

**REGULATION (EU) No 1308/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL
of 17 December 2013**

**establishing a common organisation of the markets in agricultural products and repealing Council
Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/2001 and (EC) No 1234/2007**

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 Commission,

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

Having regard to the opinion of the Court of Auditors ⁽¹⁾,

Having regard to the opinions of the European Economic and Social Committee ⁽²⁾,

Having regard to the opinion of the Committee of the Regions ⁽³⁾,

Acting in accordance with the ordinary legislative procedure ⁽⁴⁾,

Whereas:

(1) The Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions entitled "The CAP towards 2020: Meeting the food, natural resources and territorial challenges of the future" sets out potential challenges, objectives and orientations for the Common Agricultural Policy ("the CAP") after 2013. In the light of the debate on that Communication, the CAP should be reformed with effect from 1 January 2014. That reform should cover all the main instruments of the CAP, including Council Regulation (EC) No 1234/2007 ⁽⁵⁾. In view of the scope of the reform, it is appropriate to repeal that Regulation and to replace it with a new regulation on the common organisation of the markets in agricultural products. The reform should also, as far as possible, harmonise, streamline and simplify the provisions, particularly

those covering more than one agricultural sector, including by ensuring that non-essential elements of measures may be adopted by the Commission by way of delegated acts.

(2) This Regulation should contain all the basic elements of the common organisation of the markets in agricultural products.

(3) This Regulation should apply to all agricultural products listed in Annex I to the Treaty on the European Union (TEU) and to the Treaty on the Functioning of the European Union (TFEU) (together, "the Treaties") in order to ensure the existence of a common organisation of the market for all such products, as required by Article 40(1) TFEU.

(4) It should be clarified that Regulation (EU) No 1306/2013 of the European Parliament and of the Council ⁽⁶⁾ and the provisions adopted pursuant to it should in principle apply to the measures set out in this Regulation. In particular, Regulation (EU) No 1306/2013 lays down provisions guaranteeing compliance with obligations laid down by provisions relating to the CAP, including 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 and the recovery of undue payments.

(5) Pursuant to Article 43(3) TFEU, the Council is to adopt measures on fixing prices, levies, aid and quantitative limitations. In the interest of clarity, where Article 43(3) TFEU applies, this Regulation should explicitly refer to the fact that measures will be adopted by the Council on that legal basis.

(6) In order to supplement or amend certain non-essential elements of this Regulation, the power to adopt acts in accordance with Article 290 TFEU should be delegated to the Commission. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level. The Commission, when preparing and drawing up delegated acts, should ensure a simultaneous, timely and appropriate transmission of relevant documents to the European Parliament and to the Council.

⁽¹⁾ Opinion of 8 March 2012 (not yet published in the Official Journal).

⁽²⁾ OJ C 191, 29.6.2012, p. 116, and OJ C 44, 15.2.2013, p. 158.

⁽³⁾ OJ C 225, 27.7.2012, p. 174.

⁽⁴⁾ Position of the European Parliament of 20 November 2013 (not yet published in the Official Journal).

⁽⁵⁾ 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) (OJ L 299, 16.11.2007, p. 1).

⁽⁶⁾ Regulation (EU) No 1306/2013 of the European Parliament and of Council of 17 December 2013 on the financing, management and monitoring of the common agricultural policy and repealing Council Regulations (EEC) No 352/78, (EC) No 165/94, (EC) No 2799/98, (EC) No 814/2000, (EC) No 1290/2005 and (EC) No 485/2008 (See page 549 of this Official Journal).

- (7) Certain definitions concerning certain sectors should be set out in this Regulation. In order to take into account the specific characteristics of the rice sector, the power to adopt certain acts should be delegated to the Commission in respect of amending the definitions concerning the rice sector to the extent necessary to update them in the light of market developments.
- (8) This Regulation refers to the description of products and contains references to the headings or subheadings of the combined nomenclature. Amendments to the Common Customs Tariff nomenclature may necessitate consequential technical adjustments to this Regulation. In order to take into account such amendments, the power to adopt certain acts should be delegated to the Commission in respect of making the necessary technical adjustments. In the interests of clarity and simplicity, Council Regulation (EEC) No 234/79 ⁽¹⁾, which currently provides for such a power, should be repealed and the power integrated into this Regulation.
- (9) Marketing years should be fixed for cereals, rice, sugar, dried fodder, seeds, wine, olive oil and table olives, flax and hemp, fruit and vegetables, processed fruit and vegetables, bananas, milk and milk products, and silkworms, and adapted as far as possible to the biological production cycles of each of those products.
- (10) In order to stabilise the markets and to ensure a fair standard of living for the agricultural community, a differentiated system of market support for the different sectors has been developed and direct support schemes have been introduced, taking into account 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 the payment of aid for private storage. There continues to be a need to maintain market support measures whilst streamlining and simplifying them.
- (11) Union scales for the classification, identification and presentation of carcasses in the beef and veal, pigmeat and sheepmeat and goatmeat sectors should be fixed for the purpose of recording prices and applying the intervention arrangements in those sectors. Moreover, such Union scales pursue the objective of improving market transparency.
- (12) For the sake of clarity and transparency, the provisions on public intervention 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 thresholds and intervention prices and to define the latter. In doing so, it is particularly important to clarify that only intervention prices for public intervention correspond to the applied administered prices referred to in the first sentence of paragraph 8 of Annex 3 to the WTO Agreement on Agriculture (i.e. market price support). In this context, it should be understood that market intervention can take the form of public intervention, as well as of other forms of intervention that do not use ex-ante established price indications.
- (13) As appropriate to each sector concerned in the light of the practice and experience under previous common organisations of the markets (CMOs), the system of public intervention should be available during certain periods of the year and should, during those periods, either be open on a permanent basis or be opened depending on market prices.
- (14) Public intervention price should consist of a fixed price for certain quantities for some products and in other cases should depend on tendering, reflecting the practice and experience under previous CMOs.
- (15) This Regulation should provide for the possibility of disposal of products bought in public intervention. Such measures should be taken in a way that avoids market disturbances and that ensures equal access to goods and equal treatment of purchasers.
- (16) The existing scheme for food distribution to the most deprived in the Union adopted under the CAP should be the subject of a separate Regulation adopted to reflect the social cohesion objectives of that scheme. Provision should nevertheless be made in this Regulation to allow for the disposal of products held in public intervention by making them available for use in that scheme.
- (17) To achieve the aim of balancing the market and stabilising the market prices, it may be necessary to grant aid for private storage of specific agricultural products. In order to provide for market transparency, the power to adopt certain acts should be delegated to the Commission in respect of laying down the conditions under which it may decide to grant private storage aid, taking into account the market situation.
- (18) In order to ensure that products bought in under public intervention or subject to aid for private storage are suitable for long-term storage and are of sound, fair and marketable quality, and in order to take into account the specific characteristics of the different sectors for the purposes of ensuring the cost-effective operation of public intervention and private storage, the power to adopt certain acts should be delegated to

⁽¹⁾ Council Regulation (EEC) No 234/79 of 5 February 1979 on the procedure for adjusting the Common Customs Tariff nomenclature used for agricultural products (OJ L 34, 9.2.1979, p. 2).

- the Commission in respect of laying down the requirements and conditions to be met by those products concerning their quality and eligibility, in addition to the requirements laid down in this Regulation.
- (19) In order to take account of the specific characteristics of the cereals and paddy rice sectors, the power to adopt certain acts should be delegated to the Commission in respect of laying down the quality criteria as regards buying-in and sales of those products.
- (20) In order to ensure appropriate storage capacity and the efficiency of the public intervention system in terms of cost-effectiveness, distribution and access for operators, and in order to maintain the quality of products bought in under public intervention for their disposal at the end of the storage period, the power to adopt certain acts should be delegated to the Commission in respect of the requirements to be fulfilled by storage places for all products subject to public intervention, rules on the storage of products inside and outside the Member State responsible for them and their treatment as regards customs duties and any other amounts to be granted or levied under the CAP.
- (21) In order to ensure that private storage has the desired effect on the market, the power to adopt certain acts should be delegated to the Commission in respect of rules and conditions applicable where the quantity stored is lower than the contracted quantity; the conditions for granting an advance payment; and the conditions applicable to the re-marketing and disposal of products covered by private storage contracts.
- (22) In order to ensure the proper functioning of the public intervention and private storage systems, the power to adopt certain acts should be delegated to the Commission in respect of providing for the use of tendering procedures, and laying down additional conditions to be fulfilled by operators and a requirement for them to lodge a security.
- (23) In order to take account of technical developments and of the needs of the beef and veal, pigmeat and sheepmeat and goatmeat sectors, as well as of the need to standardise the presentation of the different products for the purposes of improving market transparency, price recording and the application of the market intervention measures, the power to adopt certain acts should be delegated to the Commission in respect of adapting and updating Union scales for the classification of carcasses in those sectors, as well as in respect of laying down certain related additional provisions and derogations.
- (24) The consumption of fruit and vegetables, as well as of milk and milk products by school children should be encouraged with a view to durably increasing the share of those products in the diets of children at the stage when their eating habits are being formed, thereby contributing to the achievement of the objectives of the CAP in particular stabilising markets and ensuring the availability of both current and future supplies. Union aid to finance or co-finance the supply to children in educational establishments of such products should therefore be promoted.
- (25) In order to ensure a sound budgetary management of the Union school fruit and vegetables scheme and school milk scheme, appropriate provisions for each one should be established. Union aid should not be used to replace funding for any existing national school fruit and vegetables schemes and school milk schemes. In the light of budgetary constraints, Member States should nonetheless be able to replace their financial contribution to those schemes with contributions from the private sector. In order to make their school fruit and vegetables schemes effective, accompanying measures may be necessary for which they should be allowed to grant national aid. Member States participating in the schemes should publicise the subsidising role of the Union aid.
- (26) In order to promote the healthy eating habits of children and to ensure that the aid is targeted at children in regular attendance at educational establishments administered or recognised by Member States, the power to adopt certain acts should be delegated to the Commission in respect of the school fruit and vegetables scheme concerning the additional criteria related to the targeting of aid, the approval and selection of aid applicants and the drawing-up of national or regional strategies and on accompanying measures.
- (27) In order to ensure the efficient and targeted use of Union funds, the power to adopt certain acts should be delegated to the Commission in respect of the school fruit and vegetables scheme concerning the method for reallocating aid between Member States on the basis of requests for aid applications received, the costs eligible for Union aid, including the possibility of fixing an overall ceiling for such costs, and the obligation for Member States to monitor and evaluate the effectiveness of their school fruit and vegetables schemes.
- (28) In order to promote awareness of the school fruit and vegetables scheme, the power to adopt certain acts should be delegated to the Commission in respect of requiring participating Member States with a school fruit and vegetables scheme to publicise the subsidising role of the Union aid.

- (29) In order to take into account the evolution in consumption patterns for dairy products, the innovations and developments on the dairy products market, the availability of products on the different markets of the Union and nutritional aspects, the power to adopt certain acts should be delegated to the Commission in respect of the school milk scheme in respect of the products that are eligible for the scheme, the Member States' national or regional strategies, including accompanying measures where applicable, and the monitoring and evaluation of the scheme.
- (30) In order to ensure that the appropriate beneficiaries and applicants qualify for Union aid and that it is used efficiently and effectively, the power to adopt certain acts should be delegated to the Commission in respect of the rules on the beneficiaries and applicants eligible for the aid, the requirement for applicants to be approved by Member States, and the use of dairy products in the preparation of meals in educational establishments.
- (31) In order to ensure that aid applicants respect their obligations, the power to adopt certain acts should be delegated to the Commission in respect of the requirement to lodge a security where an advance of aid is paid.
- (32) In order to promote awareness of the school milk scheme, the power to adopt certain acts should be delegated to the Commission in respect of the conditions in accordance with which Member States are to publicise their participation in that scheme and the fact that it is subsidised by the Union.
- (33) In order to ensure that the aid is reflected in the price of the products, the power to adopt certain acts should be delegated to the Commission in respect of the establishment of price monitoring under the school milk scheme.
- (34) Union financing is required to encourage recognised producer organisations, associations of producer organisations or interbranch organisations to draw up work programmes for the purpose of improving the production and marketing 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 respective work programmes. However, co-financing should be reduced in order to improve the efficiency of such programmes.
- (35) In order to ensure the efficient and effective use of the Union aid granted to producer organisations, associations of producer organisations or interbranch organisations in the olive oil and table olives sector and in order to improve the production quality of olive oil and table olives, the power to adopt certain acts should be delegated to the Commission in respect of the specific measures that can be financed by the Union aid and the activities and costs that cannot be so financed; the minimum allocation of Union financing to specific areas; the requirement to lodge a security; and the criteria to be taken into account by Member States in the selection and approval of work programmes.
- (36) This Regulation should make a distinction between fruit and vegetables on the one hand, comprising fruit and vegetables for direct consumption and fruit and vegetables intended for processing, and processed fruit and vegetables on the other hand. Rules on operational funds, operational programmes and Union financial assistance should only apply to the first category, and both types of fruit and vegetables within that category should be treated in a similar way.
- (37) 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 established and those measures should continue to be integrated into operational programmes.
- (38) The production and marketing of fruit and vegetables should fully take into account environmental concerns, including cultivation practices, management of waste materials and disposal of products withdrawn from the market, in particular as regards protection of water quality, maintenance of biodiversity and the upkeep of the countryside.
- (39) Support for setting up producer groups should be provided for all sectors in all Member States under rural development policy. The specific support in the fruit and vegetables sector should therefore be discontinued.
- (40) In order to give producer organisations and their associations in the fruit and vegetables sector greater responsibility for their financial decisions and to direct the public resources assigned to them towards future requirements, terms should be set out for the use of those resources. Joint financing of operational funds set up by producer organisations and their associations 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 and their associations that establish operational funds.

- (41) In regions where the organisation of production in the fruit and vegetables sector is weak, granting of additional national financial contributions should be allowed. In the case of Member States which are at a particular disadvantage with regard to structures, such contributions should be reimbursed by the Union.
- (42) In order to ensure an efficient, targeted and sustainable support of producer organisations and their associations in the fruit and vegetables sector, the power to adopt certain acts should be delegated to the Commission in respect of operational funds and operational programmes, the national framework and national strategy for operational programmes concerning the obligation to monitor and evaluate the effectiveness of the national framework and the national strategies; Union financial assistance; crisis prevention and management measures; and national financial assistance.
- (43) It is important to provide for support measures in the wine sector which strengthen competitive structures. While those measures should be defined and financed by the Union, it should be left to Member States to select an appropriate set of measures to meet the needs of their regional bodies, taking into account their particularities, where necessary, as well as integrate them into national support programmes. Member States should be responsible for the implementation of such programmes.
- (44) One key measure eligible for national support programmes should be the promotion and marketing of Union wines. Support for innovation can increase the marketability and competitiveness of Union grapevine products. 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. 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 protecting the environment.
- (45) 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.
- (46) The provisions on support to vine-growers by way of allocation of payment entitlements as decided by Member States were made definitive from the financial year 2015 under Article 103n of Regulation (EC) No 1234/2007 and subject to the conditions set out in that provision.
- (47) In order to ensure that Member States' wine support programmes meet their objectives and that there is an efficient and effective use of the Union funds, the power to adopt certain acts should be delegated to the Commission in respect of: rules on the responsibility for expenditure between the date of receipt by the Commission of the support programmes and modifications to support programmes, and their date of applicability; rules on the content of support programmes and the expenditure, administrative and personnel costs and operations that may be included in Member States' support programmes and the conditions for, and the possibility to make, payments through intermediaries in the case of support for harvest insurance; rules on the requirement to lodge a security where an advance payment is made; rules on the use of certain terms; rules on the fixing of a ceiling for expenditure on the replanting of vineyards for health or phytosanitary reasons; rules on the avoidance of double funding of projects; rules under which producers are to withdraw the by-products of winemaking, and on exceptions to that obligation in order to avoid additional administrative burden, and rules for the voluntary certification of distillers; and rules allowing Member States to establish conditions for the proper functioning of support measures.
- (48) Beekeeping 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 increasing incidence on bee health of certain types of hive invasions, and in particular of the spread of varroasis in several Member States in recent years and the problems which that disease causes to 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 for the sector should be drawn up every three years 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.
- (49) The measures which may be included in the apiculture programmes should be specified. In order to ensure that the Union aid scheme is adapted to the latest developments and that the measures covered are effective in improving the general conditions for the production and marketing of apiculture products, the power to adopt certain acts should be delegated to the Commission in respect of updating the list of measures, by adapting existing measures or adding new measures.

- (50) In order to ensure the effective and efficient use of Union funds for apiculture, the power to adopt certain acts should be delegated to the Commission in respect of the avoidance of double funding between Member States' apiculture programmes and rural development programmes and the basis of the allocation of the Union's financial contribution to each participating Member State.
- (51) In accordance with Council Regulation (EC) No 73/2009 ⁽¹⁾, 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. In order to ensure that the aids finance the aims of producer organisations, as set out in this Regulation, the power to adopt certain acts should be delegated to the Commission in respect of aid applications, rules on eligible hop areas and the calculation of aids.
- (52) Union aid for silkworm rearing should be decoupled and integrated into the direct payments system following the approach taken for aids in other sectors.
- (53) The aid for Union-produced skimmed milk and skimmed-milk powder intended for use as a feedingstuff and for processing into casein and caseinates has not proved effective in supporting the market and should therefore be discontinued, along with the rules concerning the use of casein and caseinates in the manufacture of cheese.
- (54) The decision to end the transitional prohibition on planting vines at Union level is justified by the attainment of the main objectives of the reform of the Union wine market organisation in 2008, in particular by the end of the long-standing structural surplus of wine production and the progressive improvement of competitiveness and market orientation of the wine sector in the Union. Such positive developments have resulted from a marked decrease of vine areas across the Union, the exit of less competitive producers and the phasing-out of certain market support measures removing the incentive for investments without economic viability. The reduction of supply capacity and the support for structural measures and promotion of wine exports have enabled a better adaptation to decreasing demand at Union level, resulting from a progressive decrease in consumption in traditional wine-producing Member States.
- (55) However, the perspectives of progressive growth of demand at world market level provide an incentive to increase supply capacity, and therefore to plant new vines, over the next decade. While the key objective of increasing the competitiveness of the Union wine sector should be pursued in order not to lose market share in the world market, an excessively rapid increase in new vine plantings in response to forecasted development in international demand may lead again to a situation of excessive supply capacity in the medium-term, with possible social and environmental effects in specific wine production areas. In order to ensure an orderly growth of vine plantings during the period between 2016 and 2030, a new system for the management of vine plantings should be established at Union level, in the form of a scheme of authorisations for vine plantings.
- (56) Under this new system, authorisations for vine plantings may be granted without a cost being charged to producers, and should expire after three years if they are not used. This would contribute to the swift and direct use of the authorisations by the wine producers to whom they are granted, thereby avoiding speculation.
- (57) The growth of new vine plantings should be framed by a safeguard mechanism at Union level based on the obligation for Member States, on an annual basis, to make available authorisations for new plantings representing 1 % of the planted vine areas, while allowing for certain flexibility in order to respond to the specific circumstances of each Member State. Member States should be able to decide whether to make available smaller areas at national or regional levels, including at the level of areas eligible for specific protected designations of origin and protected geographical indications, on the basis of objective and non-discriminatory reasons, while ensuring the limitations imposed are above 0 % and are not overrestrictive in relation to the objectives pursued.
- (58) In order to guarantee that authorisations are granted in a non-discriminatory manner, certain criteria should be laid down, and in particular where the total number of hectares made available by the authorisations offered by Member States is exceeded by the total number of hectares requested in the applications submitted by producers.

⁽¹⁾ 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 1782/2003 (OJ L 30, 31.1.2009, p. 16).

- (59) The granting of authorisations to producers grubbing up an existing vine area should be automatic upon submission of an application and independently of the safeguard mechanism for new plantings, since it does not contribute to the overall increase of vine areas. In specific areas eligible for the production of wines with a protected designation of origin or a protected geographical indication, Member States should have the possibility of restricting the granting of such authorisations for replantings on the basis of recommendations of recognised and representative professional organisations.
- (60) This new scheme of authorisations for vine plantings should not apply to Member States not applying the Union transitional planting rights regime and should be optional for those Member States where, although the planting rights apply, the vine planting area is below a certain threshold.
- (61) Transitional provisions should be laid down in order to ensure a smooth transition from the former planting rights regime to the new scheme, in particular in order to avoid excessive plantings before the start of the new scheme. Member States should have a certain flexibility to decide on the deadline for the submission of requests for conversion of planting rights into authorisations from 31 December 2015 to 31 December 2020.
- (62) In order to ensure a harmonised and effective implementation of the new scheme of authorisations for vine plantings, the power to adopt certain acts should be delegated to the Commission in respect of the conditions for the exemption of certain vine plantings from the scheme, the rules relating to the eligibility and priority criteria, the addition of eligibility and priority criteria, the co-existence of vines to be grubbed up with newly planted vines, and the grounds on which Member States may restrict the granting of authorisations for replantings.
- (63) The control of non-authorised plantings should be carried out effectively in order to ensure the compliance with the rules for the new scheme.
- (64) The application of standards for the marketing of agricultural products can contribute to improving the economic conditions for the production and marketing and the quality of such products. The application of such standards is therefore in the interest of producers, traders and consumers.
- (65) Following the Communication from the Commission on agricultural product quality policy and subsequent debates, it is appropriate to maintain marketing standards by sectors or products, in order to take into account the expectations of consumers and to contribute to the improvement of the economic conditions for the production and marketing of agricultural products and their quality.
- (66) Provisions of a horizontal nature should be established for marketing standards.
- (67) Marketing standards should be divided between obligatory rules for specific sectors or products and optional reserved terms to be established on a sectoral or product basis.
- (68) Marketing standards should, in principle, apply to all agricultural products concerned that are marketed in the Union.
- (69) The sectors and products for which marketing standards may apply should be listed in this Regulation. However, in order to take account of the expectations of consumers and of the need to improve the quality of agricultural products and the economic conditions for their production and marketing, the power to adopt certain acts should be delegated to the Commission in respect of amending that list, subject to strict conditions.
- (70) In order to take account of the expectations of consumers and to improve the economic conditions for the production and marketing as well as the quality of certain agricultural products, and in order to adapt to constantly changing market conditions, evolving consumer demands, and developments in relevant international standards, and in order to avoid creating obstacles to product innovation, the power to adopt certain acts should be delegated to the Commission in respect of adopting marketing standards by sectors or products, at all stages of the marketing, as well as derogations and exemptions from such standards. The marketing standards should take into account, inter alia, the natural and essential characteristics of the products concerned, thereby avoiding causing substantial changes in the ordinary composition of the product concerned. Moreover, the marketing standards should take into account the possible risk of consumers being misled, as a result of their expectations and perceptions. Any derogation or exemptions from the standards should not entail additional costs which should be borne solely by farmers.
- (71) Marketing standards should apply to enable the market to be easily supplied with products of a standardised and satisfactory quality, and in particular should relate to technical definitions, classification, presentation, marking and labelling, packaging, production method, conservation, storage, transport, related administrative documents, certification and time limits, restrictions of use and disposal.

- (72) Taking into account the interest of producers in communicating the product and farming characteristics, and the interest of consumers in receiving adequate and transparent product information, it should be possible to determine the place of farming and/or the place of origin, on a case-by-case basis at the appropriate geographical level, while taking into account the specific characteristics of some sectors, in particular concerning processed agricultural products.
- (73) Special rules should be provided in respect of products imported from third countries provided that national provisions in force in third countries justify derogations from the marketing standards and their equivalence to Union legislation is guaranteed. It is also appropriate to lay down rules relating to the application of the marketing standards applicable to the products exported from the Union.
- (74) Products of the fruit and vegetables sector intended to be sold fresh to the consumer should be marketed only if they are sound, fair and of marketable quality and if the country of origin is indicated. In order to ensure the proper application of that requirement and to take into account certain specific situations, the power to adopt certain acts should be delegated to the Commission in respect of specific derogations from that requirement.
- (75) A quality policy should be followed throughout the Union by applying a certification procedure for products of the hops sector and by prohibiting the marketing of those products for which a certificate has not been issued. In order to ensure the proper application of that requirement and to take into account certain specific situations, the power to adopt certain acts should be delegated to the Commission in respect of measures derogating from that requirement in order to satisfy the trade requirements of certain third countries or for products intended for special uses.
- (76) For certain sectors and products, definitions, designations and sales descriptions are important elements for determining the conditions of competition. Therefore, it is appropriate to lay down definitions, designations and sales descriptions 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.
- (77) In order to adapt the definitions and sales descriptions for certain products to needs resulting from evolving consumer demands, technical progress or the need for product innovation, the power to adopt certain acts should be delegated to the Commission in respect of modifications, derogations or exemptions to definitions and sales descriptions.
- (78) In order to ensure that operators and Member States have a clear and proper understanding of the definitions and sales descriptions laid down for certain sectors, the power to adopt certain acts should be delegated to the Commission in respect of the rules on their specification and application.
- (79) In order to take into account the specific characteristics of each product or sector, the different marketing stages, the technical conditions, any possible considerable practical difficulty, and also the accuracy and repeatability of the methods of analysis, the power to adopt certain acts should be delegated to the Commission concerning tolerance for one or more specific standards in excess of which the entire batch of products should be considered not to respect the standard.
- (80) Certain oenological practices and restrictions for the production of wine should be determined, 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 international standards, for further oenological practices, the Commission should take into account the oenological practices recommended by the International Organisation of Vine and Wine (OIV).
- (81) Rules should be laid down for the classification of wine grape varieties, according to which Member States producing more than 50 000 hectolitres per year should 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.
- (82) Member States should be able to maintain or adopt certain national rules on quality levels as regards spreadable fats.
- (83) For the wine sector, Member States should be allowed to limit or to exclude the use of certain oenological practices, should be allowed to keep more stringent restrictions for wines produced in their territory, and should allow the experimental use of unauthorised oenological practices.
- (84) In order to ensure the correct and transparent application of national rules for certain products and sectors as regards marketing standards, the power to adopt certain acts should be delegated to the Commission in respect of establishing conditions for the application of such marketing standards, as well as the conditions for the holding, circulation and use of the products obtained from experimental practices.

- (85) In addition to marketing standards, optional quality terms should be established in order to ensure that terms describing specific product characteristics, or farming or processing attributes are not misused in the market place and can be relied on by consumers to identify different qualities of product. In the light of the objectives of the present Regulation, and in the interest of clarity, existing optional quality terms should be listed in this Regulation.
- (86) Member States should be allowed to lay down rules concerning the disposal of wine products not complying with the requirements of this Regulation. In order to ensure the correct and transparent application of national rules concerning wine products, the power to adopt certain acts should be delegated to the Commission in respect of establishing conditions for the use of wine products not complying with the requirements of this Regulation.
- (87) In order to take into account the situation in the market and developments in marketing standards and in international standards, the power to adopt certain acts should be delegated to the Commission in respect of reserving an additional optional reserved term and laying down the conditions for its use, amending the conditions of use of an optional reserved term and cancelling an optional reserved term.
- (88) In order to take into account the characteristics of certain sectors and consumer expectations, the power to adopt certain acts should be delegated to the Commission in respect of laying down further details on the requirements for the introduction of an additional reserved term.
- (89) In order to ensure that products described by means of optional reserved terms conform to the applicable conditions of use, the power to adopt certain acts should be delegated to the Commission in respect of laying down additional rules on the use of optional reserved terms.
- (90) In order to take account of the specific characteristics of trade between the Union and certain third countries and the special character of certain agricultural products, the power to adopt certain acts should be delegated to the Commission concerning the conditions under which imported products are considered to have an equivalent level of conformity to the Union requirements concerning marketing standards, and which allow for measures derogating from the rules that products are to be marketed in the Union only in accordance with such standards and the rules relating to the application of the marketing standards to products exported from the Union.
- (91) Provisions concerning wine should be applied in the light of the international agreements concluded in accordance with the TFEU.
- (92) 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 through protected designations of origin and geographical indications. In order to allow for a transparent and more elaborate framework underpinning the claim by the products concerned to be of quality, a system should be established in which applications for a designation of origin or a geographical indication are examined in line with the approach followed by the Union's horizontal quality policy applicable to foodstuffs other than wine and spirits, set out in Regulation (EU) No 1151/2012 of the European Parliament and of the Council ⁽¹⁾.
- (93) In order to preserve the particular quality characteristics of wines with a protected designation of origin or a protected geographical indication, Member States should be allowed to apply more stringent rules.
- (94) To qualify for protection in the Union, designations of origin and geographical indications for wine should be recognised and registered at the Union level in accordance with procedural rules laid down by the Commission.
- (95) Protection should be open to designations of origin and geographical indications of third countries where they are protected in their country of origin.
- (96) The registration procedure should enable any natural or legal person having a legitimate interest in a Member State or a third country to exercise their rights by notifying their objections.
- (97) Registered designations of origin and geographical indications should be protected against uses which take advantage of the reputation enjoyed by complying products. So as to promote fair competition and not to mislead consumers, that protection should also extend to products and services not covered by this Regulation, including those not found in Annex I to the Treaties.
- (98) In order to take into account existing labelling practices, the power to adopt certain acts should be delegated to the Commission in respect of permitting the use of a name of a wine grape variety which contains or consists of a protected designation of origin or a protected geographical indication.

⁽¹⁾ Regulation (EU) No 1151/2012 of the European Parliament and of the Council of 21 November 2012 on quality schemes for agricultural products and foodstuffs (OJ L 343, 14.12.2012, p. 1).

- (99) In order to take into account the specific characteristics of the production in the demarcated geographical area, the power to adopt certain acts should be delegated to the Commission in respect of laying down the additional criteria for the demarcation of the geographical area, and the restrictions and derogations concerning the production in the demarcated geographical area.
- (100) In order to ensure product quality and traceability, the power to adopt certain acts should be delegated to the Commission in respect of the conditions under which product specifications may include additional requirements.
- (101) In order to ensure the protection of the legitimate rights or interests of producers and operators, the power to adopt certain acts should be delegated to the Commission in respect of the type of applicant that may apply for the protection of a designation of origin or geographical indication; the conditions to be followed in respect of an application for the protection of a designation of origin or geographical indication, scrutiny by the Commission, the objection procedure, and procedures for amendment, cancellation and conversion of protected designations of origin or protected geographical indication. That empowerment should also cover: the conditions applicable to trans-border applications; the conditions for applications relating to geographical areas in a third country; the date from which protection or an amendment to a protection applies; and the conditions relating to amendments to product specifications.
- (102) In order to ensure an adequate level of protection, the power to adopt certain acts should be delegated to the Commission in respect of restrictions regarding the protected name.
- (103) In order to ensure that economic operators and competent authorities are not unduly affected by the application of this Regulation to wine names which have been granted protection prior to 1 August 2009, or for which an application for protection has been made prior to that date, the power to adopt certain acts should be delegated to the Commission in respect of laying down transitional rules concerning such wine names, wines placed on the market or labelled before a specific date, and amendments to the product specifications.
- (104) Certain terms are traditionally used in the Union to convey information to consumers about the particularities and the quality of wines, complementing the information conveyed by protected designations of origin and geographical indications. In order 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.
- (105) In order to ensure an adequate level of protection, the power to adopt certain acts should be delegated to the Commission in respect of the language and the spelling of a traditional term to be protected.
- (106) In order to ensure the protection of the legitimate rights of producers and operators, the power to adopt certain acts should be delegated to the Commission in respect of the type of applicants that may apply for the protection of a traditional term; the conditions of validity of an application for recognition of a traditional term; the grounds for objecting to the proposed protection of a traditional term; the scope of the protection, including the relationship with trade marks, protected traditional terms, protected designations of origin or geographical indications, homonyms, or certain wine grape names; the grounds for the cancellation of a traditional term; the date of submission of an application or a request; and the procedures to be followed in respect of an application for the protection of a traditional term, including scrutiny by the Commission, the objection procedure and the procedures on cancellation and modification.
- (107) In order to take into account the specific characteristics in trade between the Union and certain third countries, the power to adopt certain acts should be delegated to the Commission in respect of the conditions under which traditional terms may be used on products from third countries and providing for related derogations.
- (108) 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 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 and presentation.
- (109) In order to ensure compliance with existing labelling practices, the power to adopt certain acts should be delegated to the Commission in respect of laying down the exceptional circumstances in which it is justified to omit reference to the terms "protected designation of origin" or "protected geographical indication".
- (110) In order to take into account the specific characteristics of the wine sector, the power to adopt certain acts should be delegated to the Commission in respect of the presentation and use of labelling particulars other than those provided for in this Regulation; certain compulsory and optional particulars; and presentation.

- (111) In order to ensure the protection of the legitimate interests of operators, the power to adopt certain acts should be delegated to the Commission in respect of temporary labelling and presentation of wines bearing a designation of origin or a geographical indication where that designation of origin or geographical indication fulfils the necessary requirements.
- (112) In order to ensure that economic operators are not prejudiced, the power to adopt certain acts should be delegated to the Commission in respect of transitional provisions as regards wine placed on the market and labelled in accordance with the relevant rules applying before 1 August 2009.
- (113) In order to take into account the specific characteristics in trade in wine sector products between the Union and certain third countries, the power to adopt certain acts should be delegated to the Commission in respect of the derogations from the rules on labelling and presentation as regards products to be exported where required by the law of the third country concerned.
- (114) Specific instruments will still be needed after the end of the quota system to ensure a fair balance of rights and obligations between sugar undertakings and sugar beet growers. Therefore, the standard provisions governing written agreements within the trade concluded between them should be established.
- (115) The 2006 reform of the sugar regime introduced far-reaching changes to the Union sugar sector. In order to enable sugar beet growers to complete their adaptation to the new market situation and to the increased market orientation of the sector, the present system of sugar quotas should be extended until it is abolished at the end of the 2016/2017 marketing year.
- (116) In order to take into account the specific characteristics of the sugar sector, the power to adopt certain acts should be delegated to the Commission in respect of updating the technical definitions concerning the sugar sector; updating the purchase terms for beet laid down in this Regulation; and further rules on the determination of gross weight, tare and sugar content of sugar delivered to an undertaking, and on sugar pulp.
- (117) Recent experience has demonstrated the need for specific measures to ensure a sufficient supply of sugar to the Union market during the remaining period of sugar quotas.
- (118) In order to take into account the specific characteristics of the sugar sector and to ensure that the interests of all parties are duly taken into account, and given the need to prevent any disturbance of the market, the power to adopt certain acts should be delegated to the Commission in respect of: purchase terms and delivery contracts; updating the purchase terms for beet laid down in this Regulation; and 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.
- (119) In order to take account of technical developments, the power to adopt certain acts should be delegated to the Commission in respect of establishing a list of products for the production of which industrial sugar, industrial isoglucose or industrial inulin syrup may be used.
- (120) In order to ensure that approved undertakings producing or processing sugar, isoglucose or inulin syrup comply with their obligations, the power to adopt certain acts should be delegated to the Commission in respect of the granting and the withdrawal of approval for such undertakings, as well as the criteria for administrative penalties.
- (121) In order to take into account the specific characteristics of the sugar sector and to ensure that the interests of all parties are duly taken into account, the power to adopt certain acts should be delegated to the Commission in respect of the meaning of terms for the operation of the quota system and the conditions governing sales to outermost regions.
- (122) In order to ensure that the growers are closely associated with a decision to carry forward a certain quantity of production, the power to adopt certain acts should be delegated to the Commission in respect of carry-forward of sugar.
- (123) 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 should be limited to those Member States which have communicated the inventory.
- (124) In order to facilitate the monitoring and the verification of the production potential by Member States, the power to adopt certain acts should be delegated to the Commission in respect of the content of the vineyard register and exemptions.
- (125) In order to provide for a satisfactory level of traceability of the products concerned, in particular in the interest of consumer protection, it should be a requirement for all the wine sector products covered by this Regulation to have an accompanying document when circulating within the Union.

- (126) In order to facilitate the transport of wine products and the verification thereof by Member States, the power to adopt certain acts should be delegated to the Commission in respect of rules: on the accompanying document and its use; on the conditions under which an accompanying document is to be regarded as certifying protected designations of origin or geographical indications; on an obligation to keep a register and on its use; on specifying who shall keep a register and on exemptions from the obligation to keep a register; as well as on the operations to be included in the register.
- (127) In the absence of Union legislation on formalised, written contracts, Member States may, under national contract law, decide to make the use of such contracts compulsory, provided that, in doing so, Union 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 Union, and in the interests of subsidiarity, such a decision should remain with Member States. However, in the milk and milk products sector, to ensure appropriate minimum standards for such contracts and the proper functioning of the internal market and the common market organisation, some basic conditions for the use of such contracts should be laid down at the Union level. All such basic conditions should be freely negotiated. Since some dairy co-operatives possibly have rules with similar effect in their statutes, they should, in the interests of simplicity, be exempted from the requirement to enter into a contract. In order to strengthen the effectiveness of such system of contracts, Member States should decide whether they should also apply where intermediate parties collect milk from farmers to deliver to processors.
- (128) In order to ensure the viable development of production and a resulting 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 added value along the supply chain. In order to attain those CAP objectives, a provision should be adopted pursuant to Article 42 and Article 43(2) TFEU to allow producer organisations constituted by dairy farmers or their associations to collectively negotiate with a dairy contract terms, including price, for some or all of their members' raw milk production. In order to maintain effective competition on the dairy market, this possibility should be subject to appropriate quantitative limits. In order not to undermine the effective functioning of cooperatives, and for the sake of clarity, it should be specified that, when a farmer's membership of a cooperative entails an obligation, in respect of all or a part of that farmer's milk production, to deliver raw milk, the conditions of which are set out in the cooperative's statutes or in the rules and decisions based thereon, those conditions should not be the subject of negotiations through a producer organisation.
- (129) In view of the importance of protected designations of origin and protected geographical indications, notably for vulnerable rural regions, and in order to ensure the value-added and to maintain the quality of, in particular, cheeses benefiting from protected designations of origin and protected geographical indications, and in view of the coming expiration of the milk quota system, Member States should be allowed to apply rules to regulate the entire supply of such cheese produced in the defined geographical area at the request of an interbranch organisation, a producer organisation or a group as defined in Regulation (EU) No 1151/2012. Such a request should be supported by a large majority of milk producers representing a large majority of the volume of milk used for that cheese and, in the case of interbranch organisations and groups, it should be supported by a large majority of cheese producers representing a large majority of the production of that cheese.
- (130) In order to follow developments in the market, the Commission needs timely information on volumes of raw milk delivered. Therefore, provision should be made to ensure that the first purchaser communicates such information to Member States on a regular basis and that the Member State notifies the Commission thereof.
- (131) Producer organisations and their associations can play useful roles in concentrating supply, in improving the marketing, planning and adjusting of production to demand, optimising production costs and stabilising producer prices, carrying out research, promoting best practices and providing technical assistance, managing by-products and risk management tools available to their members, thereby contributing to strengthening the position of producers in the food chain.
- (132) Interbranch organisations can play an important part in allowing dialogue between actors in the supply chain, and in promoting best practices and market transparency.
- (133) Existing rules on the definition and recognition of producer organisations, their associations, and interbranch organisations should therefore be harmonised, streamlined and extended to provide for possible recognition on request under statutes set out in accordance with this Regulation for certain sectors. In particular, the recognition criteria and statutes of producer organisations should ensure that such bodies are formed on

- the initiative of producers, and are controlled in accordance with rules enabling the producer members to scrutinise democratically their organisation and its decisions.
- (134) Existing provisions in various sectors, boosting the impact of producer organisations, their associations and interbranch organisations by permitting Member States, under certain conditions, to extend certain rules of such organisations to non-member operators, have proved effective, and should be harmonised, streamlined and extended to all sectors.
- (135) Provision should be made for the possibility of adopting certain measures to facilitate the adjustment of supply to market requirements which may contribute to stabilising the markets and to ensuring a fair standard of living for the agricultural community concerned.
- (136) In order to encourage action by producer organisations, associations of producer organisations and interbranch organisations to facilitate the adjustment of supply to market requirements, with the exception of actions relating to withdrawal from the market, the power to adopt certain acts should be delegated to the Commission in respect of: measures improving quality; promoting better organisation of production, processing and marketing; facilitating the recording of market price trends; and permitting the establishment of short and long-term forecasts on the basis of the means of production used.
- (137) In order to improve the operation of the market for wines, Member States should be able to implement decisions taken by interbranch organisations. The scope of such decisions should, however, exclude practices which could distort competition.
- (138) Whereas the use of formalised written contracts in the milk sector is covered by separate provisions, the use of such contracts may also help to reinforce the responsibility of operators in other sectors and to increase their awareness of the need to better take into account the signals of the market, to improve price transmission and to adapt supply to demand, as well as to help to avoid certain unfair commercial practices. In the absence of Union legislation concerning such contracts, Member States may, under national contract law, decide to make the use of such contracts compulsory, provided that, in doing so, Union law is complied with, and in particular that the proper functioning of the internal market and the common market organisation is respected.
- (139) In order to ensure the viable development of production and thus a fair standard of living for producers in the beef and veal and olive oil sectors, as well as for producers of certain arable crops, their bargaining power vis-à-vis downstream operators should be strengthened, thereby resulting in a fairer distribution of added value along the supply chain. To achieve those CAP objectives, recognised producer organisations should be able to negotiate, subject to quantitative limits, the terms of delivery contracts, including prices, for some or all of their members' production, provided that those organisations pursue one or more of the objectives of concentrating supply, the placing on the market of the products produced by its members and optimising production costs, and provided that the pursuit of those objectives leads to the integration of activities and such integration is likely to generate significant efficiencies so that the activities of the producer organisation overall contribute to the fulfilment of the objectives of Article 39 TFEU. This could be realised provided that the producer organisation carries out certain specific activities and that these activities are significant in terms of volume of production concerned and in terms of cost of the production and placing of the product on the market.
- (140) In order to ensure the added value, and to maintain the quality of, in particular, cured ham benefitting from a protected designation of origin or a protected geographical indication, Member States should be allowed, subject to strict conditions, to apply rules to regulate the supply of such cured ham, provided that those rules are supported by a large majority of its producers and, where appropriate, by the producers of pigs in the geographical area relating to that ham.
- (141) The obligation to register all supply contracts regarding hops produced in the Union is burdensome and should be discontinued.
- (142) In order to ensure that the objectives and responsibilities of producer organisations, associations of producer organisations and interbranch organisations are clearly defined and to contribute to the effectiveness of their actions without imposing an undue administrative burden and without undermining the principle of freedom of association in particular with regard to non-members of such organisations, the power to adopt certain acts should be delegated to the Commission in respect of:
- rules on the specific aims which may, must or must not be pursued by such organisations and associations and, where applicable, should be added to those laid down in this Regulation; the rules of such organisations and associations, the statutes of organisations other than

producer organisations, the specific conditions applicable to the statutes of producer organisations in certain sectors, including derogations, the structure, membership period, size democratic accountability and activities of such organisations and associations, as well as the effects deriving from mergers; the conditions for recognition, withdrawal and suspension of recognition, the effects deriving thereof, as well as requirements to take remedial measures in the event of non-respect of the recognition criteria;

transnational organisations and associations and the rules relating to administrative assistance in the case of transnational cooperation; the sectors subject to Member State authorisation to which outsourcing applies and the conditions and the nature of activities which may be outsourced, and the provision of technical means by organisations or associations; the basis for calculation of minimum volume or value of marketable production of organisations and associations; rules on the calculation of the volume of raw milk covered by negotiations by a producer organisation, the acceptance of members who are not producers, in the case of producer organisations, or who are not producer organisations, in the case of an association of producer organisations;

the extension of certain rules of the organisations to non-members and the compulsory payment of subscriptions by non-members, including the use and allocation of such payments by those organisations and a list of stricter production rules which may be extended, further requirements as regards representativeness, the economic areas concerned, including Commission scrutiny of their definition, minimum periods during which the rules should be in force before their extension, the persons or organisations to whom the rules or contributions may be applied, and the circumstances in which the Commission may require that the extension of rules or compulsory contributions be refused or withdrawn.

- (143) Monitoring trade flows is primarily a management issue 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, the need for the management of the markets concerned and, in particular, the need for monitoring the imports or exports of the products in question.
- (144) In order to take into account the international obligations of the Union and the applicable Union social, environmental and animal welfare standards, the need to monitor the evolution of trade and market developments and imports and exports, the need for sound market management and the need to reduce the administrative burden, the power to adopt certain acts should be delegated to the Commission in respect of the list of the products subject to the presentation of an import or

export licence, and the cases and situations where the presentation of an import or export licence is not required.

- (145) In order to provide further elements of the licence system, the power to adopt certain acts should be delegated to the Commission in respect of rules on: the rights and obligations deriving from the licence, its legal effects and the cases where a tolerance applies as regards compliance with the obligation to import or export the quantity mentioned in the licence or, where the origin is to be indicated, the issue of an import licence or the release into free circulation being 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; the transfer of the licence or restrictions on its transferability; additional conditions for import licences for hemp and the principle of administrative assistance between Member States to prevent or deal with cases of fraud and irregularities; and the cases and situations where the lodging of a security guaranteeing that the products are imported or exported within the period of validity of the licence is or is not required.
- (146) The essential elements of customs duties applicable to agricultural products reflecting WTO agreements and bilateral agreements are laid down in the Common Customs Tariff. The Commission should be empowered to adopt measures for the detailed calculation of import duties pursuant to those essential elements.
- (147) The entry price system should be maintained for certain products. In order to ensure the efficiency of that system, the power to adopt certain acts should be delegated to the Commission in respect of checking the veracity of the declared price of a consignment using a flat-rate import value, and providing for the conditions under which the lodging of a security is required.
- (148) In order to prevent or counteract adverse effects on the Union market which might result from imports of certain agricultural products, imports of such products should be subject to payment of an additional duty, where certain conditions are fulfilled.
- (149) It is appropriate, under certain conditions, to open and administer import tariff quotas resulting from international agreements concluded in accordance with the TFEU or from other Union legal acts. For import tariff quotas, the method of administration adopted should give due weight to the supply requirements of the existing and emerging Union production, processing and consumption markets, in terms of the competitiveness, certainty and continuity of supply, and to the need to safeguard the equilibrium of the market.

- (150) In order to comply with the undertakings contained in the agreements concluded as part of the Uruguay Round of multilateral trade negotiations concerning tariff quotas for the import, into Spain, of 2 000 000 tonnes of maize and 300 000 tonnes of sorghum and tariff quotas for the import, into Portugal, of 500 000 tonnes of maize, the power to adopt certain acts should be delegated to the Commission in respect of establishing 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.
- (151) In order to ensure fair access to the quantities available and the equal treatment of operators within the tariff quota, the power to adopt certain acts should be delegated to the Commission in respect of: determining the conditions and eligibility requirements that an operator has to fulfil to submit an application within the tariff quota; establishing rules on the transfer of rights between operators and, where necessary, the limitations that apply to transfers within the management of the tariff quota; making participation in the tariff quota subject to the lodging of a security; and providing, where necessary, for any particular specific characteristics, requirements or restrictions applicable to the tariff quota as set out in the international agreement or other act concerned.
- (152) 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.
- (153) In order to ensure that products that are exported may benefit from a special treatment on import into a third country if certain conditions are respected, pursuant to international agreements concluded by the Union in accordance with the TFEU, the power to adopt certain acts should be delegated to the Commission in respect of requiring the competent authorities of Member States, on request and after appropriate checks, to issue a document certifying that the conditions are met.
- (154) In order to prevent illicit crops from disturbing the market 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 their tetrahydrocannabinol content. In addition, imports of hemp seed intended for uses other than sowing should continue to be subject to a control system which provides for the importers concerned to be authorised.
- (155) A quality policy is being pursued throughout the Union as regards products of the hops sector. In the case of imported products, the provisions ensuring that only products complying with equivalent minimum quality characteristics are imported should be incorporated in this Regulation. In order to minimise the administrative burden, the power to adopt certain acts should be delegated to the Commission in respect of the cases in which obligations related to an attestation of equivalence and the labelling of packaging should not apply.
- (156) The Union has concluded several preferential market access arrangements with third countries which allow those countries to export cane sugar to the Union under favourable conditions. The related provisions on the evaluation of the refiners' need for sugar for refining and, subject to certain conditions, the reservation of import licences to specialised users of significant quantities of imported raw cane sugar who are considered to be full-time refiners in the Union, should be maintained for a certain period. In order to ensure that imported sugar for refining is refined in accordance with those requirements, the power to adopt certain acts should be delegated to the Commission in respect of the use of terms for the operation of import arrangements; 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, and rules on administrative penalties to be imposed.
- (157) 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 may, in exceptional circumstances, prove to be inadequate. In such cases, in order not to leave the Union market without defence against the 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.
- (158) It is appropriate to enable suspension of the use of inward and outward processing arrangements where the Union market is disturbed or is liable to be disturbed by such arrangements.
- (159) 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 be retained as a measure which may cover certain

products to which this Regulation applies where the conditions in the internal market are such as those described for exceptional measures. Subsidised exports should be subject to limits in terms of value and quantity, and, without prejudice to the application of exceptional measures, the refund available should be zero.

- (160) Compliance with the limits expressed 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 European Agricultural Guarantee Fund. Monitoring should be facilitated by the compulsory advance fixing of export refunds, while providing for 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.
- (161) 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 Treaties, to which volume limits do not apply. Provision should be made for a derogation from the requirement of strict compliance with management rules where exports benefiting from export refunds are not likely to exceed the quantity laid down.
- (162) In the case of the export of live bovine animals, export refunds should be 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.
- (163) In order to ensure the proper functioning of the export refund system, the power to adopt certain acts should be delegated to the Commission in respect of the requirement to lodge a security guaranteeing the execution of the operator's obligations.
- (164) In order to minimise the administrative burden for operators and authorities, the power to adopt certain acts should be delegated to the Commission in respect of setting thresholds below which the obligation to issue

or present an export licence may not be required, designating destinations or operations where an exemption from the obligation to present an export licence can be justified, and permitting, in justified situations, export licences to be granted ex-post.

- (165) In order to address practical situations justifying the full or partial eligibility for export refunds, and in order to help operators bridge the period between the application for and the final payment of the export refund, the power to adopt certain acts should be delegated to the Commission in respect of rules on: another date for the refund; advance payment of export refunds, including the conditions for the lodging and release of a security; additional proof where doubts exist as to the real destination of products, and the opportunity for re-importation into the customs territory of the Union; destinations treated as exports from the Union, and the inclusion of destinations within the customs territory of the Union eligible for export refunds.
- (166) In order to ensure equal access to export refunds for exporters of products listed in Annex I to the Treaties and of products processed therefrom, the power to adopt certain acts should be delegated to the Commission in respect of applying certain rules for agricultural products to products exported in the form of processed goods.
- (167) 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, as well as to minimise the administrative burden for operators in generating and submitting proof that refund products reached a country of destination for differentiated refunds, the power to adopt certain acts should be delegated to the Commission in respect of rules on: the time limit by which the exit from the customs territory of the Union must be finalised, including the time for temporary re-entry; the processing that products benefiting from export refunds may undergo during that period; the proof of having reached a destination in order to be eligible for differentiated refunds; the refund thresholds and conditions under which exporters may be exempted from such proof; and conditions for approval of proof, provided by independent third parties, of reaching a destination where differentiated refunds apply.
- (168) In order to encourage exporters to respect animal welfare conditions, and in order to enable the competent authorities to verify correct expenditure of export refunds where this is conditional on respect for animal welfare requirements, the power to adopt certain acts should be delegated to the Commission in respect of animal welfare requirements outside the customs territory of the Union, including the use of independent third parties.

- (169) In order to take account of the specific characteristics of the different sectors, the power to adopt certain acts should be delegated to the Commission in respect of specific requirements and conditions for operators and of the products eligible for an export refund, and the establishment of coefficients for the purposes of calculating export refunds, taking into account the ageing process of certain spirit drinks obtained from cereals.
- (170) Minimum export prices for flowering bulbs are no longer useful and should be abolished.
- (171) In accordance with Article 42 TFEU, the provisions of the TFEU concerning competition apply to the production of and trade in agricultural products only to the extent determined by Union legislation within the framework of Article 43(2) TFEU and in accordance with the procedure laid down therein.
- (172) In view of the specific characteristics of the agricultural sector and its reliance on the good functioning of the entire food supply chain, including the effective application of competition rules in all related sectors throughout the whole food chain, which can be highly concentrated, special attention should be paid to the application of the competition rules laid down in Article 42 TFEU. To that end, there is a need for close cooperation between the Commission and the competition authorities of Member States. Moreover, guidelines adopted, where appropriate, by the Commission are a suitable instrument to provide guidance to undertakings and other stakeholders concerned.
- (173) It should be provided that the rules on competition relating to the agreements, decisions and practices referred to in Article 101 TFEU and to abuse of a dominant position apply to the production of, and the trade in, agricultural products, provided that their application does not jeopardise the attainment of the objectives of the CAP.
- (174) A special approach should be allowed in the case of farmers' or producer organisations or their associations, the 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 TFEU.
- (175) Without prejudice to the regulation of supply for certain products, such as cheese and ham benefitting from a protected designation of origin or a protected geographic indication, or wine, which is governed by a specific set of rules, a special approach should be taken as regards certain activities of interbranch organisations on the condition that they do not lead to the partitioning of markets, affect the sound operation of the CMO, distort or eliminate competition, entail the fixing of prices or quotas, or create discrimination.
- (176) The proper functioning of the internal market would be jeopardised by the granting of national aid. Therefore, the provisions of the TFEU concerning State aid should, as a general rule, apply to agricultural products. This notwithstanding, in certain situations exceptions should be allowed. Where such exceptions exist, the Commission should be in a position to draw up a list of existing, new or proposed national aid, to make appropriate observations to Member States and to propose suitable measures.
- (177) The provisions on the grubbing-up premium and certain measures under wine support programmes should not, in themselves, preclude national payments for the same purposes.
- (178) Due to the specific economic situation of the production and marketing of reindeer and reindeer products, Finland and Sweden should continue to grant national payments in that regard.
- (179) In Finland, sugar beet growing is subject to particular geographical and climatic conditions which adversely affect the sector in addition to the general effects of the sugar reform. That Member State should therefore be authorised, on a permanent basis, to make national payments to its sugar beet growers.
- (180) Member States should be able to make national payments in order to co-finance the apiculture measures laid down under this Regulation, as well as to protect of apiaries disadvantaged by structural or natural conditions or subject to economic development programmes, except national payment allocated for production or trade.
- (181) Member States participating in the schemes to improve access to food for children should be able to grant national aid in addition to Union aid for the supply of the products and for certain related costs.

- (182) In order to address justified cases of crisis even after the end of the transitional period, Member States should be able to make national payments 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. Such national payments should be notified to the Commission and approved before being granted.
- (183) Member States should be allowed to continue to make national payments for nuts as currently provided for under Article 120 of Regulation (EC) No 73/2009, in order to cushion the effects of decoupling of the former Union aid scheme for nuts. In the interest of clarity, since that Regulation is to be repealed, those national payments should be provided for in this Regulation.
- (184) Special intervention measures should be provided in order to react efficiently and effectively against threats of market disturbance. The scope of those measures should be defined.
- (185) In order to react efficiently and effectively against threats of market disturbance caused by significant price rises or falls on internal or external markets, or other events and circumstances significantly disturbing or threatening to disturb the market, where that situation, or its effects on the market, is likely to continue or deteriorate, the power to adopt certain acts should be delegated to the Commission in respect of the measures necessary to address that market situation, while respecting any obligations resulting from international agreements and provided that any other measures available under this Regulation appear to be insufficient, including measures to extend or modify the scope, duration or other aspects of other measures provided for under this Regulation, or provide for export refunds, or suspend import duties, in whole or in part, including for certain quantities or periods, as necessary.
- (186) 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 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 or plant health risks. In the light of experience, measures attributable to a loss in consumer confidence should be extended to plant products.
- (187) 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 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.
- (188) In order to react effectively to exceptional circumstances, the power to adopt certain acts should be delegated to the Commission in respect of extending the list of products, as set out in this Regulation, in respect of which exceptional support measures may be adopted.
- (189) The Commission should be authorised to adopt the necessary measures to solve specific problems in case of emergency.
- (190) Reacting efficiently and effectively against threats of market disturbance may be of particular importance for the milk sector. Similarly, specific problems in case of emergency may arise. It is therefore necessary to emphasise that the adoption by the Commission of the above mentioned measures in case of market disturbance, including market imbalance, or those needed to solve specific problems in case of emergency may address in particular the milk sector.
- (191) In order to respond to periods of severe market imbalance, specific categories of collective actions by private operators may be appropriate, as exceptional measures, in order to stabilise the sectors concerned, subject to precise safeguards, limits and conditions. Where such actions could fall under the scope of Article 101(1) TFEU, the Commission should be able to provide a derogation for a limited period. These actions should however complement Union action in the framework of public intervention and private storage or exceptional measures envisaged by this Regulation, and should not impair the functioning of the internal market.
- (192) It should be possible to require undertakings, Member States or third countries to submit communications for the purposes of applying this Regulation, monitoring, analysing and managing the market in agricultural products, ensuring market transparency and the proper functioning of CAP measures, checking, controlling, monitoring, evaluating and auditing CAP measures, and complying with the requirements laid down in international agreements, including notification requirements under those agreements. In order to ensure a harmonised, streamlined and simplified approach, the Commission should be empowered to adopt the necessary measures regarding communications. In so doing, it should take into account the data needs and synergies between potential data sources.

- (193) In order to ensure the integrity of information systems and the authenticity and legibility of documents and associated data transmitted, the power to adopt certain acts should be delegated to the Commission in respect of the nature and type of the information to be notified; the categories of data to be processed and maximum retention periods; the purpose of processing, in particular in the event of the publication of such data and their transfer to third countries; the access rights to the information or information systems made available; and the conditions of publication of the information.
- (194) Union law concerning the protection of individuals with regard to the processing of personal data and the free movement of such data, in particular Directive 95/46/EC of the European Parliament and of the Council ⁽¹⁾ and Regulation (EC) No 45/2001 of the European Parliament and of the Council ⁽²⁾ is applicable.
- (195) The European Data Protection Supervisor was consulted and delivered an opinion on 14 December 2011 ⁽³⁾.
- (196) Funds should be transferred from the Reserve for crises in the agricultural sector under the conditions and procedure referred to in Article 24 of Regulation (EU) No 1306/2013 and paragraph 22 of the Interinstitutional 17 December 2013 Agreement between the European Parliament, the Council and the Commission on budgetary discipline, cooperation in budgetary matters and on sound financial management ⁽⁴⁾, and it should be clarified that this Regulation is the applicable basic act.
- (197) In order to ensure the smooth transition from the arrangements provided for in Regulation (EC) No 1234/2007 to those laid down in this Regulation, the power to adopt certain acts should be delegated to the Commission in respect of establishing the necessary measures, in particular those necessary to protect the acquired rights and legitimate expectations of undertakings.
- (198) The use of urgency procedure when adopting delegated acts under this Regulation should be reserved for exceptional cases where imperative grounds of urgency so require 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.
- (199) In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council ⁽⁵⁾.
- (200) The examination procedure should be used for the adoption of the acts implementing this Regulation given that those acts relate to the CAP as referred to in point (b)(ii) of Article 2(2) of Regulation (EU) No 182/2011. However, the advisory procedure should be used for the adoption of the acts implementing this Regulation relating to competition matters given that the advisory procedure is used in general for the adoption of implementing acts in the field of competition law.
- (201) The Commission should adopt immediately applicable implementing acts relating to adopting, amending or revoking Union safeguard measures, to suspending the use of processing or inward or outward processing arrangements, if that is necessary to react immediately to the market situation, and to resolving specific problems, in an emergency, which need to be dealt with immediately, where, in duly justified cases, imperative grounds of urgency so require.
- (202) 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 a discretion, the Commission should be empowered to adopt implementing acts without applying Regulation (EU) No 182/2011.
- (203) 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.
- (204) This Regulation should provide for certain specific rules concerning Croatia in accordance with the Act of Accession of Croatia ⁽⁶⁾.
- (205) Pursuant to Regulation (EC) No 1234/2007, several measures by sector will expire within a reasonable period following the entry in force of this Regulation. After the repeal of Regulation (EC) No 1234/2007, the relevant provisions should continue to apply until the end of the schemes concerned.
- (206) Council Regulation (EEC) No 922/72 ⁽⁷⁾ concerning aid for silkworms for the 1972/1973 rearing year is now

⁽¹⁾ Directive 95/46/EC of the European Parliament and of the Council of 24 October 1995 on the protection of individuals with regard to the processing of personal data and on the free movement of such data (OJ L 281, 23.11.1995, p. 31).

⁽²⁾ Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data (OJ L 8, 12.1.2001, p. 1).

⁽³⁾ OJ C 35, 9.2.2012, p. 1.

⁽⁴⁾ OJ C 373, 20.12.2013, p. 1.

⁽⁵⁾ Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by the Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).

⁽⁶⁾ OJ L 112, 24.4.2012, p. 21.

⁽⁷⁾ Council Regulation (EEC) No 922/72 laying down general rules for granting aid in respect of silkworms for the 1972/73 rearing year (OJ L 106, 5.5.1972, p. 1).

obsolete; Regulation (EEC) No 234/79 concerning the procedures for adjusting the Common Customs Tariff nomenclature is superseded by this Regulation; Council Regulation (EC) No 1601/96 ⁽¹⁾ concerning aid to hops producers for the 1995 harvest is a temporary measure, which, by its nature, is now obsolete. Council Regulation (EC) No 1037/2001 ⁽²⁾ authorising the offer and delivery of certain imported wines has been superseded by the provisions of the Agreement between the European Community and the United States of America on trade in wine adopted by Council Decision 2006/232/EC ⁽³⁾, and is therefore obsolete. In the interests of clarity and legal certainty, those Regulations should be repealed.

(207) Certain rules in the milk and milk products sector, in particular those concerning contractual relations and negotiations; regulation of the supply of cheese with a protected designation of origin or protected geographical indication; and declarations by first purchasers, producer organisations, associations of producer organisations and interbranch organisations have recently entered into force and remain justified in the current economic circumstances of the dairy market and the structure of the supply chain. They should therefore be applied in that sector for a sufficiently long period (both before and after the abolition of milk quotas) to allow them to have full effect. However, those rules should be temporary in nature and should be subject to review. The Commission should adopt reports on the development of the milk market, covering, in particular, potential incentives to encourage farmers to enter into joint production agreements, the first of which is to be submitted by 30 June 2014, and the second by 31 December 2018,

HAVE ADOPTED THIS REGULATION:

PART I

INTRODUCTORY PROVISIONS

Article 1

Scope

1. This Regulation establishes a common organisation of the markets for agricultural products, which means all the products listed in Annex I to the Treaties with the exception of the fishery and aquaculture products as defined in Union legislative acts on the common organisation of the markets in fishery and aquaculture products.

⁽¹⁾ Council Regulation (EC) No 1601/96 of 30 July 1996 laying down, in respect of hops, the amount of aid to producers for the 1995 harvest (OJ L 206, 16.8.1996, p. 46).

⁽²⁾ Council Regulation (EC) No 1037/2001 of 22 May 2001 authorising the offer and delivery for direct human consumption of certain imported wines which may have undergone oenological processes not provided for in Regulation (EC) No 1493/1999 (OJ L 145, 31.5.2001, p. 12).

⁽³⁾ Council Decision 2006/232/EC of 20 December 2005 on the conclusion of the Agreement between the European Community and the United States of America on trade in wine (OJ L 87, 24.3.2006, p. 1).

2. Agricultural products as defined in paragraph 1 shall be divided into the following sectors as listed in the respective parts of Annex I:

- (a) cereals, Part I;
- (b) rice, Part II;
- (c) sugar, Part III;
- (d) dried fodder, Part IV;
- (e) seeds, Part V;
- (f) hops, Part VI;
- (g) olive oil and table olives, Part VII;
- (h) flax and hemp, Part VIII;
- (i) fruit and vegetables, Part IX;
- (j) processed fruit and vegetable products, Part X;
- (k) bananas, Part XI;
- (l) wine, Part XII;
- (m) live trees and other plants, bulbs, roots and the like, cut flowers and ornamental foliage, Part XIII;
- (n) tobacco, Part XIV;
- (o) beef and veal, Part XV;
- (p) milk and milk products, Part XVI;
- (q) pigmeat, Part XVII;
- (r) sheepmeat and goatmeat, Part XVIII;
- (s) eggs, Part XIX;
- (t) poultrymeat, Part XX;
- (u) ethyl alcohol of agricultural origin, Part XXI;
- (v) apiculture products, Part XXII;
- (w) silkworms, Part XXIII;
- (x) other products, Part XXIV.

*Article 2***General common agricultural policy (CAP) provisions**

Regulation (EU) No 1306/2013 and the provisions adopted pursuant to it shall apply in relation to the measures set out in this Regulation.

*Article 3***Definitions**

1. For the purposes of this Regulation, the definitions concerning certain sectors as set out in Annex II shall apply.

2. The definitions set out in Section B of Part II of Annex II shall only apply until the end of the 2016/2017 marketing year for sugar.

3. The definitions set out in Regulation (EU) No 1306/2013, Regulation (EU) No 1307/2013 ⁽¹⁾ of the European Parliament and of the Council and Regulation (EU) No 1305/2013 of the European Parliament and of the Council ⁽²⁾ shall apply for the purposes of this Regulation, save as otherwise provided for in this Regulation.

4. In order to take into account the specific characteristics of the rice sector, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 amending the definitions concerning the rice sector set out in Part I of Annex II to the extent necessary to update the definitions in the light of market developments.

5. For the purposes of this Regulation:

- (a) "less developed regions" means those regions defined as such in point (a) of the first subparagraph of Article 90(2) of Regulation (EU) No 1303/2013 of the European Parliament and of the Council ⁽³⁾.
- (b) "adverse climatic event which can be assimilated to a natural disaster" means weather conditions such as frost, hail, ice, rain or drought which destroy more than 30 % of the average annual production of a given farmer in the preceding three-year period or a three-year average based on the preceding five-year period, excluding the highest and lowest entry.

⁽¹⁾ Regulation (EU) No 1307/2013 of the European Parliament and of the Council of 17 December 2013 establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy and repealing Council Regulation (EC) No 637/2008 and Council Regulation (EC) No 73/2009 (See page 608 of this Official Journal)

⁽²⁾ Regulation (EU) No 1305/2013 of the European Parliament and of the Council of 17 December 2013 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) and repealing Council Regulation (EC) No 1698/2005 (See page 487 of this Official Journal).

⁽³⁾ Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006 (See page 85 of this Official Journal).

*Article 4***Adjustments to the Common Customs Tariff nomenclature used for agricultural products**

Where necessary in order to take into account amendments to the combined nomenclature, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 adjusting the description of products and references in this Regulation to the headings or subheadings of the combined nomenclature.

*Article 5***Conversion rates for rice**

The Commission may adopt implementing acts:

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

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

*Article 6***Marketing years**

The following marketing years shall be established:

- (a) 1 January to 31 December of a given year for the fruit and vegetables, processed fruit and vegetables and banana sectors;
- (b) 1 April to 31 March of the following year for the dried fodder and silkworm sectors;
- (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.

*Article 7***Reference thresholds**

1. The following reference thresholds are fixed:
 - (a) as regards the cereals sector, EUR 101,31/tonne, related to the wholesale stage for goods delivered to the warehouse, before unloading;
 - (b) as regards paddy rice, EUR 150/tonne for the standard quality as defined in point A of Annex III, related to the wholesale stage for goods delivered to the warehouse, before unloading;
 - (c) as regards sugar of standard quality as defined in point B of Annex III, related to unpacked sugar, ex-factory:
 - (i) for white sugar: EUR 404,4/tonne;
 - (ii) for raw sugar: EUR 335,2/tonne;
 - (d) as regards the beef and veal sector, EUR 2 224/tonne for carcasses of male bovine animals of conformation/fat cover class R3 as laid down in the Union scale for the classification of carcasses of bovine animals aged eight months or more referred to in point A of Annex IV;
 - (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 pigmeat, EUR 1 509,39/tonne for pig carcasses of a standard quality defined in terms of weight and lean meat content as laid down in the Union scale for the classification of pig carcasses referred to in point B of Annex IV as follows:
 - (i) carcasses weighing from 60 to less than 120 kg: class E;
 - (ii) carcasses weighing from 120 to 180 kg: class R;
 - (g) as regards the olive oil sector:
 - (i) EUR 1 779/tonne for extra virgin olive oil;
 - (ii) EUR 1 710/tonne for virgin olive oil;

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

2. The reference thresholds provided for in paragraph 1 shall be kept under review by the Commission, taking account of objective criteria, notably developments in production, costs of production (particularly inputs), and market trends. When necessary, the reference thresholds shall be updated in accordance with the ordinary legislative procedure in the light of developments in production and markets.

PART II

INTERNAL MARKET

TITLE I

MARKET INTERVENTION

CHAPTER I

Public intervention and aid for private storage

Section 1

General provisions on public intervention and aid for private storage*Article 8***Scope**

This Chapter lays down rules on market intervention concerning:

- (a) public intervention, where products are bought in by the competent authorities of the Member States and stored by them until disposed of; and
- (b) granting of aid for the storage of products by private operators.

*Article 9***Origin of eligible products**

Products eligible for buying-in under public intervention or for the granting of aid for private storage shall originate in the Union. In addition, if they come from crops, those crops shall have been harvested in the Union, and if they come from milk, that milk shall have been produced in the Union.

*Article 10***Union scales for the classification of carcasses**

Union scales for the classification of carcasses shall apply in accordance with, respectively, points A and B of Annex IV in the beef and veal sector as regards carcasses of bovine animals aged eight months or more and in the pigmeat sector as regards pigs other than those that have been used for breeding.

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

Section 2

Public intervention

Article 11

Products eligible for public intervention

Public intervention shall apply in respect of the following products in accordance with the conditions laid down in this Section and any additional requirements and conditions that may be determined by the Commission, by means of delegated acts pursuant to Article 19 and implementing acts pursuant to Article 20:

- (a) common wheat, durum wheat, barley and maize;
- (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 obtained directly and exclusively from cow's milk in an approved undertaking in the Union of a minimum butterfat content, by weight, of 82 % and of a maximum water content, by weight, of 16 %;
- (e) skimmed milk powder of top quality made from cow's 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.

Article 12

Public intervention periods

Public intervention shall be available for:

- (a) common wheat, durum wheat, barley and maize, from 1 November to 31 May;
- (b) paddy rice, from 1 April to 31 July;
- (c) beef and veal, throughout the year;
- (d) butter and skimmed milk powder, from 1 March to 30 September.

Article 13

Opening and closing of public intervention

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

- (a) shall be open for common wheat, butter and skimmed milk powder;
- (b) may be opened by the Commission, by means of implementing acts, for durum wheat, barley, maize and paddy

rice (including specific varieties or types of paddy rice), if the market situation so requires. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2);

- (c) may be opened for the beef and veal sector by the Commission, by means of implementing acts adopted without applying the procedure referred to in Article 229(2) or (3), if, over a representative period determined pursuant to point (c) of the first paragraph of Article 20 the average market price 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 of bovine animals referred to in point A of Annex IV, is below 85 % of the reference threshold laid down in point (d) of Article 7(1).

2. The Commission may adopt implementing acts closing public intervention for the beef and veal sector where, over a representative period determined pursuant to point (c) of the first paragraph of Article 20, the conditions provided for in point (c) of paragraph 1 of this Article are no longer fulfilled. Those implementing acts shall be adopted without applying the procedure referred to in Article 229(2) or (3).

Article 14

Buying-in at a fixed price or tendering

Where public intervention is open pursuant to Article 13(1), measures on fixing buying-in prices for the products referred to in Article 11 as well as, where applicable, measures on quantitative limitations where buying-in is carried out at a fixed price, shall be taken by the Council in accordance with Article 43(3) TFEU.

Article 15

Public intervention price

1. Public intervention price means:

- (a) the price at which products shall be bought in under public intervention where this is done at a fixed price; or
- (b) the maximum price at which products eligible for public intervention may be bought in where this is done by tendering.

2. The measures on fixing the level of the public intervention price, including the amounts of increases and reductions, shall be taken by the Council in accordance with Article 43(3) TFEU.

Article 16

General principles on disposal from public intervention

1. Disposal of products bought in under public intervention shall take place in such a way as to:

- (a) avoid any disturbance of the market,

- (b) ensure equal access to goods and equal treatment of purchasers, and
- (c) be in compliance with the commitments resulting from international agreements concluded in accordance with the TFEU.

2. Products bought in under public intervention may be disposed of by making them available for the scheme for food distribution to the most deprived in the Union as set out in the relevant Union legal acts. In such cases, the accounting value of such products shall be at the level of the relevant fixed public intervention price referred to in Article 14(2) of this Regulation.

3. Each year the Commission shall publish details of the conditions under which products bought in under public intervention were sold in the previous year.

Section 3

Aid for private storage

Article 17

Eligible products

Aid for private storage may be granted in respect of the following products in accordance with the conditions set out in this Section and any further requirements and conditions to be adopted by the Commission, by means of delegated acts pursuant to Article 18(1) or Article 19 and implementing acts pursuant to Article 18(2) or Article 20:

- (a) white sugar;
- (b) olive oil;
- (c) flax fibre;
- (d) fresh or chilled meat of bovine animals aged eight months or more;
- (e) butter produced from cream obtained directly and exclusively from cow's milk;
- (f) cheese;
- (g) skimmed milk powder made from cow's milk;
- (h) pigmeat;
- (i) sheepmeat and goatmeat.

Point (f) of the first paragraph is restricted to cheese benefiting from a protected designation of origin or from a protected geographical indication under Regulation (EU) No 1151/2012 that is stored beyond the period of maturation laid down in the product specification for the product referred to in Article 7 of that Regulation and/or a period of maturation that contributes to increasing the value of the cheese.

Article 18

Conditions for granting aid

1. In order to provide for market transparency, the Commission shall, where necessary, be empowered to adopt delegated acts in accordance with Article 227 laying down the conditions under which it may decide to grant private storage aid for the products listed in Article 17, taking into account:

- (a) average recorded Union market prices and the reference thresholds and production costs for the products concerned; and/or
- (b) the need to respond in a timely way to a particularly difficult market situation or economic developments having a significant negative impact on the margins in the sector.

2. The Commission may adopt implementing acts

- (a) granting private storage aid for the products listed in Article 17, taking into account the conditions referred to in paragraph 1 of this Article;
- (b) restricting the granting of private storage aid.

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

3. Measures on fixing the amount of aid for private storage provided for in Article 17 shall be taken by the Council in accordance with Article 43(3) TFEU.

Section 4

Common provisions on public intervention and aid for private storage

Article 19

Delegated powers

1. In order to ensure that products bought in under public intervention or subject to aid for private storage are suitable for long-term storage and are of sound, fair and marketable quality, and in order to take into account the specific characteristics of the different sectors for the purposes of ensuring the cost-effective operation of public intervention and private storage, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 laying down the requirements and conditions to be met by those products, in addition to the requirements laid down in this Regulation. Those requirements and conditions shall aim to guarantee, for the products bought in and stored:

- (a) their quality with respect to quality parameters, quality groups, quality grades, categories, product characteristics and age;

(b) their eligibility with respect to quantities, packaging including labelling, preservation, previous storage contracts, approval of undertakings and the stage of the products to which the public intervention price and the aid for private storage applies.

2. In order to take account of the specific characteristics of the cereals and paddy rice sectors, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 laying down the quality criteria as regards both buying-in and sales of common wheat, durum wheat, barley, maize and paddy rice.

3. In order to ensure appropriate storage capacity and the efficiency of the public intervention system in terms of cost-effectiveness, distribution and access for operators, and in order to maintain the quality of products bought in under public intervention for their disposal at the end of the storage period, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 laying down:

- (a) the requirements to be fulfilled by storage places for all products subject to public intervention;
- (b) rules on the storage of products inside and outside the Member State responsible for them and for the treatment of such products as regards customs duties and any other amounts to be granted or levied under the CAP.

4. In order to ensure that aid for private storage has the desired effect on the market, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 laying down:

- (a) rules and conditions applicable where the quantity stored is lower than the contracted quantity;
- (b) the conditions for granting an advance payment of such aid;
- (c) the conditions under which it may be decided that products covered by private storage contracts may be re-marketed or disposed of.

5. In order to ensure the proper functioning of the public intervention and private storage systems, the Commission shall be empowered to adopt delegated acts in accordance with Article 227:

- (a) providing for the use of tendering procedures guaranteeing equal access to goods and equal treatment of operators;
- (b) laying down the additional conditions to be fulfilled by operators in order to facilitate the effective management and control of the system for Member States and operators;
- (c) laying down the requirement for operators to lodge a security guaranteeing the fulfilment of their obligations.

6. In order to take account of technical developments and of the needs of sectors referred to in Article 10, as well as of the need to standardise the presentation of the different products for the purposes of improving market transparency, price recording and the application of the market intervention measures, the Commission shall be empowered to adopt delegated acts in accordance with Article 227:

- (a) adapting and updating the provisions of Annex IV on the Union scales for the classification, identification and presentation of carcasses;
- (b) laying down supplementary provisions relating to classification, including by qualified classifiers, to grading, including by automated grading techniques, to identification, weighing and marking of carcasses and to the calculation of average Union prices and to the weighting coefficients used in the calculation of those prices;
- (c) laying down, in the beef and veal sector, derogations from provisions and specific derogations which may be granted by Member States to slaughterhouses in which few bovine animals are slaughtered, and additional provisions for the products concerned, including regarding the classes of conformation and fat cover and, in sheepmeat sector, further provisions as regards weight, colour of meat and fat cover and the criteria for the classification of light lambs;
- (d) providing Member States with the authorisation not to apply the grading scale for classification of pig carcasses and the authorisation to use assessment criteria in addition to weight and estimated lean-meat content, or laying down derogations from that scale.

Article 20

Implementing powers in accordance with the examination procedure

The Commission shall adopt implementing acts laying down the measures necessary for the uniform application of this Chapter. Those measures may, in particular, concern the following:

- (a) the costs payable by the operator where products delivered for public intervention do not meet the minimum quality requirements;
- (b) the fixing of minimum storage capacity for intervention storage places;
- (c) the representative periods, markets, and market prices necessary for the application of this Chapter;
- (d) the delivery of the products to be bought in under public intervention, the transport costs to be borne by the offerer, the taking over of the products by paying agencies and the payment;

- (e) the different operations connected with the boning process for the beef and veal sector;
- (f) the practical arrangements for the packaging, marketing and labelling of products;
- (g) the procedures for the approval of undertakings producing butter and skimmed milk powder for the purposes of this Chapter;
- (h) any authorisation of storage outside the territory of the Member State where the products have been bought in and stored;
- (i) the sale or disposal of products bought in under public intervention, regarding, in particular, selling prices, the conditions for removal from storage, the subsequent use or destination of products released, including procedures relating to products made available for use in the scheme referred to in Article 16(2), including transfers between Member States;
- (j) in respect of products bought in under public intervention, the provisions relating to the possibility for Member States to sell, at their own responsibility, small quantities remaining in storage or quantities which may no longer be repackaged or which have deteriorated;
- (k) in respect of private storage, the conclusion and the content of contracts between the competent authority of the Member State and the applicants;
- (l) the placing and keeping of products in private storage and their removal from storage;
- (m) the duration of the private storage period and the provisions according to which such periods, once specified in the contracts, may be curtailed or extended;
- (n) the procedures to be followed for buying-in at a fixed price, including the procedures for, and the amount of, the security to be lodged, or for the granting of aid fixed in advance for private storage;
- (o) the use of tendering procedures, both for public intervention and for private storage, in particular as regards:
- (i) the submission of offers or tenders and the minimum quantity for an application or submission;
- (ii) the procedures for, and the amount of, the security to be lodged; and
- (iii) the selection of offers ensuring that preference is given to those which are most favourable to the Union whilst permitting that the award of a contract does not necessarily ensue;
- (p) the implementation of Union scales for the classification of beef, pig and sheep carcasses;
- (q) a different presentation of carcasses and half carcasses than the one laid down in point A.IV of Annex IV for the purpose of establishing market prices;
- (r) the corrective factors to be applied by Member States to be used for a different presentation of beef and sheep carcasses where the reference presentation is not used;
- (s) the practical arrangements for the marking of classified carcasses and for the calculation by the Commission of the weighted average Union price for beef, pig and sheep carcasses;
- (t) the authorisation of Member States to provide, with regard to pigs slaughtered in their territory, for a different presentation of pig carcasses than the one laid down in point B.III of Annex IV, if one of the following conditions is fulfilled:
- (i) normal commercial practice in their territory differs from the standard presentation defined in the first subparagraph of point B.III of Annex IV;
- (ii) technical requirements warrant it;
- (iii) carcasses are dehided in a uniform manner;
- (u) the provisions for the on-the-spot review of the application of classification of carcasses in Member States by a Union committee composed of experts from the Commission and experts appointed by Member States in order to ensure the accuracy and reliability of the classification of carcasses. Those provisions shall provide for the Union to bear the costs resulting from the review activity.

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

Article 21

Other implementing powers

The Commission shall adopt implementing acts in order to authorise Member States to use for lambs of less than 13 kg carcass weight, by way of derogation from point C.III of Annex IV, the following criteria for classification:

- (a) carcass weight;
- (b) colour of meat;
- (c) fat cover.

Those implementing acts shall be adopted without applying the procedure referred to in Article 229(2) or (3).

CHAPTER II

Aid schemes

Section 1

Schemes to improve access to food

Article 22

Target group

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

Subsection 1

School fruit and vegetables scheme

Article 23

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

1. Union aid shall be granted for:
 - (a) the supply to children in the educational establishments referred to in Article 22 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, evaluation and accompanying measures.
2. Member States wishing to participate in the scheme shall draw up, at national or regional level, a prior strategy for its implementation. They shall also provide for the accompanying measures necessary to make the scheme effective, which may include information on measures for education about healthy eating habits, about local food chains and about combating food wastage.
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 shall not include products that are listed in Annex V.

However, in duly justified cases, such as where a Member State wants to ensure a broad assortment of products under its scheme or wants to make its scheme more attractive, its strategy may provide that such products may become eligible if only limited amounts of the substances referred to in that Annex are added.

Member States shall ensure that their competent health authorities endorse the list of such products that are eligible under their scheme.

Member States shall choose their products on the basis of objective criteria which may include health and environmental considerations, seasonality, variety or availability of produce, giving priority, as far as practicable, to products originating in the Union, and particularly to local purchasing, local markets, short supply chains or environmental benefits.

4. Measures on fixing the Union aid referred to in paragraph 1 shall be taken by the Council in accordance with Article 43(3) TFEU.

5. The Union aid referred to 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.

Member States participating in the scheme shall apply every year for Union aid on the basis of their strategy referred to in paragraph 2.

Measures on fixing the minimum amount of Union aid for each Member State participating in the scheme and on the indicative and definitive allocations of aid to Member States shall be taken by the Council in accordance with Article 43(3) TFEU.

6. Union aid provided for in paragraph 1 shall not be used to replace funding for any existing national school fruit schemes providing fruit and vegetables, processed fruit and vegetables, and bananas or other school distribution schemes that include such products.

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 set out in accordance with Article 43(3) TFEU are respected as regards the proportion of Union aid to the total national contribution. In such a case, the Member State shall indicate in its implementation 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 in accordance with Article 217.

8. The Union school fruit and vegetables scheme shall be without prejudice to any separate national school fruit and vegetables schemes which are compatible with Union law.

9. The Union may also finance, under Article 6 of Regulation (EU) No 1306/2013, information, monitoring and evaluation measures relating to the school fruit and vegetables scheme, including measures raising public awareness of it, and related networking measures.

10. Member States participating in the scheme shall publicise, at the places where the food is distributed, their involvement in the aid scheme and the fact that it is subsidised by the Union.

Article 24

Delegated powers

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

- (a) the additional criteria related to the targeting of aid by Member States;
- (b) the approval and selection of aid applicants by Member States;
- (c) the drawing-up of the national or regional strategies and on accompanying measures.

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

- (a) the method for reallocating the indicative allocation of aid referred to in Article 23(5) between Member States on the basis of requests for aid received;
- (b) the costs in Member States' strategies that are eligible for Union aid and the possibility of fixing an overall ceiling for specific costs;
- (c) the obligation for Member States to monitor and evaluate the effectiveness of their school fruit and vegetables schemes.

3. In order to promote awareness of the scheme, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 requiring Member States with a school fruit and vegetables scheme to publicise the subsidising role of the Union aid.

Article 25

Implementing powers in accordance with the examination procedure

The Commission may adopt implementing acts laying down the measures necessary for the application of this Subsection, including:

- (a) the information to be contained in Member States' strategies;
- (b) the aid applications and payments;
- (c) the methods of publicising, and networking measures in respect of, the scheme;
- (d) the submission, format and content of monitoring and evaluation reports by Member States participating in the Union school fruit and vegetables scheme.

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

Subsection 2

School milk scheme

Article 26

Aid for the supply of milk and milk products to children

1. Union aid shall be granted for supplying to children in educational establishments referred to in Article 22 certain milk and processed milk products falling within CN codes 0401, 0403, 0404 90 and 0406 or CN code 2202 90.

2. From 1 August 2015, Member States, at national or regional level, wishing to participate in the scheme shall have a prior strategy for its implementation. They may also provide for the accompanying measures, which may include information on measures for education about healthy eating habits, about local food chains and about combating food wastage, that are necessary to make the programme effective.

3. When drawing up their strategies, Member States shall draw up a list of milk and milk products that will be eligible under their respective schemes, in accordance with the rules adopted by the Commission pursuant to Article 27.

4. Except for free distribution of meals to children in educational establishments, Union aid referred to in paragraph 1 shall not be used to replace funding for any existing national milk and milk products schemes or other school distribution schemes that include milk or milk products. 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. In such a case, the Member State shall indicate in its implementation strategy how it intends to extend its scheme or make it more effective.

5. Member States may, in addition to Union aid, grant national aid in accordance with Article 217.

6. The Union school milk and milk products scheme shall be without prejudice to any separate national school schemes to encourage the consumption of milk and milk products that are compatible with Union law.

7. Measures on fixing the Union aid for all milk and milk products and the maximum quantity eligible for Union aid provided for in paragraph 1 shall be taken by the Council in accordance with Article 43(3) TFEU.

8. Member States participating in the scheme shall publicise, at the places where the food is distributed, their involvement in the aid scheme and the fact that it is subsidised by the Union.

Article 27

Delegated powers

1. In order to take into account the evolution in consumption patterns for dairy products, the innovations and developments on the dairy products market, the availability of products on the different markets of the Union, and nutritional aspects, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 determining:

- (a) the products that are eligible for the scheme, in accordance with the provisions laid down in Article 26(1) and taking into account nutritional aspects;
- (b) the drawing up of the national or regional strategies by Member States, including accompanying measures where applicable; and
- (c) measures necessary for monitoring and evaluation.

2. In order to ensure the efficient and effective use of Union aid, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 concerning:

- (a) rules on the eligibility for the aid of beneficiaries and applicants;
- (b) the requirement for the applicants to be approved by the Member States;
- (c) the use of dairy products benefiting from the aid in the preparation of meals in educational establishments.

3. In order to ensure that aid applicants respect their obligations, the Commission shall be empowered to adopt

delegated acts in accordance with Article 227 concerning the requirement to lodge a security where an advance of aid is paid.

4. In order to promote awareness of the aid scheme, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 specifying the conditions in accordance with which Member States are to publicise their participation in the aid scheme and the fact that it is subsidised by the Union.

5. In order to ensure that the aid is reflected in the price at which the products are available under the scheme, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 laying down rules on the establishment of price monitoring under the scheme.

Article 28

Implementing powers in accordance with the examination procedure

The Commission may adopt implementing acts laying down the measures necessary for the application of this Subsection including on:

- (a) the procedures to ensure the respect of the maximum quantity eligible for the aid;
- (b) the procedures for, and the amount of, the security to be lodged where an advance payment is made;
- (c) the information to be supplied to Member States for approval of applicants, aid applications and payments;
- (d) the methods of publicising the scheme;
- (e) the management of price monitoring pursuant to Article 27(5).

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

Section 2

Aid in the olive oil and table olives sector

Article 29

Programmes to support the olive oil and table olives sector

1. The Union shall finance three-year work programmes to be drawn up by producer organisations recognised under Article 152, associations of producer organisations recognised under Article 156 or interbranch organisations recognised under Article 157 in one or more of the following areas:

- (a) market follow-up and management in the olive oil and table olives sector;

- (b) the improvement of the environmental impact of olive cultivation;
- (c) the improvement of the competitiveness of olive cultivation through modernisation;
- (d) the improvement of the production quality of olive oil and table olives;
- (e) 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;
- (f) the dissemination of information on measures carried out by producer organisations, associations of producer organisations or interbranch organisations to improve the quality of olive oil and table olives.

2. The Union financing of the work programmes referred to in paragraph 1 shall be:

- (a) EUR 11 098 000 per year for Greece;
- (b) EUR 576 000 per year for France; and
- (c) EUR 35 991 000 per year for Italy.

3. The maximum Union funding for the work programmes referred to in paragraph 1 shall be equal to the amounts withheld by the Member States. The maximum funding of the eligible cost shall be:

- (a) 75 % for activities in the areas referred to in points (a), (b) and (c) of paragraph 1;
- (b) 75 % for fixed assets investments and 50 % for other activities in the area referred to in point (d) of paragraph 1;
- (c) 75 % for the work programmes carried out in at least three third countries or non-producing Member States by recognised organisations referred to in paragraph 1 from at least two producer Member States in the areas referred to in points (e) and (f) 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.

Article 30

Delegated powers

In order to ensure the efficient and effective use of the Union aid provided for in Article 29 and in order to improve the production quality of olive oil and table olives, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 concerning:

- (a) in respect of the areas referred to in Article 29(1), the specific measures that can be financed by the Union aid and the activities and costs that cannot be so financed;

- (b) the minimum allocation by Member States of Union financing to specific areas;
- (c) the requirement to lodge a security when an application for approval of a work programme is submitted and where an advance payment of aid is made;
- (d) the criteria to be taken into account by Member States in the selection and approval of work programmes.

Article 31

Implementing powers in accordance with the examination procedure

The Commission may adopt implementing acts laying down the measures necessary for the application of this Section concerning:

- (a) the implementation of work programmes and amendments to such programmes;
- (b) the payment of aid, including advance payments of aid;
- (c) the procedures for, and the amount of, the security to be lodged when an application for approval of a work programme is submitted and where an advance payment of aid is made.

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

Section 3

Aid in the fruit and vegetables sector

Article 32

Operational funds

1. Producer organisations in the fruit and vegetables sector and/or their associations may set up an operational fund. The fund shall be financed by:

- (a) financial contributions from:
 - (i) members of the producer organisation and/or the producer organisation itself; or
 - (ii) associations of producer organisations through the members of those associations;
- (b) Union financial assistance, which may be granted to producer organisations, or to their associations where those associations present, manage and implement an operational programme or a partial operational programme, in accordance with the terms and conditions to be adopted by the Commission by means of delegated acts pursuant to Article 37 and implementing acts pursuant to Article 38.

2. Operational funds shall be used only to finance operational programmes that have been submitted to and approved by Member States.

Article 33

Operational programmes

1. Operational programmes in the fruit and vegetables sector shall have a minimum duration of three years and a maximum duration of five years. They shall have at least two of the objectives referred to in point (c) of Article 152(1) or two of the following objectives:

- (a) planning of production, including production and consumption forecasting and follow-up;
- (b) improvement of product quality, whether in a fresh or processed form;
- (c) boosting products' commercial value;
- (d) promotion of the products, whether in a fresh or processed form;
- (e) environmental measures, particularly those relating to water, and methods of production respecting the environment, including organic farming;
- (f) crisis prevention and management.

Operational programmes shall be submitted to the Member States for their approval.

2. Associations of producer organisations may also present an entire or partial operational programme composed of measures identified, but not carried out, by member organisations under their operational programmes. The operational programmes of associations of producer organisations shall be subject to the same rules as operational programmes of producer organisations and shall be considered with the operational programmes of member organisations.

To that end, the Member States shall ensure that:

- (a) measures under operational programmes of an association of producer organisations are entirely financed by contributions of those member organisations of that association and that such funding is collected from the operational funds of those member organisations;
- (b) the measures and their corresponding financial share are identified in the operational programme of each member organisation;
- (c) there is no duplication of funding.

3. Crisis prevention and management referred to in point (f) of the first subparagraph of paragraph 1 shall be related to avoiding and dealing with crises on the fruit and vegetable markets and shall cover in this context:

- (a) investments making the management of the volumes placed on the market more efficient;
- (b) training measures and exchanges of best practices;
- (c) promotion and communication, whether for prevention or during a crisis period;
- (d) support for the administrative costs of setting up mutual funds;
- (e) replanting of orchards where that is necessary following mandatory grubbing up for health or phytosanitary reasons on the instruction of the Member State competent authority;
- (f) market withdrawal;
- (g) green harvesting or non-harvesting of fruit and vegetables;
- (h) harvest insurance.

Support for harvest insurance shall contribute to safeguarding producers' incomes where there are losses as a consequence of natural disasters, adverse climatic events, diseases or pest infestations.

Insurance contracts shall require that beneficiaries undertake necessary risk prevention measures.

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

Producer organisations may take out loans on commercial terms for financing crisis prevention and management measures. In that 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 34. Any specific action under crisis prevention and management may be financed by such loans or directly, or both.

4. For the purposes of this Section:

- (a) "green harvesting" means the total harvesting on a given area of unripe non-marketable products which have not been damaged prior to the green harvesting, whether due to climatic reasons, disease or otherwise;
- (b) "non-harvesting" means the termination of the current production cycle on the area concerned where the product is well developed and is of sound, fair and marketable quality. Destruction of products due to a climatic event or disease is not considered as non-harvesting.

5. Member States shall ensure 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-climate payments laid down in Article 28(3) of Regulation (EU) No 1305/2013.

Where at least 80 % of the producer members of a producer organisation are subject to one or more identical agri-environment-climate commitments provided for in Article 28(3) of Regulation (EU) No 1305/2013, then each one of those commitments shall count as an environmental action as referred to in point (a) of the first subparagraph of this paragraph.

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

6. Member States shall ensure that 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 34

Union financial assistance

1. The Union financial assistance shall be equal to the amount of the financial contributions referred to in point (a) of Article 32(1) actually paid and limited to 50 % of the actual expenditure incurred.

2. The Union financial assistance shall be limited to 4,1 % of the value of the marketed production of each producer organisation or of their association.

However, in the case of producer organisations, 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.

In the case of associations of producer organisations, that percentage may be increased to 4,7 % 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 implemented by the association of producer organisations on behalf of its members.

3. At the request of a producer organisation, the 50 % limit provided for in paragraph 1 shall be increased to 60 % for an operational programme or part of an operational programme satisfying 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 834/2007 ⁽¹⁾;
- (d) it is the first to be submitted by a recognised producer organisation which is the result of a merger between two recognised producer organisations;
- (e) it is the first to be submitted by a recognised association of producer organisations;
- (f) it is submitted by producer organisations in Member States where producer organisations market less than 20 % of fruit and vegetables production;
- (g) it is submitted by a producer organisation in one of the outermost regions referred to in Article 349 TFEU.

4. The 50 % limit provided for in paragraph 1 shall be increased to 100 % in the case of market withdrawals of fruit and vegetables which shall not exceed 5 % of the volume of marketed production of each producer organisation and which are disposed of by way of:

- (a) free distribution to charitable organisations and foundations, approved for that purpose 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; or
- (b) free distribution to any of the following: penal institutions, schools, establishments referred to in Article 22, children's holiday camps, 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.

⁽¹⁾ Council Regulation (EC) No 834/2007 of 28 June 2007 on organic production and labelling of organic products and repealing Regulation (EEC) No 2092/91 (OJ L 189, 20.7.2007, p. 1).

Article 35

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, the Commission may adopt implementing acts authorising Member States, at their duly substantiated request, to pay producer organisations national financial assistance equal to a maximum of 80 % of the financial contributions referred to in point (a) of Article 32(1). This assistance shall be additional to the operational fund.

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

2. In regions of the Member States where producer organisations, associations of producer organisations and the producer groups referred to in Article 27 of Regulation (EU) No 1305/2013 market less than 15 % of the value of fruit and vegetable production of those regions, where fruit and vegetable production represents at least 15 % of the total agricultural output of those regions, the national financial assistance referred to in paragraph 1 of this Article may be reimbursed by the Union at the request of the Member State concerned.

The Commission shall adopt implementing acts concerning that reimbursement. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).

Article 36

National framework and national strategy for operational programmes

1. Member States shall establish a national framework containing general conditions relating to the environmental actions referred to in Article 33(5). That framework shall provide, in particular, that such actions are to meet the appropriate requirements of Regulation (EU) No 1305/2013, in particular those set out in Article 3 thereof.

Member States shall submit their proposed framework to the Commission which, by means of implementing acts adopted without applying the procedure referred to in Article 229(2) or (3), may within three months of the submission require modifications if it finds that the proposal would not contribute to the achievement of the objectives set out in Article 191 TFEU and in the seventh Union environment action programme. Investments on individual holdings supported by operational programmes shall also respect those objectives.

2. Each Member State shall establish a national strategy for sustainable operational programmes in the fruit and vegetable market. Such a strategy shall include:

(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, and 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 37

Delegated powers

In order to ensure an efficient, targeted and sustainable support of producer organisations and their associations in the fruit and vegetables sector, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 establishing rules on:

(a) operational funds and operational programmes, concerning:

(i) the estimated amounts, the decisions by producer organisations and their associations on the financial contributions and the use of operational funds;

(ii) the measures, actions, expenditure and administrative and personnel costs to be included or excluded under operational programmes, the modification thereof and the additional requirements to be determined by Member States;

(iii) the avoidance of double funding between operational programmes and rural development programmes;

(iv) operational programmes of associations of producer organisations;

(v) the specific rules applicable to cases in which associations of producer organisations manage, process, implement and present, wholly or in part, operational programmes;

(vi) the obligation to use common indicators for the purposes of monitoring and evaluation of operational programmes;

(b) the national framework and national strategy for operational programmes concerning the obligation to monitor and evaluate the effectiveness of the national frameworks and the national strategies;

- (c) Union financial assistance, concerning:
- (i) the basis for the calculation of Union financial assistance and of the value of the marketed production, referred to in Article 34(2);
 - (ii) applicable reference periods for the calculation of aid;
 - (iii) the provision of advance payments and the requirement to lodge a security where an advance payment of aid is made;
 - (iv) the specific rules applicable to the financing of operational programmes of associations of producer organisations, particularly those relating to the application of the limits provided for in Article 34(2);
- (d) crisis prevention and management measures, concerning:
- (i) the possibility for Member States not to apply one or more crisis prevention and management measures;
 - (ii) conditions relating to points (a), (b) and (c) of the first subparagraph of Article 33(3);
 - (iii) permissible destinations to be decided by Member States for withdrawn products;
 - (iv) the maximum level of support for market withdrawals;
 - (v) the requirement for prior notifications in case of market withdrawals;
 - (vi) the basis of the calculation of the volume of marketed production for free distribution referred to in Article 34(4) and the determination of a maximum volume of marketed production in case of withdrawals;
 - (vii) the requirement to display the Union emblem on packages of products for free distribution;
 - (viii) the conditions for the recipients of withdrawn products;
 - (ix) the use of terms for the purposes of this Section;
 - (x) the conditions, to be adopted by Member States, relating to green harvesting and non-harvesting;
 - (xi) harvest insurance;
 - (xii) mutual funds; and
 - (xiii) the conditions relating to, and the fixing of a ceiling for expenditure on, the replanting of orchards for health or phytosanitary reasons in accordance with point (e) of the first subparagraph of Article 33(3);
- (e) national financial assistance, concerning:
- (i) the degree of organisation of producers;
 - (ii) the requirement to lodge a security where an advance payment is made;
 - (iii) the maximum proportion of Union reimbursement of the national financial assistance.
- Article 38*
- Implementing powers in accordance with the examination procedure**
- The Commission may adopt implementing acts laying down measures concerning:
- (a) the management of operational funds;
 - (b) the information to be contained in operational programmes, national frameworks and national strategies referred to in Article 36, the submission of operational programmes to Member States, time limits, accompanying documents and approval by Member States;
 - (c) the implementation of operational programmes by producer organisations and associations of producer organisations;
 - (d) the submission, format and content of monitoring and evaluation reports of national strategies and operational programmes;
 - (e) aid applications and payments of aid, including advance and partial payments of aid;
 - (f) the practical arrangements for the display of the Union emblem on packages of products for free distribution;
 - (g) the respect for marketing standards in case of withdrawals;
 - (h) transport, sorting and packaging costs in case of free distribution;
 - (i) promotion, communication and training measures in case of crisis prevention and management;
 - (j) the implementation of withdrawal operations, green harvesting, non-harvesting and harvest insurance measures;
 - (k) the application, authorisation, payment and reimbursement of the national financial assistance;
 - (l) the procedures for, and the amount of, the security to be lodged where an advance payment is made.
- Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).

Section 4

Support programmes in the wine sector

Subsection 1

General provisions and eligible measures

Article 39

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 five-year national support programmes ("support programmes") to finance specific support measures to assist the wine sector.

Article 40

Compatibility and consistency

1. Support programmes shall be compatible with Union law and shall be consistent with the activities, policies and priorities of the Union.

2. Member States shall be responsible for support programmes and shall ensure that they are internally consistent and that they are 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 of producers.

3. No support shall be granted for:

- (a) research projects and measures to support research projects other than those referred to in points (d) and (e) of Article 45(2);
- (b) measures contained in Member States' rural development programmes under Regulation (EU) No 1305/2013.

Article 41

Submission of support programmes

1. Each producer Member State listed in Annex VI shall submit to the Commission a draft five-year support programme containing at least one of the eligible measures set out in Article 38.

2. The support measures in the draft support programmes shall be drawn up at the geographical level which the Member State considers most appropriate. The Member State shall consult the competent authorities and organisations at the appropriate territorial level on the draft support programme before submitting it to the Commission.

3. Each Member State shall submit a single draft support programme, which may take into account regional particularities.

4. Support programmes shall become applicable three months after the submission of the draft support programme to the Commission.

However, the Commission may adopt implementing acts establishing that the submitted draft support programme does not comply with the rules laid down in this Section, and shall inform the Member State thereof. In such a case, the Member State shall submit a revised draft support programme to the Commission. The revised support programme shall become applicable two months after the submission of the draft revised support programme unless an incompatibility persists, in which case this subparagraph shall apply.

Those implementing acts shall be adopted without applying the procedure referred to in Article 229(2) or (3).

5. Paragraph 4 shall apply *mutatis mutandis* to changes in respect of applicable support programmes submitted by Member States.

Article 42

Content of support programmes

Support programmes shall include at least 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 the budgetary limits provided for in Annex VI;
- (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 43

Eligible measures

Support programmes may contain only one or more of the following measures:

- (a) promotion, in accordance with Article 45;
- (b) restructuring and conversion of vineyards, in accordance with Article 46;
- (c) green harvesting, in accordance with Article 47;

- (d) mutual funds, in accordance with Article 48;
- (e) harvest insurance, in accordance with Article 49;
- (f) investments, in accordance with Article 50;
- (g) innovation in the wine sector, in accordance with Article 51;
- (h) by-product distillation, in accordance with Article 52.

Article 44

General rules concerning support programmes

1. The available Union funds shall be allocated within the budgetary limits provided for in Annex VI.
2. Union support shall only be granted for eligible expenditure incurred after the submission of the relevant draft support programme.
3. Member States shall not contribute to the costs of measures financed by the Union under the support programmes.

Subsection 2

Specific support measures

Article 45

Promotion

1. Support under this Article shall cover information or promotion measures concerning Union wines:
 - (a) in Member States, with a view to informing consumers about the responsible consumption of wine and about the Union systems covering designations of origin and geographical indications; or
 - (b) in third countries, with a view to improving their competitiveness.
2. The measures referred to in point (b) of paragraph 1 shall apply to wines with a protected designation of origin or a protected geographical indication or wines with an indication of the wine grape variety and shall consist only of one or more of the following:
 - (a) public relations, promotion or advertisement measures, in particular highlighting the high standards of the Union products, especially in terms of quality, food safety or the environment;
 - (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.

3. The Union contribution to information or promotion measures referred to in paragraph 1 shall not exceed 50 % of the eligible expenditure.

Article 46

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 if Member States submit the inventory of their production potential in accordance with Article 145(3).
3. Support for the restructuring and conversion of vineyards, which could also contribute to improving sustainable production systems and the environmental footprint of the wine sector, may only cover one or more of the following activities:
 - (a) varietal conversion, including by means of grafting-on;
 - (b) relocation of vineyards;
 - (c) replanting of vineyards where that is necessary following mandatory grubbing up for health or phytosanitary reasons on the instruction of the Member State competent authority;
 - (d) improvements to vineyard management techniques, in particular the introduction of advanced systems of sustainable production.

The normal renewal of vineyards, which means the replanting of the same parcel of land with the same wine grape variety according to the same system of vine cultivation, when vines have come to the end of their natural life, shall not be supported.

Member States may lay down further specifications, especially as regards the age of the vineyards replaced.

4. Support for the restructuring and conversion of vineyards, including improving vineyard management techniques, 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 referred to in point (a) of paragraph 4 may cover up to 100 % of the relevant loss and take one of the following forms:

(a) notwithstanding Subsection II of Section IVa of Chapter III of Title I of Part II of Regulation (EC) No 1234/2007 setting out the transitional planting right regime, the permission for old and new vines to coexist until the end of the transitional regime for a maximum period which shall not exceed three years;

(b) financial compensation.

6. The Union contribution to the actual costs of the restructuring and conversion of vineyards shall not exceed 50 %. In less developed regions, the Union contribution to the costs of restructuring and conversion shall not exceed 75 %.

Article 47

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.

Leaving commercial grapes on the plants at the end of the normal production cycle (non-harvesting) shall not be considered to be green harvesting.

2. Support for green harvesting shall contribute to restoring the balance of supply and demand in the Union wine market 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 State 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 fixed in paragraph 3.

Article 48

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 49

Harvest insurance

1. Support for harvest insurance shall contribute to safeguarding producers' incomes where there are losses as a consequence of natural disasters, adverse climatic events, diseases or pest infestations.

Insurance contracts shall require that beneficiaries undertake necessary risk prevention measures.

2. Support for harvest insurance may be granted in the form of a Union financial contribution which shall 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:

(i) against losses referred to in point (a) and against other losses caused by adverse climatic events;

(ii) against losses caused by animals, plant diseases or pest infestations.

3. Support for harvest insurance may 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 50

Investments

1. Support may be granted for tangible or intangible investments in processing facilities and winery infrastructure, as well as marketing structures and tools. Those investments shall be intended to improve the overall performance of the enterprise and its adaptation to market demands, as well as to increase its competitiveness, and shall concern the production or marketing of grapevine products referred to in Part II of Annex VII, including with a view to improving energy savings, global energy efficiency and sustainable processes.

2. Support under paragraph 1 at its maximum rate:

(a) shall apply only to micro, small and medium-sized enterprises within the meaning of Commission Recommendation 2003/361/EC ⁽¹⁾;

⁽¹⁾ Commission Recommendation 2003/361/EC of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises (OJ L 124, 20.5.2003, p. 36).

(b) may, in addition, apply to all enterprises for the outermost regions referred to in Article 349 TFEU and the smaller Aegean islands as defined in Article 1(2) of Regulation (EU) No 229/2013 of the European Parliament and of the Council ⁽¹⁾.

For enterprises not covered by Article 2(1) of Title I of the Annex to Recommendation 2003/361/EC with fewer 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 difficulty ⁽²⁾.

3. The eligible expenditure shall exclude the non-eligible costs referred to in Article 69(3) of Regulation (EU) No 1303/2013.

4. The following maximum aid rates concerning the eligible investment costs shall apply to the Union contribution:

- (a) 50 % in less developed regions;
- (b) 40 % in regions other than less developed regions;
- (c) 75 % in the outermost regions referred to in Article 349 TFEU;
- (d) 65 % in the smaller Aegean islands as defined in Article 1(2) of Regulation (EU) No 229/2013.

5. Article 71 of Regulation (EU) No 1303/2013 shall apply *mutatis mutandis* to support referred to in paragraph 1 of this Article.

Article 51

Innovation in the wine sector

Support may be granted for tangible or intangible investments aimed at the development of new products, processes and technologies concerning the products referred to in Part II of Annex VII. The support shall be intended to increase the marketability and competitiveness of Union grapevine products and may include an element of knowledge transfer. The maximum aid rates concerning the Union contribution to the support provided under this Article shall be the same as those set out in Article 50(4).

⁽¹⁾ Regulation (EU) No 229/2013 of the European Parliament and of the Council of 13 March 2013 laying down specific measures for agriculture in favour of the smaller Aegean islands and repealing Council Regulation (EC) No 1405/2006 (OJ L 78, 20.3.2013, p. 41).

⁽²⁾ OJ C 244, 1.10.2004, p. 2.

Article 52

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 VIII.

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 aid shall be paid to distillers that process by-products of winemaking delivered for distillation into raw alcohol with an alcoholic strength of at least 92 % by volume.

Member States may make the granting of support conditional upon the lodging of a security by the beneficiary.

3. The maximum applicable aid levels shall be based on collection and processing costs and shall be fixed by the Commission by means of implementing acts pursuant to Article 54.

4. The relevant aid shall include a lump-sum amount to compensate for the costs of collection of the by-products of winemaking. That amount shall be transferred from the distiller to the producer, where the relevant costs are borne by the latter.

5. The alcohol resulting from the supported distillation referred to in paragraph 1 shall be used exclusively for industrial or energy purposes to avoid distortion of competition.

Subsection 3

Procedural provisions

Article 53

Delegated powers

In order to ensure that Member States' wine support programmes meet their objectives and that there is an efficient and effective use of Union funds, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 establishing:

- (a) rules on the responsibility for expenditure between the date of receipt by the Commission of the support programmes and modifications to support programmes, and their date of applicability;
- (b) rules on the content of support programmes and the expenditure, administrative and personnel costs and operations that may be included in Member States' support programmes and the conditions for, and the possibility to make, payments through intermediaries in the case of support for harvest insurance provided for in Article 49;

(c) rules on the requirement to lodge a security where an advance payment is made;

(d) rules on the use of terms for the purposes of this Section;

(e) rules on the fixing of a ceiling for expenditure on the replanting of vineyards for health or phytosanitary reasons in accordance with point (c) of the first subparagraph of Article 46(3);

(f) rules on the avoidance of double funding between:

(i) the different operations of a Member State's wine support programme, and

(ii) a Member State's wine support programme and its rural development or promotional programmes;

(g) rules under which producers are to withdraw the by-products of winemaking, and on exceptions to that obligation in order to avoid additional administrative burden, and rules for the voluntary certification of distillers;

(h) rules allowing Member States to establish conditions for the proper functioning of support measures in their programmes.

Article 54

Implementing powers in accordance with the examination procedure

The Commission may adopt implementing acts laying down measures concerning:

(a) the submission of the support programmes, the corresponding financial planning and revision of support programmes;

(b) application, selection and payment procedures;

(c) the submission, format and content of the reports and evaluations of Member States' support programmes;

(d) the fixing, by Member States, of the rates of aid for green harvesting and by-product distillation;

(e) financial management and provisions concerning the application of the support measures by the Member States;

(f) the procedures for, and the amount of, the security to be lodged where an advance payment is made.

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

Section 5

Aid in the apiculture sector

Article 55

National programmes and financing

1. With a view to improving general conditions for the production and marketing of apiculture products, Member States may draw up national programmes for the apiculture sector covering a period of three years ("apiculture programmes"). These programmes shall be developed in cooperation with representative organisations in the beekeeping field.

2. The Union contribution to the apiculture programmes shall be equivalent to 50 % of the expenditure borne by Member States for those programmes, as approved in accordance with point (c) of the first paragraph of Article 57.

3. To be eligible for the Union contribution provided for in paragraph 2, Member States shall carry out a study of the production and marketing structure in the beekeeping sector in their territory.

4. The following measures may be included in apiculture programmes:

(a) technical assistance to beekeepers and beekeepers' organisations;

(b) combating beehive invaders and diseases, particularly varroasis;

(c) rationalisation of transhumance;

(d) measures to support laboratories for the analysis of apiculture products with the aim of helping beekeepers to market and increase the value of their products;

(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;

(g) market monitoring;

(h) enhancement of product quality with a view to exploiting the potential of products on the market.

Article 56

Delegated powers

1. In order to ensure the effective and efficient use of Union funds for apiculture, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 on:

(a) the avoidance of double funding between Member States' apiculture programmes and rural development programmes;

(b) the basis for allocating the Union's financial contribution to each participating Member State, based, *inter alia*, on the total number of bee hives in the Union.

2. In order to ensure that the Union aid scheme is adapted to the latest developments and that the measures covered are effective in improving the general conditions for the production and marketing of apiculture products, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 to update the list of measures referred to in Article 55(4) that may be included in Member States' apiculture programmes, by adding other measures or adapting those measures without deleting any of them. That update of the list of measures shall not affect national programmes adopted prior to the entry into force of the delegated act.

Article 57

Implementing powers in accordance with the examination procedure

The Commission may adopt implementing acts laying down the measures necessary for the application of this Section concerning:

- (a) the content of national programmes and of the studies carried out by Member States on the production and marketing structure of their beekeeping sectors;
- (b) the procedure for the reallocation of unused funds;
- (c) the approval of apiculture programmes submitted by Member States, including the allocation of the Union's financial contribution to each participating Member State and the maximum level of funding by Member States.

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

Section 6

Aid in the hops sector

Article 58

Aid to producer organisations

1. The Union shall grant an aid to producer organisations in the hops sector recognised in accordance with Article 152 to finance the pursuit of the aims referred to in points (c)(i), (ii) or (iii) of Article 152(1).
2. The Union financing for the aid to producer organisations provided for in paragraph 1 shall be EUR 2 277 000 per year for Germany.

Article 59

Delegated powers

In order to ensure that the aid referred to in Article 58 finances the pursuit of the aims referred to in Article 152, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 concerning:

- (a) aid applications, including rules on deadlines and accompanying documents;

(b) rules on eligible hop areas and the calculation of the amounts to be paid to each producer organisation.

Article 60

Implementing powers in accordance with the examination procedure

The Commission may adopt implementing acts laying down the measures necessary for the application of this Section concerning the payment of aid.

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

CHAPTER III

Scheme of authorisations for vine plantings

Article 61

Duration

The scheme of authorisations for vine plantings established in this Chapter shall apply from 1 January 2016 to 31 December 2030, with a mid-term review to be undertaken by the Commission to evaluate the operation of the scheme and, if appropriate, make proposals.

Section 1

Management of the scheme of authorisations for vine plantings

Article 62

Authorisations

1. Vines of wine grape varieties classified in accordance with Article 81(2) may only be planted or replanted if an authorisation is granted in accordance with Articles 64, 66 and 68 under the conditions laid down in this Chapter.
2. Member States shall grant the authorisation referred to in paragraph 1, corresponding to a specific area expressed in hectares, upon submission of an application by producers which complies with objective and non-discriminatory eligibility criteria. Such authorisation shall be granted without a fee being charged to the producers.
3. The authorisations referred to in paragraph 1 shall be valid for three years from the date on which they were granted. A producer who has not used an authorisation granted during its period of validity shall be subject to administrative penalties as provided for in Article 89(4) of Regulation (EU) No 1306/2013.
4. This Chapter shall not apply to the planting or replanting of areas intended for experimental purposes or for graft nurseries, to areas whose wine or vine products are intended solely for the consumption by the wine-grower's household or to areas to be newly planted as a result of compulsory purchases in the public interest under national law.

*Article 63***Safeguard mechanism for new plantings**

1. Member States shall make available each year authorisations for new plantings corresponding to 1 % of the total area actually planted with vines in their territory, as measured on 31 July of the previous year.

2. Member States may:

- (a) apply at national level a lower percentage than the percentage set out in paragraph 1;
- (b) limit the issuing of authorisations at regional level, for specific areas eligible for the production of wines with a protected designation of origin, for areas eligible for the production of wines with a protected geographical indication, or for areas without a geographical indication.

3. Any of the limitations referred to in paragraph 2 shall contribute to an orderly growth of vine plantings, shall be set above 0 %, and shall be justified on one or more of the following specific grounds:

- (a) the need to avoid a well-demonstrated risk of oversupply of wine products in relation to market prospects for those products, not exceeding what is necessary to satisfy this need;
- (b) the need to avoid a well-demonstrated risk of significant devaluation of a particular protected designation of origin or a protected geographical indication.

4. Member States shall make public any decisions adopted pursuant to paragraph 2, which shall be duly justified. Member States shall notify the Commission forthwith of those decisions and justifications.

*Article 64***Granting of authorisations for new plantings**

1. If the total area covered by the eligible applications in a given year does not exceed the area made available by the Member State, all such applications shall be accepted.

Member States may, for the purpose of this Article, apply one or more of the following objective and non-discriminatory eligibility criteria:

- (a) the applicant shall have an agricultural area which is not smaller than the area for which he requests the authorisation;
- (b) the applicant shall possess adequate occupational skills and competence;

(c) the application shall not pose a significant risk of misappropriation of the reputation of specific protected designations of origin, which shall be presumed unless the existence of such risk is demonstrated by the public authorities;

(d) where duly justified, one or more of the criteria referred to in paragraph 2, provided that they are applied in an objective and non-discriminatory manner.

2. If the total area covered by the eligible applications referred to in paragraph 1 in a given year exceeds the area made available by the Member State, authorisations shall be granted according to a pro-rata distribution of hectares to all applicants on the basis of the area for which they have requested the authorisation. Such granting may also be partially or completely made according to one or more of the following objective and non-discriminatory priority criteria:

- (a) producers who are setting up vine plantings for the first time, and who are established as the head of the holding (new entrants);
- (b) areas where vineyards contribute to the preservation of the environment;
- (c) areas to be newly planted in the framework of land consolidation projects;
- (d) areas facing natural or other specific constraints;
- (e) the sustainability of projects of development or replantations on the basis of an economic evaluation;
- (f) areas to be newly planted which contribute to increasing the competitiveness at farm holding and regional level;
- (g) projects with the potential to improve the quality of products with geographical indications;
- (h) areas to be newly planted in the framework of increasing the size of small and medium-sized holdings.

3. Member States shall make public the criteria referred to in paragraphs 1 and 2 that they apply and shall notify them forthwith to the Commission.

*Article 65***Role of professional organisations**

When applying Article 63(2), a Member State may take into account recommendations presented by recognised professional organisations operating in the wine sector referred to in Articles 152, 156 and 157, of interested groups of producers referred to in Article 95, or of other types of professional organisation

recognised on the basis of that Member State's legislation, provided that those recommendations are preceded by an agreement entered into by the relevant representative parties in the reference geographical area.

The recommendations shall be made for no more than three years.

Article 66

Replantings

1. Member States shall automatically grant an authorisation to producers who have grubbed up an area planted with vines as from 1 January 2016 and submitted an application. Such authorisation shall correspond to the equivalent of that area in terms of pure crop. The areas covered by such authorisations shall not be counted for the purposes of Article 63.

2. Member States may grant the authorisation referred to in paragraph 1 to producers undertaking to grub up an area planted with vines if the grubbing up of the pledged area is carried out at the latest by the end of the fourth year from the date on which new vines have been planted.

3. The authorisation referred to in paragraph 1 shall be used on the same holding on which the grubbing up was undertaken. Member States may, in areas eligible for the production of wines with protected designations of origin or protected geographical indications, restrict the replanting, on the basis of a recommendation from a professional organisation in accordance with Article 65, to vines complying with the same protected designation of origin or geographical indication specification as the area grubbed up.

4. This Article shall not apply in the case of grubbing up of non-authorised plantings.

Article 67

De minimis

1. The scheme of authorisations for vine plantings established in this Chapter shall not apply in Member States where the transitional planting right regime established in Subsection II of Section IVa of Chapter III of Title I of Part II of Regulation (EC) No 1234/2007 did not apply on 31 December 2007.

2. Member States to which the regime referred to in paragraph 1 applied on 31 December 2007, and in respect of which the areas currently planted with vines do not exceed 10 000 hectares, may decide not to implement the scheme of authorisations for vine plantings established in this Chapter.

Article 68

Transitional provisions

1. Planting rights granted to producers in accordance with Article 85h, Article 85i or Article 85k of Regulation (EC) No 1234/2007 before 31 December 2015 which have not

been used by those producers and are still valid by that date may be converted into authorisations under this Chapter as from 1 January 2016.

Such conversion shall take place upon a request to be submitted by those producers before 31 December 2015. Member States may decide to allow producers to submit such a request to convert rights into authorisations until 31 December 2020.

2. Authorisations granted pursuant to paragraph 1 shall have the same period of validity as the planting rights referred to in paragraph 1. If these authorisations are not used, they shall expire at the latest by 31 December 2018, or, where a Member State has taken the decision referred to in the second subparagraph of paragraph 1, at the latest by 31 December 2023.

3. The areas covered by the authorisations granted pursuant to paragraph 1 shall be not be counted for the purposes of Article 63.

Article 69

Delegated powers

The Commission shall be empowered to adopt delegated acts in accordance with Article 227 concerning:

- (a) the conditions for the application of the exemption referred to in Article 62(4);
- (b) the rules relating to the criteria referred to in Article 64(1) and (2);
- (c) the addition of criteria to those listed in Article 64(1) and (2);
- (d) the co-existence of vines that the producer has undertaken to grub up with newly planted vines pursuant to Article 66(2);
- (e) the grounds for Member State decisions under Article 66(3).

Article 70

Implementing powers in accordance with the examination procedure

The Commission may adopt implementing acts laying down the necessary measures in relation to:

- (a) the procedures for granting the authorisations;
- (b) the records to be kept by the Member States and notifications to be sent to the Commission.

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

Section 2

Control of the scheme of authorisations for vine plantings

Article 71

Non-authorised plantings

1. Producers shall grub up at their own cost areas planted with vines without an authorisation.

2. If producers do not grub up within four months from the date on which they are notified of the irregularity, Member States shall ensure the grubbing up of such non-authorised plantings within two years following the expiry of the four-month period. The relevant cost shall be charged to the producers concerned.

3. Member States shall communicate to the Commission by 1 March each year the total size of the areas ascertained as planted with vines without an authorisation after 1 January 2016, as well as the areas grubbed up in accordance with paragraphs 1 and 2.

4. A producer who has not complied with the obligation laid down in paragraph 1 of this Article shall be subject to penalties to be laid down in accordance with Article 64 of Regulation (EU) No 1306/2013.

5. Areas planted with vines without an authorisation shall not benefit from any national or Union support measures.

Article 72

Implementing powers in accordance with the examination procedure

The Commission may adopt implementing acts laying down necessary measures setting out the details of the communication requirements that Member States are to comply with, including possible reductions of the budgetary limits provided for in Annex VI in the case of non-compliance.

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

TITLE II

RULES CONCERNING MARKETING AND PRODUCER ORGANISATIONS

CHAPTER I

Rules concerning marketing

Section 1

Marketing standards

Subsection 1

Introductory provisions

Article 73

Scope

Without prejudice to any other provisions applicable to agricultural products, as well as to the provisions adopted in the

veterinary, phytosanitary and food sectors to ensure that products comply with hygiene and health standards and to protect animal, plant and human health, this Section lays down the rules concerning marketing standards. Those rules shall be divided between obligatory rules and optional reserved terms for agricultural products.

Subsection 2

Marketing standards by sectors or products

Article 74

General principle

The products for which marketing standards by sectors or products have been laid down in accordance with this Section may be marketed in the Union only if they conform to those standards.

Article 75

Establishment and content

1. Marketing standards may apply to one or more of the following sectors and products:

- (a) olive oil and table olives;
- (b) fruit and vegetables;
- (c) processed fruit and vegetable products;
- (d) bananas;
- (e) live plants;
- (f) eggs;
- (g) poultrymeat;
- (h) spreadable fats intended for human consumption;
- (i) hops.

2. In order to take into account the expectations of consumers and to improve the economic conditions for the production and marketing as well as the quality of the agricultural products covered by paragraphs 1 and 4 of this Article, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 on marketing standards by sectors or products, at all stages of the marketing, as well as derogations and exemptions from such standards in order to adapt to constantly changing market conditions, to evolving consumer demands, to developments in relevant international standards and to avoid creating obstacles to product innovation.

3. Without prejudice to Article 26 of Regulation (EU) No 1169/2011 of the European Parliament and of the Council ⁽¹⁾, the marketing standards referred to in paragraph 1 may cover one or more of the following, to be determined on a sectoral or product basis and based on the characteristics of each sector, the need to regulate the placing on the market and the conditions defined in paragraph 5 of this Article:

- (a) the technical definitions, designation and sales descriptions for sectors other than those set out in Article 78;
- (b) classification criteria such as grading into classes, weight, sizing, age and category;
- (c) the species, plant variety or animal race or the commercial type;
- (d) the presentation, labelling linked to obligatory marketing standards, packaging, rules to be applied in relation to packing centres, marking, year of harvesting and use of specific terms, without prejudice to Articles 92 to 123;
- (e) criteria such as appearance, consistency, conformation, product characteristics and the percentage of water content;
- (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 advanced systems of sustainable production;
- (h) coupage of must and wine including definitions thereof, blending and restrictions thereof;
- (i) the frequency of collection, delivery, preservation and handling, the conservation method and temperature, storage and transport;
- (j) the place of farming and/or origin, excluding poultrymeat and spreadable fats;
- (k) restrictions as regards the use of certain substances and practices;

(l) specific use;

(m) the conditions governing the disposal, the holding, circulation and use of products not in conformity with the marketing standards adopted pursuant to paragraph 1 or with the definitions, designations and sales descriptions as referred to in Article 78, as well as the disposal of by-products.

4. In addition to paragraph 1, marketing standards may apply to the wine sector. Points (f), (g), (h), (k) and (m) of paragraph 3 shall apply to that sector.

5. The marketing standards by sectors or products adopted pursuant to paragraph 1 of this Article shall be established without prejudice to Articles 84 to 88 and Annex IX and shall take into account:

- (a) the specific characteristics of the product concerned;
- (b) the need to ensure the conditions to facilitate the placing of the products on the market;
- (c) the interest of producers to communicate the product and farming characteristics, and the interest of consumers to receive adequate and transparent product information, including the place of farming to be determined on a case-by-case basis at the appropriate geographical level, after conducting an evaluation, in particular, of the costs and administrative burdens for operators and the benefits offered to producers and the end consumer;
- (d) the methods available for determining physical, chemical and organoleptic characteristics of the products;
- (e) the standard recommendations adopted by international bodies;
- (f) the need to preserve the natural and essential characteristics of products and to avoid causing a substantial change in the composition of the product concerned.

6. In order to take into account the expectations of consumers and the need to improve the quality and the economic conditions for the production and marketing of agricultural products, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 to modify the list of sectors in paragraph 1. Such delegated acts shall be strictly limited to demonstrated needs resulting from evolving consumer demand, technical progress or the need for product innovation, and shall be subject to a Commission report to the European Parliament and to the Council evaluating, in particular, the needs of the consumer, the costs and administrative burdens for operators, including the impact on the internal market and on international trade, and the benefits offered to producers and to the end consumer.

⁽¹⁾ Regulation (EU) No 1169/2011 of the European Parliament and of the Council of 25 October 2011 on the provision of food information to consumers, amending Regulations (EC) No 1924/2006 and (EC) No 1925/2006 of the European Parliament and of the Council, and repealing Commission Directive 87/250/EEC, Council Directive 90/496/EEC, Commission Directive 1999/10/EC, Directive 2000/13/EC of the European Parliament and of the Council, Commission Directives 2002/67/EC and 2008/5/EC and Commission Regulation (EC) No 608/2004 (OJ L 304, 22.11.2011, p. 18).

*Article 76***Additional requirements for marketing of products in the fruit and vegetables sector**

1. In addition, where relevant, to the applicable marketing standards referred to in Article 75, products of the fruit and vegetables sector which are intended to be sold fresh to the consumer may only be marketed if they are sound, fair and of marketable quality and if the country of origin is indicated.

2. The marketing standards referred to in paragraph 1, as well as any marketing standard applicable to the fruit and vegetables sector laid down in accordance with this subsection, shall apply at all marketing stages including import and export, and may cover quality, categorisation, weight, size, packing, packaging, storage, transport, presentation and marketing.

3. The holder of products of the fruit and vegetables sector covered by marketing standards shall not display such products, offer them for sale or deliver or market them in any manner within the Union other than in conformity with those standards and shall be responsible for ensuring such conformity.

4. In order to ensure the proper application of requirements set out in paragraph 1 of this Article and to take into account certain specific situations, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 concerning specific derogations to this Article which are necessary for its proper application.

*Article 77***Certification for hops**

1. In addition, where relevant, to the applicable marketing standards, products of the hops sector harvested or prepared within the Union shall be subject to a certification procedure under this Article.

2. Certificates may be issued only for products having the minimum quality characteristics appropriate to a specific stage of marketing. In the case of hop powder, hop powder with higher lupulin content, extract of hops and mixed hop products, the certificate may only be issued if the alpha acid content of these products is not lower than that of the hops from which they have been prepared.

3. The certificates shall at least indicate:

- (a) the place(s) of production of the hops;
- (b) the year(s) of harvesting; and
- (c) the variety or varieties.

4. Products of the hops sector may be marketed or exported only if covered by a certificate issued in accordance with this Article.

In the case of imported products of the hops sector, the attestation provided for in Article 190(2) shall be deemed to be equivalent to that certificate.

5. The Commission shall be empowered to adopt delegated acts in accordance with Article 227 laying down measures derogating from paragraph 4 of this Article:

- (a) in order to satisfy the trade requirements of certain third countries; or
- (b) for products intended for special uses.

The measures referred to in the first subparagraph shall:

- (i) not prejudice the normal marketing of products for which the certificate has been issued; and
- (ii) be accompanied by guarantees intended to avoid any confusion with those products.

*Article 78***Definitions, designations and sales descriptions for certain sectors and products**

1. In addition, where relevant, to the applicable marketing standards, the definitions, designations and sales descriptions provided for in Annex VII shall apply to the following sectors or products:

- (a) beef and veal;
- (b) wine;
- (c) milk and milk products intended for human consumption;
- (d) poultrymeat;
- (e) eggs;
- (f) spreadable fats intended for human consumption; and
- (g) olive oil and table olives.

2. The definitions, designations or sales descriptions provided for in Annex VII may be used in the Union only for the marketing of a product which conforms to the corresponding requirements laid down in that Annex.

3. The Commission shall be empowered to adopt delegated acts in accordance with Article 227 concerning the modifications, derogations or exemptions to the definitions and sales descriptions provided for in Annex VII. Those delegated acts shall be strictly limited to demonstrated needs resulting from evolving consumer demand, technical progress or the need for product innovation.

4. In order to ensure that operators and Member States have a clear and proper understanding of the definitions and sales descriptions provided for in Annex VII, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 concerning the rules on their specification and application.

5. In order to take into account the expectations of consumers and the evolution of the milk products market, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 to specify the milk products in respect of which the animal species from which the milk originates is to be stated, if it is not bovine, and to lay down the necessary rules.

Article 79

Tolerance

1. In order to take into account the specific characteristics of each product or sector, the different marketing stages, the technical conditions, any possible considerable practical difficulty, and also the accuracy and repeatability of the methods of analysis, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 on tolerance for one or more specific standards in excess of which the entire batch of products shall be considered not to respect that standard.

2. When adopting the acts referred to in paragraph 1, the Commission shall take into account the need not to alter the intrinsic characteristics of the product and to avoid lowering its quality.

Article 80

Oenological practices and methods of analyses

1. Only oenological practices authorised in accordance with Annex VIII and provided for in point (g) of Article 75(3) and in Article 83(2) and (3) shall be used in the production and conservation of the products listed in Part II of Annex VII in the Union.

The first subparagraph shall not apply to:

- (a) grape juice and concentrated grape juice; and
- (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 listed in Part II of Annex VII shall be produced in the Union in accordance with the rules laid down in Annex VIII.

2. Products listed in Part II of Annex VII shall not be marketed in the Union if:

- (a) they have undergone unauthorised Union oenological practices;
- (b) they have undergone unauthorised national oenological practices; or
- (c) they do not comply with the rules laid down in Annex VIII.

The grapevine products which are unmarketable in accordance with the first subparagraph shall be destroyed. By way of derogation from this rule, Member States may authorise the use of certain of such products, the characteristics of which they shall determine, by distilleries or vinegar factories or for industrial purposes, provided that this authorisation does not become an incentive to produce grapevine products by means of unauthorised oenological practices.

3. When authorising oenological practices for wine as referred to in point (g) of Article 75(3), the Commission shall:

- (a) take into account the oenological practices and methods of analyses recommended and published by the OIV, as well as 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 well established perception of the product and their corresponding expectations, 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 the rules laid down in Annex VIII.

4. In order to ensure the correct treatment of unmarketable wine products, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 concerning rules on the national procedures referred to in the second subparagraph of paragraph 2 of this Article, and derogations therefrom concerning the withdrawal or destruction of wine products that do not comply with the requirements.

5. The Commission shall, where necessary, adopt implementing acts laying down the methods referred to in point (d) of Article 75(5) for products listed in Part II of Annex VII. Those methods shall be based on any relevant methods recommended and published by the OIV, unless they would be ineffective or inappropriate in view of the objective pursued by the Union. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).

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

Article 81

Wine grape varieties

1. Products listed in Part II of Annex VII and produced in the Union shall be made from wine grape varieties classifiable in accordance with 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 species *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 last five wine years, shall be exempt from the classification obligation provided for in the first subparagraph of paragraph 2.

However, also in those Member States, 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, in the case of the Member States other than those referred to in paragraph 3;

(b) wine grape varieties which do not comply with the second subparagraph of paragraph 2, in the case of the Member States referred to in paragraph 3.

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-producer's household.

Article 82

Specific use of wine not conforming to the categories listed in Part II of Annex VII

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 81(2) but not conforming to one of the categories laid down in Part II of Annex VII shall be used only for consumption by individual wine-producers' households, for the production of wine vinegar or for distillation.

Article 83

National rules for certain products and sectors

1. Notwithstanding Article 75(2), 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 the option provided for in the first subparagraph shall ensure that other Member States' products complying with the criteria laid down by those national rules may, in a non-discriminatory way, use terms which state that those criteria have been complied with.

2. Member States may limit or prohibit the use of certain oenological practices and provide for more stringent rules 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.

3. Member States may allow the experimental use of unauthorised oenological practices.

4. In order to ensure the correct and transparent application of this Article, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 setting out the conditions for the application of paragraphs 1, 2 and 3 of this Article, as well as the conditions for the holding, circulation and use of the products obtained from the experimental practices referred to in paragraph 3 of this Article.

5. Member States may only adopt or maintain additional national provisions on products covered by a Union marketing standard if those provisions comply with Union law, in particular the principle of free movement of goods, and subject to Directive 98/34/EC of the European Parliament and of the Council ⁽¹⁾.

Subsection 3

Optional reserved terms

Article 84

General provision

A scheme for optional reserved terms by sector or by product shall be established in order to make it easier for producers of agricultural products that have value-adding characteristics or attributes to communicate those characteristics or attributes within the internal market, and in particular to support and complement the specific marketing standards.

This Subsection shall not apply to wine products referred to in Article 92(1).

Article 85

Existing optional reserved terms

1. The optional reserved terms covered by this scheme on 20 December 2013 are listed in Annex IX and the conditions of their use shall be laid down pursuant to point (a) of Article 86.

2. The optional reserved terms referred to in paragraph 1 of this Article shall remain in force, subject to any amendment, unless cancelled pursuant to Article 86.

Article 86

Reservation, amendment and cancellation of optional reserved terms

In order to take account of the expectations of consumers, developments in scientific and technical knowledge, the situation in the market and developments in marketing standards and in international standards, the Commission shall be empowered to adopt delegated acts in accordance with Article 227:

- (a) reserving an additional optional reserved term, laying down its conditions of use;
- (b) amending the conditions of use of an optional reserved term; or
- (c) cancelling an optional reserved term.

⁽¹⁾ Directive 98/34/EC of the European Parliament and of the Council of 22 June 1998 laying down a procedure for the provision of information in the field of technical standards and regulations and of rules on Information Society services (OJ L 204, 21.7.1998, p. 37).

Article 87

Additional optional reserved terms

1. A term shall be eligible to be reserved as an additional optional reserved term only if it fulfils all of the following requirements:

- (a) the term relates to a characteristic of a product or to a farming or processing attribute and relates to a sector or product;
- (b) the use of the term enables clearer communication of the added value of the product by its specific characteristics or farming or processing attributes;
- (c) when the product is placed on the market, the characteristic or attribute referred to in point (a) is identifiable by consumers in several Member States;
- (d) the conditions and use of the term are in conformity with Directive 2000/13/EC of the European Parliament and of the Council ⁽²⁾ or Regulation (EU) No 1169/2011.

When introducing an additional optional reserved term, the Commission shall take account of any relevant international standard and of the existing reserved terms for the products or sectors involved.

2. In order to take the characteristics of certain sectors as well as consumer expectations into account, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 laying down further details on the requirements for the introduction of an additional reserved term, as referred to in paragraph 1 of this Article.

Article 88

Restrictions on use of optional reserved terms

- 1. An optional reserved term may only be used to describe products that conform to the applicable conditions of use.
- 2. Member States shall adopt appropriate measures to ensure that product labelling does not give rise to confusion with optional reserved terms.
- 3. In order to ensure that products described by means of optional reserved terms conform to the applicable conditions of use, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 laying down additional rules on the use of optional reserved terms.

⁽²⁾ Directive 2000/13/EC of the European Parliament and of the Council of 20 March 2000 on the approximation of the laws of the Member States relating to the labelling, presentation and advertising of foodstuffs (OJ L 109, 6.5.2000, p. 29).

Subsection 4

Marketing standards related to import and export

Article 89

General provisions

In order to take into account the specific characteristics of trade between the Union and certain third countries and the special character of certain agricultural products, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 concerning:

- (a) the conditions under which imported products are considered to have an equivalent level of conformity to the Union marketing standards and conditions allowing derogation from Article 74; and
- (b) the rules concerning the application of the marketing standards to products exported from the Union.

Article 90

Special provisions for the imports of wine

1. Save as otherwise provided for in international agreements concluded in accordance with the TFEU, the provisions concerning designation of origin and geographical indications and labelling of wine set out in Section 2 of this Chapter, and the definitions, designations and sales descriptions referred to in Article 78 of this Regulation shall apply to products imported into the Union and falling within CN codes 2009 61, 2009 69 and 2204.

2. Save as otherwise provided for in international agreements concluded in accordance with the TFEU, products referred to in paragraph 1 of this Article shall be produced in accordance with oenological practices authorised by the Union pursuant to this Regulation or, prior to the authorisation pursuant to Article 80(3), produced in accordance with oenological practices recommended and published by the OIV.

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, 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, if the product is intended for direct human consumption.

Subsection 5

Common provisions

Article 91

Implementing powers in accordance with the examination procedure

The Commission may adopt implementing acts:

- (a) establishing the list of milk and milk products referred to in the second paragraph of point 5 of Part III of Annex VII and spreadable fats referred to in point (a) of the sixth paragraph of Section I of Part VII of Annex VII, on the basis of indicative lists of products which Member States regard as corresponding, in their territory, to those provisions and which Member States shall send to the Commission;
- (b) laying down rules for the implementation of the marketing standards by sector or product;
- (c) laying down rules for determining whether products have undergone processes contrary to the authorised oenological practices;
- (d) laying down rules for the methods of analysis for determining the characteristics of products;
- (e) laying down rules for fixing the tolerance level;
- (f) laying down rules for the implementation of the measures referred to in Article 89;
- (g) laying down rules for the identification or registration of the producer and/or the industrial facilities in which the product has been prepared or processed, for the certification procedures and for the commercial documents, accompanying documents and records to be kept.

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

Section 2

Designations of origin, geographical indications and traditional terms in the wine sector

Subsection 1

Introductory provisions

Article 92

Scope

1. Rules on 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 VIII.
2. The rules referred to in paragraph 1 shall be based on:
 - (a) protecting the legitimate interests of consumers and producers;
 - (b) ensuring the smooth operation of the internal market in the products concerned; and

(c) promoting the production of quality products referred to in this Section, whilst allowing national quality policy measures.

Subsection 2

Designations of origin and geographical indications

Article 93

Definitions

1. For the purposes of this Section, the following definitions shall apply:

(a) "a designation of origin" means the name of a region, a specific place or, in exceptional and duly justifiable cases, a country used to describe a product referred to in Article 92(1) fulfilling the following requirements:

- (i) the quality and characteristics of the product are essentially or exclusively due to a particular geographical environment with its inherent natural and human factors;
- (ii) the grapes from which the product is produced come exclusively from that geographical area;
- (iii) the production takes place in that geographical area; and
- (iv) the product is obtained from vine varieties belonging to *Vitis vinifera*;

(b) "a geographical indication" means an indication referring to a region, a specific place or, in exceptional and duly justifiable cases, a country, used to describe a product referred to in Article 92(1) fulfilling 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 that geographical area;
- (iii) its production takes place in that 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) fulfil the requirements referred to in points (a)(i) to (iv) of paragraph 1; and

(d) have undergone 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.

4. Production as referred to in point (a)(iii) of paragraph 1 shall cover all the operations involved, from the harvesting of the grapes to the completion of the wine-making processes, with the exception of any post-production processes.

5. For the purpose of the application of point (b)(ii) of paragraph 1, the maximum 15 % share of grapes which may originate outside the demarcated area shall originate from the Member State or third country in which the demarcated area is situated.

Article 94

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 relating to the designation of origin or geographical indication.

The product specification shall at least consist of:

- (a) the name to be protected;
- (b) a description of the wine or wines:
 - (i) in respect of a designation of origin, the principal analytical and organoleptic characteristics;
 - (ii) in respect of a geographical indication, the 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 or wines, as well as the relevant restrictions on making them;

- (d) the demarcation of the geographical area concerned;
- (e) the maximum yields per hectare;
- (f) an indication of the wine grape variety or varieties that the wine or wines are obtained from;
- (g) the details bearing out the link referred to in point (a)(i) or, as the case may be, in point (b)(i) of Article 93(1);
- (h) applicable requirements laid down in Union or national legislation or, where provided for 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 must be objective, 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.

3. Where the application for protection concerns a geographical area in a third country, it shall contain, in addition to the elements provided for in paragraphs 1 and 2, proof that the name concerned is protected in its country of origin.

Article 95

Applicants

1. Any interested group of producers, or in exceptional and duly justifiable 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 apply 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 submitted.

Article 96

Preliminary national procedure

1. Applications for protection of a designation of origin or a geographical indication for wines originating in the Union shall be subject to a preliminary national procedure.
2. The application for protection shall be filed with the Member State in the territory of which the designation of origin or geographical indication originates.
3. The Member State with which the application for protection is filed shall examine it in order to verify whether it meets the conditions set out in this Subsection.

That 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 that Member State.

4. If the Member State assessing the application considers that the designation of origin or the geographical indication does not comply with the conditions laid down in this Subsection or is incompatible with Union law, it shall reject the application.

5. If the Member State assessing the application considers that the requirements are fulfilled, it shall carry out a national procedure which ensures adequate publication of the product specification at least on the Internet and forward the application to the Commission.

Article 97

Scrutiny by the Commission

1. The Commission shall make public the date of submission of the application for protection of the designation of origin or geographical indication.
2. The Commission shall examine whether the applications for protection as referred to in Article 94 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 adopt implementing acts concerning the publication, in the *Official Journal of the European Union*, of the single document referred to in point (d) of Article 94(1) and of the reference to the publication of the product specification made in the course of the preliminary national procedure. Those implementing acts shall be adopted without applying the procedure referred to in Article 229(2) or (3).
4. Where the Commission considers that the conditions laid down in this Subsection are not met, it shall adopt implementing acts rejecting the application.

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

Article 98

Objection procedure

Within two months from the date of the publication of the single document as referred to in point (d) of Article 94(1), any Member State or third country, or any natural or legal person having a legitimate interest and 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 submitting to the Commission a duly substantiated statement concerning the conditions of eligibility as laid down in this Subsection.

In the case of natural or legal persons resident or established in third countries, such a statement shall be submitted, either directly or via the authorities of the third country concerned, within the two month period referred to in the first paragraph.

Article 99

Decision on protection

On the basis of the information available to the Commission upon the completion of the objection procedure referred to in Article 98, the Commission shall adopt implementing acts either conferring 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 rejecting the application where those conditions are not met.

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

Article 100

Homonyms

1. A name for which an application is submitted and which is wholly or partially homonymous with a name already registered under this Regulation shall be registered with due regard to local and traditional usage and 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 those products is concerned.

A registered homonymous name may be used only if there is a sufficient distinction in practice between the homonym registered subsequently and the name already in the register, having regard to the need to treat the producers concerned in an equitable manner and the need to avoid misleading the consumer.

2. Paragraph 1 shall apply *mutatis mutandis* if a name for which an application is submitted is wholly or partially homonymous with a geographical indication protected under the national law of Member States.

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 agricultural products.

In order to take into account existing labelling practices, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 laying down exceptions from that rule.

4. The protection of designations of origin and geographical indications of products covered by Article 93 of this Regulation

shall be without prejudice to protected geographical indications applying to spirit drinks as defined in Article 2 of Regulation (EC) No 110/2008 of the European Parliament and of the Council ⁽¹⁾.

Article 101

Additional grounds for refusal of protection

1. A name that has become generic shall not be protected as a designation of origin or a geographical indication.

For the purposes of this Section, a "name that has become generic" means the name of a wine which, although it relates to the place or the region where this 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, the relevant factors shall be taken into account, in particular:

(a) the existing situation in the Union, notably in areas of consumption;

(b) the relevant Union or national law.

2. A name shall not be protected as a designation of origin or geographical indication where, in the light of a trade mark's reputation and renown, protection could mislead the consumer as to the true identity of the wine.

Article 102

Relationship with trade marks

1. The registration of a trade mark that contains or consists of a protected designation of origin or a geographical indication which does not comply with the product specification concerned or the use of which falls under Article 103(2), and that relates to a product falling under one of the categories listed in Part II of Annex VII shall be:

(a) refused if the application for registration of the trade mark 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; or

(b) invalidated.

2. Without prejudice to Article 101(2), a trade mark referred to in paragraph 1 of this Article which has been applied for, registered or established by use in good faith, if that possibility is provided for by the law concerned, in the territory of the Union either before the date of protection of the designation of origin or geographical indication in the country of origin, or before 1 January 1996, may continue to be used and renewed

⁽¹⁾ Regulation (EC) No 110/2008 of the European Parliament and of the Council of 15 January 2008 on the definition, description, presentation, labelling and the protection of geographical indications of spirit drinks (OJ L 39, 13.2.2008, p. 16).

notwithstanding the protection of a designation of origin or geographical indication, provided that no grounds for the trade mark's invalidity or revocation exist under Directive 2008/95/EC of the European Parliament and of the Council ⁽¹⁾ or under Council Regulation (EC) No 207/2009 ⁽²⁾.

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

Article 103

Protection

1. A protected designation of origin and a protected geographical indication may be used by any operator marketing a wine which has been produced in conformity with the corresponding product specification.

2. A protected designation of origin and a protected geographical indication, as well as the wine using that protected name in conformity with the product specifications, shall be protected against:

- (a) any direct or indirect commercial use of that 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, transcribed or transliterated 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, as well as 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.

⁽¹⁾ Directive 2008/95/EC of the European Parliament and of the Council of 22 October 2008 to approximate the laws of the Member States relating to trade marks (OJ L 299, 8.11.2008, p. 25).

⁽²⁾ Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark (OJ L 78, 24.3.2009, p. 1).

3. Protected designations of origin and protected geographical indications shall not become generic in the Union within the meaning of Article 101(1).

Article 104

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. Designations of origin and geographical indications pertaining to products of third countries that are protected in the Union pursuant to an international agreement to which the Union is a contracting party may be entered in the register. Unless specifically identified in that agreement as protected designations of origin within the meaning of this Regulation, such names shall be entered in the register as protected geographical indications.

Article 105

Amendments to product specifications

An applicant satisfying the conditions laid down in Article 95 may apply for approval of an amendment to the product specification of a protected designation of origin or of a protected geographical indication, in particular to take account of developments in scientific and technical knowledge or to re-demarcate the geographical area referred to in point (d) of the second subparagraph of Article 94(2). Applications shall describe and state reasons for the amendments requested.

Article 106

Cancellation

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

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

Article 107

Existing protected wine names

1. Wine names referred to in Articles 51 and 54 of Council Regulation (EC) No 1493/1999 ⁽³⁾ and Article 28 of Commission Regulation (EC) No 753/2002 ⁽⁴⁾ shall be automatically protected under this Regulation. The Commission shall list them in the register provided for in Article 104 of this Regulation.

⁽³⁾ Council Regulation (EC) No 1493/1999 of 17 May 1999 on the common organisation of the market in wine (OJ L 179, 14.7.1999, p. 1).

⁽⁴⁾ Commission Regulation (EC) No 753/2002 of 29 April 2002 laying down certain rules for applying Council Regulation (EC) No 1493/1999 as regards the description, designation, presentation and protection of certain wine sector products (OJ L 118, 4.5.2002, p. 1).

2. The Commission shall take the corresponding formal step of removing wine names to which Article 118s(3) of Regulation (EC) No 1234/2007 applies from the register provided for in Article 104 of this Regulation by means of implementing acts adopted without applying the procedure referred to in Article 229(2) or (3) of this Regulation.

3. Article 106 shall not apply to existing protected wine names referred to in paragraph 1 of this Article.

Until 31 December 2014, the Commission may, on its own initiative, adopt implementing acts cancelling the protection of existing protected wine names referred to in paragraph 1 of this Article if they do not meet the conditions laid down in Article 93.

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

4. For Croatia, the wine names published in the *Official Journal of the European Union* ⁽¹⁾ shall be protected under this Regulation, subject to a favourable outcome of the objection procedure. The Commission shall list them in the register provided for in Article 104.

Article 108

Fees

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

Article 109

Delegated powers

1. In order to take into account the specific characteristics of the production in the demarcated geographical area, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 laying down:

- (a) the additional criteria for the demarcation of the geographical area; and
- (b) the restrictions and derogations concerning the production in the demarcated geographical area.

2. In order to ensure product quality and traceability, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 laying down the conditions under which product specifications may include additional requirements.

3. In order to ensure the protection of the legitimate rights and interests of producers and operators, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 on:

- (a) the type of applicant that may apply for the protection of a designation of origin or geographical indication;

- (b) the conditions to be followed in respect of an application for the protection of a designation of origin or geographical indication, scrutiny by the Commission, the objection procedure, and procedures for amendment, cancellation and conversion of protected designations of origin or protected geographical indications;

- (c) the conditions applicable to trans-border applications;

- (d) the conditions for applications concerning geographical areas in a third country;

- (e) the date from which a protection or an amendment to a protection shall apply;

- (f) the conditions related to amendments to product specifications.

4. In order to ensure an adequate level of protection, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 on restrictions regarding the protected name.

5. In order to ensure that economic operators and competent authorities are not unduly affected by the application of this Subsection as regards wine names which have been granted protection prior to 1 August 2009, or for which an application for protection has been made prior to that date, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 laying down transitional rules concerning:

- (a) wine names recognised by Member States as designations of origin or geographical indications by 1 August 2009, and wine names for which an application for protection has been made prior to that date;

- (b) wines placed on the market or labelled before a specific date; and

- (c) amendments to the product specifications.

Article 110

Implementing powers in accordance with the examination procedure

1. The Commission may adopt implementing acts laying down necessary measures concerning:

- (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 104;

⁽¹⁾ OJ C 116, 14.4.2011, p. 12.

(d) the conversion from protected designation of origin to protected geographical indication;

(e) the submission of trans-border applications.

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

2. The Commission may adopt implementing acts laying down necessary measures concerning the procedure 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 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 an application or a request.

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

Article 111

Other implementing powers

Where an objection is deemed inadmissible, the Commission shall adopt an implementing act rejecting it as inadmissible. That implementing act shall be adopted without applying the procedure referred to in Article 229(2) or (3).

Subsection 3

Traditional terms

Article 112

Definition

A "traditional term" means a term traditionally used in Member States for the products referred to in Article 92(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 113

Protection

1. A protected traditional term may only be used for a product which has been produced in conformity with the definition provided for in Article 112.

Traditional terms shall be protected against unlawful use.

2. Traditional terms shall be protected, only in the language and for the categories of grape vine products claimed in the application, against:

- (a) any misuse of the protected term, including where it is accompanied by an expression such as "style", "type", "method", "as produced in", "imitation", "flavour", "like" or similar;
- (b) any other false or misleading indication as to the nature, characteristics or essential qualities of the product, placed on the inner or outer packaging, advertising material or documents relating to it;
- (c) any other practice likely to mislead the consumer, in particular to give the impression that the wine qualifies for the protected traditional term.

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

Article 114

Delegated powers

1. In order to ensure an adequate level of protection, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 regarding the language and the spelling of the traditional term to be protected.

2. In order to ensure the protection of the legitimate rights and interests of producers and operators, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 establishing:

- (a) the type of applicants that may apply for the protection of a traditional term;
- (b) the conditions of validity of an application for protection of a traditional term;
- (c) the grounds for objecting to a proposed recognition of a traditional term;
- (d) the scope of the protection, the relationship with trade marks, 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 of a request for objection or cancellation;

(g) the procedures to be followed in respect of an application for the protection of a traditional term, including scrutiny by the Commission, the objection procedure and the procedures on cancellation and modification.

3. In order to take into account the specific characteristics of trade between the Union and certain third countries, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 laying down the conditions under which traditional terms may be used on products from third countries and providing for derogations from Article 112 and Article 113(2).

Article 115

Implementing powers in accordance with the examination procedure

1. The Commission may adopt implementing acts laying down necessary measures concerning the procedure for the examination of applications for protection or for the approval of a modification of a traditional term, as well as the procedure 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;
- (d) detailed rules on making protected traditional terms available to the public.

2. The Commission shall adopt implementing acts accepting or rejecting 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 adopt implementing acts providing for the protection of traditional terms in respect of which an application for protection has been accepted, in particular by classifying them in accordance with Article 112 and by publishing a definition and/or the conditions of use.

4. The implementing acts referred to in paragraphs 1, 2 and 3 of this Article shall be adopted in accordance with the examination procedure referred to in Article 229(2).

Article 116

Other implementing powers

Where an objection is deemed inadmissible, the Commission shall adopt an implementing act rejecting it as inadmissible. That implementing act shall be adopted without applying the procedure referred to in Article 229(2) or (3).

Section 3

Labelling and presentation in the wine sector

Article 117

Definition

For the purposes of this Section:

- (a) "labelling" means any words, particulars, trade marks, 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 118

Applicability of horizontal rules

Save as otherwise provided for in this Regulation, Council Directive 89/396/EEC⁽¹⁾, Directive 2000/13/EC, Directive 2007/45/EC of the European Parliament and of the Council⁽²⁾, Directive 2008/95/EC and Regulation (EU) No 1169/2011 shall apply to the labelling and presentation.

The labelling of the products referred to in points 1 to 11, 13, 15 and 16 of Part II of Annex VII may not be supplemented by any particulars other than those provided for in this Regulation unless those particulars satisfy the requirements of Directive 2000/13/EC or Regulation (EU) No 1169/2011.

Article 119

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 VII marketed in the Union or for export shall contain the following compulsory particulars:

- (a) the designation for the category of the grapevine product in accordance with Part II of Annex VII;
- (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;

⁽¹⁾ Council Directive 89/396/EEC of 14 June 1989 on indications or marks identifying the lot to which a foodstuff belongs (OJ L 186, 30.6.1989, p. 21).

⁽²⁾ Directive 2007/45/EC of the European Parliament and of the Council of 5 September 2007 laying down rules on nominal quantities for prepacked products, repealing Council Directives 75/106/EEC and 80/232/EEC, and amending Council Directive 76/211/EEC (OJ L 247, 21.9.2007, p. 17).

- (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 point (a) of paragraph 1, 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 point (b) of paragraph 1, 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 in accordance with point (a) of Article 112 is displayed on the label in accordance with the product specification referred to in Article 94(2);
- (b) in exceptional and duly justified circumstances to be determined by the Commission by means of delegated acts adopted in accordance with Article 227 in order to ensure compliance with existing labelling practices.

Article 120

Optional particulars

1. Labelling and presentation of the products referred to in points 1 to 11, 13, 15 and 16 of Part II of Annex VII 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 point (g) of Article 119(1), terms indicating the sugar content;
- (d) for wines with a protected designation of origin or a protected geographical indication, traditional terms in accordance with point (b) of Article 112;
- (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 100(3), as regards the use of particulars referred to in points (a) and (b) of paragraph 1 of this Article 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 fair 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 wine grape variety forms an integral part of an existing protected designation of origin or a protected geographical indication;
 - (ii) 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 unless the Member States concerned agree otherwise and ensure the feasibility of the relevant certification, approval and verification procedures.

Article 121

Languages

1. The compulsory and optional particulars referred to in Articles 119 and 120 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 point (b) of Article 112 shall appear on the label in the language or languages for which the protection applies. In the case of a protected designation of origin or a protected geographical indication or a national specific designation using a non-Latin alphabet, the name may also appear in one or more official languages of the Union.

*Article 122***Delegated powers**

1. In order to take into account the specific characteristics of the wine sector, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 concerning rules and restrictions on:

- (a) the presentation and use of labelling particulars other than those provided for in this Section;
- (b) compulsory particulars concerning:
 - (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 119(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 concerning:
 - (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 concerning:
 - (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 protection of the legitimate interests of operators, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 concerning rules as regards temporary labelling and presentation of wines

bearing a designation of origin or a geographical indication, where that designation of origin or geographical indication fulfils the necessary requirements.

3. In order to ensure that economic operators are not prejudiced, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 concerning transitional provisions as regards wine placed on the market and labelled in accordance with the relevant rules applying before 1 August 2009.

4. In order to take account of the specific characteristics in trade between the Union and certain third countries, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 concerning derogations from this Section as regards products to be exported where required by the law of the third country concerned.

*Article 123***Implementing powers in accordance with the examination procedure**

The Commission may adopt implementing acts laying down necessary measures concerning the procedures and technical criteria applicable to this Section, including the necessary measures for the certification, approval and verification procedures applicable to wines without a protected designation of origin or a protected geographical indication. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).

CHAPTER II

Specific provisions for individual sectors

Section 1

Sugar*Article 124***Duration**

With the exceptions of Articles 125 and 126, this Section shall apply until the end of the 2016/2017 marketing year.

Subsection 1

Specific measures*Article 125***Sugar sector agreements**

1. The terms for buying sugar beet and sugar cane, including pre-sowing delivery contracts, shall be governed by written agreements within the trade concluded between, on the one hand, Union growers of sugar beet and sugar cane or, on their behalf, the organisations of which they are members, and, on the other hand, Union sugar undertakings or, on their behalf, the organisations of which they are members.

2. Agreements within the trade as described in point 6 of Section A of Part II of Annex II shall be notified by sugar undertakings to the competent authorities of the Member State in which they produce sugar.

3. From 1 October 2017, agreements within the trade shall conform to the purchase terms laid down in Annex X.

4. In order to take into account the specific characteristics of the sugar sector and the development of the sector in the period following the ending of production quotas, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 to:

(a) update the terms referred to in Section A of Part II of Annex II;

(b) update the purchase terms for beet referred to in Annex X;

(c) lay down further rules on the determination of gross weight, tare and sugar content of sugar beet delivered to an undertaking, and on beet pulp.

5. The Commission may adopt implementing acts laying down the measures necessary for the application of this Article, including in respect of procedures, notifications and administrative assistance in the case of agreements within the trade covering more than one Member State. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).

Article 126

Price reporting in the sugar market

The Commission may adopt implementing acts establishing a system for reporting sugar market prices, including arrangements for publishing the price levels for this market. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).

The system referred to in the first subparagraph 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 as confidential.

The Commission shall ensure that specific prices or names of individual economic operators are not published.

Subsection 2

Requirements applying to the sugar sector during the period referred to in article 124

Article 127

Delivery contracts

1. In addition to the requirements set out in Article 125(1), agreements within the trade shall conform to the purchase terms laid down in Annex XI.

2. In delivery contracts, a distinction shall be made depending on whether the quantities of sugar to be manufactured from sugar beet are:

(a) quota sugar; or

(b) out-of-quota sugar.

3. 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 2 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.

4. Sugar undertakings which have not signed pre-sowing delivery contracts at the minimum price for quota beet, as referred to in Article 135, 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 130(2), shall be required to pay at least the minimum price for quota beet for all the sugar beet they process into sugar.

5. Subject to the approval of the Member State concerned, agreements within the trade may derogate from paragraphs 2, 3 and 4.

6. 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 128

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 136(2).

2. Measures on the fixing of the production charge for quota sugar, quota isoglucose and quota inulin syrup referred to in paragraph 1 shall be taken by the Council in accordance with Article 43(3) TFEU.

Article 129

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 points (b) and (c) of the second subparagraph of Article 140(2).

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) TFEU.

Article 130

Withdrawal of sugar

1. To avoid price collapses in the internal market and to remedy situations of overproduction based on the forecast supply balance, and taking into account the commitments of the Union resulting from international agreements concluded in accordance with the TFEU, the Commission may adopt implementing acts withdrawing 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.

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. The Commission may adopt implementing acts fixing that coefficient for a marketing year no later than 28 February 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, adopt implementing acts either adjusting or, where no coefficient has been fixed pursuant to the first subparagraph, fixing a coefficient.

3. Each undertaking holding a quota shall store, at its own expense, until the beginning of the following marketing year, the sugar produced under quota in excess of the threshold calculated in accordance with paragraph 2. The sugar, isoglucose or inulin syrup 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 adopt implementing acts providing that, for the current, the following or both marketing years, all or part of the withdrawn sugar, isoglucose or inulin syrup is to be considered to be:

- (a) surplus sugar, isoglucose or inulin syrup available to become industrial sugar, industrial isoglucose or industrial inulin syrup; or
- (b) temporary quota production of which a part may be reserved for export respecting the commitments of the Union resulting from international agreements concluded in accordance with the TFEU.

4. If sugar supply in the Union is inadequate, the Commission may adopt implementing acts allowing a certain

quantity of withdrawn sugar, isoglucose or inulin syrup to be sold on the Union market before the end of the period of withdrawal.

5. Where withdrawn sugar is treated as the first sugar production of the following marketing year, the minimum price of that marketing year, as referred to in Article 135, shall be paid to beet growers.

Where withdrawn sugar becomes industrial sugar or is exported in accordance with points (a) or (b) of the second subparagraph of paragraph 3 of this Article, the requirements of Article 135 on the minimum price shall not apply.

Where withdrawn sugar is sold on the Union market before the end of the period of withdrawal in accordance with paragraph 4 of this Article, the minimum price of the ongoing marketing year shall be paid to beet growers.

6. Implementing acts pursuant to this Article shall be adopted in accordance with the examination procedure referred to in Article 229(2).

Article 131

Temporary market management mechanism

1. For the duration of the period referred to in Article 124, the Commission may adopt implementing acts laying down the measures necessary in order to ensure a sufficient supply of sugar to the Union market. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).

Such measures may adjust, for the quantity and time necessary, the level of the duty payable on imported raw sugar.

Within the context of the temporary market management mechanism, measures on the fixing of a surplus levy are taken by the Council in accordance with Article 43(3) TFEU.

2. The Commission shall adopt implementing acts determining the appropriate quantity of out-of-quota sugar and imported raw sugar that can be released onto the Union market. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).

Article 132

Delegated powers

In order to take into account the specific characteristics of the sugar sector and to ensure that the interests of all parties are duly taken into account, and given the need to prevent any disturbance of the market, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 concerning:

- (a) purchase terms and delivery contracts referred to Article 127;

- (b) updating the purchase terms for beet referred to in Annex XI;
- (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 127(3).

Article 133

Implementing powers in accordance with the examination procedure

The Commission may adopt implementing acts laying down the measures necessary for the application of this Subsection concerning procedures, content and technical criteria.

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

Subsection 3

System of production regulation

Article 134

Quotas in the sugar sector

1. A quota system shall apply to sugar, isoglucose and inulin syrup.
2. As regards the quota system referred to in paragraph 1 of this Article, if a producer exceeds the relevant quota and does not make use of the surplus quantities as provided for in Article 139, a surplus levy shall be payable on such quantities, subject to the conditions set out in Articles 139 to 142.

Article 135

Minimum beet price

The minimum price for quota beet shall be fixed by the Council in accordance with Article 43(3) TFEU.

Article 136

Quota allocation

1. The quotas for the production of sugar, isoglucose and inulin syrup at national or regional level are fixed in Annex XII.
2. The Member States shall allocate a quota to each undertaking producing sugar, isoglucose or inulin syrup established in its territory and approved under Article 137.

For each undertaking, the allocated quota shall be equal to the quota which was allocated to the undertaking for the marketing year 2010/2011 under Regulation (EC) No 1234/2007.

3. Where a quota is allocated 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 137

Approved undertakings

1. On request, Member States shall grant 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 140(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 on provisional and actual sugar beet, sugar cane and raw sugar deliveries, and on sugar production and statements of sugar stocks;
- (c) the quantities of white sugar sold and the corresponding prices and conditions.

Article 138

National quota reallocation and reduction of quotas

1. A Member State may reduce the sugar or isoglucose quota that has been allocated to an undertaking established on its territory by up to 10 %. 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 XIII 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.

*Article 139***Out-of-quota production**

1. The sugar, isoglucose or inulin syrup produced during a marketing year in excess of the quota referred to in Article 136 may be:

- (a) used for the processing of certain products as referred to in Article 140;
- (b) carried forward to the quota production of the next marketing year in accordance with Article 141;
- (c) used for the specific supply regime for the outermost regions, in accordance with Chapter III of Regulation (EU) No 228/2013 of the European Parliament and of the Council ⁽¹⁾;
- (d) exported within a quantitative limit, to be fixed by the Commission by means of implementing acts, respecting the commitments resulting from international agreements concluded in accordance with the TFEU; or
- (e) released onto the internal market, in compliance with the mechanism described in Article 131, for the purpose of adjusting supply to demand on the basis of the forecast supply balance.

The measures referred to in point (e) of the first paragraph of this Article shall be implemented before any activation of the measures to prevent market disturbance referred to in Article 219(1).

Other quantities shall be subject to the surplus levy referred to in Article 142.

2. Implementing acts pursuant to this Article shall be adopted in accordance with the examination procedure referred to in Article 229(2).

*Article 140***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 137; and
- (b) it has been delivered to the user on 30 November of the following marketing year at the latest.

⁽¹⁾ Regulation (EU) No 228/2013 of the European Parliament and of the Council of 13 March 2013 laying down specific measures for agriculture in the outermost regions of the Union and repealing Council Regulation (EC) No 247/2006 (OJ L 78, 20.3.2013, p. 23).

2. In order to take account of technical developments, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 establishing 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 which are processed using sugar, isoglucose or inulin syrup;
- (c) certain products of the chemical or pharmaceutical industry which contain sugar, isoglucose or inulin syrup.

*Article 141***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:
 - (i) between 1 February and 31 August of the current marketing year for quantities of cane sugar being carried forward;
 - (ii) between 1 February and 31 August of the current marketing year for other quantities of beet sugar, isoglucose 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 16 or 130.

Article 142

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 141 or quantities referred to in points (c), (d) and (e) of the first subparagraph of Article 139(1);
 - (b) industrial sugar, industrial isoglucose or industrial inulin syrup in respect of which no proof of use in one of the products referred to in Article 140(2) has been supplied within a time limit, to be fixed by the Commission by means of implementing acts;
 - (c) sugar, isoglucose and inulin syrup withdrawn from the market in accordance with Article 130 and for which the obligations provided for in Article 130(3) are not met.

Implementing acts pursuant to point (b) of the first subparagraph shall be adopted in accordance with the examination procedure referred to in Article 229(2).

2. Measures on the fixing of a surplus levy referred to in paragraph 1 shall be taken by the Council in accordance with Article 43(3) TFEU.

Article 143

Delegated powers

1. In order to ensure that undertakings referred to in Article 137 comply with their obligations, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 laying down rules on the granting and the withdrawal of approval for such undertakings, as well as the criteria for administrative penalties.
2. In order to take into account the specific characteristics of the sugar sector and to ensure that the interests of all parties are duly taken into account, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 on the meaning of terms for the operation of the quota system, as well as laying down the conditions governing sales to outermost regions.
3. In order to ensure that the growers are closely associated with a decision to carry forward a certain quantity of production, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 laying down rules concerning carry-forward of sugar.

Article 144

Implementing powers in accordance with the examination procedure

With regard to the undertakings referred to in Article 137, the Commission may adopt implementing acts establishing rules concerning:

- (a) applications for approval made by undertakings, the records to be kept by approved undertakings, the information to be submitted by approved undertakings;
- (b) the system of checks to be carried out by Member States on approved undertakings;
- (c) Member States' communications with the Commission and with approved undertakings;
- (d) the delivery to undertakings of raw materials, including delivery contracts and delivery notes;
- (e) equivalence regarding sugar referred to in point (a) of the first subparagraph of Article 139(1);
- (f) the specific supply regime for the outermost regions;
- (g) exports as referred to in point (d) of the first subparagraph of Article 139(1);
- (h) Member State cooperation to ensure effective checks;
- (i) modifying the dates laid down in Article 141 for specific marketing years;
- (j) the establishment of the surplus quantity, the communications and payment of the surplus levy referred to in Article 142;
- (k) the adoption of a list of full-time refiners within the meaning of point 6 of Section B of Part II of Annex II.

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

Section 2

Wine

Article 145

Vineyard register and inventory of production potential

1. Member States shall maintain a vineyard register which shall contain updated information on the production potential. From 1 January 2016, this obligation shall only apply if Member States implement the scheme of authorisations for vine plantings referred to in Chapter III of Title I, or a national support programme.

2. Until 31 December 2015, Member States in which the total area planted with vines of wine grape varieties classified in accordance with Article 81(2) is less than 500 hectares shall not be subject to the obligation laid down in paragraph 1 of this Article.

3. Member States which provide for restructuring and conversion of vineyards in their support programmes in accordance with Article 46 shall, on the basis of the vineyard register, submit to the Commission by 1 March each year an updated inventory of their production potential. From 1 January 2016, details in respect of communications to the Commission regarding wine-growing areas shall be laid down by the Commission by means of implementing acts. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).

4. In order to facilitate the monitoring and the verification of the production potential by Member States, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 concerning rules on the content of the vineyard register and exemptions therefrom.

Article 146

Competent 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 satisfy 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 shall update it periodically.

Article 147

Accompanying documents and register

1. The products of the wine sector shall be put into circulation in the Union 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, processors and merchants, shall keep inward and outward registers in respect of those products.

3. In order to facilitate the transport of wine products and the verification thereof by Member States, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 on:

(a) rules on the accompanying document and its use;

(b) the conditions under which an accompanying document is to be regarded as certifying protected designations of origin or geographical indications;

(c) an obligation to keep a register and its use;

(d) who is obliged to keep a register and exemptions from that obligation;

(e) the operations to be included in the register.

4. The Commission may adopt implementing acts establishing:

(a) rules on the composition of the registers, the products to be contained therein, deadlines for entries in registers and the closures of registers;

(b) measures 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 the registers are to be kept.

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

Section 3

Milk and milk products

Article 148

Contractual relations in the milk and milk products sector

1. Where a Member State decides that every delivery of raw milk in its territory by a farmer to a processor of raw milk must be covered by a written contract between the parties and/or decides that first purchasers must make a written offer for a contract for the delivery of raw milk by the farmers, such contract and/or such offer for a contract shall fulfil the conditions laid down in paragraph 2.

Where a Member State decides that deliveries of raw milk by a farmer to a processor of raw milk must be covered by a written contract between the parties, it shall also decide which stage or stages of the delivery shall be covered by such a contract if the delivery of raw milk is made through one or more collectors.

For the purposes of this Article, 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 and/or the offer for a contract referred to in paragraph 1 shall:

- (a) be made 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
 - be calculated by combining various factors set out in the contract, which may include market indicators reflecting changes in market conditions, the volume delivered and the quality or composition of the raw milk delivered,
 - (ii) the volume of raw milk which may and/or must be delivered and the timing of such deliveries,
 - (iii) the duration of the contract, which may include either a definite or an indefinite duration with termination clauses,
 - (iv) details regarding payment periods and procedures,
 - (v) arrangements for collecting or delivering raw milk, and
 - (vi) rules applicable in the event of force majeure.

3. By way of derogation from paragraph 1, a contract and/or an offer for a contract shall not be required where raw milk is delivered by a farmer to a co-operative of which the farmer is a member if the statutes of that cooperative or the rules and decisions provided for in or derived from these statutes contain provisions having similar effects to the provisions 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 the elements referred to in point (c) of paragraph 2, shall be freely negotiated between the parties.

Notwithstanding the first subparagraph, one or both of the following shall apply:

- (a) where a Member State decides to make a written contract for the delivery of raw milk compulsory in accordance with paragraph 1, it may establish a minimum duration, applicable only to written contracts between a farmer and the first purchaser of raw milk; such a minimum duration shall be at least six months, and shall not impair the proper functioning of the internal market;
- (b) where a Member State decides that the first purchaser of raw milk must make a written offer for a contract to the farmer in accordance with paragraph 1, it may provide that the offer must include a minimum duration for the contract,

set by national law for this purpose; such a minimum duration shall be at least six months, and shall not impair the proper functioning of the internal market.

The second subparagraph shall be without prejudice to the farmer's right to refuse such a minimum duration provided that he does so in writing. In such a case, the parties shall be free to negotiate all elements of the contract, including the elements referred to in point (c) of paragraph 2.

5. The Member States which make use of the options referred to in this Article shall notify the Commission of how they are applied.

6. The Commission may adopt implementing acts laying down measures necessary for the uniform application of points (a) and (b) of paragraph 2 and paragraph 3 of this Article and measures relating to notifications to be made by the Member States in accordance with this Article. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).

Article 149

Contractual negotiations in the milk and milk products sector

1. A producer organisation in the milk and milk products sector which is recognised under Article 152(3) may negotiate on behalf of its farmer members, in respect of part or all of their joint production, 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 third subparagraph of Article 148(1).

2. The negotiations 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, for a particular producer organisation, all of the following conditions are fulfilled:
 - (i) the volume of raw milk covered by such negotiations does not exceed 3,5 % of total Union production,
 - (ii) the volume of raw milk covered by such negotiations which is produced in any particular Member State does not exceed 33 % of the total national production of that Member State, and
 - (iii) the volume of raw milk covered by such negotiations which is delivered in any particular Member State does not exceed 33 % of the total national production of that Member State;

- (d) provided that the farmers concerned are not members of any other producer organisation which also negotiates such contracts on their behalf; however, Member States may derogate from this condition in duly justified cases where farmers hold two distinct production units located in different geographic areas;
- (e) provided that the raw milk is not covered by an obligation to deliver arising from the farmer's membership of a cooperative in accordance with the conditions set out in the cooperative's statutes or the rules and decisions provided for in or derived from these statutes; and
- (f) provided that the producer organisation notifies the competent authorities of the Member State or Member States in which it operates of the volume of raw milk covered by such negotiations.

3. Notwithstanding the conditions set out in of point (c)(ii) and (iii) of paragraph 2, a producer organisation may negotiate pursuant to paragraph 1 provided that, with regard to that producer organisation, the volume of raw milk covered by the negotiations which is produced in or delivered in a Member State having a total annual raw milk production of less than 500 000 tonnes does not exceed 45 % of the total national production of that Member State.

4. For the purposes of this Article, references to producer organisations include associations of such producer organisations.

5. For the purposes of applying point (c) of paragraph 2 and paragraph 3, the Commission shall publish, by such means as it considers appropriate, the amounts of raw milk production in the Union and the Member States using the most up-to-date information available.

6. By way of derogation from point (c) of paragraph 2 and paragraph 3, even where the thresholds set out therein are not exceeded, the competition authority referred to in the second subparagraph of this paragraph may decide in an individual case that a particular negotiation by the producer organisation should either be reopened or should not take place at all if it considers that this is necessary in order to prevent competition from being excluded or in order to avoid seriously damaging SME processors of raw milk in its territory.

For negotiations covering more than one Member State, the decision referred to in the first subparagraph shall be taken by the Commission without applying the procedure referred to in Article 229(2) or (3). In other cases, that decision shall be taken by the national competition authority of the Member State to which the negotiations relate.

The decisions referred to in this paragraph shall not apply earlier than the date of their notification to the undertakings concerned.

7. For the purposes of this Article:

- (a) a "national competition authority" means the authority referred to in Article 5 of Council Regulation (EC) No 1/2003 ⁽¹⁾;
- (b) a "SME" means a micro, small or medium-sized enterprise within the meaning of Recommendation 2003/361/EC.

8. The Member States in which negotiations take place in accordance with this Article shall notify the Commission of the application of point (f) of paragraph 2 and of paragraph 6.

Article 150

Regulation of supply for cheese with a protected designation of origin or protected geographical indication

1. Upon the request of a producer organisation recognised under Article 152(3), an interbranch organisation recognised under Article 157(3) or a group of operators referred to in Article 3(2) of Regulation (EU) No 1151/2012, Member States may lay down, for a limited period of time, binding rules for the regulation of the supply of cheese benefiting from a protected designation of origin or from a protected geographical indication under Article 5(1) and (2) of Regulation (EU) No 1151/2012.

2. The rules referred to in paragraph 1 of this Article shall be subject to the existence of a prior agreement between the parties in the geographical area referred to in point (c) of Article 7(1) of Regulation (EU) No 1151/2012. Such an agreement shall be concluded between at least two-thirds of the milk producers or their representatives representing at least two thirds of the raw milk used for the production of the cheese referred to in paragraph 1 of this Article and, where relevant, at least two-thirds of the producers of that cheese representing at least two thirds of the production of that cheese in the geographical area referred to in point (c) of Article 7(1) of Regulation (EU) No 1151/2012.

3. For the purpose of paragraph 1, concerning cheese benefiting from a protected geographical indication, the geographical area of origin of the raw milk, as set in the product specification for the cheese, shall be the same as the geographical area referred to in point (c) of Article 7(1) of Regulation (EU) No 1151/2012 relating to that cheese.

4. The rules referred to in paragraph 1:

- (a) shall only cover the regulation of supply of the product concerned and shall have the aim of adapting the supply of that cheese to demand;
- (b) shall have effect only on the product concerned;

⁽¹⁾ Council Regulation (EC) No 1/2003 of 16 December 2002 on the implementation of the rules on competition laid down in Articles 101 and 102 of the Treaty (OJ L 1, 4.1.2003, p. 1).

- (c) may be made binding for no more than three years and may be renewed after this period, following a new request, as referred to in paragraph 1;
- (d) shall not damage the trade in products other than those concerned by those rules;
- (e) shall not relate to any transaction after the first marketing of the cheese concerned;
- (f) shall not allow for price fixing, including where prices are set for guidance or recommendation;
- (g) shall not render unavailable an excessive proportion of the product concerned that would otherwise be available;
- (h) shall not create discrimination, constitute a barrier for new entrants in the market, or lead to small producers being adversely affected;
- (i) shall contribute to maintaining the quality and/or the development of the product concerned;
- (j) shall be without prejudice to Article 149.

5. The rules referred to in paragraph 1 shall be published in an official publication of the Member State concerned.

6. Member States shall carry out checks in order to ensure that the conditions laid down in paragraph 4 are complied with, and, where it has been found by the competent national authorities that such conditions have not been complied with, shall repeal the rules referred to in paragraph 1.

7. Member States shall notify the Commission forthwith of the rules referred to in paragraph 1 which they have adopted. The Commission shall inform other Member States of any notification of such rules.

8. The Commission may at any time adopt implementing acts requiring that a Member State repeal the rules laid down by that Member State pursuant to paragraph 1 if the Commission finds that those rules do not comply with the conditions laid down in paragraph 4, prevent or distort competition in a substantial part of the internal market or jeopardise free trade or the attainment of the objectives of Article 39 TFEU. Those implementing acts shall be adopted without applying the procedure referred to in Article 229(2) or (3) of this Regulation.

Article 151

Compulsory declarations in the milk and milk products sector

From 1 April 2015, the first purchasers of raw milk shall declare to the competent national authority the quantity of raw milk that has been delivered to them each month.

For the purposes of this Article and Article 148, a "first purchaser" means an undertaking or group which buys milk from producers in order to:

- (a) subject it to collecting, packing, storing, chilling or processing, including under a contract;
- (b) sell it to one or more undertakings treating or processing milk or other milk products.

Member States shall notify the Commission of the quantity of raw milk referred to in the first subparagraph.

The Commission may adopt implementing acts laying down rules on the content, format and timing of such declarations and measures relating to the notifications to be made by the Member States in accordance with this Article. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).

CHAPTER III

Producer organisations and associations and interbranch organisations

Section 1

Definition and recognition

Article 152

Producer organisations

1. Member States may, on request, recognise producer organisations, which:

- (a) are constituted, and controlled in accordance with point (c) of Article 153(2), by producers in a specific sector listed in Article 1(2);
- (b) are formed on the initiative of the producers;
- (c) pursue a specific aim which may include at least one 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, including through direct marketing;
 - (iii) optimising production costs and returns on investments in response to environmental and animal welfare standards, and stabilising producer prices;
 - (iv) carrying out research and developing initiatives on sustainable production methods, innovative practices, economic competitiveness and market developments;

(v) promoting, and providing technical assistance for, the use of environmentally sound cultivation practices and production techniques, and sound animal welfare practices and techniques;

(vi) promoting, and providing technical assistance for, the use of production standards, improving product quality and developing products with a protected designation of origin, with a protected geographical indication or covered by a national quality label;

(vii) the management of by-products and of waste in particular to protect the quality of water, soil and landscape and preserving or encouraging biodiversity;

(viii) contributing to a sustainable use of natural resources and to climate change mitigation;

(ix) developing initiatives in the area of promotion and marketing;

(x) managing of the mutual funds referred to in operational programmes in the fruit and vegetables sector referred to in Article 31(2) of this Regulation and under Article 36 of Regulation (EU) No 1305/2013

(xi) providing the necessary technical assistance for the use of the futures markets and of insurance schemes.

2. A producer organisation recognised under paragraph 1 may continue to be recognised if it engages in the marketing of products falling within CN code ex 2208 other than those referred to in Annex I to the Treaties, provided that the proportion of such products does not exceed 49 % of the total value of marketed production of the producer organisation and that such products do not benefit from Union support. Those products do not count, for producer organisations in the fruit and vegetables sector, towards the calculation of the value of marketed production for the purposes of Article 34(2).

3. By way of derogation from paragraph 1, Member States shall recognise producer organisations, constituted by producers in the milk and milk products sector, which:

- (a) are formed on the initiative of the producers;
- (b) pursue a specific aim which may 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.

Article 153

Statutes of producer organisations

1. The statutes of a producer organisation 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) be members of only one producer organisation for any given product of the holding; however Member States may derogate from this condition in duly justified cases where producer members hold two distinct production units located in different geographical areas;
- (c) provide the information requested by the producer organisation for statistical purposes.

2. The statutes of a producer organisation shall also provide for:

- (a) procedures for determining, adopting and amending the rules referred to in point (a) of 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 statutes, particularly for non-payment of financial contributions, or of the rules laid down by the producer organisation;
- (e) rules on the admission of new members, and in particular the minimum period of membership which may not be less than one year;
- (f) the accounting and budgetary rules necessary for the operation of the organisation.

3. Paragraphs 1 and 2 shall not apply to producer organisations in the milk and milk products sector.

Article 154

Recognition of producer organisations

1. In order to be recognised by a Member State, the producer organisation applying for such recognition shall be a legal entity or clearly defined part of a legal entity which:

- (a) fulfils the requirements laid down in points (a), (b) and (c) of Article 152(1);

(b) has a minimum number of members and/or covers a minimum volume or value of marketable production, to be laid down by the Member State concerned, in the area where it operates;

(c) provides sufficient evidence that it can carry out its activities properly, both over time and in terms of effectiveness, provision of human, material and technical support to its members, and as appropriate concentration of supply;

(d) has statutes that are consistent with points (a), (b) and (c) of this paragraph.

2. Member States may decide that producer organisations which have been recognised before 1 January 2014 on the basis of national law and which fulfil the conditions laid down in paragraph 1 of this Article are deemed to be recognised as producer organisations pursuant to Article 152.

3. Producer organisations which have been recognised before 1 January 2014 on the basis of national law and which do not fulfil the conditions laid down in paragraph 1 may continue to exercise their activities under national law until 1 January 2015.

4. Member States shall:

(a) decide whether to grant recognition to a producer organisation within four months of the lodging of an application, accompanied by all the relevant supporting evidence; this application shall be lodged with the Member State where the organisation has its headquarters;

(b) carry out, at intervals to be determined by them, checks to verify that recognised producer organisations are complying with this Chapter;

(c) in the event of non-compliance or irregularities in the application of the measures provided for in this Chapter, impose on those organisations and associations the applicable penalties they have laid down and, if necessary, decide whether recognition should be withdrawn;

(d) inform the Commission by 31 March of each year, of every decision to grant, refuse or withdraw recognition taken during the previous calendar year.

Article 155

Outsourcing

Member States may permit a recognised producer organisation or a recognised association of producer organisations in the sectors specified by the Commission in accordance with point (f) of Article 173(1) to outsource any of its activities other than production, including to subsidiaries, provided that the producer organisation or association of producer organisations remains

responsible for ensuring the carrying out of the outsourced activity and overall management control and supervision of the commercial arrangement for the carrying out of the activity.

Article 156

Associations of producer organisations

1. Member States may, on request, recognise associations of producer organisations in a specific sector listed in Article 1(2) which are formed at the initiative of recognised producer organisations.

Subject to the rules adopted pursuant to Article 173, associations of producer organisations may carry out any of the activities or functions of producer organisations.

2. By way of derogation from paragraph 1, Member States may, on request, recognise an association of recognised producer organisations in the milk and milk products sector if the Member State concerned considers that the association is capable of carrying out effectively any of the activities of a recognised producer organisation, and that it fulfils the conditions laid down in Article 161(1).

Article 157

Interbranch organisations

1. Member States may, on request, recognise interbranch organisations in a specific sector listed in Article 1(2) which:

(a) are constituted of representatives of economic activities linked to the production and to at least one of the following stages of the supply chain: the processing of or trade in, including distribution of, products in one or more sectors;

(b) are formed on the initiative of all or some of the organisations or associations which constitute them;

(c) pursue a specific aim taking account of the interests of their members and of consumers, which may include, in particular, one of the following objectives:

(i) improving knowledge and the transparency of production and the market, including by publication of aggregated statistical data on production costs, prices, including, where appropriate, price indices, volumes and duration of contracts which have been previously concluded, and by providing analyses of potential future market developments at regional, national or international level;

(ii) forecasting of production potential, and recording public market prices;

- (iii) helping to coordinate better the way the products are placed on the market, in particular by means of research and market studies;
- (iv) exploring potential export markets;
- (v) without prejudice to Articles 148 and 168, drawing up standard forms of contract, compatible with Union rules, for the sale of agricultural products to purchasers and/or the supply of processed products to distributors and retailers, taking into account the need to achieve fair competitive conditions and to avoid market distortions;
- (vi) exploiting to a fuller extent the potential of the products, including at the level of market outlets, and developing initiatives to strengthen economic competitiveness and innovation;
- (vii) providing the information and carrying out the research necessary to innovate, rationalise, improve and adjust production and, where applicable, the processing and marketing, towards products more suited to market requirements and consumer tastes and expectations, in particular with regard to product quality, including the specific characteristics of products with a protected designation of origin or a protected geographical indication, and protection of the environment;
- (viii) seeking ways of restricting the use of animal-health or plant protection products, better managing other inputs, ensuring product quality and soil and water conservation, promoting food safety, in particular through traceability of products, and improving animal health and welfare;
- (ix) developing methods and instruments for improving product quality at all stages of production and, where applicable, of processing and marketing;
- (x) taking all possible actions to uphold, protect and promote organic farming and designations of origin, quality labels and geographical indications;
- (xi) promoting and carrying out research into integrated, sustainable production or other environmentally sound production methods;
- (xii) encouraging healthy and responsible consumption of the products on the internal market and/or informing about the harm linked to hazardous consumption patterns;
- (xiii) promoting consumption of, and/or furnishing information concerning, products on the internal market and external markets;
- (xiv) contributing to the management of by-products and the reduction and management of waste.
2. In duly justified cases, Member States may decide on the basis of objective and non-discriminatory criteria that the condition in point (c) of Article 158(1) is fulfilled by limiting the number of interbranch organisations on a regional or national level if so provided for by national rules in place before 1 January 2014, and where this does not impair the proper functioning of the internal market.
3. By way of derogation from paragraph 1, as regards the milk and milk products sector, Member States may recognise interbranch organisations which:
- (a) have formally requested recognition and are made up of representatives of economic activities linked to the production of raw milk and linked to at least one of the following stages of the supply chain: the processing of or trade in, including distribution 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, in one or more regions of the Union, taking into account the interests of the members of those interbranch organisations and of consumers, one or more of the following activities:
- (i) improving the 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, national and international 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) promoting consumption of, and providing information on, milk and milk products in both internal and external markets;
- (iv) exploring potential export markets;
- (v) drawing up standard forms of contract compatible with Union rules for the sale of raw milk to purchasers or the supply of processed products to distributors and retailers, taking into account the need to achieve fair competitive conditions and to avoid market distortions;

- (vi) providing the information and carrying out the research necessary to adjust production in favour of products more suited to market requirements and consumer tastes and expectations, in particular with regard to product quality and protection of the environment;
- (vii) maintaining and developing the production potential of the dairy sector, inter alia, by promoting innovation and supporting programmes for applied research and development in order to exploit the full potential of milk and milk products, especially in order to create products with added value which are more attractive to the consumer;
- (viii) seeking ways of restricting the use of animal health products, improving the management of other inputs and enhancing food safety and animal health;
- (ix) developing methods and instruments for improving product quality at all stages of production and marketing;
- (x) exploiting the potential of organic farming and protecting and promoting such farming as well as the production of products with designations of origin, quality labels and geographical indications; and
- (xi) promoting integrated production or other environmentally sound production methods.

Article 158

Recognition of interbranch organisations

1. Member States may recognise interbranch organisations applying for such recognition, provided that they:
 - (a) fulfil the requirements laid down in Article 157;
 - (b) carry out their activities in one or more regions in the territory concerned;
 - (c) account for a significant share of the economic activities referred to in point (a) of Article 157(1);
 - (d) with the exception of the cases laid down in Article 162, do not, themselves, engage in production, processing or trade.

2. Member States may decide that interbranch organisations which have been recognised before 1 January 2014 on the basis of national law and which fulfil the conditions laid down in paragraph 1 of this Article are deemed to be recognised as interbranch organisations pursuant to Article 157.

3. Interbranch organisations which have been recognised before 1 January 2014 on the basis of national law and which do not fulfil the conditions laid down in paragraph 1 of this Article may continue to exercise their activities under national law until 1 January 2015.

4. Member States may recognise interbranch organisations in all sectors existing prior to 1 January 2014, whether they were recognised on request or established by law, even though they do not fulfil the condition laid down in point (b) of Article 157(1) or in point (b) of Article 157(3).

5. Where Member States recognise an interbranch organisation in accordance with paragraph 1 or 2, they shall:

- (a) decide whether to grant recognition within four months of the lodging of an application with all relevant supporting documents; this application shall be lodged with the Member State where the organisation has its headquarters;
- (b) carry out, at intervals to be determined by them, checks to verify that recognised interbranch organisations are complying with the conditions governing their recognition;
- (c) in the event of non-compliance or irregularities in the implementation of the measures provided for in this Regulation, impose on those organisations the applicable penalties they have laid down and, if necessary, decide whether recognition should be withdrawn;
- (d) withdraw recognition if the requirements and conditions for recognition laid down in this Article are no longer met;
- (e) inform the Commission by 31 March of each year of every decision to grant, refuse or withdraw recognition taken during the previous calendar year.

Section 2

Additional rules for specific sectors

Article 159

Obligatory recognition

By way of derogation from Articles 152 to 158, Member States shall, on request, recognise:

- (a) producer organisations in:
 - (i) the fruit and vegetables sector in respect of one or more products of that sector and/or such products solely intended for processing,
 - (ii) the olive oil and table olives sector,

- (iii) the silkworm sector,
 - (iv) the hops sector;
- (b) interbranch organisations in the olive oil and table olives sector and the tobacco sector.

Article 160

Producer organisations in the fruit and vegetables sector

In the fruit and vegetables sector producer organisations shall pursue at least one of the objectives set out in points (c)(i), (ii) and (iii) of Article 152(1).

The statutes of a producer organisation in the fruit and vegetables sector shall require its producer members to market their entire production concerned through the producer organisation.

Producer organisations and associations of producer organisations in the fruit and vegetables sector shall be deemed to be acting in the name and on behalf of their members in economic matters within their terms of reference.

Article 161

Recognition of producer organisations in the milk and milk products sector

1. Member States shall recognise as producer organisations in the milk and milk products sector all legal entities or clearly defined parts of legal entities applying for such recognition, provided that:

- (a) they fulfil the requirements laid down in Article 152(3);
- (b) they have a minimum number of members and/or cover a minimum volume of marketable production, to be laid down by the Member State concerned, in the area where they operate;
- (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;
- (d) they have statutes that are consistent with points (a), (b) and (c) of this paragraph.

2. Member States may decide that producer organisations which have been recognised before 2 April 2012 on the basis of national law and which fulfil the conditions laid down in paragraph 1 of this Article are to be considered to be recognised as producer organisations pursuant to Article 152(3).

3. Member States shall:

- (a) decide whether to grant recognition to a producer organisation within four months of the lodging of an application,

accompanied by all the relevant supporting evidence; this application shall be lodged with the Member State where the organisation has its headquarters;

- (b) carry out, at intervals to be determined by them, checks to verify that recognised producer organisations and associations of producer organisations are complying with the provisions of this Chapter;
- (c) in the event of non-compliance or irregularities in the implementation of the measures provided for in this Chapter, impose on those organisations and associations the applicable penalties that they have laid down and, if necessary, decide whether recognition should be withdrawn;
- (d) inform the Commission by 31 March of each year of every decision to grant, refuse or withdraw recognition which they have taken during the previous calendar year.

Article 162

Interbranch organisations in the olive oil and table olives and tobacco sectors

For interbranch organisations in the olive oil and table olives and tobacco sectors, the specific aim referred to in point (c) of Article 157(1) may also include at least one of the following objectives:

- (a) concentrating and co-ordinating supply and marketing of the produce of the members;
- (b) adapting production and processing jointly to the requirements of the market and improving the product;
- (c) promoting the rationalisation and improvement of production and processing.

Article 163

Recognition of interbranch organisations in the milk and milk products sector

1. Member States may recognise interbranch organisations in the milk and milk products sector provided that such organisations:

- (a) fulfil the requirements laid down in Article 157(3);
- (b) carry out their activities in one or more regions in the territory concerned;
- (c) account for a significant share of the economic activities referred to in point (a) of Article 157(3);
- (d) do not themselves engage in the production of, the processing of, or the trade in, products in the milk and milk products sector.

2. Member States may decide that interbranch organisations which have been recognised before 2 April 2012 on the basis of national law and which fulfil the conditions laid down in paragraph 1 are to be considered to be recognised as interbranch organisations under Article 157(3).

3. Where Member States make use of the option to recognise an interbranch organisation in accordance with paragraph 1 or 2, they shall:

- (a) decide whether to grant recognition to the interbranch organisation within four months of the lodging of an application, accompanied by all the relevant supporting evidence; this application shall be lodged with the Member State where the organisation has its headquarters;
- (b) carry out, at intervals to be determined by them, checks to verify that recognised interbranch organisations are complying with the conditions governing their recognition;
- (c) in the event of non-compliance or irregularities in the implementation of the measures provided for in this Regulation, impose on those organisations the applicable penalties they have laid down and, if necessary, decide whether recognition should be withdrawn;
- (d) withdraw recognition if:
 - (i) the requirements and conditions for recognition laid down in this Article are no longer fulfilled;
 - (ii) the interbranch organisation takes part in any of the agreements, decisions and concerted practices referred to in Article 210(4); such withdrawal of recognition shall be 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 point (a) of the first subparagraph of Article 210(2);
- (e) inform the Commission by 31 March of each year of every decision to grant, refuse or withdraw recognition taken during the previous calendar year.

Section 3

Extension of rules and compulsory contributions

Article 164

Extension of rules

1. In cases where a recognised producer organisation, a recognised association of producer organisations or a recognised interbranch organisation operating in a specific economic area

or areas 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 organisation, make binding for a limited period of time some of the agreements, decisions or concerted practices agreed within that organisation on other operators acting in the economic area or areas in question, whether individuals or groups, who do not belong to the organisation or association.

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

3. An organisation or association shall be deemed representative where, in the economic area or areas concerned of a Member State, it accounts for:

- (a) as a proportion of the volume of production of, or of trade in, or of processing of the product or products concerned:
 - (i) for producer organisations in the fruit and vegetables sector, at least 60 %, or
 - (ii) in other cases, at least two thirds; and
- (b) in the case of producer organisations, more than 50 % of the producers concerned.

However, where, in the case of interbranch organisations, the determination of the proportion of the volume of production, or of trade in, or of processing of the product or products concerned gives rise to practical difficulties, a Member State may lay down national rules for determining the specified level of representativeness referred to in point (a)(ii) of the first subparagraph.

Where the request for an extension of its rules to other operators covers more than one economic area, the organisation or association shall demonstrate the minimum level of representativeness as defined in the first subparagraph for each of the branches it groups in each of the economic areas concerned.

4. The rules for which extension to other operators may be requested as provided for in paragraph 1 shall have one of the following aims:

- (a) production and market reporting;
- (b) stricter production rules than those laid down in Union or national rules;
- (c) the drawing up of standard contracts which are compatible with Union rules;

- (d) marketing;
- (e) protecting the environment;
- (f) measures to promote and exploit the potential of products;
- (g) measures to protect organic farming as well as designations of origin, quality labels and geographical indications;
- (h) research to add value to the products, in particular through new uses which do not pose a threat to public health;
- (i) studies to improve the quality of products;
- (j) research, in particular into methods of cultivation permitting reduced use of plant protection or animal health products and guaranteeing conservation of the soil and conservation or improvement of the environment;
- (k) the definition of minimum qualities and definition of minimum standards of packing and presentation;
- (l) the use of certified seed and monitoring of product quality;
- (m) animal health, plant health or food safety;
- (n) the management of by-products.

Those rules shall not cause any damage to other operators in the Member State concerned or the Union and shall not have any of the effects listed in Article 210(4) or be otherwise incompatible with Union law or national rules in force.

5. The extension of the rules referred to in paragraph 1 shall be brought to the attention of operators by publication in full in an official publication of the Member State concerned.

6. Member States shall notify the Commission of any decisions taken under this Article.

Article 165

Financial contributions of non-members

Where rules of a recognised producer organisation, a recognised association of producer organisations or a recognised inter-branch organisation are extended under Article 164 and the activities covered by those rules are in the general economic interest of economic operators whose activities relate to the products concerned, the Member State which has granted recognition may, after consulting the relevant stakeholders, decide that individual economic operators or groups which are not members of the 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 4

Adjustment of supply

Article 166

Measures to facilitate the adjustment of supply to market requirements

In order to encourage action by the organisations referred to in Articles 152 to 163 to facilitate the adjustment of supply to market requirements, with the exception of action relating to withdrawal from the market, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 concerning measures in the sectors listed in Article 1(2):

- (a) improving quality;
- (b) promoting better organisation of production, processing and marketing;
- (c) facilitating the recording of market price trends;
- (d) permitting the establishment of short and long-term forecasts on the basis of the means of production used.

Article 167

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 interbranch organisations recognised under Articles 157 and 158.

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 provided for in paragraph 1 shall be brought to the attention of operators by being published in full in an official publication of the Member State concerned.

3. Member States shall notify the Commission of any decisions taken under this Article.

Section 5

Contract systems

Article 168

Contractual relations

1. Without prejudice to Article 148 concerning the milk and milk products sector and Article 125 concerning the sugar sector, if a Member State decides, in respect of agricultural products from a sector listed in Article 1(2), other than milk and milk products and sugar:

- (a) that every delivery in its territory of those products by a producer to a processor or distributor must be covered by a written contract between the parties; and/or
- (b) that the first purchasers must make a written offer for a contract for the delivery in its territory of those agricultural products by the producer,

such a contract or such an offer for a contract shall fulfil the conditions laid down in paragraphs 4 and 6 of this Article.

2. Where the Member State decides that deliveries of the products covered by this Article by a producer to a processor must be covered by a written contract between the parties, it shall also decide which stage or stages of the delivery shall be covered by such a contract if delivery of the products concerned is made through one or more intermediaries.

Member States shall ensure that the provisions that they adopt under this Article do not impair the proper functioning of the internal market.

3. In the case described in paragraph 2, the Member State may establish a mediation mechanism to cover cases in which there is no mutual agreement to conclude such a contract, thereby ensuring fair contractual relations.

4. Any contract or offer for a contract referred to in paragraph 1 shall:

- (a) be made 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
 - be calculated by combining various factors set out in the contract, which may include market indicators reflecting changes in market conditions,

the quantities delivered and the quality or composition of the agricultural products delivered,

- (ii) the quantity and quality of the products concerned which may or must be delivered and the timing of such deliveries,
- (iii) the duration of the contract, which may include either a definite duration or an indefinite duration with termination clauses,
- (iv) details regarding payment periods and procedures,
- (v) arrangements for collecting or delivering the agricultural products, and
- (vi) rules applicable in the event of force majeure.

5. By way of derogation from paragraph 1, a contract or an offer for a contract shall not be required where the products concerned are delivered by a producer to a purchaser which is a cooperative of which the producer is a member if the statutes of that cooperative or the rules and decisions provided for in, or derived from, these statutes contain provisions having similar effects to the provisions set out in points (a), (b) and (c) of paragraph 4.

6. All elements of contracts for the delivery of agricultural products concluded by producers, collectors, processors or distributors, including those elements referred to in point (c) of paragraph 4, shall be freely negotiated between the parties.

Notwithstanding the first subparagraph, one or both of the following shall apply:

- (a) where a Member State decides to make written contracts for the delivery of agricultural products compulsory in accordance with paragraph 1, it may establish a minimum duration, applicable only to written contracts between a producer and the first purchaser of the agricultural products. Such a minimum duration shall be at least six months and shall not impair the proper functioning of the internal market;
- (b) where a Member State decides that the first purchaser of agricultural products must make the producer a written offer for a contract in accordance with paragraph 1, it may provide that the offer must include a minimum duration for the contract, set by national law for this purpose. Such a minimum duration shall be at least six months and shall not impair the proper functioning of the internal market.

The second subparagraph shall be without prejudice to the producer's right to refuse such a minimum duration provided that he does so in writing. In this case, the parties shall be free to negotiate all elements of the contract, including those elements referred to in point (c) of paragraph 4.

7. Member States which make use of the options referred to in this Article shall ensure that the provisions set in place do not impair the proper functioning of the internal market.

Member States shall notify the Commission of how they apply any measures introduced under this Article.

8. The Commission may adopt implementing acts laying down the measures necessary for the uniform application of points (a) and (b) of paragraph 4 and paragraph 5 of this Article and measures relating to notifications to be made by the Member States in accordance with this Article.

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

Article 169

Contractual negotiations in the olive oil sector

1. A producer organisation in the olive oil sector which is recognised under Article 152(1) and which pursues one or more of the objectives of concentrating supply, the placing on the market of the products produced by its members and optimising production costs, may negotiate on behalf of its members, in respect of part or all of the aggregate production of their members, contracts for the supply of olive oil.

A producer organisation fulfils the objectives mentioned in this paragraph provided that the pursuit of those objectives leads to the integration of activities and such integration is likely to generate significant efficiencies so that the activities of the producer organisation overall contribute to the fulfilment of the objectives of Article 39 TFEU.

This could be realised provided that:

- (a) the producer organisation carries out at least one of the following activities:
 - (i) joint distribution, including joint selling platform or joint transportation;
 - (ii) joint packaging, labelling or promotion;
 - (iii) joint organising of quality control;
 - (iv) joint use of equipment or storage facilities;
 - (v) joint processing;
 - (vi) joint management of waste directly related to the production of olive oil;
 - (vii) joint procurement of inputs;
- (b) these activities are significant in terms of volume of olive oil concerned and in terms of cost of the production and placing of the product on the market.

2. The negotiations by the recognised producer organisation may take place:

- (a) whether or not there is a transfer of ownership of the olive oil in question by the producers to the producer organisation;
- (b) whether or not the price negotiated is the same as regards the aggregate production of some or all of the members;
- (c) provided that, for a particular producer organisation, the volume of olive oil production covered by such negotiations which is produced in any particular Member State does not exceed 20 % of the relevant market; for the purpose of calculating that volume, a distinction shall be made between olive oil for human consumption and olive oil for other uses;
- (d) provided that, for the volume of olive oil covered by such negotiations, the producer organisation concentrates supply and places the product of its members on the market;
- (e) provided that the producers concerned are not members of any other producer organisation which also negotiates such contracts on their behalf;
- (f) provided that the olive oil in question is not covered by an obligation to supply arising from the producer's membership of a cooperative, which is not itself a member of the concerned producer organisation, in accordance with the conditions set out in the cooperative's statutes or the rules and decisions provided for in or derived from these statutes; and
- (g) provided that the producer organisation notifies the competent authorities of the Member State in which it operates of the volume of olive oil production covered by such negotiations.

3. For the purposes of this Article, references to producer organisations shall also include associations of such producer organisations recognised under Article 156(1).

4. For the purposes of applying point (c) of paragraph 2, the Commission shall publish, by such means as it considers appropriate, the volume of olive oil production in Member States.

5. By way of derogation from point (c) of paragraph 2, even where the threshold set out therein is not exceeded, the competition authority referred to in the second subparagraph of this paragraph may decide in an individual case that a particular negotiation by the producer organisation should either be reopened or should not take place at all if it considers that this is necessary in order to prevent competition being excluded or if it finds that the objectives of Article 39 TFEU are jeopardised.

For negotiations covering more than one Member State, the decision referred to in the first subparagraph shall be taken by the Commission without applying the procedure referred to in Article 229(2) or (3). In other cases, that decision shall be taken by the national competition authority of the Member State to which the negotiations relate.

The decisions referred to in this paragraph shall not apply earlier than the date of their notification to the undertakings concerned.

For the purposes of this Article, the definition of "national competition authority" in point (a) of Article 149(7) shall apply.

6. The Member States in which negotiations take place in accordance with this Article shall notify the Commission of the application of point (g) of paragraph 2 and paragraph 5.

Article 170

Contractual negotiations in the beef and veal sector

1. A producer organisation in the beef and veal sector which is recognised under Article 152(1) and which pursues one or more of the objectives of concentrating supply, the placing on the market of the products produced by its members and optimising production costs may negotiate on behalf of its members, in respect of part or all of the aggregate production of their members, contracts for the supply of live cattle of genus *Bos taurus* for slaughter falling within CN codes ex 0102 29 21, ex 0102 29 41, ex 0102 29 51, ex 0102 29 61, or ex 0102 29 91:

- (a) aged less than 12 months; and
- (b) aged from 12 months and older.

A producer organisation fulfils the objectives mentioned in this paragraph provided that the pursuit of those objectives leads to the integration of activities and such integration is likely to generate significant efficiencies so that the activities of the producer organisation overall contribute to the fulfilment of the objectives of Article 39 TFEU.

This could be realised provided that:

- (a) the producer organisation carries out at least one of the following activities:
 - (i) joint distribution, including joint selling platform or joint transportation;
 - (ii) joint promotion;
 - (iii) joint organising of quality control;
 - (iv) joint use of equipment or storage facilities;

- (v) joint management of waste directly related to the production of live cattle;

- (vi) joint procurement of inputs;

- (b) these activities are significant in terms of quantity of beef and veal concerned and in terms of cost of the production and placing of the product on the market.

2. The negotiations by the recognised producer organisation may take place:

- (a) whether or not there is a transfer of ownership by the farmers to the producer organisation;

- (b) whether or not the price negotiated is the same as regards the aggregate production of some or all of the members;

- (c) provided that, for a particular producer organisation, the quantity of beef and veal production covered by such negotiations which is produced in any particular Member State does not exceed 15 % of the total national production of each product referred to in (a) and (b) of the first subparagraph of paragraph 1 of that Member State expressed in carcass weight equivalent;

- (d) provided that, for the quantity of beef and veal covered by such negotiations, the producer organisation concentrates supply and places the product of its members on the market;

- (e) provided that the producers concerned are not members of any other producer organisation which also negotiates such contracts on their behalf;

- (f) provided that the product in question is not covered by an obligation to supply arising from the producer's membership of a cooperative, which is not itself a member of the concerned producer organisation, in accordance with the conditions set out in the cooperative's statutes or the rules and decisions provided for in or derived from these statutes; and

- (g) provided that the producer organisation notifies the competent authorities of the Member State in which it operates of the quantity of beef and veal production covered by such negotiations.

3. For the purposes of this Article, references to producer organisations shall also include associations of such producer organisations recognised under Article 156(1).

4. For the purposes of applying point (c) of paragraph 2, the Commission shall publish, by such means as it considers appropriate, the quantity of beef and veal production in Member States expressed in carcass weight equivalent.

5. By way of derogation from point (c) of paragraph 2, even where the thresholds set out therein are not exceeded, the competition authority referred to in the second subparagraph of this paragraph may decide in an individual case that a particular negotiation by the producer organisation should either be reopened or should not take place at all if it considers that this is necessary in order to prevent competition being excluded or it finds that the product covered by the negotiations forms part of a separate market by virtue of the specific characteristics of the product or its intended use and that such collective negotiation would cover more than 15 % of the national production of such market, or if it finds that the objectives of Article 39 TFEU are jeopardised.

For negotiations covering more than one Member State, the decision referred to in the first subparagraph shall be taken by the Commission without applying the procedure referred to in Article 229(2) or (3). In other cases, that decision shall be taken by the national competition authority of the Member State to which the negotiations relate.

The decisions referred to in this paragraph shall not apply earlier than the date of their notification to the undertakings concerned.

For the purposes of this Article, the definition of "national competition authority" in point (a) of Article 149(7) shall apply.

6. The Member States in which negotiations take place in accordance with this Article shall notify the Commission of the application of point (g) of paragraph 2 and paragraph 5.

Article 171

Contractual negotiations for certain arable crops

1. A producer organisation which is recognised under Article 152(1) and which pursues one or more of the objectives of concentrating supply, the placing on the market of the products produced by its members and optimising production costs, may negotiate on behalf of its members, in respect of part or all of the aggregate production of their members, contracts for the supply of one or more of the following products not intended for sowing and in the case of barley not intended for malting:

- (a) common wheat falling within CN code ex 1001 99 00;
- (b) barley falling within CN code ex 1003 90 00;
- (c) maize falling within CN code 1005 90 00;
- (d) rye falling within CN code 1002 90 00;
- (e) durum wheat falling within CN code 1001 19 00;
- (f) oats falling within CN code 1004 90 00;
- (g) triticale falling within CN code ex 1008 60 00;

- (h) rapeseed falling within CN code ex 1205;
- (i) sunflower seed falling within CN code ex 1206 00;
- (j) soya beans falling within CN code 1201 90 00;
- (k) field beans falling within CN codes ex 0708 and ex 0713;
- (l) field peas falling within CN codes ex 0708 and ex 0713.

A producer organisation fulfils the objectives mentioned in this paragraph provided that the pursuit of those objectives leads to the integration of activities and such integration is likely to generate significant efficiencies so that the activities of the producer organisation overall contribute to the fulfilment of the objectives of Article 39 TFEU.

This could be realised provided that:

- (a) the producer organisation carries out at least one of the following activities:
 - (i) joint distribution, including joint selling platform or joint transportation;
 - (ii) joint promotion;
 - (iii) joint organising of quality control;
 - (iv) joint use of equipment or storage facilities;
 - (v) joint procurement of inputs;
 - (b) these activities are significant in terms of quantity of the product concerned and in terms of cost of the production and placing of the product on the market.
2. The negotiations by the recognised producer organisation may take place:
- (a) whether or not there is a transfer of ownership by the producers to the producer organisation;
 - (b) whether or not the price negotiated is the same as regards the aggregate production of some or all of the members;
 - (c) provided that, for each product referred to in paragraph 1 and for a particular producer organisation, the quantity of production covered by such negotiations which is produced in any particular Member State does not exceed 15 % of the total national production of that product in the Member State concerned;
 - (d) provided that, for the quantity of products covered by such negotiations, the producer organisation concentrates supply and places the product of its members on the market;
 - (e) provided that the producers concerned are not members of any other producer organisation which also negotiates such contracts on their behalf;

(f) provided that the product in question is not covered by an obligation to supply arising from the producer's membership of a cooperative, which is not itself a member of the concerned producer organisation, in accordance with the conditions set out in the cooperative's statutes or the rules and decisions provided for in or derived from these statutes; and

(g) provided that the producer organisation notifies the competent authorities of the Member State in which it operates of the quantity of production for each product covered by such negotiations.

3. For the purposes of this Article, references to producer organisations shall also include associations of such producer organisations recognised under Article 156(1).

4. For the purposes of applying point (c) of paragraph 2, the Commission shall publish for the products referred to in paragraph 1, by such means as it considers appropriate, the quantity of production in Member States.

5. By way of derogation from point (c) of paragraph 2, even where the thresholds set out therein are not exceeded, the competition authority referred to in the second subparagraph of this paragraph may decide in an individual case that a particular negotiation by the producer organisation should either be reopened or should not take place at all if it considers that this is necessary in order to prevent competition being excluded, or it finds that the product covered by the negotiations forms part of a separate market by virtue of the specific characteristics of the product or its intended use and that such collective negotiation would cover more than 15 % of the national production of such market, or if it finds that the objectives of Article 39 TFEU are jeopardised.

For negotiations covering more than one Member State, the decision referred to in the first subparagraph shall be taken by the Commission without applying the procedure referred to in Article 229(2) or (3). In other cases, that decision shall be taken by the national competition authority of the Member State to which the negotiations relate.

The decisions referred to in this paragraph shall not apply earlier than the date of their notification to the undertakings concerned.

For the purposes of this Article, the definition of "national competition authority" in point (a) of Article 149(7) shall apply.

6. The Member States in which negotiations take place in accordance with this Article shall notify the Commission of the application of point (g) of paragraph 2 and paragraph 5.

Article 172

Regulation of supply for ham with a protected designation of origin or protected geographical indication

1. Upon the request of a producer organisation recognised under Article 152(1) of this Regulation, an interbranch organisation recognised under Article 157(1) of this Regulation or a

group of operators referred to in Article 3(2) of Regulation (EU) No 1151/2012, Member States may lay down, for a limited period of time, binding rules for the regulation of the supply of ham benefiting from a protected designation of origin or from a protected geographical indication under Article 5(1) and (2) of Regulation (EU) No 1151/2012.

2. The rules referred to in paragraph 1 of this Article shall be subject to the existence of a prior agreement between the parties in the geographical area referred to in point (c) of Article 7(1) of Regulation (EU) No 1151/2012. Such an agreement shall be concluded, after consultation with pig producers in the geographical area, between at least two thirds of the processors of that ham representing at least two thirds of the production of that ham in the geographical area referred to in point (c) of Article 7(1) of Regulation (EU) No 1151/2012 and, if considered to be appropriate by the Member State, at least two thirds of the pig producers in the geographical area referred to in point (c) of Article 7(1) of Regulation (EU) No 1151/2012.

3. The rules referred to in paragraph 1:

(a) shall only cover the regulation of supply of the product concerned and/or its raw material and shall have the aim of adapting the supply of that ham to demand;

(b) shall have effect only on the product concerned;

(c) may be made binding for no more than three years and may be renewed after this period, following a new request, as referred to in paragraph 1;

(d) shall not damage the trade in products other than those concerned by those rules;

(e) shall not relate to any transaction after the first marketing of the ham concerned;

(f) shall not allow for price fixing, including where prices are set for guidance or recommendation;

(g) shall not render unavailable an excessive proportion of the product concerned that would otherwise be available;

(h) shall not create discrimination, constitute a barrier for new entrants in the market, or lead to small producers being adversely affected;

(i) shall contribute to maintaining the quality and/or the development of the product concerned.

4. The rules referred to in paragraph 1 shall be published in an official publication of the Member State concerned.

5. Member States shall carry out checks in order to ensure that the conditions laid down in paragraph 3 are complied with, and, where it has been found by the competent national authorities that such conditions have not been complied with, shall repeal the rules referred to in paragraph 1.

6. Member States shall notify the Commission forthwith of the rules referred to in paragraph 1 which they have adopted. The Commission shall inform other Member States of any notification of such rules.

7. The Commission may at any time adopt implementing acts requiring that a Member State repeal the rules laid down by that Member State pursuant to paragraph 1 if the Commission finds that those rules do not comply with the conditions laid down in paragraph 4, prevent or distort competition in a substantial part of the internal market or jeopardise free trade or the attainment of the objectives of Article 39 TFEU. Those implementing acts shall be adopted without applying the procedure referred to in Article 229(2) or (3) of this Regulation.

Section 6

Procedural rules

Article 173

Delegated powers

1. In order to ensure that the objectives and responsibilities of producer organisations, associations of producer organisations and interbranch organisations are clearly defined so as to contribute to the effectiveness of the actions of such organisations and associations without resulting in undue administrative burden and without undermining the principle of freedom of association in particular toward non-members of such organisations, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 concerning the following matters regarding producer organisations, associations of producer organisations, and interbranch organisations for one or more of the sectors referred to in Article 1(2), or specific products of those sectors:

- (a) the specific aims which may, must or must not be pursued by such organisations and associations and, where applicable, added to those laid down in Articles 152 to 163;
- (b) the rules of such organisations and associations, the statutes of organisations other than producer organisations, the specific conditions applicable to the statutes of producer organisations in certain sectors, including derogations from the obligation to market the entire production through the producer organisation referred to in the second paragraph of Article 160, the structure, membership period, size, accountability and activities of such organisations and associations, the effects deriving from recognition, the withdrawal of recognition, and mergers;
- (c) the conditions for recognition, withdrawal and suspension of recognition, the effects deriving from recognition, withdrawal and suspension of recognition as well as

requirements for such organisations and associations to take remedial measures in the event of non-respect of the recognition criteria;

- (d) transnational organisations and associations including the rules referred to in points (a), (b) and (c) of this paragraph;
 - (e) rules relating to the establishment and the conditions of administrative assistance to be given by the relevant competent authorities in the case of transnational cooperation;
 - (f) the sectors to which Article 161 applies, the conditions for the outsourcing of activities, the nature of activities that may be outsourced and the provision of technical means by organisations or associations;
 - (g) the basis for the calculation of minimum volume or value of marketable production of organisations and associations;
 - (h) the acceptance of members who are not producers in the case of producer organisations and who are not producer organisations in the case of associations of producer organisations;
 - (i) the extension of certain rules of the organisations provided for in Article 164 to non-members and the compulsory payment of subscriptions by non-members referred to in Article 165 including the use and allocation of that payment by those organisations and a list of the stricter production rules which may be extended under point (b) of the first subparagraph of Article 164(4), while ensuring that such organisations are transparent and accountable toward non-members and that members of such organisations do not enjoy a more favourable treatment than non-members, in particular as to the use of the compulsory payment of subscriptions;
 - (j) further requirements as regards representativeness of the organisations referred to in Article 164, the economic areas concerned, including Commission scrutiny of their definition, minimum periods during which the rules shall apply before their extension, the persons or organisations to whom the rules or contributions may be applied, and the circumstances in which the Commission may require that the extension of rules or compulsory contributions be refused or withdrawn.
2. By way of derogation from paragraph 1, in order to ensure that the objectives and responsibilities of producer organisations, associations of producer organisations and interbranch organisations in the milk and milk products sector are clearly defined, so as to contribute to the effectiveness of the actions of such organisations without imposing an undue burden, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 laying down:
- (a) the conditions for recognising transnational producer organisations and transnational associations of producer organisations;

- (b) rules relating to the establishment and the conditions of administrative assistance to be given to producer organisations, including associations of producer organisations by the relevant competent authorities in the case of transnational cooperation;
- (c) additional rules regarding the calculation of the volume of raw milk covered by the negotiations referred to in point (c) of Article 149(2) and Article 149(3);
- (d) rules concerning the extension of certain rules of the organisations provided for in Article 164 to non-members and the compulsory payment of subscriptions by non-members referred to in Article 165.

Article 174

Implementing powers in accordance with the examination procedure

1. The Commission may adopt implementing acts laying down the measures necessary for the application of this Chapter, in particular:

- (a) measures for the implementation of the conditions for recognition of producer organisations and interbranch organisations set out in Articles 154 and 158;
- (b) procedures in the event of a merger of producer organisations;
- (c) procedures to be determined by Member States in relation to the minimum size and minimum membership period;
- (d) procedures relating to the extension of rules and financial contributions as referred to in Articles 164 and 165, in particular the implementation of the concept of "economic area" referred to in Article 164(2);
- (e) procedures relating to administrative assistance;
- (f) procedures relating to the outsourcing of activities;
- (g) procedures and technical conditions as regards the implementation of the measures referred to in Article 166.

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

2. By way of derogation from paragraph 1, as regards the milk and the milk product sector, the Commission may adopt implementing acts laying down detailed rules necessary for:

- (a) the implementation of the conditions for recognition of producer organisations and their associations and interbranch organisations set out in Articles 161 and 163;
- (b) the notification referred to in point (f) of Article 149(2);

- (c) the notifications to be made by the Member States to the Commission in accordance with point (d) of Article 161(3), point (e) of Article 163(3), Article 149(8) and Article 150(7);

- (d) the procedures relating to administrative assistance in the case of transnational cooperation.

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

Article 175

Other implementing powers

The Commission may, by means of implementing acts, adopt individual decisions regarding:

- (a) the recognition of organisations carrying out activities in more than one Member State, pursuant to the rules adopted under point (d) of Article 174(1);
- (b) the objection to, or the withdrawal of, recognition of an interbranch organisation by a Member State;
- (c) the list of economic areas notified by Member States pursuant to the rules adopted under point (h) of Article 174(1) and point (d) of Article 174(2);
- (d) the requirement that a Member State refuse or repeal an extension of rules or financial contributions by non-members decided on by that Member State.

Those implementing acts shall be adopted without applying the procedure referred to in Article 229(2) or (3).

PART III

TRADE WITH THIRD COUNTRIES

CHAPTER I

Import and export licences

Article 176

General rules

1. Without prejudice to cases where import or export licences are required in accordance with this Regulation, the import for release into free circulation into, or the export of one or more products of the following sectors from, the Union may be made subject to the presentation of a licence:

- (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 92 90, 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) ethyl alcohol of agricultural origin.

2. Licences shall be issued by Member States to any applicant, irrespective of their place of establishment in the Union, unless an act adopted in accordance with Article 43(2) TFEU provides otherwise, and without prejudice to the application of Articles 177, 178 and 179 of this Regulation.

3. Licences shall be valid throughout the Union.

Article 177

Delegated powers

1. In order to take into account the international obligations of the Union and the applicable Union social, environmental and animal welfare standards, the need to monitor the evolution of trade and market developments, of imports and exports of products, the need for sound market management and the need to reduce the administrative burden, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 determining:

- (a) the list of the products of the sectors referred to in Article 176(1) subject to the presentation of an import or export licence;
- (b) the cases and situations where the presentation of an import or export licence is not required, taking account of the

customs status of the products concerned, the trade arrangements to be respected, the purposes of operations, the legal status of the applicant and the quantities involved.

2. In order to provide further elements of the licence system, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 laying down rules on:

- (a) the rights and obligations deriving from the licence, its legal effects, and the cases where a tolerance applies as regards compliance with the obligation to import or export the quantity mentioned in the licence or where the origin is to be indicated in the licence;
- (b) the issue of an import licence or the release into free circulation being 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) the transfer of the licence or restrictions on its transferability;
- (d) additional conditions for import licences for hemp in accordance with Article 189 and the principle of administrative assistance between Member States to prevent or deal with cases of fraud and irregularities;
- (e) the cases and situations where the lodging of a security guaranteeing that the products are imported or exported within the period of validity of the licence is or is not required.

Article 178

Implementing powers in accordance with the examination procedure

The Commission shall adopt implementing acts laying down the measures necessary for the application of this Chapter, including rules on:

- (a) the format and content of the licence;
- (b) the submission of applications and the issuing of licences and their use;
- (c) the period of validity of the licence,
- (d) the procedures for, and the amount of, a security to be lodged;
- (e) the proof that the requirements for the use of licences have been fulfilled;
- (f) the level of the tolerance as regards the respect of the obligation to import or export the quantity mentioned in the licence;
- (g) the issue of replacement licences and duplicate licences;

(h) the treatment of licences by Member States and the exchange of information needed for the management of the system, including the procedures relating to the specific administrative assistance between Member States.

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

Article 179

Other implementing powers

The Commission may adopt implementing acts:

- (a) limiting the quantities for which licences may be issued;
- (b) rejecting the quantities applied for;
- (c) suspending the submission of applications in order to manage the market where large quantities are applied for.

Those implementing acts shall be adopted without applying the procedure referred to in Article 229(2) or (3).

CHAPTER II

Import duties

Article 180

Implementation of international agreements and certain other acts

The Commission shall adopt implementing acts laying down measures to comply with requirements laid down in international agreements which have been concluded in accordance with the TFEU or in any other relevant act adopted in accordance with Article 43(2) or Article 207 TFEU or the Common Customs Tariff as regards the calculation of import duties for agricultural products. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).

Article 181

Entry price system for certain products of the fruit and vegetables, processed fruit and vegetables and wine sectors

1. For the application of the Common Customs Tariff duty rate for products of the fruit and vegetables and processed fruit and vegetables sectors and for grape juice and musts, the entry price of a consignment shall be equal to its customs value calculated in accordance with Council Regulation (EC) No 2913/92⁽¹⁾ (the Customs Code) and Commission Regulation (EC) No 2454/93⁽²⁾.

(¹) Council Regulation (EC) No 2913/92 of 12 October 1992 establishing the Community Customs Code (OJ L 302, 19.10.1992, p. 1).
 (²) Commission Regulation (EC) No 2454/93 of 2 July 1993 laying down provisions for the implementation of Council Regulation (EEC) No 2913/92 establishing the Community Customs Code (OJ L 253, 11.10.1993, p. 1).

2. In order to ensure the efficiency of the system, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 to provide that the veracity of the declared entry price of a consignment is to be checked using a flat-rate import value, and to provide the conditions under which the lodging of a security is required.

3. The Commission shall adopt implementing acts establishing rules for the calculation of the flat-rate import value referred to in paragraph 2. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).

Article 182

Additional import duties

1. The Commission may adopt implementing acts determining the products of the cereals, rice, sugar, fruit and vegetables, processed fruit and vegetables, beef and veal, milk and milk products, pigmeat, sheepmeat and goatmeat, 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 the Common Customs Tariff, an additional import duty shall apply 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 as imports expressed as a percentage of the corresponding domestic consumption during the three previous years.

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

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 point (a) of the first subparagraph of paragraph 1, 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 adopt implementing acts laying down the measures necessary for the application of this Article. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).

*Article 183***Other implementing powers**

The Commission may adopt implementing acts:

- (a) fixing the level of the applied import duty in accordance with the rules set out in an international agreement concluded in accordance with the TFEU, in the Common Customs Tariff and in the implementing acts referred to in Article 180;
- (b) fixing the representative prices and trigger volumes for the purposes of applying additional import duties in the framework of the rules adopted pursuant to Article 182(1).

Those implementing acts shall be adopted without applying the procedure referred to in Article 229(2) or (3).

*CHAPTER III***Tariff quota management and special treatment of imports by third countries***Article 184***Tariff quotas**

1. Tariff quotas for the import of agricultural products for release into free circulation in the Union or a part thereof, or tariff quotas for imports of Union agricultural products into third countries, which are to be partly or fully administered by the Union, resulting from international agreements concluded in accordance with the TFEU or any other act adopted in accordance with Article 43(2) or Article 207 TFEU, shall be opened and/or administered by the Commission by means of delegated acts pursuant to Article 186 of this Regulation and implementing acts pursuant to Articles 187 and 188 of this Regulation.

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 submission of applications ("first come, first served" principle);
- (b) a method of distribution in proportion to the quantities requested when the applications were submitted (the "simultaneous examination method");
- (c) a method based on taking traditional trade patterns into account (the "traditional/newcomers method").

3. The method of administration adopted shall:

- (a) for import tariff quotas, give due weight to the supply requirements of the existing and emerging Union production, processing and consumption market in terms

of competitiveness, certainty and continuity of supply and the need to safeguard the equilibrium of that market; and

- (b) for export tariff quotas, permit the full use of the possibilities available under the quota concerned.

*Article 185***Specific tariff quotas**

In order to give effect to tariff quotas for import into Spain of 2 000 000 tonnes of maize and 300 000 tonnes of sorghum and tariff quotas for import into Portugal of 500 000 tonnes of maize, the Commission shall be empowered to adopt delegated acts, in accordance with Article 227, establishing 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 186***Delegated powers**

1. In order to ensure fair access for the quantities available and the equal treatment of operators within the tariff quota, the Commission shall be empowered to adopt delegated acts in accordance with Article 227:

- (a) determining the conditions and eligibility requirements that an operator has to fulfil to submit an application within the tariff quota; the provisions concerned may require a minimum experience in trade with third countries and assimilated territories, or in processing activity, expressed as 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 and the uses and needs of the processing industries;
- (b) establishing rules on the transfer of rights between operators and, where necessary, the limitations to such transfer within the management of the tariff quota;
- (c) making participation in the tariff quota subject to the lodging of a security;
- (d) providing, where necessary, for any particular specific characteristics, requirements or restrictions applicable to the tariff quota as set out in the international agreement or other act referred to in Article 184(1).

2. In order to ensure that exported products may benefit from a special treatment on importation into a third country under certain conditions, pursuant to international agreements concluded by the Union in accordance with the TFEU, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 of this Regulation concerning rules requiring the competent authorities of Member States to

issue, on request and after appropriate checks, a document certifying that the conditions are met for products that, if exported, may benefit from a special treatment on importation into a third country if certain conditions are respected.

Article 187

Implementing powers in accordance with the examination procedure

The Commission may adopt implementing acts laying down:

- (a) the annual tariff quotas, if necessary suitably phased over the year, and the method of administration to be used;
- (b) procedures for the application of the specific provisions laid down in the agreement or act adopting the import or export regime, in particular, 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 procedures for, and the amount of, the security to be lodged;
- (e) the use of licences, and, where necessary, specific measures relating to, in particular, the conditions under which applications for import shall be submitted and authorisation granted within the tariff quota;
- (f) procedures and technical criteria for the application of Article 185;
- (g) necessary measures concerning the content, form, issue and use of the document referred to in Article 186(2).

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

Article 188

Other implementing powers

1. The Commission shall adopt implementing acts concerning the management of the process guaranteeing that

the quantities available within the 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 where necessary suspending the submission of applications.

2. The Commission may adopt implementing acts concerning the reallocation of the unused quantities.

3. Implementing acts referred to in this Article shall be adopted without applying the procedure referred to in Article 229(2) or (3).

CHAPTER IV

Special import provisions for certain products

Article 189

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 32(6) and in Article 35(3) of Regulation (EU) No 1307/2013
- (b) seeds of varieties of hemp falling within CN code ex 1207 99 20 for sowing accompanied by proof that the tetrahydrocannabinol level of the variety concerned does not exceed that fixed in accordance with Article 32(6) and in Article 35(3) of Regulation (EU) No 1307/2013;
- (c) hemp seeds other than for sowing, falling within CN code 1207 99 91 and imported only by importers authorised by the Member State in order to ensure that such seeds are not intended for sowing.

2. This Article shall apply without prejudice to more restrictive rules adopted by Member States in compliance with the TFEU and the obligations under the WTO Agreement on Agriculture.

Article 190

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 to be 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 77.

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 those 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 shall be empowered to adopt delegated acts in accordance with Article 227 setting the conditions under which obligations related to an attestation of equivalence and the labelling of packaging are not to apply.

4. The Commission shall adopt implementing acts laying down the measures necessary for the application of this Article, including the rules on the recognition of attestations of equivalence and on the checking of imports of hops. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).

Article 191

Derogations for imported products and special security in the wine sector

Derogations from point 5 of Section B or Section C of Part II of Annex VIII for imported products may be adopted in accordance with Article 43(2) TFEU, pursuant to the international obligations of the Union.

In the case of derogations from point 5 of Section B of Part II of Annex VIII, importers shall lodge a security for those products with the designated customs authorities at the time of release into free circulation. The security shall be released on the presentation of proof by the importer, to the satisfaction of the customs authorities of the Member State of release into free circulation, that:

- (a) the products have not benefited from the derogations; or,
- (b) if they have benefited from the derogations, the products have not been vinified, or if they have been vinified, the resulting products have been appropriately labelled.

The Commission may adopt implementing acts laying down rules to ensure the uniform application of this Article, including on the amounts of the security and appropriate labelling. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).

Article 192

Imports of raw sugar for refining

1. Until the end of the 2016-2017 marketing year, an exclusive import capacity of 2 500 000 tonnes per marketing year, expressed in white sugar, shall be granted to full-time refiners.

2. The sole sugar beet processing plant at work in 2005 in Portugal shall be 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 referred to in paragraph 1. The licences may be transferred only between full-time refiners and their validity shall expire 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.

4. Taking into account the need to ensure that sugar for refining imported in accordance with this Article is refined, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 laying down:

- (a) the use of terms for the operation of the import arrangements referred to in paragraph 1;
- (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.

5. The Commission may adopt implementing acts laying down necessary rules concerning the supporting documents to be supplied in connection with the requirements and obligations applicable to importers, and in particular to full-time refiners. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).

Article 193

Suspension of import duties in the sugar sector

In order to guarantee the supply necessary for the manufacturing of products referred to in Article 140(2), the Commission may, until the end of the 2016-2017 marketing year, adopt implementing acts suspending import duties in whole or in part for certain quantities in respect of the following products:

- (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.

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

CHAPTER V

Safeguard and inward processing

Article 194

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 260/2009 ⁽¹⁾ and (EC) No 625/2009 ⁽²⁾.

2. Save as otherwise provided for in 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 the TFEU shall be taken by the Commission in accordance with paragraph 3 of this Article.

3. The Commission may adopt implementing acts establishing the measures referred to in paragraphs 1 and 2 of this Article at the request of a Member State or on its own initiative. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).

Where the Commission receives a request from a Member State, it shall, by means of implementing acts, take a decision thereon within five working days following the receipt of the request. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).

On duly justified imperative grounds of urgency, the Commission shall adopt immediately applicable implementing acts in accordance with the procedure referred to in Article 229(3).

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

4. The Commission may adopt implementing acts revoking or amending Union safeguard measures adopted pursuant to paragraph 3 of this Article. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).

On duly justified imperative grounds of urgency, the Commission shall adopt immediately applicable implementing acts in accordance with the procedure referred to in Article 229(3).

Article 195

Suspension of processing and inward processing arrangements

Where the Union market is disturbed or is liable to be disturbed by processing or inward processing arrangements, the Commission may adopt implementing acts, at the request of

a Member State or on its own initiative, fully or partially suspending 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. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).

Where the Commission receives a request from a Member State, it shall, by means of implementing acts, take a decision thereon within five working days following the receipt of the request. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).

On duly justified imperative grounds of urgency, the Commission shall adopt immediately applicable implementing acts in accordance with the procedure referred to in Article 229(3).

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

CHAPTER VI

Export refunds

Article 196

Scope

1. To the extent necessary to enable exports on the basis of world market quotations or prices when conditions on the internal market are such as those described in Article 219(1) or Article 221 and within the limits resulting from international agreements concluded in accordance with the TFEU, 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) to (d) and (g) of Part III of Annex I;
 - (iv) beef and veal;
 - (v) milk and milk products;
 - (vi) pigmeat;
 - (vii) eggs;
 - (viii) poultrymeat;

⁽¹⁾ Council Regulation (EC) No 260/2009 of 26 February 2009 on the common rules for imports (OJ L 84, 31.3.2009, p. 1).

⁽²⁾ Council Regulation (EC) No 625/2009 of 7 July 2009 on common rules for imports from certain third countries (OJ L 185, 17.7.2009, p. 1).

(b) the products listed in points (i) to (iii), (v) and (vii) of point (a) of this paragraph to be exported in the form of processed goods in accordance with Council Regulation (EC) No 1216/2009 ⁽¹⁾, and in the form of the products containing sugar listed in point (b) of Part X of Annex I to this Regulation.

2. Export refunds on products exported in the form of processed goods shall not be higher than those applicable to the same products exported without further processing.

3. Without prejudice to the application of Article 219(1) and Article 221, the refund available for the products referred to in paragraph 1 of this Article shall be EUR 0.

Article 197

Export refund distribution

The method of allocation for quantities which may be exported with an export refund shall be the one that:

- (a) is most suited to the nature of the product and the situation on the relevant market, allowing the most efficient use of the resources available, taking into account the efficiency and structure of Union exports and their impact on the market balance without creating discrimination between the operators concerned, and in particular between large and small operators;
- (b) is least cumbersome administratively for operators, taking into account the administrative requirements.

Article 198

Export refund fixation

1. The same export refunds shall apply to the same products in 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 international agreements concluded in accordance with the TFEU make this necessary.

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

Article 199

Granting of export refund

1. Refunds on products listed in point (a) of Article 196(1) exported as such without further processing shall only be granted on application and on presentation of an export licence.

⁽¹⁾ Council Regulation (EC) No 1216/2009 of 30 November 2009 laying down the trade arrangements applicable to certain goods resulting from the processing of agricultural products (OJ L 328, 15.12.2009, p. 10).

2. The refund applicable to products listed in point (a) of Article 196(1) shall be the refund applicable on the day of application for the licence or the refund resulting from the tendering procedure concerned and, in the case of a differentiated refund, the refund applicable on the same day:

- (a) for the destination indicated on the licence; or
- (b) for the actual destination if it 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.

3. The refund shall be paid upon submission of proof that:

- (a) the products have left the customs territory of the Union in accordance with the export procedure referred to in Article 161 of the Customs Code;
- (b) in the case of a differentiated refund, the products have been imported into the destination indicated on the licence or another destination for which a refund was fixed, without prejudice to point (b) of paragraph 2.

Article 200

Export refunds for live animals in the beef and veal sector

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 law, and in particular with those for the protection of animals during transport.

Article 201

Export limits

The volume commitments resulting from the international agreements concluded in accordance with the TFEU shall be respected on the basis of export licences issued for the reference periods applying to the products concerned.

With regard to compliance with the obligations under the WTO Agreement on Agriculture, the ending of a reference period shall not affect the validity of export licences.

Article 202

Delegated powers

1. In order to ensure the proper functioning of the export refund system, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 laying down the requirement to lodge a security guaranteeing the fulfilment of the operators' obligations.

2. In order to minimise the administrative burden for operators and authorities, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 setting thresholds below which the obligation to issue or present an export licence may not be required, designating destinations or operations where an exemption for the obligation to present an export licence may be justified and permitting export licences to be granted ex-post in justified situations.

3. In order to address practical situations justifying the full or partial eligibility for export refunds and to help operators bridge the period between the application and the final payment of the export refund, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 concerning rules on:

- (a) another date for the refund;
- (b) advance payment of export refunds, including the conditions for the lodging and release of a security;
- (c) additional proof where doubts exist as to the real destination of products, and the opportunity for re-importation into the customs territory of the Union;
- (d) destinations treated as exports from the Union, and the inclusion of destinations within the customs territory of the Union eligible for export refunds.

4. In order to ensure the equal access of exporters of products listed in Annex I to the Treaties and of products processed therefrom to export refunds, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 on the application of Article 199(1) and (2) to products referred to in point (b) of Article 196(1).

5. 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 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 shall be empowered to adopt delegated acts in accordance with Article 227 concerning rules on:

- (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 in order to be eligible for differentiated refunds;
- (d) the refund thresholds and conditions under which exporters may be exempted from such proof;
- (e) conditions for approval of proof, provided by independent third parties, of reaching a destination where differentiated refunds apply.

6. In order to encourage exporters to respect animal welfare conditions, and in order to enable the competent authorities to verify correct expenditure of export refunds where that is conditional on respect for animal welfare requirements, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 on the respect of animal welfare requirements outside the customs territory of the Union, including the use of independent third parties.

7. In order to take into account the specific characteristics of the different sectors, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 establishing specific requirements and conditions for operators and for the products eligible for an export refund, and coefficients for the purposes of calculating export refunds taking into account the ageing process of certain spirit drinks obtained from cereals.

Article 203

Implementing powers in accordance with the examination procedure

The Commission shall adopt implementing acts laying down the measures necessary for the application of this Chapter, in particular on:

- (a) the redistribution of exportable quantities which have not been allocated or utilised;
- (b) the method for recalculation of 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) products referred to in point (b) of Article 196(1);
- (d) the procedures for, and the amount of, the security to be lodged;

(e) the application of measures adopted pursuant to Article 202(4).

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

Article 204

Other implementing powers

The Commission may adopt implementing acts:

- (a) laying down appropriate measures to prevent abuse of the flexibility provided for in Article 199(2), in particular concerning the procedure for submitting applications;
- (b) laying down the measures necessary to respect the volume commitments referred to in Article 201, including ceasing or limiting the issue of export licences when such commitments are or can be exceeded;
- (c) fixing coefficients which apply to the export refunds in accordance with the rules adopted pursuant to Article 202(7).

Those implementing acts shall be adopted without applying the procedure referred to in Article 229(2) or (3).

CHAPTER VII

Outward processing

Article 205

Suspension of outward processing arrangements

Where the Union market is disturbed or could be disturbed by outward processing arrangements, the Commission may adopt implementing acts, on a request from a Member State or on its own initiative, fully or partially suspending 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. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).

Where the Commission receives a request from a Member State, it shall, by means of implementing acts, take a decision thereon within five working days following receipt of the request. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).

On duly justified imperative grounds of urgency, the Commission shall adopt immediately applicable implementing acts in accordance with the procedure referred to in Article 229(3).

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

PART IV

COMPETITION RULES

CHAPTER I

Rules applying to undertakings

Article 206

Commission guidelines on the application of competition rules to agriculture

Save as otherwise provided in this Regulation, and in accordance with Article 42 TFEU, Articles 101 to 106 TFEU and the implementing provisions thereto shall, subject to Articles 207 to 210 of this Regulation, apply to all agreements, decisions and practices referred to in Article 101(1) and Article 102 TFEU which relate to the production of, or trade in, agricultural products.

In order to ensure the functioning of the internal market and the uniform application of Union competition rules, the Commission and the competition authorities of the Member States shall apply the Union competition rules in close cooperation.

In addition, the Commission shall, where appropriate, publish guidelines to assist the national competition authorities, as well as undertakings.

Article 207

Relevant market

The definition of the relevant market is a tool to identify and define the boundaries of competition between undertakings, and shall be founded on two cumulative elements:

- (a) the relevant product market: for the purposes of this Chapter, "product market" means the market comprising all those products which are regarded as interchangeable or substitutable by the consumer by reason of the products' characteristics, their prices and their intended use;
- (b) the relevant geographic market: for the purposes of this Chapter, "geographic market" means the market comprising the area in which the undertakings concerned are involved in the supply of the relevant products, in which the conditions of competition are sufficiently homogeneous and which can be distinguished from neighbouring areas, particularly because the conditions of competition are appreciably different in those areas.

*Article 208***Dominant position**

For the purposes of this Chapter, "dominant position" means a position of economic strength enjoyed by an undertaking which enables it to prevent effective competition being maintained in the relevant market by giving it the power to behave to an appreciable extent independently of its competitors, customers and ultimately of consumers.

*Article 209***Exceptions for the objectives of the CAP and farmers and their associations**

1. Article 101(1) TFEU shall not apply to the agreements, decisions and practices referred to in Article 206 of this Regulation necessary for the attainment of the objectives set out in Article 39 TFEU.

Article 101(1) TFEU shall not apply to agreements, decisions and concerted practices of farmers, farmers' associations, or associations of such associations, or producer organisations recognised under Article 152 of this Regulation, or associations of producer organisations recognised under Article 156 of this Regulation, which concern the production or sale of agricultural products or the use of joint facilities for the storage, treatment or processing of agricultural products, unless the objectives of Article 39 TFEU are jeopardised.

This paragraph shall not apply to agreements, decisions and concerted practices which entail an obligation to charge an identical price or by which competition is excluded.

2. Agreements, decisions and concerted practices which fulfil the conditions referred to in paragraph 1 of this Article shall not be prohibited, no prior decision to that effect being required.

In any national or Union proceedings for the application of Article 101 TFEU, the burden of proving an infringement of Article 101(1) TFEU shall rest on the party or the authority alleging the infringement. The party claiming the benefit of the exemptions provided in paragraph 1 of this Article shall bear the burden of proving that the conditions of that paragraph are fulfilled.

*Article 210***Agreements and concerted practices of recognised interbranch organisations**

1. Article 101(1) TFEU shall not apply to agreements, decisions and concerted practices of interbranch organisations

recognised under Article 157 of this Regulation with the object of carrying out the activities listed in point (c) of Article 157(1) and, for the milk and milk products sector, in point (c) of Article 157(3) of this Regulation, and, for the olive oil and table olives and tobacco sectors, in Article 162 of this Regulation.

2. Paragraph 1 shall apply provided that:

- (a) the agreements, decisions and concerted practices referred to therein have been notified to the Commission; and
- (b) within two months of receipt of all the details required the Commission has not found that those agreements, decisions or concerted practices are incompatible with Union rules.

Where the Commission finds that the agreements, decisions or concerted practices referred to in paragraph 1 are incompatible with Union rules, it shall set out its finding without applying the procedure referred to in Article 229(2) or (3).

3. The agreements, decisions and concerted practices referred to in paragraph 1 may not be put into effect before the lapse of the two-month period referred to in point (b) of the first subparagraph of paragraph 2.

4. Agreements, decisions and concerted practices shall in any case be declared incompatible with Union rules if they:

- (a) may lead to the partitioning of markets within the Union in any form;
- (b) may affect the sound operation of the market organisation;
- (c) may create distortions of competition which are not essential to achieving the objectives of the CAP pursued by the interbranch organisation activity;
- (d) entail the fixing of prices or the fixing of quotas;
- (e) may create discrimination or eliminate competition in respect of a substantial proportion of the products in question.

5. If, following the expiry of the two-month period referred to in point (b) of the first subparagraph of paragraph 2, the Commission finds that the conditions for applying paragraph 1 have not been met, it shall, without applying the procedure referred to in Article 229(2) or (3), take a decision declaring that Article 101(1) TFEU 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.

7. The Commission may adopt implementing acts laying down the measures necessary for the uniform application of this Article. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).

CHAPTER II

State aid rules

Article 211

Application of Articles 107 to 109 TFEU

1. Articles 107 to 109 TFEU shall apply to the production of, and trade in, agricultural products.

2. By way of derogation from paragraph 1, Articles 107 to 109 TFEU shall not apply to payments made by Member States pursuant to and in conformity with either of the following:

- (a) the measures provided for in this Regulation which are partly or wholly financed by the Union;
- (b) Articles 213 to 218 of this Regulation.

Article 212

National payments related to wine support programmes

By way of derogation from Article 44(3), Member States may grant national payments in accordance with the Union rules on State aid for the measures referred to in Articles 45, 49 and 50.

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

Article 213

National payments for reindeer in Finland and Sweden

Subject to an authorisation by the Commission adopted without applying the procedure referred to in Article 229(2) or (3), national payments for the production and marketing of reindeer and reindeer products (CN codes ex 0208 and ex 0210) may be made by Finland and Sweden insofar as they do not entail any increase in traditional levels of production.

Article 214

National payments for the sugar sector in Finland

Finland may make national payments of up to EUR 350 per hectare per marketing year to sugar beet growers.

Article 215

National payments for apiculture

Member States may make national payments for the protection of apiaries disadvantaged by structural or natural conditions or under economic development programmes, except for those allocated for production or trade.

Article 216

National payments for distillation of wine in cases of crisis

1. Member States may make national payments to wine producers for the voluntary or mandatory distillation of wine in justified cases of crisis.

Those payments shall be proportionate and shall allow that crisis to be addressed.

The overall amount of payments available in a Member State in any given year for such payments shall not exceed 15 % of the globally available funds per Member State for that year as laid down in Annex VI.

2. Member States wishing to make use of the national payments referred to in paragraph 1 shall submit a duly substantiated notification to the Commission. The Commission shall decide, without applying the procedure referred to in Article 229(2) or (3), whether the measure is approved and whether the payments may be made.

3. The alcohol resulting from distillation referred to in paragraph 1 shall be used exclusively for industrial or energy purposes so as to avoid any distortion of competition.

4. The Commission may adopt implementing acts laying down the measures necessary for the application of this Article. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).

Article 217

National payments for distribution of products to children

Member States may, in addition to Union aid provided for in Articles 23 and 26, make national payments for supplying the products to children in educational establishments or for the related costs referred to in Article 23(1).

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

Member States may, in addition to Union aid provided for in Article 23, make national payments for financing accompanying measures necessary to make the Union scheme for the supply of fruit and vegetable, processed fruit and vegetable and banana products effective, as referred to in Article 23(2).

Article 218

National payments for nuts

1. Member States may make national payments, up to a maximum of EUR 120,75 per hectare per year, to farmers producing the following products:

- (a) almonds falling within CN codes 0802 11 and 0802 12;
- (b) hazelnuts or filberts falling within CN codes 0802 21 and 0802 22;
- (c) walnuts falling within CN codes 0802 31 00 and 0802 32 00;
- (d) pistachios falling within CN codes 0802 51 00 and 0802 52 00;
- (e) locust beans falling within CN code 1212 92 00.

2. The national payments referred to in paragraph 1 may be paid only for a maximum area of:

Member State	Maximum area (ha)
Belgium	100
Bulgaria	11 984
Germany	1 500
Greece	41 100
Spain	568 200
France	17 300
Italy	130 100
Cyprus	5 100
Luxembourg	100
Hungary	2 900
Netherlands	100
Poland	4 200
Portugal	41 300

Member State	Maximum area (ha)
Romania	1 645
Slovenia	300
Slovakia	3 100
United Kingdom	100

3. Member States may make the granting of national payments referred to in paragraph 1 conditional on farmers being members of a producer organisation recognised under Article 152.

PART V

GENERAL PROVISIONS

CHAPTER I

Exceptional measures

Section 1

Market disturbance

Article 219

Measures against market disturbance

1. In order to react efficiently and effectively against threats of market disturbance caused by significant price rises or falls on internal or external markets or other events and circumstances significantly disturbing or threatening to disturb the market, where that situation, or its effects on the market, is likely to continue or deteriorate, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 to take the measures necessary to address that market situation, while respecting any obligations resulting from international agreements concluded in accordance with the TFEU and provided that any other measures available under this Regulation appear to be insufficient.

Where, in the cases of threats of market disturbances referred to in the first subparagraph of this paragraph, imperative grounds of urgency so require, the procedure provided for in Article 228 shall apply to delegated acts adopted pursuant to the first subparagraph of this paragraph.

Those imperative grounds of urgency may include the need to take immediate action to address or prevent market disturbance, where threats of market disturbance occur so swiftly or unexpectedly that immediate action is necessary to efficiently and effectively address the situation, or where action would prevent such threats of market disturbance from materialising, continuing or turning into a more severe or prolonged disturbance, or where delaying immediate action would threaten to cause or aggravate the disturbance or would increase the extent of the measures which would later be necessary to address the threat or disturbance or would be detrimental to production or market conditions.

Such measures may to the extent and for the time necessary to address the market disturbance or threat thereof extend or modify the scope, duration or other aspects of other measures provided for under this Regulation, or provide for export refunds, or suspend import duties in whole or in part including for certain quantities or periods as necessary.

2. The measures referred to in paragraph 1 shall not apply to products listed in Section 2 of Part XXIV of Annex I.

However, the Commission may, by means of delegated acts adopted in accordance with the urgency procedure referred to in Article 228, decide that the measures referred to in paragraph 1 shall apply to one or more of the products listed in Section 2 of Part XXIV of Annex I.

3. The Commission may adopt implementing acts laying down necessary procedural rules and technical criteria for the application of measures referred to in paragraph 1 of this Article. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).

Section 2

Market support measures related to animal diseases and loss of consumer confidence due to public, animal or plant health risks

Article 220

Measures concerning animal diseases and loss of consumer confidence due to public, animal or plant health risks

1. The Commission may adopt implementing acts taking exceptional support measures for the affected market in order to take account of:

- (a) restrictions on intra-Union and third-country trade which may result from the application of measures for combating the spread of diseases in animals; and
- (b) serious market disturbances directly attributed to a loss in consumer confidence due to public, animal or plant health and disease risks.

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

2. The measures provided for in paragraph 1 shall apply to any of the following sectors:

- (a) beef and veal;
- (b) milk and milk products;
- (c) pigmeat;

(d) sheepmeat and goatmeat;

(e) eggs;

(f) poultrymeat.

The measures provided for in point (b) of the first subparagraph of paragraph 1 related to a loss in consumer confidence due to public or plant health risks shall also apply to all other agricultural products except those listed in Section 2 of Part XXIV of Annex I.

The Commission shall be empowered to adopt delegated acts in accordance with the urgency procedure referred to in Article 228, extending the list of products in the first two subparagraphs of this paragraph.

3. The measures provided for in paragraph 1 shall be taken at the request of the Member State concerned.

4. The measures provided for in point (a) of the first subparagraph of paragraph 1 may be taken only if the Member State concerned has 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.

5. The Union shall provide part-financing equivalent to 50 % of the expenditure borne by Member States for the measures provided for in paragraph 1.

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.

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

Section 3

Specific problems

Article 221

Measures to resolve specific problems

1. The Commission shall adopt implementing acts taking necessary and justifiable emergency measures to resolve specific problems. Those measures may derogate from the provisions of this Regulation only to an extent that is strictly necessary and for a period that is strictly necessary. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).

2. To resolve specific problems, and on duly justified imperative grounds of urgency, relating to situations likely to cause a rapid deterioration of production and market conditions which could be difficult to address if the adoption of measures were delayed, the Commission shall adopt immediately applicable implementing acts in accordance with the procedure referred to in Article 229(3).

3. The Commission shall adopt measures under paragraph 1 or 2 only if it is not possible to adopt the required emergency measures in accordance with Article 219 or 220.

4. Measures adopted under paragraph 1 or 2 shall remain in force for a period not exceeding twelve months. If after this period the specific problems that led to the adoption of those measures persist, the Commission may, in order to establish a permanent solution, adopt delegated acts in accordance with Article 227 regarding the matter or present appropriate legislative proposals.

5. The Commission shall inform the European Parliament and the Council of any measure adopted under paragraph 1 or 2 within two working days of its adoption.

Section 4

Agreements and decisions during periods of severe imbalance in markets

Article 222

Application of Article 101(1) TFEU

1. During periods of severe imbalance in markets, the Commission may adopt implementing acts to the effect that Article 101(1) TFEU is not to apply to agreements and decisions of recognised producer organisations, their associations and recognised interbranch organisations in any of the sectors referred to in Article 1(2) of this Regulation, provided that such agreements and decisions do not undermine the proper functioning of the internal market, strictly aim to stabilise the sector concerned and fall under one or more of the following categories:

- (a) market withdrawal or free distribution of their products;
- (b) transformation and processing;
- (c) storage by private operators;
- (d) joint promotion measures;
- (e) agreements on quality requirements;

(f) joint purchasing of inputs necessary to combat the spread of pests and diseases in animals and plants in the Union or of inputs necessary to address the effects of natural disasters in the Union;

(g) temporary planning of production taking into account the specific nature of the production cycle.

The Commission shall specify in implementing acts the substantive and geographic scope of this derogation and, subject to paragraph 3, the period for which the derogation applies.

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

2. Paragraph 1 shall apply only if the Commission has already adopted one of the measures referred to in this Chapter, if products have been bought in under public intervention or if aid for private storage referred to in Chapter I of Title I of Part II has been granted.

3. The agreements and decisions referred to in paragraph 1 shall only be valid for a period of up to six months.

However, the Commission may adopt implementing acts authorising such agreements and decisions for a further period of up to six-months. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).

CHAPTER II

Communications and reporting

Article 223

Communication requirements

1. For the purposes of applying this Regulation, monitoring, analysing and managing the market in agricultural products, ensuring market transparency, the proper functioning of CAP measures, checking, controlling, monitoring, evaluating and auditing CAP measures, and complying with the requirements laid down in international agreements concluded in accordance with the TFEU, including notification requirements under those agreements, the Commission may, in accordance with the procedure referred to in paragraph 2, adopt the necessary measures regarding communications to be made by undertakings, Member States and third countries. In so doing, it shall take into account the data needs and synergies between potential data sources.

The information obtained may be transmitted or made available to international organisations, the competent authorities of third countries and may be made public, subject to the protection of personal data and the legitimate interest of undertakings in the protection of their business secrets, including prices.

2. In order to ensure the integrity of information systems and the authenticity and legibility of documents and associated data transmitted, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 laying down:

- (a) the nature and type of information to be notified;
- (b) the categories of data to be processed, the maximum retention periods and the purpose of the processing, in particular in the event of the publication of such data and their transfer to third countries;
- (c) the access rights to the information or information systems made available;
- (d) the conditions of publication of the information.

3. The Commission shall adopt implementing acts laying down the measures necessary for the application of this Article, including:

- (a) the methods of notification;
- (b) rules on the information to be notified;
- (c) arrangements for the management of the information to be notified, as well as on the content, form, timing, frequency and deadlines of the notifications;
- (d) the arrangements for transmitting or making information and documents available to the Member States, international organisations, the competent authorities in third countries, or the public, subject to the protection of personal data and the legitimate interest of undertakings in the protection of their business secrets.

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

Article 224

Processing and protection of personal data

1. The Member States and the Commission shall collect personal data for the purposes set out in Article 223(1) and shall not process those data in a way incompatible with those purposes.

2. Where personal data are processed for monitoring and evaluation purposes as referred to in Article 223(1), they shall be made anonymous and shall be processed in aggregated form only.

3. Personal data shall be processed in accordance with Directive 95/46/EC and Regulation (EC) No 45/2001. In particular, such data shall not be stored in a form which permits identification of data subjects for longer than is necessary for the purposes for which they were collected or

for which they are further processed, taking into account the minimum retention periods laid down in the applicable national and Union law.

4. Member States shall inform the data subjects that their personal data may be processed by national and Union bodies in accordance with paragraph 1 and that in this respect they enjoy the rights set out in, respectively, Directive 95/46/EC and Regulation (EC) No 45/2001.

Article 225

Reporting obligation of the Commission

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

- (a) every three years and for the first time by 21 December 2016 the implementation of the measures concerning the apiculture sector as set out in Articles 55, 56 and 57, including on the latest developments on beehive identification systems;
- (b) by 30 June 2014 and also 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 Articles 148 to 151, Article 152(3) and Article 157(3), assessing in particular the effects on milk producers and milk production in disadvantaged regions in connection with the general objective of maintaining production in such regions, and covering potential incentives to encourage farmers to enter into joint production agreements, together with any appropriate proposals;
- (c) by 31 December 2014, on the possibility of extending the scope of the school schemes to include olive oil and table olives;
- (d) by 31 December 2017, on the application of the competition rules to the agricultural sector in all Member States, in particular on the operation of Articles 209 and 210, and of Articles 169, 170 and 171 in the sectors concerned.

CHAPTER III

Reserve for crises in the agricultural sector

Article 226

Use of the Reserve

Funds transferred from the Reserve for crises in the agricultural sector under the conditions and procedure referred to in Article 25 of Regulation (EU) No 1306/2013 and paragraph 22 of the Interinstitutional Agreement between the European Parliament, the Council and the Commission on budgetary discipline, cooperation in budgetary matters and on sound financial management shall be made available for the measures to which this Regulation applies for the year or years for which the additional support is required and which are implemented in circumstances that go beyond normal market developments.

In particular, funds shall be transferred for any expenditure under:

- (a) Articles 8 to 21;
- (b) Articles 196 to 204; and
- (c) Articles 219, 220 and 221 of this Regulation.

PART VI

DELEGATIONS OF POWER, IMPLEMENTING PROVISIONS, TRANSITIONAL AND FINAL PROVISIONS

CHAPTER I

Delegations of power and implementing provisions

Article 227

Exercise of the delegation

1. The power to adopt the delegated acts is conferred on the Commission subject to the conditions laid down in this Article.

2. The power to adopt delegated acts referred to in this Regulation shall be conferred on the Commission for a period of seven years from 20 December 2013. The Commission shall draw up a report in respect of the delegation of power not later than nine months before the end of the seven-year period. The delegation of power shall be tacitly extended for periods of an identical duration, unless the European Parliament or the Council opposes such extension not later than three months before the end of each period.

3. The delegation of power referred to in this Regulation may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the *Official Journal of the European Union* or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.

4. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.

5. A delegated act adopted pursuant to this Regulation shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.

Article 228

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. Either 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 227(5). In such a case, the Commission shall repeal the act without delay following the notification of the decision to object by the European Parliament or by the Council.

Article 229

Committee procedure

1. The Commission shall be assisted by a committee called the Committee for the Common Organisation of the Agricultural Markets. That Committee shall be a committee within the meaning of Regulation (EU) No 182/2011.

2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.

In the case of acts referred to in Article 80(5), points (c) and (d) of Article 91, Article 97(4), Article 99, Article 106 and Article 107(3), where the committee delivers no opinion, the Commission shall not adopt the draft implementing act and the third subparagraph of Article 5(4) of Regulation (EU) No 182/2011 shall apply.

3. Where reference is made to this paragraph, Article 8 of Regulation (EU) No 182/2011, in conjunction with Article 5 thereof, shall apply.

CHAPTER II

Transitional and final provisions

Article 230

Repeals

1. Regulation (EC) No 1234/2007 is repealed.

However, the following provisions of Regulation (EC) No 1234/2007 shall continue to apply:

(a) as regards the system of milk production limitation: Section III of Chapter III of Title I of Part II, Article 55, Article 85 and Annexes IX and X, until 31 March 2015;

(b) as regards the wine sector:

(i) Articles 85a to 85e as regards areas referred to in Article 85a(2) which have not yet been grubbed up and as regards areas referred to in Article 85b(1) which have not been regularised, until such areas are grubbed up or regularised, and Article 188a(1) and (2);

(ii) the transitional planting right regime set out in Subsection II of Section IVa of Chapter III of Title I of Part II until 31 December 2015;

(iii) Article 118m(5) until clearance of the stocks of wines with the denomination "Mlado vino portugizac" existing on 1 July 2013;

(iv) Article 118s(5) until 30 June 2017;

(c) Article 113a(4), Articles 114, 115 and 116, Article 117(1) to (4) and point (e)(iv) of Article 121, as well as points I(2) and (3) and III(1) of Part B and Part C of Annex XIV, and points 1, 3, 5 and 6 of Part II and point 2 of Part IV of Annex XV for the purpose of applying those Articles, until the date of application of the corresponding marketing rules to be established pursuant to the delegated acts provided for in Article 75(2), Article 76(4), Article 78(3) and (4), Article 79(1), Article 80(4), Article 83(4), Article 86, Article 87(2), Article 88(3) and Article 89 of this Regulation;

(d) Article 133a(1) and Article 140a until 30 September 2014;

(e) the first and second subparagraphs of Article 182(3) until the end of the 2013/2014 marketing year for sugar on 30 September 2014;

(f) Article 182(4) until 31 December 2017;

(g) Article 182(7) until 31 March 2014;

(h) Point 3(b) of Part III of Annex XV until 31 December 2015;

(i) Annex XX until date of entry into force of legislative act replacing Regulation (EC) No 1216/2009 and Council Regulation (EC) No 614/2009⁽¹⁾.

2. References to Regulation (EC) No 1234/2007 shall be construed as references to this Regulation and to Regulation (EU) No 1306/2013 and be read in accordance with the correlation table set out in Annex XIV to this Regulation.

3. Council Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1601/96 and (EC) No 1037/2001 are repealed.

Article 231

Transitional rules

1. In order to ensure the smooth transition from the arrangements provided for in Regulation (EC) No 1234/2007 to those laid down in this Regulation, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 concerning measures necessary to protect the acquired rights and legitimate expectations of undertakings.

2. All multiannual programmes adopted before 1 January 2014 shall continue to be governed by the concerned provisions of Regulation (EC) No 1234/2007 following the entry into force of this Regulation until those programmes come to an end.

Article 232

Entry into force and application

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

It shall apply from 1 January 2014.

However:

(a) Article 181 shall apply from 1 October 2014;

(b) point II(3) of Part VII of Annex VII shall apply from 1 January 2016;

2. Articles 148 to 151, Article 152(3), Article 156(2), Article 157(3), Articles 161 and 163, Article 173(2) and Article 174(2) shall apply until 30 June 2020.

3. Articles 127 to 144 and Articles 192 and 193 shall apply until the end of the 2016/2017 marketing year for sugar on 30 September 2017.

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

Done at Brussels, 17 December 2013.

For the European Parliament
The President
M. SCHULZ

For the Council
The President
V. JUKNA

⁽¹⁾ Council Regulation (EC) No 614/2009 of 7 July 2009 on the common system of trade for ovalbumin and lactalbumin (OJ L 181, 14.7.2009, p. 8).

ANNEX I

LIST OF PRODUCTS REFERRED TO IN ARTICLE 1(2)

PART I

Cereals

The cereals sector shall cover the products listed in the following table:

CN code	Description
(a) 0709 99 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 91 20	Common wheat and meslin seed
ex 1001 99 00	Spelt, common wheat and meslin other than for sowing
1002	Rye
1003	Barley
1004	Oats
1005 10 90	Maize (corn) seed other than hybrid
1005 90 00	Maize other than seed
1007 10 90,	Grain sorghum, other than hybrids for sowing
1007 90 00	
1008	Buckwheat, millet and canary seed; other cereals
(b) 1001 11 00,	Durum wheat
1001 19 00	
(c) 1101 00	Wheat or meslin flour
1102 90 70	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

CN code	Description
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
1109 00 00	Wheat gluten, whether or not dried
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 vegetables fats or oils, other than those of headings 2304 and 2305:
	– Other
2306 90 05	-- Of maize (corn) germ

CN code	Description
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 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
2309 10 13	subheadings 1702 30 50, 1702 30 90, 1702 40 90, 1702 90 50 and 2106 90 55 or
2309 10 31	milk products
2309 10 33	
2309 10 51	
2309 10 53	
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
2309 90 33	subheadings 1702 30 50, 1702 30 90, 1702 40 90, 1702 90 50 and 2106 90 55 or
2309 90 41	milk products:
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 00, 1702 19 00 and 2106 90 51.

PART II

Rice

The rice sector 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

The sugar sector shall cover the products listed in the following table:

CN code	Description
(a) 1212 91	Sugar beet
1212 93 00	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	Inulin syrup
1702 90 80	
(f) 1703	Molasses resulting from the extraction or refining of sugar
(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

The dried fodder sector 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 96	– 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

The seeds sector 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 34 00	Bambara beans (<i>Vigna subterranea</i> or <i>Voandzeia subterranea</i>):
ex 0713 35 00	– for sowing
ex 0713 39 00	Cow peas (<i>Vigna unguiculata</i>): – for sowing
	Other: – 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>):
ex 0713 60 00	– for sowing
	Pigeon peas (<i>Cajanus cajan</i>): – for sowing
ex 0713 90 00	Other dried leguminous vegetables: – for sowing
1001 91 10	Spelt: – seed
1001 91 90	Other – seed
ex 1005 10	Hybrid maize (corn) seed
1006 10 10	Rice in the husk (paddy or rough): – for sowing
1007 10 10	Grain sorghum hybrids: – seed

CN code	Description
1201 10 00	Soya beans, whether or not broken: – seed
1202 30 00	Groundnuts, not roasted or otherwise cooked, whether or not shelled or broken: – seed
1204 00 10	Linseed, whether or not broken: – for sowing
1205 10 10 and ex 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

The hops sector 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
1302 13 00	Vegetable saps and extracts of hops

PART VII

Olive oil and table olives

The olive oil and table olives sector 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 92 10	Olives, fresh or chilled, for uses other than the production of oil
0709 92 90	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 00	Olives prepared or preserved otherwise than by vinegar or acetic acid, not frozen

CN code	Description
(c) 1522 00 31 1522 00 39	Residues resulting from the treatment of fatty substances or animal or vegetable waxes containing oil having the characteristics of olive oil
2306 90 11 2306 90 19	Oil-cake and other solid residues resulting from the extractions of olive oil

PART VIII

Flax and hemp

The flax and hemp sector 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

The fruit and vegetables sector 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 92 10, 0709 92 90 and 0709 99 60
ex 0802	Other nuts, fresh or dried, whether or not shelled or peeled, excluding areca (or betel) and kola nuts falling within subheading 0802 70 00, 0802 80 00
0803 10 10	Fresh plantains
0803 10 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

CN code	Description
0809	Apricots, cherries, peaches (including nectarines), plums and sloes, fresh
0810	Other fruit, fresh
0813 50 31	Mixtures exclusively of nuts of headings 0801 and 0802
0813 50 39	
0910 20	Saffron
ex 0910 99	Thyme, fresh or chilled
ex 1211 90 86	Basil, melissa, mint, <i>Origanum vulgare</i> (oregano/wild marjoram), rosemary, sage, fresh or chilled
1212 92 00	Locust beans (carob)

PART X

Processed fruit and vegetable products

The processed fruit and vegetable sector 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 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
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 21 10	Dried sweet peppers (<i>Capsicum annuum</i>), 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

CN code	Description
ex 2001	<p>Vegetables, fruit, nuts and other edible parts of plants, prepared or preserved by vinegar or acetic acid, excluding:</p> <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 ex 2001 90 92 — 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 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 00, 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	Vegetables, 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	<p>Jams, fruit jellies, marmalades, fruit or nut purée and fruit or nut pastes, obtained by cooking, whether or not containing added sugar or other sweetening matter, excluding:</p> <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	<p>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:</p> <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 97 59, ex 2008 97 78, ex 2008 97 93 and ex 2008 97 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 89 35, 2009 89 38, 2009 89 79, 2009 89 86, 2009 89 89 and 2009 89 99) and vegetable juices, unfermented and not containing added spirit, whether or not containing added sugar or other sweetening matter

PART XI

Bananas

The bananas sector shall cover the products listed in the following table:

CN code	Description
0803 90 10	Fresh bananas, excluding plantains
0803 90 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	Jams, jellies, marmalades, purées and pastes of bananas
ex 2007 99 50	
ex 2007 99 97	
ex 2008 97 59	Mixtures containing bananas otherwise prepared or preserved, not containing added spirit
ex 2008 97 78	
ex 2008 97 93	
ex 2008 97 96	
ex 2008 97 98	
ex 2008 99 49	Bananas otherwise prepared or preserved
ex 2008 99 67	
ex 2008 99 99	
ex 2009 89 35	Banana juice
ex 2009 89 38	
ex 2009 89 79	
ex 2009 89 86	
ex 2009 89 89	
ex 2009 89 99	

PART XII

Wine

The wine sector shall cover the products listed in the following table:

CN code	Description
(a) 2009 61	Grape juice (including grape must)
2009 69	
2204 30 92	Other grape musts, other than those in fermentation or with fermentation arrested otherwise than by the addition of alcohol
2204 30 94	
2204 30 96	
2204 30 98	
(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	Fresh grapes other than table grapes
2209 00 11	Wine vinegar
2209 00 19	

CN code	Description
(d) 2206 00 10	Piquette
2307 00 11	Wine lees
2307 00 19	
2308 00 11	Grape marc
2308 00 19	

PART XIII

Live trees and other plants, bulbs, roots and the like, cut flowers and ornamental foliage

The live plants sector shall cover all the products falling within Chapter 6 of the Combined Nomenclature.

PART XIV

Tobacco

The tobacco sector shall cover raw or non-manufactured tobacco and tobacco refuse falling within CN code 2401.

PART XV

Beef and veal

The beef and veal sector shall cover the products listed in the following table:

CN code	Description
(a) 0102 29 05 to 0102 29 99, 0102 39 10 and 0102 90 91	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 21, 0102 31 00 and 0102 90 20	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	
0206 29 99	
0210 99 59	Edible meat offal of bovine animals, salted, in brine, dried or smoked, other than thick skirt and thin skirt

CN code	Description
ex 1502 10 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

The milk and milk products sector 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:
ex 2309 10	– Dog or cat food, put up for retail sale:
2309 10 15	– – Containing starch, glucose, glucose syrup, maltodextrine or maltodextrine syrup of
2309 10 19	subheadings 1702 30 50, 1702 30 90, 1702 40 90, 1702 90 50 and 2106 90 55 or
2309 10 39	milk products
2309 10 59	
2309 10 70	
ex 2309 90	– Other:
2309 90 35	– – Other, including premixes:
2309 90 39	– – – Containing starch, glucose, glucose syrup, maltodextrine or maltodextrine syrup of
2309 90 49	subheadings 1702 30 50, 1702 30 90, 1702 40 90, 1702 90 50 and 2106 90 55 or
2309 90 59	milk products
2309 90 70	

PART XVII

Pigmeat

The pigmeat sector 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
0209 10	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
1501 10	Pig fat (including lard)
1501 20	
(c) 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	Other preparations and preserves containing meat or offal of domestic swine
1602 42 10	
1602 49 11 to	
1602 49 50	
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

The sheepmeat and goatmeat sector 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

CN code	Description
0206 90 99	Edible offal of sheep and goats, frozen, other than for the manufacture of pharmaceutical products
0210 99 85	Edible offal of sheep and goats, salted, in brine, dried or smoked
ex 1502 90 90	Fats of sheep or goats, other than those of heading 1503
(c) 1602 90 91	Other prepared or preserved meat or meat offal of sheep or goats;
1602 90 95	

PART XIX

Eggs

The eggs sector shall cover the products listed in the following table:

CN code	Description
(a) 0407 11 00	Poultry eggs, in shell, fresh, preserved or cooked
0407 19 11	
0407 19 19	
0407 21 00	
0407 29 10	
0407 90 10	
(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

The poultrymeat sector 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 liver, fresh, chilled or frozen
0207 14 91	
0207 26 91	
0207 27 91	
0207 43 00	
0207 44 91	
0207 45 93	
0207 45 95	
0210 99 71	
0210 99 79	
(d) 0209 90 00	Poultry livers, salted, in brine, dried or smoked
(d) 0209 90 00	Poultry fat, not rendered or otherwise extracted, fresh, chilled, frozen, salted, in brine, dried or smoked
(e) 1501 90 00	Poultry fat

CN code	Description
(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

Ethyl alcohol of agricultural origin

1. The ethyl alcohol sector 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 Treaties
ex 2207 20 00	Ethyl alcohol and other spirits, denatured, of any strength, obtained from the agricultural products listed in Annex I to the Treaties
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 Treaties

2. The ethyl alcohol sector shall also cover 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 XXII

Apiculture products

The apiculture sector shall cover the products listed in the following table:

CN code	Description
0409 00 00	Natural honey
ex 0410 00 00	Royal jelly and propolis, edible
ex 0511 99 85	Royal jelly and propolis, non-edible
ex 1212 99 95	Pollen
ex 1521 90	Beeswax

PART XXIII

Silkworms

The silkworm sector shall cover silkworms falling within CN code ex 0106 90 00 and silkworm eggs falling within CN code ex 0511 99 85.

PART XXIV

Other products

"Other products" means all agricultural products other than those listed in Parts I to XXIII, including those listed in the following Sections 1 and 2 of this Part.

Section 1

CN code	Description
ex 0101	Live horses, asses, mules and hinnies:
	- Horses
0101 21 00	-- Pure-bred breeding animals ^(a) :
0101 29	-- Other:
0101 29 90	--- Other than for slaughter
0101 30 00	-- Asses
0101 90 00	Other
ex 0102	Live bovine animals:
	-- Other than pure-bred breeding animals:
	--- Other than domestic species
0102 39 90,	
0102 90 99	
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
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

CN code	Description
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 (6)
	-Of bovine animals, frozen:
ex 0206 22 00	--Livers:
	---For the manufacture of pharmaceutical products (6)
ex 0206 29	--Other:
0206 29 10	---For the manufacture of pharmaceutical products (6)
ex 0206 30 00	-Of swine, fresh or chilled:
	--For the manufacture of pharmaceutical products (6)
	--Other:
	---other than of domestic swine
	-Of swine, frozen:
ex 0206 41 00	--Livers:
	---For the manufacture of pharmaceutical products (6)
	---Other:
	----other than of domestic swine
ex 0206 49 00	--Other:
	---Of domestic swine:
	----For the manufacture of pharmaceutical products (6)
	---Other
ex 0206 80	-Other, fresh or chilled:
0206 80 10	--For the manufacture of pharmaceutical products (6)
	--Other:
0206 80 91	---Of horses, asses, mules and hinnies
ex 0206 90	-Other, frozen:
0206 90 10	--For the manufacture of pharmaceutical products (6)
	--Other:
0206 90 91	---Of horses, asses, mules and hinnies
0208	Other meat and edible meat offal, fresh, chilled or frozen
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

CN code	Description
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	-- Of whales, dolphins and porpoises (mammals of the order <i>Cetacea</i>); of manatees and dugongs (mammals of the order <i>Sirenia</i>); of seals, sea lions and walruses (mammals of the suborder <i>Pinnipedia</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 85	----- Other than poultry livers
ex 0407	Birds' eggs, in shell, fresh, preserved or cooked:
0407 19 90, 0407 29 90 and 0407 90 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

CN code	Description
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 capsin or <i>capsicum</i> oleoresin dyes (9)
0709 60 95	--- For the industrial manufacture of essential oils or resinoids (9)
0709 60 99	--- Other
ex 0710	Vegetables (uncooked or cooked by steaming or boiling in water), frozen:
ex 0710 80	-Other vegetables:
	-- Fruits of the genus <i>Capsicum</i> or of the genus <i>Pimenta</i> :
0710 80 59	--- Other than sweet peppers
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:
ex 0711 90	-Other vegetables; mixtures of vegetables:
	-- Vegetables:
0711 90 10	----Fruits of the genus <i>Capsicum</i> or of the genus <i>Pimenta</i> , excluding sweet peppers
ex 0713	Dried leguminous vegetables, shelled, whether or not skinned or split:
ex 0713 10	-Peas (<i>Pisum sativum</i>):
0713 10 90	-- Other than for sowing
ex 0713 20 00	-Chickpeas (garbanzos):
	-- Other than for sowing
	-Beans (<i>Vigna</i> spp., <i>Phaseolus</i> spp.):
ex 0713 31 00	-- Beans of the species <i>Vigna mungo</i> (L) Hepper or <i>Vigna radiata</i> (L) Wilczek:
	--- Other than for sowing
ex 0713 32 00	-- Small red (Adzuki) beans (<i>Phaseolus</i> or <i>Vigna angularis</i>):
	--- Other than for sowing
ex 0713 33	-- Kidney beans, including white pea beans (<i>Phaseolus vulgaris</i>):
0713 33 90	--- Other than for sowing
ex 0713 34 00	-- Bambara beans (<i>Vigna subterranea</i> or <i>Voandzeia subterranea</i>)
ex 0713 35 00	--- Other than for sowing
ex 0713 39 00	-- Cow peas (<i>Vigna unguiculata</i>):
	--- Other than for sowing
	-- Other:
	--- Other than for sowing
ex 0713 40 00	-Lentils:
	-- Other than 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> and <i>Vicia faba</i> var. <i>minor</i>):
	-- Other than for sowing
ex 0713 60 00	-Pigeon peas (<i>Cajanus cajan</i>):

CN code	Description
	-- Other than for sowing
ex 0713 90 00	- Other:
	-- Other than for sowing
0801	Coconuts, Brazil nuts and cashew nuts, fresh or dried, whether or not shelled or peeled
ex 0802	Other nuts, fresh or dried, whether or not shelled or peeled:
0802 70 00	- Kola nuts (<i>Cola</i> spp.)
0802 80 00	- Areca nuts
ex 0804	Dates, figs, pineapples, avocados, guavas, mangoes and mangosteens, fresh or dried:
0804 10 00	- Dates
0902	Tea, whether or not flavoured
ex 0904	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 21 10
0905	Vanilla
0906	Cinnamon and cinnamon-tree flowers
0907	Cloves (whole fruit, cloves and stems)
0908	Nutmeg, mace and cardamoms
0909	Seeds of anise, badian, fennel, coriander, cumin or caraway; juniper berries
ex 0910	Ginger, turmeric (curcuma), bay leaves, curry and other spices excluding thyme and saffron
ex 1106	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:
1106 10 00	- Of the dried leguminous vegetables of heading 0713
ex 1106 30	- Of the products of Chapter 8:
1106 30 90	-- Other than bananas
ex 1108	Starches; inulin:
1108 20 00	- Inulin
1201 90 00	Soya beans, whether or not broken, other than seed
1202 41 00	Groundnuts, not roasted or otherwise cooked, in shell, other than seed
1202 42 00	Ground-nuts, not roasted or otherwise cooked, shelled, whether or not broken, other than seed
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 29 00	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

CN code	Description
ex 1207 99 96	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
ex 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 ex 1211 90 86 in Part IX;
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 <i>Cichorium intybus</i> var. <i>sativum</i>) of a kind used primarily for human consumption, not elsewhere specified or included:
ex 1212 99	-- Other than sugar cane:
1212 99 41 and 1212 99 49	--- Locust bean seeds
ex 1212 99 95	--- 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	Fats of bovine animals, sheep or goats, other than those of heading 1503:
ex 1502 10 10	- For industrial uses other than the manufacture of foodstuffs for human consumption,
ex 1502 90 10	excluding fats obtained from bones and waste (6)
1503 00	Lard stearin, lard oil, oleostearin, oleo-oil and tallow oil, not emulsified or mixed or otherwise prepared
ex 1504	Fats and oils and their fractions, of fish or marine mammals, whether or not refined, but not chemically modified, excluding fish liver oils and the fractions of heading 1504 10 and fats and oils and their fractions, of fish, other than liver oils of heading 1504 20
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

CN code	Description
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
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, interesterified, 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 and 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
ex 1603 00	Extracts and juices of meat
1801 00 00	Cocoa beans, whole or broken, raw or roasted
1802 00 00	Cocoa shells, husks, skins and other cocoa waste

CN code	Description
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
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 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:
ex 2309 90 10	-- Other, including premixes: -- Marine mammal solubles

CN code	Description
ex 2309 90 91 to 2309 90 96	<p>--- 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</p> <p>– Protein concentrates obtained from lucerne juice and grass juice</p> <p>– Dehydrated products obtained exclusively from solid residues and juice resulting from the preparation of the concentrates referred to in the first indent</p>

(^e) Entry under this subheading is subject to the conditions laid down in the relevant Union provisions (see Council Directive 94/28/EC (¹) and Commission Regulation (EC) No 504/2008 (²)).

(¹) Council Directive 94/28/EC of 23 June 1994 laying down the principles relating to the zootechnical and genealogical conditions applicable to imports from third countries of animals, their semen, ova and embryos, and amending Directive 77/504/EEC on pure-bred breeding animals of the bovine species (OJ L 178, 12.7.1994, p. 66).

(²) Commission Regulation (EC) No 504/2008 of 6 June 2008 implementing Council Directives 90/426/EEC and 90/427/EEC as regards methods for the identification of equidae (OJ L 149, 7.6.2008, p. 3).

(^b) Entry under this subheading is subject to conditions laid down in the relevant Union provisions (see Council Directive 88/661/EEC (³), Directive 94/28/EC and Commission Decision 96/510/EC (⁴)).

(³) Council Directive 88/661/EEC of 19 December 1988 on the zootechnical standards applicable to breeding animals of the porcine species (OJ L 382, 31.12.1988, p. 36).

(⁴) Commission Decision 96/510/EC of 18 July 1996 laying down the pedigree and zootechnical certificates for the importation of breeding animals, their semen, ova and embryos (OJ L 210, 20.8.1996, p. 53).

(^c) Entry under this subheading is subject to conditions laid down in the relevant Union provisions (see Articles 291 to 300 of Regulation (EEC) No 2454/93).

(^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.

Section 2

CN code	Description
0101 29 10	Live horses, for slaughter (^e)
ex 0205 00	Meat of horses, fresh, chilled or frozen
0210 99 10	Horsemeat, salted in brine or dried
0511 99 10	Sinews or tendons; parings and similar wastes of raw hides or skins
0701	Potatoes, fresh or chilled
0901	Coffee, whether or not roasted or decaffeinated; coffee husks and skins; coffee substitutes containing coffee in any proportion
1105	Flour, meal, powder, flakes, granules and pellets of potatoes
ex 1212 94 00	Chicory roots
2209 00 91 and 2209 00 99	Vinegar and substitutes for vinegar obtained from acetic acid other than wine vinegar
4501	Natural cork, raw or simply prepared; waste cork; crushed, granulated or ground cork

(^e) Entry under this subheading is subject to conditions laid down in the relevant Union provisions (see Articles 291 to 300 of Regulation (EEC) No 2454/93).

ANNEX II

DEFINITIONS REFERRED TO IN ARTICLE 3(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 sbramoto'.
 - (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, namely rice, the grains of which are of a length exceeding 6,0 mm and of a length/width ratio greater than 2 but less than 3;
 - (ii) long grain rice B, namely rice, the grains of which are of a length exceeding 6,0 mm and of a length/width ratio equal to or greater than 3.
 - (d) "Measurements of the grains" means grain measurements on wholly milled rice taken 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:
1. "Whole grains" means grains from which only part of the end has been removed, irrespective of characteristics produced at each stage of milling.
 2. "Clipped grains" means grains from which the entire end has been removed.
 3. "Broken grains or fragments" means grains from which a part of the volume greater than the end has been removed; broken grains include:
 - (i) large broken grains (pieces of grain of a length not less than half that of a grain, but not constituting a complete grain),

- (ii) 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'),
 - (iii) 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),
 - (iv) 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.
4. "Green grains" means grains which are not fully ripened.
 5. "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.
 6. "Chalky grains" means grains at least three-quarters of the surface of which looks opaque and chalky.
 7. "Grains striated with red" means grains showing longitudinal red striations of differing intensity and shades, due to residues from the pericarp.
 8. "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.
 9. "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.
 10. "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.
 11. "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

Technical definitions concerning the sugar sector

Section A

General definitions

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 by means of delegated acts pursuant to point (a) of Article 125(4).
5. A "delivery contract" means a contract concluded between a seller and an undertaking for the delivery of beet for the manufacture of sugar.
6. "Agreement within the trade" means one of the following:
 - (a) an agreement concluded, prior to the conclusion of any delivery contract, between undertakings or an undertakings' organisation recognised by the Member State concerned, or a group of such undertakings' organisations, on the one hand and a sellers' association recognised by the Member State concerned or a group of such sellers' organisations on the other;

- (b) in the absence of any agreement as referred to in point (a), 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.

Section B

Definitions applying during the period referred to in Article 124

1. "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.
2. "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 140(2).
3. "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 140(2).
4. "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 1, 2 and 3.
5. "Quota beet" means all sugar beet processed into quota sugar.
6. "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 or, in the case of Croatia, 2007/2008 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 in accordance with Article 81(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

"Bovine animals" means live animals of the domestic bovine species falling within CN codes 0102 21, 0102 31 00, 0102 90 20, ex 0102 29 10 to ex 0102 29 99, 0102 39 10, 0102 90 91.

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 milk fat and/or the fractionation of such milk fat.

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 point 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 of the species *Gallus domesticus*, 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 falling within CN code 1602 20 10.

PART IX

Definitions concerning the apiculture sector

1. Honey shall be understood as honey within the meaning of Council Directive 2001/110/EC ⁽¹⁾ including as regards to the main types of honey.
2. "Apiculture products" means honey, beeswax, royal jelly, propolis or pollen.

⁽¹⁾ Council Directive 2001/110/EC of 20 December 2001 relating to honey (OJ L 10, 12.1.2002, p. 47).

ANNEX III

STANDARD QUALITY OF RICE AND SUGAR AS REFERRED TO IN ARTICLES 7 AND 135

A. Standard quality for paddy rice

Paddy rice of standard quality shall:

- (a) be of sound, fair and 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 1006 10 27 and 1006 10 98	1,5 %
chalky grains of paddy rice under CN codes other than 1006 10 27 and 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, fair and marketable 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) sound, fair and marketable 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 not exceeding 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 ("the Brunswick method"),
 - 6 for the colouring of the solution, determined using the method of the International Commission for Uniform Methods of Sugar Analysis ("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 IV

UNION SCALES FOR THE CLASSIFICATION OF CARCASSES REFERRED TO IN ARTICLE 10

A. Union scale for the classification of carcasses of bovine animals aged eight months or more

I. Definitions

The following definitions shall apply:

1. "carcass" means the whole body of a slaughtered animal as presented after bleeding, evisceration and skinning;
2. "half-carcass" means the product obtained by separating the carcass 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 bovine carcasses shall be divided into the following categories:

- Z: carcasses of animals aged from 8 months to less than 12 months;
- A: carcasses of uncastrated male animals aged from 12 months to less than 24 months;
- B: carcasses of uncastrated male animals aged from 24 months;
- C: carcasses of castrated male animals aged from 12 months;
- D: carcasses of female animals that have calved;
- E: carcasses of other female animals aged from 12 months.

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

Member States are authorised to subdivide each of the classes provided for in points 1 and 2 into a maximum of three subclasses.

IV. Presentation

Carcasses and half-carcasses shall be presented:

- (a) 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;
- (b) without the organs contained in the thoracic and abdominal cavities with or without the kidneys, the kidney fat and the pelvic fat;
- (c) 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 Council ⁽¹⁾ shall take measures to ensure that all carcasses or half-carcasses bovine animals aged eight months or more 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) No 854/2004 of the European Parliament and of the Council ⁽²⁾ 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" means 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 but less than 60
U	50 or more but less than 55

⁽¹⁾ Regulation (EC) No 853/2004 of the European Parliament and of the Council of 29 April 2004 laying down specific hygiene rules for food of animal origin (OJ L 139, 30.4.2004, p. 55).

⁽²⁾ Regulation (EC) No 854/2004 of the European Parliament and of the Council of 29 April 2004 laying down specific rules for the organisation of official controls on products of animal origin intended for human consumption (OJ L 139, 30.4.2004, p. 206).

Classes	Lean meat as percentage of carcass weight
R	45 or more but less than 50
O	40 or more but less than 45
P	less than 40

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

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

The definitions of "carcass" and "half-carcass" 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 tarso-metatarsal 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.

Member States are authorised to permit different presentations when the reference presentation is not used.

V. Identification of carcasses

Classified carcasses and half-carcasses shall be identified by marking in accordance with the Union scale.

ANNEX V

LIST OF PRODUCTS EXCLUDED FROM A SCHOOL FRUIT AND VEGETABLES SCHEME THAT IS CO-FINANCED WITH UNION AID REFERRED TO IN ARTICLE 23(3)

Products with any of the following:

- added sugar,
 - added fat,
 - added salt,
 - added sweeteners.
-

ANNEX VI

BUDGETARY LIMITS FOR SUPPORT PROGRAMMES REFERRED TO IN ARTICLE 44(1)*in 1 000 EUR per budget year*

	2014	2015	2016	2017 onwards
Bulgaria	26 762	26 762	26 762	26 762
Czech Republic	5 155	5 155	5 155	5 155
Germany	38 895	38 895	38 895	38 895
Greece	23 963	23 963	23 963	23 963
Spain	353 081	210 332	210 332	210 332
France	280 545	280 545	280 545	280 545
Croatia	11 885	11 885	11 885	10 832
Italy	336 997	336 997	336 997	336 997
Cyprus	4 646	4 646	4 646	4 646
Lithuania	45	45	45	45
Luxembourg	588	—	—	—
Hungary	29 103	29 103	29 103	29 103
Malta	402	—	—	—
Austria	13 688	13 688	13 688	13 688
Portugal	65 208	65 208	65 208	65 208
Romania	47 700	47 700	47 700	47 700
Slovenia	5 045	5 045	5 045	5 045
Slovakia	5 085	5 085	5 085	5 085
United Kingdom	120	—	—	—

ANNEX VII

DEFINITIONS, DESIGNATIONS AND SALES DESCRIPTION OF PRODUCTS REFERRED TO IN ARTICLE 78

For the purposes of this Annex, the "sale description" means the name under which a foodstuff is sold, within the meaning of Article 5(1) of Directive 2000/13/EC, or the name of the food, within the meaning of Article 17 of Regulation (EU) No 1169/2011.

PART I

Meat of bovine animals aged less than 12 months

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 less than 12 months, presented fresh, frozen or deep-frozen, whether or not wrapped or packed.

II. Classification of bovine animals aged less than 12 months at the slaughterhouse

On slaughter, all bovine animals aged less than 12 months 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 less than eight months

Category identification letter: V;

(B) Category Z: bovine animals aged from 8 months to less than 12 months

Category identification letter: Z.

This classification shall be carried out on the basis of the information contained in the passport accompanying the bovine animals or, failing this, on the basis of the data contained in the computerised database provided for in Article 5 of Regulation (EC) No 1760/2000 of the European Parliament and of the Council⁽¹⁾.

III. Sales descriptions

1. The meat of bovine animals aged less than 12 months 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 less than eight months (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
Ireland	Veal
Greece	μοσχάρι γάλακτος
Spain	Ternera blanca, carne de ternera blanca
France	veau, viande de veau
Croatia	teletina
Italy	vitello, carne di vitello

⁽¹⁾ Regulation (EC) No 1760/2000 of the European Parliament and of the Council of 17 July 2000 establishing a system for the identification and registration of bovine animals and regarding the labelling of beef and beef products (OJ L 204, 11.8.2000, p. 1).

Cyprus	μοσχάρι γάλακτος
Latvia	Teļa gaļa
Lithuania	Veršiena
Luxembourg	veau, viande de veau/Kalbfleisch
Hungary	Borjúhús
Malta	Vitella
Netherlands	Kalfsvlees
Austria	Kalbfleisch
Poland	Cielęcina
Portugal	Vitela
Romania	carne de vițel
Slovenia	Teletina
Slovakia	Teľacie mäso
Finland	vaalea vasikanliha/ljust kalvkött
Sweden	ljust kalvkött
United Kingdom	Veal

(B) For the meat of bovine animals aged from 8 months to less than 12 months (category identification letter: Z):

Country of marketing	Sales descriptions to be used
Belgium	jeune bovin, viande de jeune bovin/jongrundvlees/Jungrindfleisch
Bulgaria	Телешко месо
Czech Republic	hovězí maso z mladého skotu
Denmark	Kalvekød
Germany	Jungrindfleisch
Estonia	noorloomaliha
Ireland	rosé veal
Greece	vealό μοσχάρι
Spain	Ternera, carne de ternera
France	jeune bovin, viande de jeune bovin
Croatia	mlada junetina
Italy	vitellone, carne di vitellone
Cyprus	vealό μοσχάρι
Latvia	jaunlopa gaļa
Lithuania	Jautiena
Luxembourg	jeune bovin, viande de jeune bovin/Jungrindfleisch
Hungary	Növendék marha húsa
Malta	Vitellun
Netherlands	rosé kalfsvlees
Austria	Jungrindfleisch
Poland	młoda wołowina
Portugal	Vitelão

Romania	carne de tineret bovin
Slovenia	meso težjih telet
Slovakia	mäso z mladého dobytka
Finland	vasikanliha/kalvkött
Sweden	Kalvkött
United Kingdom	Beef

- The sales descriptions referred to in paragraph 1 may be supplemented by an indication of the name or designation of the pieces of meat or offal concerned.
- The sales descriptions listed for category V in point A of the table set out in paragraph 1 and any new name derived from those sales descriptions shall only be used if the requirements of this Annex are fulfilled.

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.

- The conditions referred to in paragraph 1 shall not apply to the meat of bovine animals with a designation of origin or geographical indication protected in accordance with Regulation (EU) No 1151/2012 registered before 29 June 2007.

IV. Compulsory indication on the label

- Without prejudice to Directive 2000/13/EC, Regulation (EU) No 1169/2011 and Articles 13, 14 and 15 of Regulation (EC) No 1760/2000, at each stage of production and marketing, operators shall label the meat of bovine animals aged less than 12 months with the following information:

- the sales description in accordance with point III of this Part;
- the age of the animals on slaughter, indicated, as the case may be, on the form:
 - "age on slaughter: less than 8 months";
 - "age on slaughter: from 8 to less than 12 months".

By way of derogation from point (b) of the first subparagraph, operators may replace the indication on the age at slaughter by the indication of the category, respectively: "category V" or "category Z", at stages preceding the release to the final consumer.

- In the case of the meat of bovine animals aged less than 12 months presented for sale un-prepacked at the point of retail sale to the final consumer, Member States shall lay down rules on how the information referred to in paragraph 1 is to be indicated.

V. Recording

At each stage of production and marketing, operators shall record the following information:

- the identification number and the date of birth of the animals, at slaughterhouse level only;
- a reference number making it possible to establish a link between, on the one hand, the identification of the animals from which the meat originates and, on the other hand, the sales description, the age on slaughter and the category identification letter given on the meat label;
- the date of arrival and departure of the animals and meat in the establishment.

VI. Official checks

- Member States shall designate the competent authority or authorities responsible for official checks performed to verify the application of this Part and inform the Commission thereof.

2. Official checks shall be carried out by the competent authority or authorities in accordance with the general principles laid down in Regulation (EC) No 882/2004 of the European Parliament and of the Council ⁽¹⁾.
3. The Commission's experts shall carry out, where required, jointly with the competent authorities concerned, and where applicable, the Member States' experts, on the spot checks to ensure that the provisions of this Annex are being implemented.
4. Any Member State on whose territory checks are carried out shall provide the Commission with all necessary assistance which it may require for the accomplishment of its tasks.
5. For meat imported from third countries a competent authority designated by the third country or, where applicable, an independent third-party body shall ensure that the requirements of this Part are fulfilled. The independent body shall provide full assurance of compliance with the conditions laid down in European Standard EN 45011 or ISO/IEC Guide 65.

PART II

Categories of grapevine products

(1) Wine

"Wine" means 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 VIII, 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 Appendix I 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 VIII, 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 75(2),
 - 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 75(2), a total acidity content, expressed as tartaric acid, of not less than 3,5 grams per litre or 46,6 milliequivalents per litre.

"Retsina" means 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) of the second subparagraph "Tokaji eszencia" and "Tokajská esencia" are considered to be wine.

However, 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.

⁽¹⁾ Regulation (EC) No 882/2004 of the European Parliament and of the Council of 29 April 2004 on official controls performed to ensure the verification of compliance with feed and food law, animal health and animal welfare rules (OJ L 165, 30.4.2004, p. 1).

(2) New wine still in fermentation

"New wine still in fermentation" means 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" means 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 75(2);

(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 75(2);

(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 75(2);

(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 75(2):

(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" means 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" means 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 wine" means the quality sparkling wine:

- (a) which is obtained only by making use, when constituting the cuvée, of grape must or grape must 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 75(2).

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 75(2);

- (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" means 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" means the product which:
- (a) obtained from wine, new wine still in fermentation, grape must or grape must in fermentation in so far as these products have a total alcohol strength of at least 9 % vol;
 - (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" means the product which:
- (a) obtained from wine, new wine still in fermentation, grape must or grape must in fermentation;
 - (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" means 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" means 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" means 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 75(2), that meet these requirements shall not be considered to be grape must in fermentation extracted from raisined grapes.

(13) Concentrated grape must

"Concentrated grape must" means 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 first subparagraph of Article 80(5) and point (d) of the first subparagraph of Article 91 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" means:

(a) the liquid uncaramelised product which:

(i) 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 according to a method to be prescribed in accordance with the first subparagraph of Article 80(5) and point (d) of the first subparagraph of Article 91 at a temperature of 20 °C is not less than 61,7 %;

(ii) has undergone authorised treatment for de-acidification and elimination of constituents other than sugar;

(iii) 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 millequivalents 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.

(b) the solid uncaramelised product which:

(i) is obtained by crystallisation of liquid rectified concentrated grape must without the use of solvents;

(ii) has undergone authorised treatment for de-acidification and elimination of constituents other than sugar;

(iii) has the following characteristics after dilution in a solution at 25 Brix:

- a pH of not more than 7,5,
- an optical density at 425 nm for a thickness of 1 cm of not more than 0,100,
- a sucrose content undetectable by a method of analysis to be defined,
- a Folin-Ciocalteu index of not more than 6,00,
- a titratable acidity of not more than 15 millequivalents per kilogram of total sugars,
- a sulphur dioxide content of not more than 10 milligrams per kilogram of total sugars,

- a total cation content of not more than 8 millequivalents per kilogram of total sugars,
- a conductivity at 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" means 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 at least 16 % volume (or 272 grams sugar/litre).

(16) Wine of overripe grapes

"Wine of overripe grapes" means 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" means 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. "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;
- (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 milk fat (AMF),
- (viii) cheese,
- (ix) yogurt,
- (x) kephir,
- (xi) koumiss,
- (xii) viili/fil,
- (xiii) smetana,
- (xiv) fil;
- (xv) rjaženka,
- (xvi) rūgušpiens;

(b) names within the meaning of Article 5 of Directive 2000/13/EC or Article 17 of Regulation (EU) No 1169/2011 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. As regards milk, the animal species from which the milk originates shall be stated, if it is not bovine.
5. The designations referred to in points 1, 2 and 3 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/EC⁽¹⁾ 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 or Regulation (EU) No 1169/2011.

⁽¹⁾ Directive 2006/114/EC of the European Parliament and of the Council of 12 December 2006 concerning misleading and comparative advertising (OJ L 376, 27.12.2006, p. 21).

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;
- (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. 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 to be 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 to be 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, in accordance with Regulation (EC) No 1925/2006 of the European Parliament and of the Council ⁽¹⁾;
- (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 Regulation (EU) No 1169/2011. 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 1 028 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.

PART V

Products of the poultrymeat sector

I. This Part 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 °C and not higher than + 4 °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 °C at any time;
- (4) "quick-frozen poultrymeat" means poultrymeat which is to be kept at a temperature no higher than – 18 °C at any time within the tolerances as provided for in Council Directive 89/108/EEC ⁽²⁾;

⁽¹⁾ Regulation (EC) No 1925/2006 of the European Parliament and of the Council of 20 December 2006 on the addition of vitamins and minerals and of certain other substances to foods (OJ L 404, 30.12.2006, p. 26).

⁽²⁾ Council Directive 89/108/EEC of 21 December 1988 on the approximation of the laws of the Member States relating to quick-frozen foodstuffs for human consumption (OJ L 40, 11.2.1999, p. 34).

(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.

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.

III. Poultrymeat and poultrymeat preparations shall be marketed in one of the following conditions:

- fresh,
- frozen,
- quick-frozen.

PART VI

Eggs of hens of the *Gallus gallus* species

I. Scope

1. Without prejudice to Article 75 concerning the marketing standards of eggs for hatching and of farmyard poultry chicks, this Part shall apply in relation to the marketing within the Union of the eggs produced in the Union, imported from third countries or intended for export outside the Union.
2. Member States may exempt from the requirements provided for in this Part, with the exception of point III(3), eggs sold directly to the final consumer by the producer:
 - (a) on the production site, or
 - (b) in a local public market or by door-to-door selling in the region of production of the Member State concerned.

Where such exemption is granted, each producer shall be able to choose whether to apply such exemption or not. Where this exemption is applied, no quality and weight grading may be used.

The Member State may establish, in accordance with their national law, the definition of the terms 'local public market', 'door-to-door selling' and 'region of production'.

II. Quality and weight grading

1. Eggs shall be graded by quality as follows:
 - (a) Class A or "fresh";
 - (b) Class B.
2. Class A eggs shall also be graded by weight. However, grading by weight shall not be required for eggs delivered to the food and non-food industry.
3. Class B eggs shall only be delivered to the food and non-food industry.

III. Marking of eggs

1. Class A eggs shall be marked with the producer code.

Class B eggs shall be marked with the producer code and/or with another indication.

Member States may exempt Class B eggs from this requirement where those eggs are marketed exclusively on their territory.

2. The marking of eggs in accordance with point 1 shall take place at the production site or at the first packing centre to which eggs are delivered.
3. Eggs sold by the producer to the final consumer on a local public market in the region of production of the Member State concerned shall be marked in accordance with point 1.

However, Member States may exempt from this requirement producers with up to 50 laying hens, provided that the name and address of the producer are indicated at the point of sale.

PART VII

Spreadable fats

I. Sales description

The products referred to in point (f) of Article 78(1) may not be supplied or transferred without processing to the ultimate consumer either directly or through restaurants, hospitals, canteens or similar establishments, unless they fulfil the requirements set out in the Appendix II.

The sales descriptions of these products shall be those specified in Appendix II without prejudice to point II(2), (3) and (4).

The sales descriptions in Appendix II 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 ex 2106;
- (b) fats falling within CN code ex 1517;
- (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, those 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.

II. Terminology

1. The term "traditional" may be used together with the name "butter" provided for in point 1 of part A of Appendix II, where the product is obtained directly from milk or cream.

For the purposes of this point, "cream" means the product obtained from milk in the form of an emulsion of the oil-in-water type with a milk-fat content of at least 10 %.

2. Terms for products referred to in Appendix II which state, imply or suggest fat content other than those referred to in that Appendix shall be prohibited.
3. By way of derogation from paragraph 2 and in addition, the term "reduced-fat" or "light" may be used for products referred to in Appendix II with a fat content of not more than 62 %.

The term "reduced-fat" and the term "light" may, however, replace the terms "three-quarter-fat" or "half-fat" used in Appendix II.

4. The sales descriptions "minarine" or "halvarine" may be used for products referred to in point 3 of Part B of Appendix II.

5. The term "vegetable" may be used together with the sales descriptions in Part B of Appendix II, provided that the product contains only fat of vegetable origin with a tolerance of 2 % of the fat content for animal fats. This tolerance shall also apply where reference is made to a vegetable species.

PART VIII

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 may be marketed at the retail stage.

(1) VIRGIN OLIVE OILS

"Virgin olive oils" mean 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

"Extra virgin olive oil" means 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 by the Commission in accordance with Article 75(2) for this category.

(b) Virgin olive oil

"Virgin olive oil" means 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 by the Commission in accordance with Article 75(2) for this category.

(c) Lampante olive oil

"Lampante olive oil" means 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 by the Commission in accordance with Article 75(2) for this category.

(2) REFINED OLIVE OIL

"Refined olive oil" means 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 by the Commission in accordance with Article 75(2) for this category.

(3) OLIVE OIL — COMPOSED OF REFINED OLIVE OILS AND VIRGIN OLIVE OILS

"Olive oils composed of refined olive oils and virgin olive oils" means 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 by the Commission in accordance with Article 75(2) for this category.

(4) CRUDE OLIVE-POMACE OIL

"Crude olive-pomace oil" means 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 by the Commission in accordance with Article 75(2) for this category.

(5) REFINED OLIVE-POMACE OIL

"Refined olive-pomace oil" means 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 by the Commission in accordance with Article 75(2) for this category.

(6) OLIVE-POMACE OIL

"Olive-pomace oil" means 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 by the Commission in accordance with Article 75(2) for this category.

*Appendix I***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 Member States;
- (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;
- (h) in Croatia, the areas planted with vines in the following sub-regions: Moslavina, Prigorje-Bilogora, Plešivica, Pokuplje and Zagorje-Međimurje.

(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);
- (h) in Croatia, areas planted with vines in the following sub-regions: Hrvatsko Podunavlje and Slavonija.
- (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 Ponziane 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;
 - (g) in Croatia, areas planted with vines in the following sub-regions: Hrvatska Istra, Hrvatsko primorje, Dalmatinska zagora, Sjeverna Dalmacija and Srednja i Južna Dalmacija.
- (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, Khania, 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.
- (7) 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.
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Appendix II

Spreadable fats

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>	1. Butter	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 %.
	2. Three-quarter fat butter (*)	The product with a milk-fat content of not less than 60 % but not more than 62 %.
	3. Half fat butter (**)	The product with a milk-fat content of not less than 39 % but not more than 41 %.
	4. Dairy spread X %	The product with the following milk-fat contents: — 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>	1. Margarine	The product obtained from vegetable and/or animal fats with a fat content of not less than 80 % but less than 90 %.
	2. Three-quarter-fat margarine (***)	The product obtained from vegetable and/or animal fats with a fat content of not less than 60 % but not more than 62 %.
	3. Half-fat margarine (****)	The product obtained from vegetable and/or animal fats with a fat content of not less than 39 % but not more than 41 %.
	4. Fat spreads X %	The product obtained from vegetable and/or animal fats with the following fat contents: — less than 39 %, — more than 41 % but less than 60 %, — more than 62 % but less than 80 %.
<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 animal fats suitable for human consumption, with a milk-fat content of between 10 % and 80 % of the fat content.</p>	1. Blend	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 %.
	2. Three-quarter-fat blend (*****)	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 %.
	3. Half-fat blend (*****)	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 %.

Fat group	Sales description	Product categories
Definitions		Additional description of the category with an indication of the % fat content by weight
	4. Blended spread X %	The product obtained from a mixture of vegetable and/or animal fats with the following fat contents: — 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 40' in Danish.

(*****) corresponding to 'blandingsprodukt 60' in Danish.

(*****) corresponding to 'blandingsprodukt 40' in Danish.

ANNEX VIII

OENOLOGICAL PRACTICES REFERRED TO IN ARTICLE 80

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 wine-growing zones of the Union, 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 81.
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;
 - (b) 2 % volume in wine-growing zone B;
 - (c) 1,5 % volume in wine-growing zones C.
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 91 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 submitted.

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;
 - (b) wine-growing zone B;
 - (c) wine-growing zone C,

with the exception of vineyards in Greece, Spain, Italy, Cyprus, Portugal 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 above-mentioned 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.
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 by volume of the fresh grapes, grape must, grape must in fermentation, new wine still in fermentation, or wine:
 - (a) in wine-growing zone A to more than 11,5 % volume;
 - (b) in wine-growing zone B to more than 12 % volume;
 - (c) in wine-growing zone C I to more than 12,5 % volume;
 - (d) in wine-growing zone C II to more than 13 % volume; and
 - (e) in wine-growing zone C III 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 by volume of the products referred to in point 6 to 12 % volume in wine-growing zone A and 12,5 % volume in wine-growing zone B;
 - (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;
 - (b) acidification and de-acidification in wine-growing zones C I, C II and C III (a), without prejudice to point 7; or
 - (c) acidification in wine-growing zone C III (b).
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, under the conditions referred to in points 2 and 3.
7. Acidification and enrichment, except by way of derogation to be adopted by the Commission by means of delegated acts pursuant to Article 75(2), 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 75(2), 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 wine sector beverage intended for direct human consumption 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 75(2), 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 147, under cover of which the products having undergone the processes are put into circulation.
6. The processes referred to in Sections B and C, subject to derogations justified by exceptional climatic conditions, shall not be carried out:
 - (a) in wine-growing zone C after 1 January;
 - (b) in wine-growing zones A and B 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 de-acidification 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 within 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 within 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. Points 1 and 2 shall not apply to products intended for the production, in Ireland, Poland and the United Kingdom, 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. 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 Part II of Annex VII or added to such products in the territory of the Union.

C. Blending of wines

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 75(2) where this practice is traditionally used for the production of 'Tokaji fordítás' and 'Tokaji máslás' in Hungary and 'Tokajský fordítás' and 'Tokajský máslás' 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 to be pressing where the products obtained are of sound, fair and marketable 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 75(2).
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ANNEX IX

OPTIONAL RESERVED TERMS

Product category (reference to combined nomenclature classification)	Optional reserved term	
poultrymeat (CN codes 0207 and 0210)	fed with ... % of ...	
	oats fed goose	
	extensive indoor / barn-reared	
	free range	
	traditional free range	
	free range – total freedom	
	age at slaughter	
	length of fattening period	
	eggs (CN code 0407)	fresh
		extra or extra fresh
indication on how laying hens are fed		
olive oil (CN code 1509)	first cold pressing	
	cold extraction	
	acidity	
	pungent	
	fruity: ripe or green	
	bitter	
	intense	
	medium	
	light	
	well-balanced	
mild oil		

ANNEX X

PURCHASE TERMS FOR BEET DURING THE PERIOD REFERRED TO IN ARTICLE 125(3)

POINT I

1. Delivery contracts shall be made in writing for a specified quantity of beet.
2. The duration of the delivery contracts may be pluriannual.
3. Delivery contracts may specify whether an additional quantity of beet may be supplied, and under what terms.

POINT II

1. Delivery contracts shall indicate the purchase prices for the quantities of beet referred to in Point I.
2. The price referred to in paragraph 1 shall apply to sugar beet of a standard quality as defined in point B of Annex III.

The price shall be adjusted by price increases or reductions, agreed by the parties in advance, to allow for deviations from the standard quality.

3. The delivery contract shall specify how the evolution of market prices is to be allocated between the parties.
4. Delivery contracts shall lay down a fixed sugar content for beet. They shall include a conversion scale showing the different sugar contents and factors for converting the quantities of beet supplied into quantities corresponding to the sugar content shown in the delivery contract.

The scale shall be based on the yields corresponding to the different sugar contents.

POINT III

Delivery contracts shall contain provisions concerning the staggering and normal duration of beet deliveries.

POINT IV

1. Delivery contracts shall provide for beet collection places and the conditions linked to delivery and transport.
2. Delivery contracts shall provide that responsibility for loading and transport costs from the collection places are clearly stipulated. Where delivery contracts require sugar undertakings to contribute to loading and transport costs, the percentage or amounts shall be clearly stipulated.
3. Delivery contracts shall provide that the costs incumbent upon each party are clearly specified.

POINT V

1. Delivery contracts shall provide for reception points for beet.
2. Where beet sellers and sugar undertakings have already signed a delivery contract for the previous marketing year, the reception points agreed upon by them for deliveries during that marketing year shall remain in operation. Agreements within the trade may derogate from this provision.

POINT VI

1. Delivery contracts shall provide for the sugar content to be determined using the polarimetric method or, in order to take into account technological developments, another method agreed between the two parties. A sample of the beet shall be drawn at the time of reception.
2. Agreements within the trade may provide for samples to be drawn at another stage. In such cases, the delivery contract shall provide for a correction to compensate for any drop in the sugar content between the reception and the drawing of the sample.

POINT VII

Delivery contracts shall provide for the gross weight, tare and sugar content to be determined using procedures agreed:

- (a) jointly, by the sugar undertaking and the beet growers' trade organisation, if an agreement within the trade so provides;
- (b) by the sugar undertaking, under the supervision of the beet growers' trade organisation;
- (c) by the sugar undertaking, under the supervision of an expert recognised by the Member State concerned, provided the beet seller defrays the costs thereof.

POINT VIII

1. Delivery contracts shall require sugar undertakings to do one or more of the following for the whole quantity of beet delivered:
 - (a) to return the fresh pulp from the tonnage of beet delivered free of charge to the beet seller, ex-factory;
 - (b) to return part of that pulp, pressed, dried or dried and molassed, free of charge to the beet seller, ex-factory;
 - (c) to return the pulp, pressed or dried, to the beet seller, ex-factory; in this case, the sugar undertaking may require the beet seller to pay the pressing or drying costs;
 - (d) to pay the beet seller compensation which takes account of the possibilities of selling the pulp concerned.
2. When parts of the whole quantity of beet delivered are subject to different treatment, the delivery contract shall impose more than one of the obligations provided for in paragraph 1.
3. Agreements within the trade may provide for pulp to be delivered at a stage other than that referred to in points (a), (b) and (c) of paragraph 1.

POINT IX

Delivery contracts shall fix the time limits for any advance payments and for payment of the purchase price for beet.

POINT X

Where delivery contracts lay down rules covering matters which are dealt with in this Annex, or where they contain provisions governing other matters, their provisions and effects shall not conflict with this Annex.

POINT XI

1. Agreements within the trade as described in point 6 of Section A of Part II of Annex II shall contain arbitration clauses.
2. Agreements within the trade may lay down a standard template for delivery contracts compatible with this Regulation and Union rules.
3. Where agreements within the trade at Union, regional or local level lay down rules covering matters which are dealt with in this Regulation, or where they contain provisions governing other matters, their provisions and effects shall not conflict with this Annex.
4. Agreements referred to in paragraph 3 lay down, in particular:
 - (a) the conversion scale referred to in Point II(4);
 - (b) rules on the choice and supply of seeds of the varieties of beet to be produced;
 - (c) the minimum sugar content of beet to be delivered;

- (d) a requirement for consultation between the sugar undertaking and the beet sellers' representatives before the starting date of beet deliveries is fixed;
 - (e) the payment of premiums to beet sellers for early or late deliveries;
 - (f) details of the conditions and costs relating to pulp as referred to in Point VIII;
 - (g) the removal of the pulp by the beet seller;
 - (h) rules on adapting prices in cases where pluriannual contracts are agreed;
 - (i) rules on sampling and methods for determining gross weight, tare and sugar content.
-

ANNEX XI

PURCHASE TERMS FOR BEET DURING THE PERIOD REFERRED TO IN ARTICLE 124

POINT I

1. Delivery contracts shall be made in writing for a specified quantity of quota beet.
2. Delivery contracts shall specify whether an additional quantity of beet may be supplied, and under what terms.

POINT II

1. Delivery contracts shall indicate the purchase prices for the quantities of beet referred to in point (a) and, if appropriate, point (b) of Article 127(2). In the case of the quantities referred to in point (a) of Article 127(2), those prices may not be lower than the minimum price for quota beet referred to in Article 135.
2. Delivery contracts shall lay down a fixed sugar content for beet. They shall include a conversion scale showing the different sugar contents and factors for converting the quantities of beet supplied into quantities corresponding to the sugar content shown in the delivery contract.

The scale shall be based on the yields corresponding to the different sugar contents.

3. Where a beet seller has signed a delivery contract with a sugar undertaking for the delivery of beet as referred to in point (a) of Article 127(2), all deliveries by that seller, converted in accordance with paragraph 2 of this Point, shall be considered to be deliveries within the meaning of point (a) of Article 127(2), up to the quantity of beet specified in the delivery contract.
4. Sugar undertakings producing a quantity of sugar lower than their quota beet for which they have signed pre-sowing delivery contracts under point (a) of Article 127(2), shall distribute the quantity of beet corresponding to any additional production up to the amount of their quota among the beet sellers with whom they have signed pre-sowing delivery contracts within the meaning of point (a) of Article 127(2).

Agreements within the trade may derogate from this provision.

POINT III

1. Delivery contracts shall contain provisions concerning the staggering and normal duration of beet deliveries.
2. Provisions referred to in paragraph 1 shall be those applicable during the previous marketing year, taking account of the level of actual production; agreements within the trade may derogate therefrom.

POINT IV

1. Delivery contracts shall provide for beet collection places.
2. Where beet sellers and sugar undertakings have already signed a delivery contract for the previous marketing year, the collection places agreed upon by them for deliveries during that marketing year shall remain in operation. Agreements within the trade may derogate from this provision.
3. Delivery contracts shall provide that loading and transport costs from the collection places are to be borne by the sugar undertaking subject to special agreements based on local rules or usages in operation before the previous marketing year.
4. However, in Denmark, Ireland, Greece, Spain, Portugal, Finland and the United Kingdom, where beet is delivered free-at-factory, delivery contracts shall require sugar undertakings to contribute to loading and transport costs and shall stipulate the percentage or amounts.

POINT V

1. Delivery contracts shall provide for reception points for beet.
2. Where beet sellers and sugar undertakings have already signed a delivery contract for the previous marketing year, the reception points agreed upon by them for deliveries during that marketing year shall remain in operation. Agreements within the trade may derogate from this provision.

POINT VI

1. Delivery contracts shall provide for the sugar content to be determined using the polarimetric method. A sample of the beet shall be drawn at the time of reception.
2. Agreements within the trade may provide for samples to be drawn at another stage. In such cases, the delivery contract shall provide for a correction to compensate for any drop in the sugar content between the reception and the drawing of the sample.

POINT VII

Delivery contracts shall provide for gross weight, tare and sugar content to be determined using one of the following procedures:

- (a) jointly, by the sugar undertaking and the beet growers' trade organisation, if an agreement within the trade so provides;
- (b) by the sugar undertaking, under the supervision of the beet growers' trade organisation;
- (c) by the sugar undertakings, under the supervision of an expert recognised by the Member State concerned, provided the beet seller defrays the costs thereof.

POINT VIII

1. Delivery contracts shall require sugar undertakings to do one or more of the following for the whole quantity of beet delivered:
 - (a) to return the fresh pulp from the tonnage of beet delivered free of charge to the beet seller, ex-factory;
 - (b) to return part of that pulp, pressed, dried or dried and molassed, free of charge to the beet seller, ex-factory;
 - (c) to return the pulp, pressed or dried, to the beet seller, ex-factory; in this case, the sugar undertaking may require the beet seller to pay the pressing or drying costs;
 - (d) to pay the beet seller compensation which takes account of the possibilities of selling the pulp concerned.
2. When parts of the whole quantity of beet delivered are subject to different treatment, the delivery contract shall impose more than one of the obligations provided for in paragraph 1.
3. Agreements within the trade may provide for pulp to be delivered at a stage other than that referred to in points (a), (b) and (c) of paragraph 1.

POINT IX

1. Delivery contracts shall fix the time limits for any advance payments and for payment of the purchase price for beet.
2. The time limits referred to in paragraph 1 shall be those valid during the previous marketing year. Agreements within the trade may derogate from this provision.

POINT X

Where delivery contracts lay down rules covering matters which are dealt with in this Annex, or where they contain provisions governing other matters, their provisions and effects shall not conflict with this Annex.

POINT XI

1. Agreements within the trade as described in point 6 of Section A of Part II of Annex II shall contain arbitration clauses.
2. Where agreements within the trade at Union, regional or local level lay down rules covering matters which are dealt with in this Regulation, or where they contain provisions governing other matters, their provisions and effects shall not conflict with this Annex.

3. Agreements referred to in paragraph 2 lay down, in particular:

- (a) rules on the distribution to beet sellers of quantities of beet which the sugar undertaking decides to buy prior to sowing, for the manufacture of sugar within the limits of the quota;
- (b) rules on distribution as referred to in Point II(4);
- (c) the conversion scale referred to in Point II(2);
- (d) rules on the choice and supply of seeds of the varieties of beet to be produced;
- (e) the minimum sugar content of beet to be delivered;
- (f) a requirement for consultation between the sugar undertaking and the beet sellers' representatives before the starting date of beet deliveries is fixed;
- (g) the payment of premiums to beet sellers for early or late deliveries;
- (h) details of:
 - (i) the part of the pulp referred to in Point VIII(1)(b),
 - (ii) the costs referred to in Point VIII(1)(c),
 - (iii) the compensation referred to in Point VIII(1)(d);
- (i) the removal of pulp by the beet seller;
- (j) without prejudice to Article 135, rules on how any difference between the reference threshold and the actual selling price of the sugar is to be allocated between the sugar undertaking and beet sellers.

POINT XII

Where there is no set agreement within the trade as to how the quantities of beet intended for the manufacture of sugar within the quota limits which the sugar undertaking offers to buy before sowing should be allocated among the beet sellers, the Member State concerned may itself lay down rules for such allocation.

Those rules may also grant to traditional sellers of beet to cooperatives delivery rights other than those which they would enjoy if they belonged to such cooperatives.

ANNEX XII

NATIONAL AND REGIONAL QUOTAS FOR THE PRODUCTION OF SUGAR, ISOGLUCOSE AND INULIN SYRUP AS REFERRED TO IN ARTICLE 136

Member States or regions (1)	(in tonnes)		
	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		
Croatia	192 877,0		
Italy	508 379,0	32 492,5	
Latvia	0		
Lithuania	90 252,0		
Hungary	105 420,0	250 265,8	
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	13 529 618,2	720 440,8	0

ANNEX XIII

DETAILED RULES ON TRANSFERS OF SUGAR OR ISOGLUCOSE QUOTAS IN ACCORDANCE WITH ARTICLE 138

POINT I

For the purpose 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 to be a solely sugar-producing undertaking for its entire production.

POINT II

1. Without prejudice to paragraph 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, 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 paragraph 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 paragraph 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 127(5) 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 paragraphs 2 and 3 of this Point.

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.

POINT 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.

POINT IV

The measures taken pursuant to Points 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 XII.

POINT V

When the merger or transfer occurs between 1 October and 30 April of the following year, the measures referred to in Points 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 Points II and III shall take effect for the following marketing year.

POINT VI

Where Points 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 Point V.

ANNEX XIV

CORRELATION TABLE REFERRED TO IN ARTICLE 230

Regulation (EC) No 1234/2007	This Regulation	Regulation (EU) No 1306/2013
Article 1	Article 1	—
Article 2(1)	Article 3(1) and (2)	—
Article 2(2)(a) and (b)	—	—
Article 2(2)(c)	Article 15(1)(a)	—
Article 3	Article 6	—
Article 4	—	—
Article 5, first paragraph	—	—
Article 5, second paragraph, first part	Article 3(4)	—
Article 5, second paragraph, second part	—	—
Article 5, third paragraph	Article 5(a)	—
Article 6	—	—
Article 7	Article 9	—
Article 8	Article 7	—
Article 9	Article 126	—
Article 10	Article 11	—
Article 11	Article 12	—
Article 12	Article 13	—
Article 13	Article 14 ⁽¹⁾	—
Article 14 (deleted)	—	—
Article 15 (deleted)	—	—
Article 16 (deleted)	—	—
Article 17 (deleted)	—	—
Article 18(1) to(4)	Article 15(2) ⁽¹⁾	—
Article 18(5)	—	—
Article 19 (deleted)	—	—
Article 20 (deleted)	—	—
Article 21 (deleted)	—	—
Article 22 (deleted)	—	—
Article 23 (deleted)	—	—
Article 24 (deleted)	—	—
Article 25	Article 16(1)	—

Regulation (EC) No 1234/2007	This Regulation	Regulation (EU) No 1306/2013
Article 26	—	—
Article 27	—	—
Article 28	—	—
Article 29	—	—
Article 30 (deleted)	—	—
Article 31	Article 17	—
Article 32	—	—
Article 33	[Article 18]	—
Article 34	[Article 18]	—
Article 35 (deleted)	—	—
Article 36 (deleted)	—	—
Article 37	[Article 18]	—
Article 38	[Article 18]	—
Article 39	[Article 19(3)]	—
Article 40	[Article 19(5)(a) and Article 20(o)(iii)]	—
Article 41	—	—
Article 42(1)	Article 10	—
Article 42(2)	Article 20(u)	—
Article 43(a) to (f), (i), (j) and (l)	Articles 19 and 20	—
Article 43(g), (h) and (k)	—	—
Article 44	Article 220(1)(a), (2) and (3)	—
Article 45	Article 220(1)(b), (2) and (3)	—
Article 46(1)	Article 220(5)	—
Article 46(2)	Article 220(6)	—
Article 47	Article 219	—
Article 48	Article 219	—
Article 49	Article 135 (1)	—
Article 50	Articles 125 and 127	—
Article 51	Article 128 (1)	—
Article 52	Article 130	—
Article 52a	—	—
Article 53(a)	Article 132(c)	—
Article 53(b)	Article 130(2)	—
Article 53(c)	Article 130(6)	—

Regulation (EC) No 1234/2007	This Regulation	Regulation (EU) No 1306/2013
Article 54	Article 166	—
Article 55	— ⁽²⁾	—
Article 56	Article 136	—
Article 57	Article 137	—
Article 58	—	—
Article 59	—	—
Article 60	Article 138	—
Article 61	Article 139	—
Article 62	Article 140	—
Article 63	Article 141	—
Article 64(1)	Article 142(1)	—
Article 64(2) and(3)	Article 142(2) (!)	—
Article 65	— ⁽²⁾	—
Article 66	—	—
Article 67	—	—
Article 68	—	—
Article 69	—	—
Article 70	—	—
Article 71	—	—
Article 72	—	—
Article 73	—	—
Article 74	—	—
Article 75	—	—
Article 76	—	—
Article 77	—	—
Article 78	—	—
Article 79	—	—
Article 80	—	—
Article 81	—	—
Article 82	—	—
Article 83	—	—
Article 84	—	—
Article 84a	—	—
Article 85(a)	Article 143(1) and Article 144(a)	—
Article 85(b)	Article 144(j)	—

Regulation (EC) No 1234/2007	This Regulation	Regulation (EU) No 1306/2013
Article 85(c)	Article 144(i)	—
Article 85(d)	—	—
Article 85a	— ⁽¹⁾	—
Article 85b	— ⁽¹⁾	—
Article 85c	— ⁽¹⁾	—
Article 85d	— ⁽¹⁾	—
Article 85e	— ⁽¹⁾	—
Article 85f	— ⁽¹⁾	—
Article 85g	— ⁽¹⁾	—
Article 85h	— ⁽¹⁾	—
Article 85i	— ⁽¹⁾	—
Article 85j	— ⁽¹⁾	—
Article 85k	— ⁽¹⁾	—
Article 85l	— ⁽¹⁾	—
Article 85m	— ⁽¹⁾	—
Article 85n	— ⁽¹⁾	—
Article 85o	—	—
Article 85p	—	—
Article 85q	—	—
Article 85r	—	—
Article 85s	—	—
Article 85t	—	—
Article 85u	—	—
Article 85v	—	—
Article 85w	—	—
Article 85x	—	—
Article 86 (deleted)	—	—
Article 87 (deleted)	—	—
Article 88 (deleted)	—	—
Article 89 (deleted)	—	—
Article 90 (deleted)	—	—
Article 91	—	—
Article 92	—	—
Article 93	—	—
Article 94	—	—
Article 94a	—	—

Regulation (EC) No 1234/2007	This Regulation	Regulation (EU) No 1306/2013
Article 95	—	—
Article 95a	—	—
Article 96 (deleted)	—	—
Article 97	Article 129 ⁽¹⁾	—
Article 98	— ⁽¹⁾	—
Article 99	—	—
Article 100	—	—
Article 101 (deleted)	—	—
Article 102	Article 26 ⁽¹⁾	—
Article 102(2)	Article 217	—
Article 102a	Article 58	—
Article 103	Articles 29, 30 and 31	—
Article 103a	—	—
Article 103b	Article 32	—
Article 103c	Article 33	—
Article 103d	Article 34	—
Article 103e	Article 35	—
Article 103f	Article 36	—
Article 103g	Article 37(a) and Article 38(b)	—
Article 103ga	Article 23	—
Article 103ga(7)	Article 217	—
Article 103h(a) to (e)	Articles 37 and 38	—
Article 103h(f)	Articles 24 and 25	—
Article 103i	Article 39	—
Article 103j	Article 40	—
Article 103k	Article 41	—
Article 103l	Article 42	—
Article 103m	Article 43	—
Article 103n	Article 44	—
Article 103n(4)	Article 212	—
Article 103o	—	—
Article 103p	Article 45	—
Article 103q	Article 46	—
Article 103r	Article 47	—
Article 103s	Article 48	—

Regulation (EC) No 1234/2007	This Regulation	Regulation (EU) No 1306/2013
Article 103t	Article 49	—
Article 103u(1)(a)	Article 50	—
Article 103u(1)(b)	Article 51	—
Article 103u(2) to (5)	Article 52	—
Article 103v	Article 50	—
Article 103w	—	—
Article 103x	—	—
Article 103y	—	—
Article 103z	—	—
Article 103za	Articles 53 and 54	—
Article 104	—	—
Article 105(1)	Article 55(1)	—
Article 105(2)	Article 215	—
Article 106	Article 55(4)	—
Article 107	Article 55(3)	—
Article 108(1)	Article 55(2)	—
Article 108(2)	—	—
Article 109, first sentence	Article 55(1), last sentence	—
Article 110	Articles 56 and 57	—
Article 111	—	—
Article 112	—	—
Article 113(1)	Article 75(1)(a) to (e) and (2)	—
Article 113(2)	Article 75(5)	—
Article 113(3), first subparagraph	Article 74	—
Article 113(3), second subparagraph	—	Article 89
Article 113a(1) to (3)	Article 76	—
Article 113a(4)	— ⁽¹⁾	Article 89
Article 113b	Article 75(3)	—
Article 113c	Article 167	—
Article 113d(1), first subparagraph	Article 78(1) and (2)	—
Article 113d(1), second subparagraph	Annex VII, Part II(1)	—
Article 113d(2)	Article 78(3)	—

Regulation (EC) No 1234/2007	This Regulation	Regulation (EU) No 1306/2013
Article 113d(3)	Article 82	—
Article 114	Article 78(1) ⁽¹⁾	—
Article 115	Article 78(1), Article 75(1)(h)	—
Article 116	Article 78(1), Article 75(1)(f) and (g)	—
Article 117	Article 77	—
Article 118	Article 78(1)	—
Article 118a	Article 92	—
Article 118b	Article 93	—
Article 118c	Article 94	—
Article 118d(1)	Article 94(3)	—
Article 118d(2) and (3)	[Article 109(3)]	—
Article 118e	Article 95	—
Article 118f	Article 96	—
Article 118g	Article 97	—
Article 118h	Article 98	—
Article 118i	Article 99	—
Article 118j	Article 100	—
Article 118k	Article 101	—
Article 118l	Article 102	—
Article 118m	Article 103	—
Article 118n	Article 104	—
Article 118o	—	—
Article 118p	—	—
Article 118q	Article 105	—
Article 118r	Article 106	—
Article 118s	Article 107	—
Article 118t	Article 108	—
Article 118u	Article 112	—
Article 118v	Article 113	—
Article 118w	Article 117	—
Article 118x	Article 118	—
Article 118y	Article 119	—
Article 118z	Article 120	—
Article 118za	Article 121	—

Regulation (EC) No 1234/2007	This Regulation	Regulation (EU) No 1306/2013
Article 118zb	—	—
Article 119	—	—
Article 120	—	—
Article 120a	Article 81	—
Article 120b	—	—
Article 120c	Article 80	—
Article 120d, first subparagraph	Article 83(2)	—
Article 120d, second subparagraph	[Article 223]	—
Article 120e(1)	Article 75(3) and (4)	—
Article 120e(2)	Article 83(3) and (4)	—
Article 120f	Article 80(3)	—
Article 120g	Article 80(5) and Article 91(c)	—
Article 121(a)(i)	Article 75(2)	—
Article 121(a)(ii)	Article 75(3)	—
Article 121(a)(iii)	Article 89	—
Article 121(a)(iv)	Article 75(2) and Article 91(b)	—
Article 121(b)	Article 91(a), Article 78(3)	—
Article 121(c)(i)	Article 91(a)	—
Article 121(c)(ii) and (iii)	Article 91(d)	—
Article 121(c)(iv)	[Article 223]	—
Article 121(d)(i)	Article 78(1)	—
Article 121(d)(ii) to (v) and (vii)	Article 75(2) and (3)	—
Article 121(d)(vi)	Article 89	—
Article 121(e)(i)	Article 78(1)	—
Article 121(e)(ii) to (v), (vii)	Article 75(2) and (3)	—
Article 121(e)(vi)	Article 75(2)	—
Article 121(f)(i)	Article 78(1)	—
Article 121(f)(ii), (iii) and (v)	Article 75(3)	—

Regulation (EC) No 1234/2007	This Regulation	Regulation (EU) No 1306/2013
Article 121(f)(iv) and (vii)	Article 91(g)	—
Article 121(f)(vi)	[Article 223]	—
Article 121(g)	Article 75(3)	—
Article 121(h)	Article 91(d)	—
Article 121(i)	—	—
Article 121(j)(i)	Article 75(3)	—
Article 121(j)(ii)	Article 91(d)	—
Article 121(k)	Article 122	—
Article 121(l)	Articles 114, 115 and 116	—
Article 121(m)	Article 122	—
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(¹) See also Council Regulation to be adopted in accordance with Article 43(3) TFEU.

(²) However, see Article 230.