape must with fermentation arrested by the addition of alcohol, grape juice, concentrated grape juice and wine, or mixtures of those products, originating in third countries, may not be turned into products referred to in this Annex or added to such products in the territory of the Union.

C. Blending of wines

Unless otherwise decided in accordance with Article 43(2) of the Treaty pursuant to the international obligations of the Union, coupage of a wine originating in a third country with a Union wine and coupage between wines originating in third countries shall be prohibited in the Union.

D. By-products

1. The over-pressing of grapes shall be prohibited. Member States shall decide, taking account of local and technical conditions, the minimum quantity of alcohol that shall be contained in the marc and the lees after the pressing of grapes.

The quantity of alcohol contained in those by-products shall be decided by Member States at a level at least equal to 5 % in relation to the volume of alcohol contained in the wine produced.

2. Except for alcohol, spirits and piquette, wine or any other beverage intended for direct human consumption shall not be produced from wine lees or grape marc. The pouring of wine onto lees or grape marc or pressed aszú pulp shall be allowed under conditions to be determined by the Commission by means of delegated acts pursuant to Article 162(1) where this practice is traditionally used for the production of 'Tokaji fordítás' and 'Tokaji máslás' in Hungary and 'Tokajský forditáš' and 'Tokajský mášláš' in Slovakia.
3. The pressing of wine lees and the re-fermentation of grape marc for purposes other than distillation or production of piquette is prohibited. The filtering and centrifuging of wine lees shall not be considered as pressing where the products obtained are of sound, genuine and merchantable quality.
4. Piquette, where its production is authorised by the Member State concerned, shall be used only for distillation or for consumption in wine-producers' households.
5. Without prejudice to the possibility for Member States to decide to require disposal of by-products by way of distillation, any natural or legal persons or groups of persons who hold by-products shall be required to dispose of them subject to conditions to be determined by the Commission by means of delegated acts pursuant to Article 162(1).

ANNEX XIV

EXHAUSTIVE LIST OF RULES THAT MAY BE EXTENDED TO NON-MEMBER PRODUCERS PURSUANT TO ARTICLE 218 AND ARTICLE 224

1. Rules on production information
 - (a) notification of growing intentions, by product and where appropriate by variety;
 - (b) notification of sowings and plantings;
 - (c) notification of total areas grown, by product and if possible variety;
 - (d) notification of anticipated tonnages and probable cropping dates by product and if possible variety;
 - (e) periodic notification of quantities cropped and available stocks, by variety;
 - (f) information on storage capacities.
2. Production rules
 - (a) choice of seed to be used according to intended destination (fresh market/industrial processing);
 - (b) thinning in orchards.
3. Marketing rules
 - (a) specified dates for commencement of cropping, staggering of marketing;
 - (b) minimum quality and size requirements;
 - (c) preparation, presentation, packaging and marking at first marketing stage;
 - (d) indication of product origin.
4. Rules on the protection of the environment
 - (a) use of fertiliser and manure;
 - (b) use of plant-health products and other crop protection methods;
 - (c) maximum residue content in fruit and vegetables of plant-health products and fertilisers;
 - (d) rules on disposal of by-products and used material;
 - (e) rules concerning products withdrawn from the market.
5. Rules on promotion and communication in the context of crisis prevention and management as referred to in Article 121(2)(c).

ANNEX XV

IMPORT DUTIES FOR RICE REFERRED TO IN ARTICLES 242 AND 244

1. Import duties for husked rice
 - (a) EUR 30 per tonne in the following cases:
 - (i) where it is noted that the imports of husked rice made over the course of the marketing year just ended did not reach the annual reference quantity referred to in the first subparagraph of Article 242(3), less 15 %;
 - (ii) where it is noted that the imports of husked rice made over the course of the first six months of the marketing year do not reach the partial reference quantity referred to in the second subparagraph of Article 242(3), less 15 %;
 - (b) EUR 42,5 per tonne in the following cases:
 - (i) where it is noted that the imports of husked rice made over the course of the marketing year just ended exceed the annual reference quantity referred to in the first subparagraph of Article 242(3), less 15 %, but do not exceed that same annual reference quantity plus 15 %;
 - (ii) where it is noted that the imports of husked rice made in the first six months of the marketing year exceed the partial reference quantity referred to in the second subparagraph of Article 242(3), less 15 %, but do not exceed that same partial reference quantity plus 15 %;
 - (c) EUR 65 per tonne in the following cases:
 - (i) where it is noted that the imports of husked rice made over the course of the marketing year just ended exceed the annual reference quantity referred to in the first subparagraph of Article 242(3), plus 15 %;
 - (ii) where it is noted that the imports of husked rice made over the course of the first six months of the marketing year exceed the partial reference quantity referred to in the second subparagraph of Article 242(3), plus 15 %.
2. Import duties for milled rice
 - (a) EUR 175 per tonne in the following cases:
 - (i) where it is noted that imports of semi-milled and wholly milled rice during the marketing year just ended exceed 387 743 tonnes;
 - (ii) where it is noted that imports of semi-milled and wholly milled rice during the first six months of the marketing year exceed 182 239 tonnes;
 - (b) EUR 145 per tonne in the following cases:

- (i) where it is noted that imports of semi-milled and wholly milled rice during the marketing year just ended do not exceed 387 743 tonnes;
- (ii) where it is noted that imports of semi-milled and wholly milled rice during the first six months of the marketing year do not exceed 182 239 tonnes.

ANNEX XVI

VARIETIES OF BASMATI RICE REFERRED TO IN ARTICLE 243

Basmati 217

Basmati 370

Basmati 386

Kernel (Basmati)

Pusa Basmati

Ranbir Basmati

Super Basmati

Taraori Basmati (HBC-19)

Type-3 (Dehradun)

ANNEX XVII

LIST OF GOODS OF THE CEREALS, RICE, SUGAR, MILK AND EGGS SECTORS FOR THE PURPOSE OF ARTICLE 16(a)(ii) AND FOR THE GRANTING OF EXPORT REFUNDS REFERRED TO IN SECTION II OF CHAPTER III OF PART III

Part I: Cereals

CN code	Description
ex 0403	Buttermilk, curdled milk and cream, yogurt, kephir and other fermented or acidified milk and cream, whether or not concentrated or containing added sugar or other sweetening matter or flavoured or containing added fruit, nuts or cocoa:
0403 10	– Yoghurt:
0403 10 51 to 0403 10 99	– – Flavoured or containing added fruit, nuts or cocoa
0403 90	– Other:
0403 90 71 to 0403 90 99	– – Flavoured or containing added fruit, nuts or cocoa
ex 0710	Vegetables (uncooked or cooked by steaming or boiling in water), frozen:
0710 40 00	– Sweetcorn
ex 0711	Vegetables provisionally preserved (for example, by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption:
0711 90 30	– Sweetcorn
ex 1704	Sugar confectionery (including white chocolate), not containing cocoa, except liquorice extract of subheading 1704 90 10
1806	Chocolate and other food preparations containing cocoa
ex 1901	Malt extract; food preparations of flour, groats, meal, starch or malt extract, not containing cocoa or containing less than 40 % by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included; food preparations of goods of headings 0401 to 0404, not containing cocoa or containing less than 5 % by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included:
1901 10 00	– Preparations for infant use, put up for retail sale
1901 20 00	– Mixes and doughs for the preparation of bakers' wares of heading 1905
1901 90	– Other:
1901 90 11 to 1901 90 19	– – Malt extract
	– – Other:
1901 90 99	– – – Other
ex 1902	Pasta, whether or not cooked or stuffed (with meat or other substances) or otherwise prepared, such as spaghetti, macaroni, noodles, lasagne, gnocchi, ravioli, cannelloni; couscous, whether or not prepared:
	– Uncooked pasta, not stuffed or otherwise prepared:
1902 11 00	– – Containing eggs
1902 19	– – Other
ex 1902 20	– Stuffed pasta, whether or not cooked or otherwise prepared:
	– – Other:
1902 20 91	– – – Cooked
1902 20 99	– – – Other
1902 30	– Other pasta
1902 40	– Couscous
1903 00 00	Tapioca and substitutes therefore prepared from starch, in the form of flakes, grains, pearls, siftings or similar forms

CN code	Description
1904	Prepared foods obtained by the swelling or roasting of cereals or cereal products (for example, corn flakes); cereals (other than maize(corn)) in grain form or in the form of flakes or other worked grains (except flour, groats and meal), pre-cooked or otherwise prepared, not elsewhere specified or included:
1905	Bread, pastry, cakes, biscuits and other bakers' wares, whether or not containing cocoa; communion wafers, empty cachets of a kind suitable for pharmaceutical use, sealing wafers, rice paper and similar products
ex 2001	Vegetables, fruit, nuts and other edible parts of plants, prepared or preserved by vinegar or acetic acid: – Other:
2001 90 30	– – Sweetcorn (<i>Zea mays</i> var. <i>saccharata</i>)
2001 90 40	– – Yams, sweet potatoes and similar edible parts of plants containing 5 % or more by weight of starch
ex 2004	Other vegetables prepared or preserved otherwise than by vinegar or acetic acid, frozen, other than products of heading 2006:
2004 10	– Potatoes: – – Other:
2004 10 91	– – – In the form of flour, meal or flakes
2004 90	– Other vegetables and mixtures of vegetables:
2004 90 10	– – Sweetcorn (<i>Zea mays</i> var. <i>saccharata</i>)
ex 2005	Other vegetables prepared or preserved otherwise than by vinegar or acetic acid, not frozen, other than products of heading 2006:
2005 20	– Potatoes:
2005 20 10	– – In the form of flour, meal or flakes
2005 80 00	– Sweetcorn (<i>Zea mays</i> var. <i>saccharata</i>)
ex 2008	Fruit, nuts and other edible parts of plants, otherwise prepared or preserved, whether or not containing added sugar or other sweetening matter or spirit, not elsewhere specified or included: – Other, including mixtures other than those of subheading 2008 19:
2008 99	– – Other: – – – Not containing added spirit: – – – – Not containing added sugar:
2008 99 85	– – – – – Maize (corn), other than sweetcorn (<i>Zea mays</i> var. <i>saccharata</i>)
2008 99 91	– – – – – Yams, sweet potatoes and similar edible parts of plants, containing 5 % or more by weight of starch
ex 2101	Extracts, essences and concentrates, of coffee, tea or maté and preparations with a basis of these products or with a basis of coffee, tea or maté; roasted chicory and other roasted coffee substitutes, and extracts, essences and concentrates thereof:
2101 12	– – Preparations with a basis of these extracts, essences or concentrates or with a basis of coffee:
2101 12 98	– – – Other
2101 20	– Extracts, essences and concentrates, of tea or maté, and preparations with a basis of these extracts, essences or concentrates, or with a basis of tea or maté:
2101 20 98	– – – Other
2101 30	Roasted chicory and other roasted coffee substitutes, and extracts, essences and concentrates thereof: – – Roasted chicory and other roasted coffee substitutes:
2101 30 19	– – – Other
2101 30 99	– – – – Extracts, essences and concentrates of roasted chicory and other roasted coffee substitutes: – – – – Other

	CN code	Description
ex	2102	Yeasts (active or inactive); other single-cell micro-organisms, dead (but not including vaccines of heading 3002); prepared baking powders:
	2102 10	– Active yeasts
	2102 10 31 and 2102 10 39	– – Bakers' yeast
	2105 00	Ice cream and other edible ice, whether or not containing cocoa
ex	2106	Food preparations not elsewhere specified or included:
	2106 90	– Other:
		– – Other:
	2106 90 92	– – – Containing no milkfats, sucrose, isoglucose, glucose or starch or containing, by weight, less than 1,5 % milkfat, 5 % sucrose or isoglucose, 5 % glucose or starch
	2106 90 98	– – – Other
	2202	Waters, including mineral waters and aerated water, containing added sugar or other sweetening matter or flavoured, and other non-alcoholic beverages, not including fruit or vegetable juices of heading 2009
	2205	Vermouth and other wine or fresh grapes flavoured with plants or aromatic substances
ex	2208	Undenatured ethyl alcohol of an alcoholic strength by volume of less than 80 % vol; spirits, liqueurs and other spirit drinks:
	2208 30	– Whiskies:
	2208 30 30 to 2208 30 88	– – Other than Bourbon whiskey
	2208 50	– Gin and Geneva
	2208 60	– Vodka
	2208 70	– Liqueurs and cordials
	2208 90	– Other:
		– – Other spirits and other spirit drinks, in containers holding:
		– – – 2 litres or less:
	2208 90 41	– – – – Ouzo
		– – – – Other:
		– – – – – Spirits (excluding liqueurs):
		– – – – – Other:
	2208 90 52	– – – – – Korn
		– – – – – Other
	2208 90 56	– – – – – Other spirituous beverages
	2208 90 69	– – – – – Other spirituous beverages
		– – – More than 2 litres:
		– – – – Spirits (excluding liqueurs):
	2208 90 77	– – – – – Other
	2208 90 78	– – – – – Other spirituous beverages
	2905 43 00	– – Mannitol
	2905 44	– – D-glucitol (sorbitol)
ex	3302	Mixtures of odoriferous substances and mixtures (including alcoholic solutions) with a basis of one or more of these substances, of a kind used as raw materials in industry; other preparations based on odoriferous substances, of a kind used for the manufacture of beverages:

CN code	Description
3302 10	– Of a kind used in the food or drink industries: – – Of a kind used in the drink industries: – – – Preparations containing all flavouring agents characterising a beverage: – – – – Other:
3302 10 29	– – – – – Other
3505	Dextrins and other modified starches (for example, pregelatinised or esterified starches); glues based on starches, or on dextrins or other modified starches
ex 3809	Finishing agents, dye carriers to accelerate the dyeing or fixing of dyestuffs and other products and preparations (for example, dressings and mordants), of a kind used in the textile, paper, leather or like industries, not elsewhere specified or included:
3809 10	– With a basis of amylaceous substances
3824 60	– Sorbitol other than that of subheading 2905 44

Part II: Rice

CN code	Description
ex 0403	Buttermilk, curdled milk and cream, yoghurt, kephir and other fermented or acidified milk and cream, whether or not concentrated or containing added sugar or other sweetening matter or flavoured or containing added fruit, nuts or cocoa:
0403 10	– Yoghurt:
0403 10 51 to 0403 10 99	– – Flavoured or containing added fruit, nuts or cocoa
0403 90	– Other:
0403 90 71 to 0403 90 99	– – Flavoured or containing added fruit, nuts or cocoa
ex 1704	Sugar confectionery (including white chocolate), not containing cocoa:
1704 90 51 to 1704 90 99	– – Other
ex 1806	Chocolate and other food preparations containing cocoa, except goods of subheadings 1806 10, 1806 20 70, 1806 90 60, 1806 90 70 and 1806 90 90
ex 1901	Malt extract; food preparations of flour, groats, meal, starch or malt extract, not containing cocoa or containing less than 40 % by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included; food preparations of goods of headings 0401 to 0404, not containing cocoa or containing less than 5 % by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included:
1901 10 00	– Preparations for infant use, put up for retail sale
1901 20 00	– Mixes and doughs for the preparation of bakers' wares of heading 1905
1901 90	– Other:
1901 90 11 to 1901 90 19	– – Malt extract
	– – Other:
1901 90 99	– – – Other
ex 1902	Pasta, whether or not cooked or stuffed (with meat or other substances) or otherwise prepared, such as spaghetti, macaroni, noodles, lasagne, gnocchi, ravioli, cannelloni; couscous, whether or not prepared:
1902 20	– Stuffed pasta, whether or not cooked or otherwise prepared: – – Other
1902 20 91	– – – Cooked
1902 20 99	– – – Other
1902 30	– Other pasta

CN code	Description
1902 40	– Couscous:
1902 40 90	– – Other
1904	Prepared foods obtained by the swelling or roasting of cereals or cereal products (for example, corn flakes); cereals (other than maize (corn)) in grain form or in the form of flakes or other worked grains (except flour, groats and meal), pre-cooked or otherwise prepared, not elsewhere specified or included
ex 1905	Bread, pastry, cakes, biscuits and other bakers' wares, whether or not containing cocoa; communion wafers, empty cachets of a kind suitable for pharmaceutical use, sealing wafers, rice paper and similar products:
1905 90 20	– – Communion wafers, empty cachets of a kind suitable for pharmaceutical use, sealing wafers, rice paper and similar products
ex 2004	Other vegetables prepared or preserved otherwise than by vinegar or acetic acid, frozen, other than products of heading 2006:
2004 10	– Potatoes:
	– – Other:
2004 10 91	– – – In the form of flour, meal or flakes
ex 2005	Other vegetables prepared or preserved otherwise than by vinegar or acetic acid, not frozen, other than products of heading 2006:
2005 20	– Potatoes:
2005 20 10	– – In the form of flour, meal or flakes
ex 2101	Extracts, essences and concentrates, of coffee, tea or mate and preparations with a basis of these products or with a basis of coffee, tea or maté; roasted chicory and other roasted coffee substitutes, and extracts, essences and concentrates thereof:
2101 12	– – Preparations with a basis of these extracts, essences or concentrates or with a basis of coffee:
2101 12 98	– – – Other
2101 20	– Extracts, essences and concentrates, of tea or maté, and preparations with a basis of these extracts, essences or concentrates, or with a basis of tea or maté:
2101 20 98	– – – Other
2105 00	Ice cream and other edible ice, whether or not containing cocoa
ex 2106	Food preparations not elsewhere specified or included:
2106 90	– Other:
	– – Other:
2106 90 92	– – – Containing no milkfats, sucrose, isoglucose, glucose or starch or containing, by weight, less than 1,5 % milkfat, 5 % sucrose or isoglucose, 5 % glucose or starch
2106 90 98	– – – Other
ex 3505	Dextrins and other modified starches (for example, pregelatinised or esterified starches); glues based on starches, or on dextrins or other modified starches, except starches of subheading 3505 10 50
ex 3809	Finishing agents, dye carriers to accelerate the dyeing or fixing of dyestuffs and other products and preparations (for example, dressings and mordants), of a kind used in the textile, paper, leather or like industries, not elsewhere specified or included:
3809 10	– With a basis of amylaceous substances

Part III: Sugar

CN code	Description
ex 0403	Buttermilk, curdled milk and cream, yogurt, kephir and other fermented or acidified milk and cream, whether or not concentrated or containing added sugar or other sweetening matter or flavoured or containing added fruit, nuts or cocoa:
0403 10	– Yogurt:
0403 10 51 to 0403 10 99	– – Flavoured or containing added fruit, nuts or cocoa
0403 90	– Other:
0403 90 71 to 0403 90 99	– – Flavoured or containing added fruit, nuts or cocoa
ex 0710	Vegetables (uncooked or cooked by steaming or by boiling in water), frozen:
0710 40 00	– Sweetcorn
ex 0711	Vegetables provisionally preserved (for example, by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption:
0711 90	– Other vegetables; mixtures of vegetables:
	– – Vegetables:
0711 90 30	– – – Sweetcorn
1702 50 00	– Chemically pure fructose
ex 1704	Sugar confectionery (including white chocolate), not containing cocoa, except liquorice extract of subheading 1704 90 10
1806	Chocolate and other food preparations containing cocoa
ex 1901	Malt extract; food preparations of flour, groats, meal, starch or malt extract, not containing cocoa or containing less than 40 % by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included; food preparations of goods of headings 0401 to 0404, not containing cocoa or containing less than 5 % by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included:
1901 10 00	– Preparations for infant use, put up for retail sale
1901 20 00	– Mixes and doughs for the preparation of bakers' wares of heading 1905
1901 90	– Other:
	– – Other:
1901 90 99	– – – Other
ex 1902	Pasta, whether or not cooked or stuffed (with meat or other substances) or otherwise prepared, such as spaghetti, macaroni, noodles, lasagne, gnocchi, ravioli, cannelloni; couscous, whether or not prepared:
1902 20	– Stuffed pasta, whether or not cooked or otherwise prepared:
	– – Other:
1902 20 91	– – – Cooked
1902 20 99	– – – Other
1902 30	– Other pasta
1902 40	– Couscous:
1902 40 90	– – Other
1904	Prepared foods obtained by the swelling or roasting of cereals or cereal products (for example, corn flakes); cereals (other than maize (corn)) in grain form or in the form of flakes or other worked grains (except flour, groats and meal), pre-cooked or otherwise prepared, not elsewhere specified or included
ex 1905	Bread, pastry, cakes, biscuits and other bakers' wares, whether or not containing cocoa; communion wafers, empty cachets of a kind suitable for pharmaceutical use, sealing wafers, rice paper and similar products:
1905 10 00	– Crispbread

CN code	Description
1905 20	– Gingerbread and the like
1905 31	– – Sweet biscuits
1905 32	– – Waffles and wafers
1905 40	– Rusks, toasted bread and similar toasted products
1905 90	– Other:
	– – Other:
1905 90 45	– – – Biscuits
1905 90 55	– – – Extruded or expanded products, savoury or salted
	– – – Other:
1905 90 60	– – – – With added sweetening matter
1905 90 90	– – – – Other
ex 2001	Vegetables, fruit, nuts and other edible parts of plants, prepared or preserved by vinegar or acetic acid:
2001 90	– Other:
2001 90 30	– – Sweetcorn (<i>Zea mays</i> var. <i>saccharata</i>)
2001 90 40	– – Yams, sweet potatoes and similar edible parts of plants containing 5 % or more by weight of starch
ex 2004	Other vegetables prepared or preserved otherwise than by vinegar or acetic acid, frozen, other than products of heading 2006:
2004 10	– Potatoes
	– – Other
2004 10 91	– – – In the form of flour, meal or flakes
2004 90	– Other vegetables and mixtures of vegetables:
2004 90 10	– – Sweetcorn (<i>Zea mays</i> var. <i>saccharata</i>)
ex 2005	Other vegetables prepared or preserved otherwise than by vinegar or acetic acid, not frozen, other than products of heading 2006):
2005 20	– Potatoes:
2005 20 10	– – In the form of flour, meal or flakes
2005 80 00	– Sweetcorn (<i>Zea mays</i> var. <i>saccharata</i>)
ex 2101	Extracts, essences and concentrates, of coffee, tea or mate and preparations with a basis of these products or with a basis of coffee, tea or maté; roasted chicory and other roasted coffee substitutes, and extracts, essences and concentrates thereof:
	– Extracts, essences and concentrates, of coffee and preparations with a basis of these extracts, essences or concentrates or with a basis of coffee:
2101 12	– – – Preparations with a basis of these extracts, essences or concentrates or with a basis of coffee:
2101 12 98	– – – – Other:
2101 20	– Extracts, essences and concentrates, of tea or maté, and preparations with a basis of these extracts, essences or concentrates, or with a basis of tea or mate:
	– – – Preparations
2101 20 98	– – – – Other
2101 30	– Roasted chicory and other roasted coffee substitutes, and extracts, essences and concentrates thereof:
	– – Roasted chicory and other roasted coffee substitutes:
2101 30 19	– – – Other
	– – Extracts, essences and concentrates of roasted chicory and other roasted coffee substitute:
2101 30 99	– – – Other
2105 00	Ice cream and other edible ice, whether or not containing cocoa

CN code	Description
ex 2106	Food preparations not elsewhere specified or included:
ex 2106 90	– Other:
	– – Other:
2106 90 92	– – – Containing no milk-fats, sucrose, isoglucose, glucose or starch or containing, by weight, less than 1,5 % milk-fat, 5 % sucrose or isoglucose, 5 % glucose or starch
2106 90 98	– – – Other
ex 2202	Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavoured, and other non-alcoholic beverages, not including fruit or vegetable juices of heading 2009, except beer made from malt, of an alcoholic strength by volume not exceeding 0,5% vol
2205	Vermouth and other wine of fresh grapes flavoured with plants or aromatic substances
ex 2208	Undenatured ethyl alcohol of an alcoholic strength by volume of less than 80 % vol; spirits, liqueurs and other spirit drinks:
2208 20	– Spirits obtained by distilling grape wine or grape marc
ex 2208 50	– Geneva
2208 70	– Liqueurs and cordials
ex 2208 90	– Other:
	– – Other spirits and other spirit drinks, in containers holding:
	– – – 2 litres or less:
2208 90 41	– – – – Ouzo
	– – – – Other:
	– – – – – Spirits (excluding liqueurs):
	– – – – – – Distilled from fruit
2208 90 45	– – – – – – – Calvados
2208 90 48	– – – – – – – Other
	– – – – – – – Other:
2208 90 52	– – – – – – – Korn
2208 90 56	– – – – – – – Other
2208 90 69	– – – – – Other spirituous beverages
	– – – More than 2 litres:
	– – – – Spirits (excluding liqueurs):
2208 90 71	– – – – – Distilled from fruit
2208 90 77	– – – – – Other
2208 90 78	– – – – Other spirituous beverages
2905 43 00	– – Mannitol
2905 44	– D-glucitol (sorbitol)
ex 3302	Mixtures of odoriferous substances and mixtures (including alcoholic solutions) with a basis of one or more of these substances, of a kind used as raw materials in industry; other preparations based on odoriferous substances, of a kind used for the manufacture of beverages:
3302 10	– Of a kind used in the food or drink industries
	– – Of a kind used in the drink industries:
	– – – Preparations containing all flavouring agents characterising a beverage:
	– – – – Other (of an actual alcoholic strength by volume not exceeding 0,5 %)
3302 10 29	– – – – – Other
ex Chapter 38	Miscellaneous chemical products:
3824 60	– Sorbitol other than that of subheading 2905 44

Part IV: Milk

CN code	Description
ex 0405	Butter and other fats and oils derived from milk; dairy spreads:
0405 20	– Dairy spreads:
0405 20 10	– – Of a fat content, by weight, of 39 % or more but less than 60 %
0405 20 30	– – Of a fat content, by weight, of 60 % or more but not exceeding 75 %
ex 1517	Margarine; edible mixtures or preparations of animal or vegetable fats or oils or of fractions of different fats or oils of this chapter, other than edible fats or oils or their fractions of heading 1516:
1517 10	– Margarine, excluding liquid margarine:
1517 10 10	– – Containing, by weight, more than 10 % but not more than 15 % of milkfats
1517 90	– Other:
1517 90 10	– – Containing, by weight, more than 10 % but not more than 15 % of milkfats
ex 1704	Sugar confectionery (including white chocolate), not containing cocoa:
ex 1704 90	– Other, excluding liquorice extract containing more than 10 % by weight of sucrose but not containing other added substances

CN code	Description
ex 1806	Chocolate and other food preparations containing cocoa, excluding cocoa powder sweetened solely by the addition of sucrose of subheading ex 1806 10
ex 1901	Malt extract; food preparations of flour, groats, meal, starch or malt extract, not containing cocoa or containing less than 40 % by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included; food preparations of goods of headings 0401 to 0404, not containing cocoa or containing less than 5 % by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included:
1901 10 00	– Preparations for infant use, put up for retail sale
1901 20 00	– Mixes and doughs for the preparation of bakers' wares of heading 1905
1901 90	– Other:
	– – Other:
1901 90 99	– – – Other
ex 1902	Pasta, whether or not cooked or stuffed (with meat or other substances) or otherwise prepared, such as spaghetti, macaroni, noodles, lasagne, gnocchi, ravioli, cannelloni; couscous, whether or not prepared:
	– Uncooked pasta, not stuffed or otherwise prepared:
1902 19	– – Other
1902 20	– Stuffed pasta, whether or not cooked or otherwise prepared:
	– – Other:
1902 20 91	– – – Cooked
1902 20 99	– – – Other
1902 30	– Other pasta
1902 40	– Couscous:
1902 40 90	– – Other
1904	Prepared foods obtained by the swelling or roasting of cereals or cereal products (for example, corn flakes); cereals (other than maize (corn)) in grain form or in the form of flakes or other worked grains (except flour, groats and meal), pre-cooked or otherwise prepared, not elsewhere specified or included
ex 1905	Bread, pastry, cakes, biscuits and other bakers' wares, whether or not containing cocoa; communion wafers, empty cachets of a kind suitable for pharmaceutical use, sealing wafers, rice paper and similar products:
1905 10 00	Crispbread
1905 20	– Gingerbread and the like
	– Sweet biscuits; waffles and wafers:
1905 31	– – Sweet biscuits
1905 32	– – Waffles and wafers
1905 40	– Rusks, toasted bread and similar toasted products
1905 90	– Other:
	– – Other:
1905 90 45	– – – Biscuits
1905 90 55	– – – Extruded or expanded products, savoury or salted
	– – – Other:
1905 90 60	– – – – with added sweetening matter
1905 90 90	– – – – Other
ex 2004	Other vegetables prepared or preserved otherwise than by vinegar or acetic acid, frozen, other than products of heading 2006:
2004 10	– Potatoes:
	– – Other:
2004 10 91	– – – In the form of flour, meal or flakes

CN code	Description
ex 2005	Other vegetables prepared or preserved otherwise than by vinegar or acetic acid, not frozen, other than products of heading 2006:
2005 20	– Potatoes:
2005 20 10	– – In the form of flour, meal or flakes
2105 00	Ice cream and other edible ice, whether or not containing cocoa
ex 2106	Food preparations not elsewhere specified or included:
2106 90	– Other:
	– – Other:
2106 90 92	– – – Containing no milkfats, sucrose, isoglucose, glucose or starch or containing, by weight, less than 1,5 % milkfat, 5 % sucrose or isoglucose, 5 % glucose or starch
2106 90 98	– – – Other
ex 2202	Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavoured, and other non-alcoholic beverages, not including fruit and vegetable juices of heading 2009:
2202 90	– Other:
	– – Other, containing by weight of fat obtained from the products of headings 0401 to 0404:
2202 90 91	– – – Less than 0,2 %
2202 90 95	– – – 0,2 % or more but less than 2 %
2202 90 99	– – – 2 % or more
ex 2208	Undenatured ethyl alcohol of an alcoholic strength by volume of less than 80 % vol; spirits, liqueurs and other spirit drinks:
2208 70	– Liqueurs and cordials
2208 90	– Other:
	– – Other spirits and spirit drinks, in containers holding:
	– – – 2 litres or less:
	– – – – Other:
2208 90 69	– – – – – Other spirit drinks
	– – – More than 2 litres:
2208 90 78	– – – – Other spirit drinks
ex 3302	Mixtures of odoriferous substances and mixtures (including alcoholic solutions) with a basis of one or more of these substances, of a kind used as raw materials in industry; other preparations based on odoriferous substances, of a kind used for the manufacture of beverages:
3302 10	– Of a kind used in the food or drink industries:
	– – Of a kind used in the drink industries:
	– – – Preparations containing all flavouring agents characterising a beverage:
	– – – – Other:
3302 10 29	– – – – – Other
3501	Casein, caseinates and other casein derivatives; casein glues
ex 3502	Albumins, (including concentrates of two or more whey proteins, containing by weight more than 80 % whey proteins, calculated on the dry matter), albuminates and other albumin derivatives:
3502 20	– Milk albumin, including concentrates of two or more whey proteins:
	– – Other:
3502 20 91	– – – Dried (for example in sheets, scales, flakes, powder)
3502 20 99	– – – Other

Part V: Eggs

CN code	Description
ex 0403 10 51 to ex 0403 10 99 and ex 0403 90 71 to ex 0403 90 99	Buttermilk, curdled milk and cream, yogurt, kephir and other fermented or acidified milk and cream, flavoured or containing added fruit, nuts or cocoa, whether or not concentrated or containing added sugar or other sweetening matter or flavoured or containing added fruit, nuts or cocoa.
1806	Chocolate and other food preparations containing cocoa
ex 1901	Food preparations of goods of headings 0401 to 0404, containing less than 5 % by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included
1902 11 00	– Uncooked pasta, not stuffed or otherwise prepared, containing eggs
ex 1904	Prepared foods obtained by the swelling or roasting of cereals or cereal products (for example, corn flakes); cereals (other than maize (corn)), in grain form or in the form of flakes or other worked grains (except flour, groats and meal), precooked or otherwise prepared, not elsewhere specified or included, containing cocoa
ex 1905	Bread, pastry, cakes, biscuits and other bakers' wares, whether or not containing cocoa; communion wafers, empty cachets of a kind suitable for pharmaceutical use, sealing wafers, rice paper and similar products:
1905 20	– Gingerbread and the like
1905 31	– – Sweet biscuits
1905 32	– – Waffles and wafers
1905 40	– – Rusks, toasted bread and similar toasted products
ex 1905 90	– – Other, with the exception of products falling within subheading codes 1905 90 10 to 1905 90 30
ex 2105 00	Ice cream and other edible ice, containing cocoa
2208	Undenatured ethyl alcohol of an alcoholic strength by volume of less than 80 % vol; spirits, liqueurs and other spirit drinks:
ex 220870	– – Liqueurs
3502	Albumins (including concentrates of two or more whey proteins, containing by weight more than 80 % whey proteins, calculated on the dry matter), albuminates and other albumin derivatives:
3502 11 90	– – – Other dried egg albumin
3502 19 90	– – – Other egg albumin

ANNEX XVIII

**LIST OF CERTAIN GOODS CONTAINING SUGAR FOR THE PURPOSE OF THE
GRANTING OF EXPORT REFUNDS REFERRED TO IN SECTION II OF
CHAPTER III OF PART III**

The products listed in point (b) of Part X of Annex I.

ANNEX XIX

BUDGET ALLOCATION FOR RURAL DEVELOPMENT IN WINE PRODUCING REGIONS REFERRED TO IN ARTICLE 314(3)

in 1 000 EUR

Budget year	2009	2010	From 2011 onwards
BG	—	—	—
CZ	—	—	—
DE	—	—	—
EL	—	—	—
ES	15 491	30 950	46 441
FR	11 849	23 663	35 512
IT	13 160	26 287	39 447
CY	—	—	—
LT	—	—	—
LU	—	—	—
HU	—	—	—
MT	—	—	—
AT	—	—	—
PT	—	—	—
RO	—	—	—
SI	—	1 050	1 050
SK	—	—	—
UK	160	160	160

ANNEX XX

CORRELATION TABLE REFERRED TO IN ARTICLE 325(3)

Regulation (EC) No 1234/2007	This Regulation
Article 1	Article 1
Article 2	Article 2
Article 3	Article 3
Article 4	—
Article 5	Articles 4 and 5
Article 6	Article 6
Article 7	Article 7
Article 8	Article 8
Article 9	Article 9
Article 10	Article 10
Article 11	Article 11
Article 12	Article 12
Article 13	Article 13
Article 14	—
Article 15	—
Article 16	—
Article 17	—
Article 18(1) to (4)	Article 14
Article 18(5)	—
Article 19	—
Article 20	—
Article 21	—
Article 22	—
Article 23	—
Article 24	—
Article 25	Article 15
Article 26	Article 16
Article 27	Article 17
Article 28	Article 20
Article 29	Article 21
Article 30	—

Article 31	Article 22
Article 32	Article 23
Article 33	Article 24
Article 34	Article 25
Article 35	—
Article 36	—
Article 37	Article 26
Article 38	Article 27
Article 39	Article 28
Article 40	Article 29
Article 41	Article 30
Article 42	Article 34
Article 43(a) to (f), (i), (j) and (l)	Articles 31, 32 and 33
Article 43(k)	Article 30(1)
Article 43(g) and (h)	Article 80
Article 43(m)	Articles 35 and 36
Article 44	Article 37
Article 45	Article 38
Article 46	Article 39
Article 47	Article 40
Article 48	Article 41
Article 49	Article 42
Article 50	Article 43
Article 51	Article 44
Article 52	Article 45
Article 52a	—
Article 53	Article 46
Article 54	Articles 47 and 48
Article 55	Article 49
Article 56	Article 50
Article 57	Article 51
Article 58	—
Article 59(1), first sentence	Article 52
Article 59(1), second sentence and (2)	—
Article 60(1) to (3)	Article 53

Article 60(4)	—
Article 61	Article 54
Article 62	Article 55
Article 63	Article 56
Article 64	Article 57
Article 65	Article 58
Article 66(1)	Article 59(1)
Article 66(2)	Article 59(2)
Article 66(3)	Article 59(3)
Article 66(4)	—
Article 66(5)	Article 59(4)
	Article 59(5)
Article 67	Article 60
Article 68	Article 61
Article 69	Article 62(1) and (2)
	Article 62(3)
Article 70(1) to (5), first subparagraph	Article 63
Article 70(5), last subparagraph	—
Article 71	Article 64
Article 72	Article 65
Article 73	Article 66
Article 74	Article 67
Article 75	Article 68
Article 76	Article 69
Article 77	Article 70
Article 78	Article 71
Article 79	Article 72
Article 80	Article 73(1)
Article 81	Article 74
Article 82, first subparagraph	Article 75
Article 82, second subparagraph	Article 81(i)
Article 83(1) to (3)	Article 76
Article 83(4)	Article 81(d)
Article 84	Article 77
Article 84a	[Article 325(2)]

Article 85(a), (b) and (c)	Articles 78 and 79
Article 85(d)	—
Article 85a	Article 80
Article 85b	Article 81
Article 85c	Article 82
Article 85d	Article 83
Article 85e	Article 84
Article 85f	Article 85
Article 85g	Articles 86 and 87
Article 85h	Article 88
Article 85i	Article 89
Article 85j	Article 90
Article 85k	Article 91
Article 85l	Article 92
Article 85m	Article 93
Article 85n	Article 94
Articles 85o to 85x	Article 95
Articles 86 to 90	Articles 96 and 97
Article 91 to 95	[Article 325(2)]
Article 95a	[Article 325(2)]
Article 96	[Article 325(2)]
Article 97	[Article 325(2)]
Article 98	—
Article 99	Article 99
Article 100	Article 100
Article 101	Articles 101, 103 and 104
Article 102	Articles 102, 103 and 104
Article 102a	—
Article 103	Articles 108, 109 and 110
Article 103a	Articles 111, 112 and 113
Article 103b	Articles 114, 115 and 116
Article 103c	Articles 117, 118 and 119
Article 103d	Article 120
	Article 121
	Article 122

Article 103e	Article 123
Article 103f	Article 124
Article 103g	Article 125
Article 103ga	Article 128
Article 103h(a) to (i)	Articles 126 and 127
Article 103h(f)	Articles 129 and 130
Article 103i	Article 131
Article 103j	Article 132
Article 103k	Article 133
Article 103l	Article 134
Article 103m	Article 135
Article 103n	Article 136
Article 103o	Article 137
Article 103p	Article 138
Article 103q	Article 139
Article 103r	Article 140
Article 103s	Article 141
Article 103t	Article 142
Article 103u	Article 143
Article 103v	Article 144
Articles 103w to 103y	[Article 325(2)]
Article 103z	Article 145
Article 103za	Articles 146 and 147
Article 104	-
Article 105	Article 148
Article 106	Article 149
Article 107	Article 150
Article 108	Article 151
Article 109	Article 152
Article 110	Articles 153 and 154
Article 111	Article 155(1), (2) and (4)
[Council Regulation (EEC) No 922/72]	Article 155(3)
Article 112	Articles 156 and 157
Article 113(1)	Articles 162(1) and (2) and 172(d)
Article 113(2)(a)	Article 162(3)

Article 113(2)(b)	Article 162(2)
Article 113(3) first sub-paragraph	Article 161
Article 113(3) second sub-paragraph	Article 171
Article 113a	[Article 325(2)]
Article 113b(1)	Article 163(1) in conjunction with Annex XII, Part I
Article 113b(2)	Annex XII, Part I(II)(4)
Article 113c	Article 98
Article 113d(1) first sub-paragraph	Article 163(2)
Article 113d(1) second sub-paragraph	Annex XII, Part II(1) fifth sub-paragraph
Article 113d(2)	Article 163(3)
Article 113d(3)	Article 167
Article 114	[Article 325(2)]
Article 115	[Article 325(2)]
Article 116	[Article 325(2)]
Article 117(1) to (4)	[Article 325(2)]
Article 117(5)	Article 162(1)
Article 118	Article 163(2) in conjunction with Annex XII, Part VII first and second subparagraphs
Article 118a	Article 173
Article 118b	Article 174
Article 118c	Article 175
Article 118d	Article 176
Article 118e	Article 177
Article 118f	Article 178
Article 118g	Article 179
Article 118h	Article 180
Article 118i	Article 181
Article 118j	Article 182
Article 118k	Article 183
Article 118l	Article 184
Article 118m	Article 185
Article 118n	Article 186
Article 118o	Article 187
Article 118p	Article 188

Article 118q	Article 189
Article 118r	Article 190
Article 118s	Article 191
Article 118t	Article 192
Article 118u	Article 196
Article 118v	Article 197
Article 118w	Article 201
Article 118x	Article 202
Article 118y	Article 203
Article 118z	Article 204
Article 118za	Article 205
Article 118zb	Article 206
Article 119	Article 105(1)
Article 120	Articles 162(2)(e) and (g) and 172(d)
Article 120a	Article 166
Article 120b	-
Article 120c	Article 165(2)
Article 120d	Article 168(2)
Article 120e(1)	Articles 162(2)(g) and (n) and 172(d)
Article 120e(2)	Article 168(3)
Article 120f	Article 165(3)
Article 120g	Articles 165(1) and 172(d)
Article 121(a)(i)	Articles 162(1) and 172(d)
Article 121(a)(ii)	Articles 162(2)(d) and 172(d)
Article 121(a)(iii)	Articles 161 and 169
Article 121(a)(iv)	Articles 163(2) and 172(d)
Article 121(b)(i)	Article 172(b) and (c)
Article 121(b)(ii)	Articles 163(3) and 172(b) and (c)
Article 121 (c) (i)	Article 172(b) and (c)
Article 121 (c) (ii)	Article 172(d)
Article 121(c)(iii)	Article 172(d)
Article 121(c) (iv)	Articles 162(2)(u) and 172(d)
Article 121(d)(i)	Articles 162(2)(a) and 172(d)
Article 121(d)(ii)	Articles 162(2)(k) and 172(d)
Article 121(d)(iii)	Articles 162(2)(e) and 172(d)

Article 121(d)(iv)	Articles 162(2)(b) and 172(d)
Article 121(d)(v)	Articles 162(2)(d) and 172(d)
Article 121(d)(vi)	Articles 179 and 172(i)
Article 121(d)(vii)	Articles 162(2)(g) and 172(d)
Article 121(e)(i)	Articles 162(2)(a) and 172(d)
Article 121(e)(ii)	Articles 162(2)(a) and 172(d)
Article 121(e)(iii)	Articles 162(2)(b) and 172(d)
Article 121(e)(iv)	Articles 162(2)(d) and (p) and 172(d)
Article 121(e)(v)	Articles 162(2)(d), (g) and (i) and 172(d)
Article 121(e)(vi)	Articles 162(1) and (2)(s) and 172(d)
Article 121(e)(vii)	Articles 162(2)(m) and (n) and 172(d)
Article 121(f)(i)	Articles 162(2)(a) and 172(d)
Article 121(f)(ii)	Articles 162(2)(a) and 172(d)
Article 121(f)(iii)	Articles 162(2)(d), 169 and 172(d)
Article 121(f)(iv)	Articles 162(2)(p) and 172(d)
Article 121(f)(v)	Articles 162(2)(o) and 172(d)
Article 121(f)(vi)	Articles 162(2)(u) and 172(d)
Article 121(f)(vii)	Articles 162(2)(p) and 172(d)
Article 121(g)	Articles 162(2)(e) and 172(d)
Article 121(h)	Article 172(d)
Article 121(i)	Articles 106 and 107
Article 121(j)(i)	Articles 162(2)(d) and 172(d)
Article 121(j)(ii)	Articles 169 and 172(d)
Article 121(k)	Articles 193, 194 and 195
Article 121(l)	Articles 198, 199 and 200
Article 121(m)	Articles 207 and 208
Article 121(2)	Articles 162(3) and 172(b) and (c)
Article 121(3)	Articles 162(2)(g) and 172(d)
Article 121(4)(a)	-
Article 121(4)(b)	Article 162(2)(g) and (n)
Article 121(4)(c)	Article 162(2)(g) and (n)
Article 121(4)(d)	Article 162(2)(h)
Article 121(4)(e)	Article 162(2)(f)
Article 121(4)(f)	Article 162(2)(g)
Article 121(4)(g)	Article 162(2)(s)

Article 122	Article 209
Article 123	Article 209(a)(iv)
Article 124	Article 210(1),(2) and (3)
Article 125	Article 210(4)
Article 125a	Article 211
Article 125b	Article 212
Article 125c	Article 213
Article 125d	Article 214
Article 125e	Article 215
Article 125f	Article 216
Article 125g	Article 217
Article 125h	Article 218
Article 125i	Article 219
Article 125j	Article 220
Article 125k	Article 221
Article 125l	Article 222
Article 125m	Article 223
Article 125n	Article 224
Article 125o	Article 225
Article 126	Article 226
Article 127	Article 227
Article 128	Article 228
Article 129	Article 229
Article 130	Article 230
Article 131	Article 231
Article 132	Article 232
Article 133	Article 233
Article 133a	Article 234
Article 134	Article 235
Article 135	Article 236
Article 136	Article 237
Article 137	Articles 238 and 239
	Article 240
	Article 241
	Article 242

Article 138	Article 243
Article 139	Article 244
Article 140	Article 245
Article 140a	Article 246
Article 141	Article 247
Article 142	Article 248
Article 143	Articles 249 and 250
Article 144	Article 251
Article 145	Article 254(1)(a)
Article 146	Article 252
Article 147	-
Article 148	Articles 253, 254 and 255
Article 149	Article 256
Article 150	Article 257
Article 151	Article 258
Article 152	Article 259
Article 153(1), (2) and (3)	Article 260
Article 153(4)	-
Article 154	-
Article 155	-
Article 156	Articles 261 and 262
Article 157	Article 263
Article 158	Article 264
Article 158a	Articles 170 and 172
Article 159	Article 265
Article 160	Article 266
Article 161	Articles 267, 268, 269 and 270
Article 162	Article 271
Article 163	Article 272
Article 164(1) and (2)	Article 273
Article 164(3) and (4)	[Article 43(3) Reg]
Article 165	[Article 43(3) Reg]
Article 166	[Article 43(3) Reg]
Article 167	Article 274
Article 168	Article 275

Article 169	Article 276
Article 170	Article 277 and 278
Article 171	Article 279
Article 172	Article 280
Article 173	Article 281
Article 174	Article 282
Article 175	Article 283
Article 176	Article 284
Article 176a	Article 285
Article 177	Article 286
	Article 287
Article 178	Article 288
Article 179	Article 289
Article 180	Article 290
Article 181	Article 291(1)
Article 182(1)	Article 292
Article 182(2)	-
Article 182(3)	Article 293
Article 182(4)	Article 294
Article 182(5)	Article 295
Article 182(6)	Article 296
Article 182(7)	Article 291(2)
Article 182a	Article 297
Article 183	Article 309
	Article 310
	Article 311
Article 184	Article 302(1) to (7)
	Article 302(8)
Article 185	Article 303
Article 185a	Article 304
Article 185b	Article 305
Article 185c	Article 306
Article 185d	Article 307
Article 186	Article 298

Article 187	Article 299
Article 188	Articles 300 and 301
Article 188a(1),(2), (5), (6) and (7)	Article 302
Article 188a(3) and (4)	[Article 325(2)]
Article 189	Article 312
Article 190	Article 313
Article 190a	Article 314
Article 191	Article 315
Article 192	Article 316
Article 193	Article 317
Article 194	Article 318
Article 194a	Article 319
	Article 320
	Article 321
	Article 322
Article 195	Article 323
Article 196	Article 324
Article 197	—
Article 198	—
Article 199	—
Article 200	—
Article 201	Article 325
	Article 326
Article 202	—
Article 203	—
Article 203a	Article 327
Article 203b	Article 328
Article 204	Article 329
Annex I	Annex I
Annex II	Annex II
Annex III	Annex III
Annex IV	Annex IV
Annex V	Annex V
Annex VI	Annex VI
Annex VII	-

Annex VIIa	-
Annex VIIb	-
Annex VIIc	-
Annex VIII	Annex VII
Annex IX	Annex VIII
Annex X	Annex IX
Annex Xa	- -
Annex Xb	Annex X
Annex Xc	Annex XIX
Annex Xd	-
Annex Xe	-
Annex XI	-
	Annex XI
Annex XIa(I)	Annex XII, Part I(I) first sub-paragraph
Annex XIa(II) first sub-paragraph	Annex XII, Part I(I) second sub-paragraph
Annex XIa(II) second sub-paragraph	-
Annex XIa(III)(1)	Annex XII first paragraph
Annex XIa(III)(2)	Annex XII, Part II(1)
Annex XIa(III)(3)	Annex XII, Part II(2)
Annex XIa(III)(4)	Annex XII, Part II(3)
Annex XIa(IV) to (IX)	[Article 325(2)]
Annex XIb	Annex XII, Part II
Appendix to Annex XIb	Appendix to Annex XII, Part II
Annex XII(I)	-
Annex XII(II)(1)	Annex XII, Part III(1)
Annex XII(II)(2)	Annex XII, Part III(2)
Annex XII(II)(3)	Annex XII, Part III(3)
Annex XII(II)(4)	Annex XII, Part III(4)
Annex XII(III)(1)	Annex XII, Part III(5)
Annex XII(III)(2)	Annex XII, Part III(6)
Annex XII(IV)(1)	Article 172(b) and (c)
Annex XII(IV)(2)	[Article 325(2)]
Annex XIII(I)	Annex XII, Part IV(I)
Annex XIII(II)	Annex XII, Part IV(II)
Annex XIII(III)	Annex XII, Part IV(III)

Annex XIII(IV)	Articles 161 and 163(2)
Annex XIII(V)	-
Annex XIII(VI) first sub-paragraph	-
Annex XIII(VI) second sub-paragraph	[Article 325(2)]
Annex XIV(A)	Articles 162(1), (2)(b) and (d), 169 and 172(d)
Annex XIV(B)(I)(1)	Annex XII, PartV(I)
Annex XIV(B)(I)(2) and (3)	Articles 162(1) and 172(d)
Annex XIV(B)(II)	Annex XII, PartV(II)
Annex XIV (B)(III) and (C)	[Article 325(2)]
Annex XV(I)(1)	Annex XII, Part VI first sub-paragraph
Annex XV(I)(2) first and second sub-paragraphs	Annex XII, PartVI second and third sub-paragraph
Annex XV(I)(2) third sub-paragraph	Annex XII, Part VI sixthsub-paragraph
Annex XV(II),(III) and (VI)	[Article 325(2)]
Annex XV(IV)(1)	Article 168(1)
Annex XV(IV)(2) and (3)	[Article 325(2)]
Annex XV(V)	Articles 161 and 163(2)
Annex XV(VI)	[Article 325(2)]
Appendix to Annex XV	Annex XII, Part VI seventh sub-paragraph
Annex XVa	Annex XIII, Part I
Annex XVb	Annex XIII, Part II
Annex XVI	Annex XII, Part VII
Annex XVIa	Annex XIV
Annex XVII	Annex XV
Annex XVIII	Annex XVI
Annex XIX	-
Annex XX	Annex XVII
Annex XXI	Annex XVIII
Annex XXII	-
	Annex XX