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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)

Amended by:

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Official Journal

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<u>M1</u>	Council Regulation (EC) No 247/2008 of 17 March 2008	L 76	1	19.3.2008
► <u>M2</u>	Council Regulation (EC) No 248/2008 of 17 March 2008	L 76	6	19.3.2008
<u>M3</u>	Council Regulation (EC) No 361/2008 of 14 April 2008	L 121	1	7.5.2008
► <u>M4</u>	Council Regulation (EC) No 470/2008 of 26 May 2008	L 140	1	30.5.2008
►M5	Commission Regulation (EC) No 510/2008 of 6 June 2008	L 149	61	7.6.2008

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

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Articles 36 and 37 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament (1),

Whereas:

- (1) The operation and development of the common market for agricultural products should be accompanied by the establishment of a common agricultural policy (hereinafter CAP) to include, in particular, a common organisation of agricultural markets (hereinafter CMO) which may, according to Article 34 of the Treaty, take various forms depending on the product.
- (2) Since the introduction of a CAP, the Council has adopted 21 CMOs for each product or group of products, each governed by a separate Council basic regulation:
 - Council Regulation (EEC) No 234/68 of 27 February 1968 on the establishment of a common organisation of the market in live trees and other plants, bulbs, roots and the like, cut flowers and ornamental foliage (²),
 - Council Regulation (EEC) No 827/68 of 28 June 1968 on the common organisation of the market in certain products listed in Annex II to the Treaty (3),
 - Council Regulation (EEC) No 2759/75 of 29 October 1975 on the common organisation of the market in pigmeat (4),
 - Council Regulation (EEC) No 2771/75 of 29 October 1975 on the common organisation of the market in eggs (⁵),
 - Council Regulation (EEC) No 2777/75 of 29 October 1975 on the common organisation of the market in poultrymeat (6),
 - Council Regulation (EEC) No 2075/92 of 30 June 1992 on the common organisation of the market in raw tobacco (7),
 - Council Regulation (EEC) No 404/93 of 13 February 1993 on the common organisation of the market in bananas (8),

⁽¹⁾ Opinion of 24 May 2007 (not yet published in the Official Journal).

⁽²⁾ OJ L 55, 2.3.1968, p. 1. Regulation as last amended by Regulation (EC) No 806/2003 (OJ L 122, 16.5.2003, p. 1).

⁽³⁾ OJ L 151, 30.6.1968, p. 16. Regulation as last amended by Regulation (EC) No 865/2004 (OJ L 161, 30.4.2004, p. 97).

⁽⁴⁾ OJ L 282, 1.11.1975, p. 1. Regulation as last amended by Regulation (EC) No 1913/2005 (OJ L 307, 25.11.2005, p. 2).

⁽⁵⁾ OJ L 282, 1.11.1975, p. 49. Regulation as last amended by Regulation (EC) No 679/2006 (OJ L 119, 4.5.2006, p. 1).

⁽⁶⁾ OJ L 282, 1.11.1975, p. 77. Regulation as last amended by Regulation (EC) No 679/2006.

⁽⁷⁾ OJ L 215, 30.7.1992, p. 70. Regulation as last amended by Regulation (EC) No 1679/2005 (OJ L 271, 15.10.2005, p. 1).

⁽⁸⁾ OJ L 47, 25.2.1993, p. 1. Regulation as last amended by Regulation (EC) No 2013/2006 (OJ L 384, 29.12.2006, p. 13).

- Council Regulation (EC) No 2200/96 of 28 October 1996 on the common organisation of the market in fruit and vegetables (1),
- Council Regulation (EC) No 2201/96 of 28 October 1996 on the common organisation of the markets in processed fruit and vegetable products (2),
- Council Regulation (EC) No 1254/1999 of 17 May 1999 on the common organisation of the market in beef and veal (3),
- Council Regulation (EC) No 1255/1999 of 17 May 1999 on the common organisation of the market in milk and milk products (4),
- Council Regulation (EC) No 1493/1999 of 17 May 1999 on the common organisation of the market in wine (5),
- Council Regulation (EC) No 1673/2000 of 27 July 2000 on the common organisation of the markets in flax and hemp grown for fibre (6),
- Council Regulation (EC) No 2529/2001 of 19 December 2001 on the common organisation of the market in sheepmeat and goatmeat (7),
- Council Regulation (EC) No 1784/2003 of 29 September 2003 on the common organisation of the market in cereals (8),
- Council Regulation (EC) No 1785/2003 of 29 September 2003 on the common organisation of the market in rice (9),
- Council Regulation (EC) No 1786/2003 of 29 September 2003 on the common organisation of the market in dried fodder (10),
- Council Regulation (EC) No 865/2004 of 29 April 2004 on the common organisation of the market in olive oil and table olives (11),
- Council Regulation (EC) No 1947/2005 of 23 November 2005 on the common organisation of the market in seeds (12),
- Council Regulation (EC) No 1952/2005 of 23 November 2005 concerning the common organisation of the market in hops (¹³),

⁽¹) OJ L 297, 21.11.1996, p. 1. Regulation as last amended by Regulation (EC) No 1182/2007 (OJ L 273, 17.10.2007, p. 1).

⁽²⁾ OJ L 297, 21.11.1996, p. 29. Regulation as last amended by Regulation (EC) No 1182/2007.

⁽³⁾ OJ L 160, 26.6.1999, p. 21. Regulation as last amended by Regulation (EC) No 1913/2005.

⁽⁴⁾ OJ L 160, 26.6.1999, p. 48. Regulation as last amended by Regulation (EC) No 1152/2007 (OJ L 258, 4.10.2007, p. 3).

⁽⁵⁾ OJ L 179, 14.7.1999, p. 1. Regulation as last amended by Regulation (EC) No 1791/2006 (OJ L 363, 20.12.2006, p. 1).

⁽⁶⁾ OJ L 193, 29.7.2000, p. 16. Regulation as last amended by Regulation (EC) No 953/2006 (OJ L 175, 29.6.2006, p. 1).

⁽⁷⁾ OJ L 341, 22.12.2001, p. 3. Regulation as last amended by Regulation (EC) No 1913/2005.

⁽⁸⁾ OJ L 270, 21.10.2003, p. 78. Regulation as last amended by Regulation (EC) No 735/2007 (OJ L 169, 29.6.2007, p. 6).

⁽⁹⁾ OJ L 270, 21.10.2003, p. 96. Regulation as last amended by Regulation (EC) No 797/2006 (OJ L 144, 31.5.2006, p. 1).

⁽¹⁰⁾ OJ L 270, 21.10.2003, p. 114. Regulation as last amended by Regulation (EC) No 456/2006 (OJ L 82, 21.3.2006, p. 1).

⁽¹¹⁾ OJ L 161, 30.4.2004, p. 97, corrected by OJ L 206, 9.6.2004, p. 37.

⁽¹²⁾ OJ L 312, 29.11.2005, p. 3. Regulation as amended by Regulation (EC) No 1247/2007 (OJ L 282, 26.10.2007, p. 1).

⁽¹³⁾ OJ L 314, 30.11.2005, p. 1.

- Council Regulation (EC) No 318/2006 of 20 February 2006 on the common organisation of the markets in the sugar sector (¹).
- (3) In addition, the Council has adopted three regulations with specific rules for certain products without, however, setting up a CMO for these products:
 - Council Regulation (EC) No 670/2003 of 8 April 2003 laying down specific measures concerning the market in ethyl alcohol of agricultural origin (2),
 - Council Regulation (EC) No 797/2004 of 26 April 2004 on measures improving general conditions for the production and marketing of apiculture products (3),
 - Council Regulation (EC) No 1544/2006 of 5 October 2006 laying down special measures to encourage silkworm rearing (4).
- (4) The abovementioned Regulations (hereinafter basic regulations) are often accompanied by a collateral set of further Council regulations. Most of the basic regulations follow the same structure and have numerous provisions in common. This is the case in particular with regard to the rules on trade with third countries and the general provisions, but also, to a certain extent for the rules related to the internal market. The basic regulations often contain different solutions to identical or similar problems.
- (5) The Community has, for some time, been pursuing the aim of simplifying the regulatory environment of the CAP. Accordingly, a horizontal legal framework for all direct payments was established amalgamating an array of support systems into a single payment scheme by the adoption of Council Regulation (EC) No 1782/2003 of 29 September 2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers (5). This approach should also be applied to the basic regulations. In this context the rules contained therein should be amalgamated into a single legal framework and sectoral approaches be replaced by horizontal ones where this is possible.
- (6) In the light of the aforementioned considerations, the basic Regulations should be repealed and replaced by one single Regulation.
- (7) Simplification should not lead to calling into question the policy decisions that have been taken over the years in the CAP. This Regulation should, therefore, essentially be an act of technical simplification. It should not, therefore, repeal or change existing instruments unless they have become obsolete, redundant or should not, by their very nature, be dealt with at Council level, nor should it provide for new instruments or measures.
- (8) Against this background, this Regulation should not include those parts of CMOs which are subject to policy reforms. This is the case with regard to most parts of the fruit and vegetables, processed fruit and vegetables and the wine sectors. The provisions contained in the respective Regulations (EC) No 2200/96, (EC) No 2201/96 and (EC) No 1493/1999 should, therefore, be incorporated into this Regulation only to the extent

⁽¹⁾ OJ L 58, 28.2.2006, p. 1. Regulation as last amended by Regulation (EC) No 1260/2007 (OJ L 283, 27.10.2007, p. 1).

⁽²⁾ OJ L 97, 15.4.2003, p. 6.

⁽³⁾ OJ L 125, 28.4.2004, p. 1.

⁽⁴⁾ OJ L 286, 17.10.2006, p. 1.

⁽⁵⁾ OJ L 270, 21.10.2003, p. 1. Regulation as last amended by Commission Regulation (EC) No 552/2007 (OJ L 131, 23.5.2007, p. 10).

- that they are not themselves subject to any policy reforms. The substantive provisions of these CMOs should only be incorporated once the respective reforms have been enacted.
- (9) The CMOs for cereals, rice, sugar, dried fodder, seeds, olive oil and table olives, flax and hemp, bananas, milk and milk products, and silkworms provide for marketing years mainly adapted to the biological production cycles of each of these products. The marketing years as they have been fixed in these sectors should, therefore, be incorporated into this Regulation.
- (10) In order to stabilise the markets and to ensure a fair standard of living for the agricultural community, a differentiated system of price support for the different sectors has been developed, in parallel to the introduction of direct support schemes, taking account of the different needs in each of these sectors on the one hand and the interdependence between different sectors on the other. These measures take the form of public intervention or the payment of aid for the private storage of products of the cereals, rice, sugar, olive oil and table olives, beef and veal, milk and milk products, pigmeat and sheepmeat and goatmeat sectors. Given the objectives of the present Regulation, there is, therefore, a need to maintain price support measures where they are foreseen in the instruments as they were developed in the past, without making any substantial changes as compared to the previous legal situation.
- (11) For the sake of clarity and transparency, the provisions governing these measures should be made subject to a common structure, whilst maintaining the policy pursued in each sector. For that purpose it is appropriate to distinguish between reference prices and intervention prices.
- (12) The CMOs for cereals, beef and veal and milk and milk products contained provisions according to which the Council, acting in accordance with the procedure laid down in Article 37(2) of the Treaty, may change the price levels. Given the sensitivity of the price systems it should be made clear that the possibility under Article 37(2) to change price levels exists with regard to all sectors covered by this Regulation.
- (13) Moreover, the CMO for sugar provided for the possibility of reviewing the standard qualities of sugar, as further defined in Regulation (EC) No 318/2006, to take account, in particular, of commercial requirements and developments in technical analysis. That Regulation therefore provided for the power of the Commission to amend the relevant Annex. There is a particular need to maintain that possibility in order to enable the Commission to take swift action if necessary.
- (14) To ensure reliable information on Community market prices for sugar, the price reporting system as provided for in the CMO for sugar should be incorporated into this Regulation, on the basis of which market price levels for white sugar should be determined.
- (15) To prevent the system of intervention in respect of cereals, rice, butter and skimmed milk powder from becoming an outlet in itself the possibility to provide for the opening of public intervention only during certain periods of the year should be maintained. In respect of beef and veal products, pigmeat and butter, the opening and closing of public intervention should be dependent on market price levels during a certain period. As regards maize, rice and sugar, the limitation of the quantities up to which buying-in under public intervention can be carried out, should be maintained. With regard to butter and skimmed milk powder, the power of the Commission needs to be maintained to suspend the normal buying-in once a certain quantity is reached or to replace it by buying-in under a tender procedure.

- (16) The price level at which buying-in under public intervention should be carried out was, in the past, decreased in the CMOs for cereals, rice and beef and veal and fixed along with the introduction of direct support schemes in these sectors. Aid under those schemes on the one hand and intervention prices on the other are, therefore, closely linked. For the products of the milk and milk products sector, that price level was fixed in order to promote consumption of the products concerned and improve their competitiveness. In the rice and sugar sectors, the prices were fixed in order to contribute to stabilising the market in instances where the market price in a given marketing year falls below the reference price fixed for the following marketing year. These policy decisions of the Council still remain valid.
- (17) As in previous CMOs, this Regulation should provide for the possibility of disposal of products bought into public intervention. Such measures should be taken in a way that avoids market disturbances and that ensures equal access to the goods and equal treatment of purchasers.
- Due to its intervention stocks of various agricultural products, the (18)Community has the potential means to make a significant contribution towards the well-being of its most deprived citizens. It is in the Community interest to exploit this potential on a durable basis until the stocks have been run down to a normal level by introducing appropriate measures. In the light of these considerations, Council Regulation (EEC) No 3730/87 10 December 1987 laying down the general rules for the supply of food from intervention stocks to designated organisations for distribution to the most deprived persons in the Community (1) has, so far, provided for the distribution of food by charitable organisations. This important social measure, which can be of considerable value to the most deprived persons, should be maintained and incorporated into the framework of this Regulation.
- (19) In order to contribute to balancing the milk market and to stabilising market prices, the CMO for milk and milk products has provided for the granting of aid for private storage in respect of cream, certain butter products and certain cheese products. Moreover, the Commission has been empowered to decide to grant aid for private storage of certain other cheese products as well as for white sugar, certain kinds of olive oil and of certain beef and veal products, skimmed milk powder, pigmeat and sheepmeat and goatmeat. Given the purpose of this Regulation, these measures should be maintained.
- Council Regulation (EC) No 1183/2006 of 24 July 2006 concerning the Community scale for the classification of carcasses of adult bovine animals (2), Council Regulation (EEC) No 1186/90 of 7 May 1990 extending the scope of the Community scale for the classification of carcasses of adult bovine animals (3), Council Regulation (EEC) No 3220/84 of 13 November 1984 determining the Community scale for grading pig carcasses (4) and Council Regulation (EEC) No 2137/92 of 23 July 1992 concerning the Community scale for the classification of carcasses of ovine animals and determining the Community standard quality of fresh or chilled sheep carcasses (5) provide for Community scales for the classification

⁽¹) OJ L 352, 15.12.1987, p. 1. Regulation as amended by Regulation (EC) No 2535/95 (OJ L 260, 31.10.1995, p. 3).

⁽²⁾ OJ L 214, 4.8.2006, p. 1.

⁽²⁾ OJ L 119, 11.5.1990, p. 32. Regulation as amended by the 1994 Act of Accession.

⁽⁴⁾ OJ L 301, 20.11.1984, p. 1. Regulation as last amended by Regulation (EC) No 3513/93 (OJ L 320, 22.12.1993, p. 5).

⁽⁵⁾ OJ L 214, 30.7.1992, p. 1. Regulation as last amended by Regulation (EC) No 1791/2006.

- of carcasses in the beef and veal, pigmeat and sheepmeat and goatmeat sectors. These schemes are essential for the purposes of price recording and for the application of the intervention arrangements in those sectors. Moreover, they pursue the objective of improving market transparency. Such carcass classification schemes should be maintained. It is therefore appropriate to incorporate their essential elements into this Regulation, whilst empowering the Commission to regulate certain issues of a rather technical character through implementing rules.
- (21) Restrictions to free circulation resulting from the application of measures intended to combat the spread of animal diseases could cause difficulties on the market in certain products in one or more Member States. Experience shows that serious market disturbances such as a significant drop in consumption or in prices may be attributed to a loss in consumer confidence due to public health or animal health risks.
- (22) The exceptional market support measures in order to remedy such situations provided for in the respective CMOs for beef and veal, milk and milk products, pigmeat, sheepmeat and goatmeat, eggs and poultrymeat should, therefore, be incorporated into this Regulation under the same conditions as they have applied so far. Such exceptional market support measures should be taken by the Commission and should be directly related to or consequent upon health and veterinary measures adopted in order to combat the spread of disease. They should be taken at the request of Member States in order to avoid serious disruption on the markets concerned.
- (23) The possibility for the Commission to adopt special intervention measures where this proves to be necessary in order to react efficiently and effectively against threats of market disturbances in the cereals sector and in order to prevent large-scale application of public intervention in certain regions of the Community in the rice sector or to make up for paddy rice shortages following natural disasters, as they have been provided for in the CMOs for cereals and rice respectively should be maintained in this Regulation.
- (24) A minimum price should be fixed for quota beet corresponding to a standard quality which should be defined, in order to ensure a fair standard of living for the Community growers of sugar beet and sugar cane.
- (25) Specific instruments are needed to ensure a fair balance of rights and obligations between sugar undertakings and sugar beet growers. Therefore, the standard provisions governing the interprofessional agreements previously contained in the CMO for sugar should be maintained.
- (26) The diversity of natural, economic and technical situations makes it difficult to provide for uniform purchase terms for sugar beet throughout the Community. Agreements within the trade already exist between associations of sugar beet growers and sugar undertakings. Therefore, framework provisions should define only the minimum guarantees required by both sugar beet growers and the sugar industry to ensure a smooth functioning of the sugar market with the possibility to derogate from some rules in the context of an agreement within the trade. More detailed terms have previously been provided in the CMO for sugar in Annex II to Regulation (EC) No 318/2006. Given the highly technical character of these terms, it is more appropriate to deal with these questions at Commission level.
- (27) The production charge provided for under the CMO for sugar to contribute to the financing of the expenditure occurring under that CMO should be incorporated in this Regulation.

- (28) To maintain the structural balance of the markets in sugar at a price level close to the reference price, the possibility for the Commission to decide to withdraw sugar from the market for as long as it takes for the market to rebalance should be maintained.
- (29) The CMOs for live plants, beef and veal, pigmeat, sheepmeat and goatmeat, eggs and poultrymeat provided for the possibility of adopting certain measures to facilitate the adjustment of supply to market requirements. Such measures may contribute to stabilising the markets and to ensuring a fair standard of living for the agricultural community concerned. Given the objectives of this Regulation, that possibility should be maintained. According to those provisions, the Council may adopt the general rules concerning such measures in accordance with the procedure laid down in Article 37 of the Treaty. The aims to be pursued by such measures are clearly circumscribed and delimit the nature of the measures that may be adopted. Therefore, the adoption of additional general rules by the Council in those sectors is not necessary and should no longer be provided for.
- (30) In the sugar and in the milk and milk products sectors the quantitative limitation of production as set out in Regulations (EC) No 318/2006 and Council Regulation (EC) No 1788/2003 of 29 September 2003 establishing a levy in the milk and milk products sector (¹) has been an essential market policy instrument for many years. The reasons which in the past led the Community to adopt production quota systems in both sectors remain valid.
- (31) Whereas the sugar quota system was provided for in the CMO for sugar, the corresponding system in the dairy sector has so far been regulated in a legal act separate from the CMO for milk and milk products, namely Regulation (EC) No 1788/2003. Given the crucial importance of these schemes and the objectives of this Regulation, it is appropriate to incorporate the relevant provisions for both sectors in this Regulation without making any substantial changes to the schemes and their modes of operation as compared to the previous legal situation.
- (32) The sugar quota scheme under this Regulation should therefore reflect the arrangements set out in Regulation (EC) No 318/2006 and, in particular, maintain the legal status of the quotas in so far as, according to the case-law of the Court of Justice, the system of quotas constitutes a mechanism for regulating the market in the sugar sector aiming to ensure the attainment of public interest objectives.
- (33) This Regulation should, therefore, also enable the Commission to adjust the quotas to a sustainable level after the termination, in 2010, of the restructuring fund established by Council Regulation (EC) No 320/2006 of 20 February 2006 establishing a temporary scheme for the restructuring of the sugar industry in the Community (2).
- (34) In the light of the need to allow for a certain amount of national flexibility in relation to the structural adjustment of the processing industry and of beet and cane growing during the period in which the quotas are to be applied, the possibility for Member States to be allowed to alter the quotas of undertakings within certain limits whilst not restricting the operation of the restructuring fund as an instrument should be maintained.
- (35) The CMO for sugar provided that, in order to avoid that surplus sugar distorts the sugar market, the Commission should be

OJ L 270, 21.10.2003, p. 123. Regulation as last amended by Commission Regulation (EC) No 1186/2007 (OJ L 265, 11.10.2007, p. 22).

⁽²⁾ OJ L 58, 28.2.2006, p. 42. Regulation as last amended by Regulation (EC) No 1261/2007 (OJ L 283, 27.10.2007, p. 8).

- enabled, according to certain criteria, to provide for carrying forward the surplus sugar, isoglucose or inulin syrup to be treated as quota production of the following marketing year. Moreover, if, for certain quantities, the applicable conditions are not met, it also provided for a levy on the surplus in order to avoid the accumulation of these quantities threatening the market situation. These provisions should be maintained.
- The main purpose of the milk quota system of reducing the imbalance between supply and demand on the respective market and the resulting structural surpluses, thereby achieving a better market equilibrium, still prevails. The application of a levy to quantities of milk collected or sold for direct consumption above a certain guarantee threshold should, therefore, be maintained. In line with the purpose of this Regulation, there is, to a certain extent, a need in particular for terminological harmonisation between the sugar and milk-quota schemes, whilst fully preserving their legal status quo. It therefore seems appropriate to harmonise the terminology in the milk sector with that in the sugar sector. The terms 'national reference quantity' and 'individual reference quantity' in Regulation (EC) No 1788/2003 should, therefore, be replaced by the terms 'national quota' and 'individual quota' whilst retaining the legal notion that is being defined.
- In substance, the milk quota scheme in this Regulation should be shaped according to Regulation (EC) No 1788/2003. In particular, the distinction between deliveries and direct sales should be maintained and the scheme should be applied on the basis of individual representative fat contents and a national reference fat content. Farmers should be authorised under certain conditions to temporarily transfer their individual quota. Moreover the principle should be maintained that when a farm is sold, leased or transferred by inheritance, the corresponding quota is transferred to the purchaser, tenant or heir together with the relevant land, while the exceptions to the principle that quotas are tied to farms in order to continue the restructuring of milk production and improve the environment should be maintained. In line with the various types of transfer of quotas and using objective criteria, the provisions authorising Member States to place part of the transferred quantities in the national reserve should also be maintained.
- (38) The surplus levy should be set at a dissuasive level and be payable by the Member States as soon as the national quota is exceeded. The Member State should then divide the burden of payment among the producers who have contributed to the overrun. Those producers should be liable vis-à-vis the Member State for payment of their contribution to the levy due by virtue of the fact of having overrun their available quantity. Member States should pay to the European Agricultural Guarantee Fund (EAGF) the levy corresponding to the overrun of their national quota, reduced by a flat-rate amount of 1 % in order to take account of cases of bankruptcy or the definitive inability of certain producers to make their contribution to the payment of the levy due.
- (39) Council Regulation (EC) No 1290/2005 of 21 June 2005 on the financing of the common agricultural policy (1) qualifies the proceeds flowing from the application of the additional levy in the dairy sector as 'assigned revenue' which has to be paid to the Community budget and, in the event of reuse, has to be used exclusively to finance expenditure under the EAGF or the European Agricultural Fund for Rural Development (EAFRD). Article 22 of Regulation (EC) No 1788/2003 according to

⁽¹⁾ OJ L 209, 11.8.2005, p. 1. Regulation as last amended by Regulation (EC) No 378/2007 (OJ L 95, 5.4.2007, p. 1).

- which levy proceeds are considered as intervention to stabilise agricultural markets and are to be applied to financing expenditure in the milk sector, has therefore become obsolete and should not be incorporated in this Regulation.
- (40) Various CMOs have provided for different kinds of aid schemes.
- (41) The CMOs for dried fodder and for flax and hemp provided for processing aids for these sectors as a means to govern the internal market in respect of the sectors concerned. These provisions should be maintained.
- (42) In view of the special market situation for cereals and potato starch the CMO for cereals contained provisions which allowed the granting of a production refund if that proves necessary. The production refund should be of such a nature that the basic products used by the industry concerned can be made available to it at a lower price than that resulting from the application of the common prices. The CMO for sugar established the possibility of the granting of a production refund in cases where, with regard to the manufacturing of certain industrial, chemical or pharmaceutical products the need arises to take measures aimed at making available certain sugar products. These provisions should be maintained.
- (43) To contribute to balancing the milk market and to stabilise the market prices for milk and milk products, measures are needed to increase the possibility of disposing of milk products. The CMO for milk and milk products therefore provided for the grant of aids for the marketing of certain milk products with a view to specific uses and destinations. Moreover, that CMO provided that, in order to stimulate the consumption of milk by young people, the Community should defray a part of the expenditure occasioned by granting aid for the supply of milk to pupils in schools. These provisions should be maintained.
- (44) Community finance, consisting of the percentage of direct aid that Member States are allowed to withhold in accordance with Article 110i(4) of Regulation (EC) No 1782/2003, is required to encourage approved operator organisations to draw up work programmes for the purpose of improving the production quality of olive oil and table olives. In that context, the CMO for olive oil and table olives provided for Community support to be allocated in accordance with the priorities given to the activities undertaken within the work programmes in question. These provisions should be maintained.
- (45) A Community tobacco fund financed by certain deductions from aid schemes in that sector was established under Regulation (EEC) No 2075/92 with a view to carrying out various measures in respect of that sector. The year 2007 is the last in which deductions from the aid scheme provided for in Chapter 10c of Title IV of Regulation (EC) No 1782/2003 would be made available to the Community Tobacco Fund. Whilst the financing of the fund will expire prior to the entry into force of this Regulation, Article 13 of Regulation (EEC) No 2075/92 should nevertheless be maintained to serve as a legal basis for the multiannual programmes that may be financed by the Community Tobacco Fund.
- (46) Beekeeping, being a sector of agriculture, is characterised by the diversity of production conditions and yields and the dispersion and variety of economic operators, both at the production and marketing stages. Moreover, in view of the spread of varroasis in several Member States in recent years and the problems which that disease causes for honey production, action by the Community 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 Community, national programmes should be drawn up every three years, comprising technical assistance, control of varroasis, rationalisation of transhumance, management of the restocking of hives in the Community, and cooperation on research programmes on beekeeping and apiculture products with a view to improving the general conditions for the production and marketing of apiculture products. Those national programmes should be partly financed by the Community.
- (47) Regulation (EC) No 1544/2006 replaced all national silkworm aids by a Community aid scheme for silkworm rearing which takes the form of a fixed sum per box of silkworm eggs used.
- (48) As the policy considerations which led to the introduction of the abovementioned aid schemes for beekeeping and silkworm rearing still persist, these aid schemes should be incorporated in the framework of this Regulation.
- (49) The application of standards for the marketing of agricultural products can contribute to improving the economic conditions for the production and marketing as well as the quality of such products. The application of such standards is therefore in the interest of producers, traders and consumers. Accordingly, within the CMOs for bananas, olive oil and table olives, live plants, eggs and poultrymeat, marketing standards were put in place which relate, in particular, to quality, grading, weight, sizing, packaging, wrapping, storage, transport, presentation, origin and labelling. It is appropriate to maintain that approach under this Regulation.
- (50) Under the CMOs for olive oil and table olives and for bananas the Commission has, so far, been entrusted with the adoption of the provisions on marketing standards. Given their detailed technical character and the need to constantly improve their effectiveness and to adapt them to evolving trade practices, it is appropriate to extend this approach to the live plants sectors while specifying the criteria to be taken into account by the Commission in setting out the relevant rules. Moreover, special measures, in particular up-to-date methods of analysis and other measures to determine the characteristics of the standards concerned, may need to be adopted to avoid abuses as regards the quality and authenticity of the products presented to consumers and the important disturbances on the markets such abuses may entail.
- Several legal instruments have been put in place to regulate the marketing and designation of milk, milk products and fats. They pursue the objective of improving the position of milk and milk products on the market on the one hand and ensuring a fair competition between spreadable fats of milk and non-milk origin on the other, both to the benefit of producers and consumers. The rules contained in Council Regulation (EEC) No 1898/87 of 2 July 1987 on the protection of designations used in marketing milk and milk products (1) are aimed at protecting the consumer and at establishing conditions of competition between milk products and competing products in the field of product designation, labelling and advertising which avoid any distortion. Council Regulation (EC) No 2597/97 of 18 December 1997 laying down additional rules on the common organisation of the market in milk and milk products for drinking milk (2) provides for rules aimed at guaranteeing a high quality of drinking milk and products which fulfil consumers' needs and wishes, thus stabilising the market concerned and providing the

⁽¹⁾ OJ L 182, 3.7.1987, p. 36. Regulation as last amended by the 1994 Act of Accession

⁽²⁾ OJ L 351, 23.12.1997, p. 13. Regulation as last amended by Regulation (EC) No 1153/2007 (OJ L 258, 4.10.2007, p. 6).

- consumer with high quality drinking milk. Council Regulation (EC) No 2991/94 of 5 December 1994 laying down standards for spreadable fats (¹) sets out the marketing standards for the milk and non-milk products concerned with a clear and distinct classification accompanied by rules on designation. In line with the objectives of the present Regulation, these rules should be maintained.
- (52) Concerning the eggs and poultrymeat sectors, provisions exist in relation to marketing standards and, in certain cases, to production. These provisions are contained in Council Regulation (EC) No 1028/2006 of 19 June 2006 on marketing standards for eggs (²), Council Regulation (EEC) No 1906/90 of 26 June 1990 on certain marketing standards for poultrymeat (³) and Council Regulation (EEC) No 2782/75 of 29 October 1975 on the production and marketing of eggs for hatching and of farmyard poultry chicks (4). The essential rules contained in those Regulations should be incorporated into this Regulation.
- (53) Regulation (EC) No 1028/2006 provides that marketing standards for eggs should, in principle, apply to all eggs of hens of the species *Gallus gallus*, marketed in the Community and, as a general rule, also to those intended for export to third countries. It also draws a distinction between eggs suitable and eggs not suitable for direct human consumption by the creation of two quality classes of eggs and lays down provision to ensure appropriate information to the consumer as regards quality and weight grades and the identification of the farming method used. Finally, that Regulation provides for special rules in respect of eggs imported from third countries according to which special provisions in force in certain third countries may justify derogations from the marketing standards if their equivalence to Community legislation is guaranteed.
- (54) As regards poultrymeat, Regulation (EEC) No 1906/90 determines that marketing standards should, in principle, apply to certain types of poultrymeat suitable for human consumption marketed in the Community and that poultrymeat intended for export to third countries should, however, be excluded from the application of the marketing standards. That Regulation provides for the grading of poultrymeat in two categories according to conformation and appearance and the conditions under which the meat is to be offered for sale.
- (55) According to those Regulations, Member States should be able to exempt from the application of those marketing standards eggs and poultrymeat, respectively, sold through certain forms of direct sale from the producer to the final consumer where small quantities are involved.
- (56) Regulation (EC) No 2782/75 establishes special rules concerning the marketing and transport of eggs for hatching and of farmyard poultry chicks as well as for the incubation of eggs for hatching. That Regulation provides, in particular, for the individual marking of eggs for hatching used for chick production, for the way of packing and the kind of packing material for transport. However, it excludes small sized pedigree breeding and other breeding establishments from the compulsory application of the standards laid down therein.
- (57) In line with the objectives of the present Regulation, those rules should be maintained without touching upon their substance.

⁽¹⁾ OJ L 316, 9.12.1994, p. 2.

⁽²⁾ OJ L 186, 7.7.2006, p. 1.

⁽³⁾ OJ L 173, 6.7.1990, p. 1. Regulation as last amended by Regulation (EC) No 1029/2006 (OJ L 186, 7.7.2006, p. 6).

⁽⁴⁾ OJ L 282, 1.11.1975, p. 100. Regulation as last amended by Regulation (EC) No 1791/2006.

- However, further provisions contained in those Regulations which are of technical character should be dealt with in implementing rules to be adopted by the Commission.
- (58) As it has been the case so far under the CMO for hops, a quality policy should be followed throughout the Community by implementing provisions concerning certification together with rules prohibiting, as a general rule, the marketing of products for which a certificate has not been issued, or, in the case of imported products, those which do not comply with equivalent quality characteristics.
- (59) The descriptions and definitions of olive oil and the denomination are an essential element of the market order with respect to setting quality standards and providing consumers with adequate information on the product and should be maintained in this Regulation.
- (60) One of the aforementioned aid schemes contributing to balancing the market in milk and milk products and to stabilising the market prices in that sector consists of an aid scheme, contained in Regulation (EC) No 1255/1999, for the processing of skimmed milk into casein and caseinates. Council Regulation (EEC) No 2204/90 of 24 July 1990 laying down additional general rules on the common organisation of the market in milk and milk products as regards cheese (1) provided for rules concerning the use of casein and caseinates in the manufacture of cheese in order to counter adverse effects that may result from that aid scheme, taking into account the vulnerability of cheese to substitution operations with casein and caseinates, thereby intending to stabilise the market. These rules should be incorporated into this Regulation.
- (61) The processing of certain agricultural raw materials into ethyl alcohol is closely linked with the economy of those raw materials. This can contribute considerably to enhancing their value and may be of particular economic and social importance for the economy of certain regions of the Community or may be a significant source of income for the producers of the raw materials concerned. It also permits the disposal of products of unsatisfactory quality and short-term surpluses that may cause temporary problems in certain sectors.
- (62) In the hops, olive oil and table olives, tobacco and silkworm sectors the legislation focuses on various kinds of organisations in order to achieve policy aims in particular with a view to stabilising the markets in, and of improving and guaranteeing the quality of, the products concerned through joint action. The provisions which have regulated that system of organisations so far are based on organisations which are recognised by the Member States or, under certain conditions, by the Commission, in accordance with provisions to be adopted by the Commission. That system should be maintained and the provisions as they have been in place so far should be harmonised.
- (63) To support certain activities of inter-branch organisations which are of particular interest in the light of the current rules concerning the CMO for tobacco, provision should be made for the rules adopted by an inter-branch organisation for its members to be extended, subject to certain conditions, to all non-member producers and groups in one or more regions. The same should also apply in respect of other activities of inter-branch organisations which are of general economic or technical interest for the tobacco sector so as to be of benefit to all persons active in the branches in question. There should be close cooperation between

⁽¹⁾ OJ L 201, 31.7.1990, p. 7. Regulation as amended by Regulation (EC) No 2583/2001 (OJ L 345, 29.12.2001, p. 6).

- the Member States and the Commission. The Commission should have permanent monitoring powers, particularly as regards the agreements and concerted practices adopted by such organisations.
- (64) In certain sectors apart from those for which current rules provide for the recognition of producer or interbranch organisations, Member States may wish to recognise such kinds of organisations based on national law as far as this is compatible with Community law. This possibility should therefore be clarified. Moreover, rules should be adopted stating that the recognition of producer and interbranch organisations in accordance with the current Regulations remains valid after the adoption of this Regulation.
- (65) A single Community market involves a trading system at the external borders of the Community. That trading system should include import duties and export refunds and should, in principle, stabilise the Community market. The trading system should be based on the undertakings accepted under the Uruguay Round of multilateral trade negotiations.
- (66) Monitoring the volume in trade in agricultural products with third countries in the CMOs for the cereals, rice, sugar, seeds, olive oil and table olives, flax and hemp, beef and veal, milk and milk products, pigmeat, sheepmeat and goatmeat, eggs, poultrymeat, live plants and agricultural ethyl alcohol sectors, has, so far, both for imports and exports been subject to either compulsory licence systems or to systems where the Commission was empowered to provide for licence requirements.
- (67) Monitoring trade flows is foremost a matter of management which should be addressed in a flexible way. Against this background and in the light of the experience gained in the CMOs where the management of licences is already conferred on the Commission, it appears appropriate to extend this approach to all sectors where import and export licences are being used. The decision on the introduction of licence requirements should be made by the Commission taking account of the need for import licences for the management of the markets concerned and, in particular, for monitoring the imports of the products in question.
- (68) For the most part, the customs duties applicable to agricultural products under the World Trade Organisation (WTO) agreements are laid down in the Common Customs Tariff. However, for some products of the cereals and rice sectors, the introduction of additional mechanisms makes it necessary to provide for the possibility to adopt derogations.
- (69) In order to prevent or counteract adverse effects on the Community market which could result from imports of certain agricultural products, imports of such products should be subject to payment of an additional duty, if certain conditions are fulfilled.
- (70) It is appropriate, under certain conditions, to confer on the Commission the power to open and administer import tariff quotas resulting from international agreements concluded in accordance with the Treaty or from other acts of the Council.
- (71) Council Regulation (EEC) No 2729/75 of 29 October 1975 on the import levies on mixtures of cereals, rice and broken rice (¹) aims to ensure the proper working of the duty system for imports of mixtures of cereals, rice and broken rice. These rules should be included in this Regulation.

⁽¹⁾ OJ L 281, 1.11.1975, p. 18. Regulation as amended by Regulation (EC) No 3290/94 (OJ L 349, 31.12.1994, p. 105).

- (72) The Community has concluded several preferential market access arrangements with third countries which allow those countries to export cane sugar to the Community under favourable conditions. The CMO for sugar provided for the evaluation of the refiners' need for sugar for refining and, under certain conditions, the reservation of import licences to specialised users of significant quantities of imported raw cane sugar, which are considered to be full-time refiners in the Community. These provisions should be maintained.
- (73) In order to prevent illicit crops from disturbing the CMO for hemp for fibre, the respective Regulation provided for checks on imports of hemp and hemp seed to ensure that such products offer certain guarantees with regard to the tetrahydrocannabinol content. In addition, imports of hemp seed intended for uses other than sowing were subject to a control system which makes provision for the authorisation of the importers concerned. These provisions should be maintained.
- (74) A quality policy is being followed throughout the Community 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.
- (75) The customs duty system makes it possible to dispense with all other protective measures at the external frontiers of the Community. The internal market and duty mechanism could, in exceptional circumstances, prove to be inadequate. In such cases, in order not to leave the Community market without defence against disturbances that might ensue, the Community should be able to take all necessary measures without delay. Such measures should comply with the international commitments of the Community.
- (76) To ensure the proper functioning of the CMOs and, in particular, avoid market disturbance, the CMOs for a number of products traditionally provided for the possibility of prohibiting the use of inward and outward processing arrangements. This possibility should be maintained. Moreover, experience shows that where markets are disturbed or threatened to be disturbed by the use of these arrangements, action needs to be taken without major delays. The Commission should therefore be entrusted with the relevant powers. It is thus appropriate to enable the Commission to suspend the use of inward and outward processing arrangements in such situations.
- (77) Provisions for granting refunds on exports to third countries, based on the difference between prices within the Community and on the world market, and falling within the limits set by the Community's commitments in the WTO, should serve to safeguard the Community's participation in international trade in certain products falling within this Regulation. Subsidised exports should be subject to limits in terms of value and quantity.
- (78) Compliance with the limits in terms of value should be ensured at the time when the export refunds are fixed through the monitoring of payments under the rules relating to the EAGF. Monitoring can be facilitated by the compulsory advance fixing of export refunds, while allowing the possibility, in the case of differentiated refunds, of changing the specified destination within a geographical area to which a single export refund rate applies. In the case of a change of destination, the export refund applicable to the actual destination should be paid, with a ceiling on the amount applicable to the destination fixed in advance.
- (79) Compliance with the quantity limits should be ensured by a reliable and effective system of monitoring. To that end, the granting of export refunds should be made subject to an export

- licence. Export refunds should be granted up to the limits available, depending on the particular situation of each product concerned. Exceptions to that rule should be permitted only for processed products not listed in Annex I to the Treaty, to which volume limits do not apply. Provision should be made for a derogation from strict compliance with management rules where exports benefiting from export refunds are not likely to exceed the quantity laid down.
- (80) In the case of the export of live bovine animals, provision should be made whereby export refunds are granted and paid only if the provisions established in Community legislation concerning animal welfare, in particular those concerning the protection of animals during transport, are respected.
- (81) 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 Community 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 Community.
- (82) Exports of flowering bulbs to third countries are of considerable economic importance to the Community. The continuation and development of such exports may be ensured by stabilising prices in this trade. Provision should therefore be made for minimum export prices for the products in question.
- (83) In accordance with Article 36 of the Treaty the provisions of the chapter of the Treaty relating to rules on competition shall apply to production of and trade in agricultural products only to the extent determined by the Council within the framework of Article 37(2) and (3) of the Treaty and in accordance with the procedure laid down therein. In the various CMOs the provisions on state aid had been largely declared applicable. The application in particular of the Treaty rules applying to undertakings was furthermore defined in Council Regulation (EC) No 1184/2006 of 24 July 2006 applying certain rules on competition to the production of, and trade in, agricultural products (¹). In line with the objective of creating one comprehensive set of market policy rules it is appropriate to incorporate the provisions concerned in this Regulation.
- (84) The rules on competition relating to the agreements, decisions and practices referred to in Article 81 of the Treaty and to the abuse of dominant positions should be applied to the production of, and trade in, agricultural products, in so far as their application does not impede the functioning of national organisations of agricultural markets or jeopardise the attainment of the objectives of the CAP.
- (85) A special approach is warranted in the case of farmers' organisations the particular objective of which is the joint production or marketing of agricultural products or the use of joint facilities, unless such joint action excludes competition or jeopardises the attainment of the objectives of Article 33 of the Treaty.
- (86) In order both to avoid compromising the development of a CAP and to ensure legal certainty and non-discriminatory treatment of the undertakings concerned, the Commission should have the sole power, subject to review by the Court of Justice, to determine whether agreements, decisions and practices referred to in Article 81 of the Treaty are compatible with the objectives of the CAP.

- (87) The proper working of the single market based on common prices would be jeopardised by the granting of national aid. Therefore, the provisions of the Treaty governing State aid should, as a general rule, apply to the products covered by this Regulation. In certain situations exceptions should be allowed. Where such exceptions apply, the Commission should, however, be in a position to draw up a list of existing, new or proposed national aids, to make appropriate observations to the Member States and to propose suitable measures to them.
- (88) Since their accession, Finland and Sweden may, due to the specific economic situation of the production and marketing of reindeer and reindeer products, grant aids in that regard. Moreover, Finland may, subject to authorisation by the Commission, grant aid respectively for certain quantities of seeds and for certain quantities of cereal seed produced solely in Finland, because of its specific climatic conditions. These exceptions need to be maintained.
- (89)In Member States with a significant reduction of sugar quota, sugar beet growers will face particularly severe adaptation problems. In such cases the transitional Community aid to sugar beet growers provided for in Chapter 10f of Title IV of Regulation (EC) No 1782/2003 will not suffice to fully address the beet growers' difficulties. Therefore, Member States having reduced their quota by more than 50 % of the sugar quota fixed on 20 February 2006 in Annex III to Regulation (EC) No 318/2006 should be authorised to grant State aid to sugar beet growers during the period of application of the transitional Community aid. To ensure that Member States do not grant State aid exceeding the needs of their sugar beet growers, the determination of the total amount of the State aid concerned should continue to be made subject to Commission approval, except in the case of Italy where the maximum need for the most productive sugar beet growers to adapt to the market conditions after the reform has been estimated at EUR 11 per tonne of sugar beet produced. Moreover, due to the particular problems expected to arise in Italy, the provision for arrangements allowing sugar beet growers to benefit directly or indirectly from the State aid granted should be maintained.
- (90) In Finland sugar beet growing is subject to particular geographical and climatic conditions which will adversely affect the sector beyond the general effects of the sugar reform. For this reason the provision made in the CMO for sugar authorising that Member State, on a permanent basis, to grant its sugar beet growers an adequate amount of State aid should be maintained.
- (91) Given the particular situation in Germany, where national support is currently granted to a large number of smaller producers of alcohol under the specific conditions of the German alcohol monopoly, it is necessary to permit, during a limited period of time, the continuation of the granting of such support. It is also necessary to provide for the submission of a report by the Commission on the functioning of that derogation, at the end of that period, accompanied by any appropriate proposals.
- (92) If a Member State wishes to support, on its territory, measures promoting the consumption of milk and milk products in the Community, provision should be made for the possibility of financing such measures by a promotional levy on milk producers at national level.
- (93) In order to take account of possible developments in dried fodder production, the Commission should, before 30 September 2008, on the basis of an evaluation of the CMO for dried fodder, present a report to the Council on that sector. The report should be accompanied, if necessary, by appropriate proposals.

- Moreover, the Commission should report at regular intervals to the European Parliament and the Council on the aid scheme applied in respect of the apiculture sector.
- (94) Adequate information is needed about the present state of the market in hops within the Community and the prospects for its development. Provision should therefore be made for the registration of all supply contracts regarding hops produced within the Community.
- (95) It is appropriate to provide, under certain conditions and for certain products, for measures to be taken in cases where disturbances are occurring or are likely to occur due to significant changes in the internal market prices or as regards quotations or prices on the world market.
- (96) It is necessary to establish a framework of specific measures for ethyl alcohol of agricultural origin so that economic data can be collected and statistical information analysed for the purpose of monitoring the market. In so far as the market in ethyl alcohol of agricultural origin is linked to the market in ethyl alcohol in general, information also needs to be made available concerning the market in ethyl alcohol of non-agricultural origin.
- (97) Expenditure incurred by the Member States as a result of the obligations arising from the application of this Regulation should be financed by the Community in accordance with Regulation (EC) No 1290/2005.
- (98) The Commission should be authorised to adopt the necessary measures to solve specific practical problems in case of emergency.
- (99) Since the common markets in agricultural products are continuously evolving, the Member States and the Commission should keep each other informed of relevant developments.
- (100) In order to avoid abuse of any of the advantages provided for in this Regulation, such advantages should not be granted or, as the case may be, should be withdrawn, in cases where it is found that the conditions for obtaining any of those advantages have been created artificially, contrary to the objectives of this Regulation.
- (101) To guarantee compliance with the obligations laid down by this Regulation, there is a need for controls and the application of administrative measures and administrative penalties in case of non-compliance. Power should, therefore, be conferred on the Commission to adopt the corresponding rules, including those concerning the recovery of undue payments and the reporting obligations of the Member States resulting from the application of this Regulation.
- (102) The measures necessary for the implementation of this Regulation should, as a general rule, be adopted in accordance with Council Decision 1999/468/EC of 28 June 1999 laying down the procedures for the exercise of implementing powers conferred on the Commission (1). However, in respect of certain measures under this Regulation which relate to Commission powers, require swift action or are of a purely administrative nature, the Commission should be empowered to act on its own.
- (103) Due to the incorporation into this Regulation of certain elements of the CMOs for fruit and vegetables and processed fruit and vegetable products and wine, certain amendments should be made to these CMOs.

⁽¹⁾ OJ L 184, 17.7.1999, p. 23. Decision as amended by Decision 2006/512/EC (OJ L 200, 22.7.2006, p. 11).

- (104) This Regulation incorporates provisions concerning the applicability of the competition rules under the Treaty. Such provisions have, so far, been dealt with in Regulation (EC) No 1184/2006. The scope of that Regulation should be amended so that its provisions only apply to products listed in Annex I to the Treaty that are not covered by this Regulation.
- (105) This Regulation incorporates the provisions contained in the basic regulations listed in recitals (2) and (3) with the exception of those contained in Regulations (EC) No 2200/96, (EC) No 2201/96 and (EC) No 1493/1999. Moreover, this Regulation incorporates the provisions of the following Regulations:
 - Council Regulation (EEC) No 2729/75 of 29 October 1975 on the import levies on mixtures of cereals, rice and broken rice,
 - Council Regulation (EEC) No 2763/75 of 29 October 1975 laying down general rules for granting private storage aid for pigmeat (1),
 - Council Regulation (EEC) No 2782/75 of 29 October 1975 on the production and marketing of eggs for hatching and of farmyard poultry chicks,
 - Council Regulation (EEC) No 707/76 of 25 March 1976 on the recognition of producer groups of silkworm rearers (2),
 - Council Regulation (EEC) No 1055/77 of 17 May 1977 on the storage and movement of products bought in by an intervention agency (3),
 - Council Regulation (EEC) No 2931/79 of 20 December 1979 on the granting of assistance for the exportation of agricultural products which may benefit from a special import treatment in a third country (4),
 - Council Regulation (EEC) No 3220/84 of 13 November 1984 determining the Community scale for grading pig carcasses,
 - Council Regulation (EEC) No 1898/87 of 2 July 1987 on the protection of designations used in marketing milk and milk products,
 - Council Regulation (EEC) No 3730/87 of 10 December 1987 laying down the general rules for the supply of food from intervention stocks to designated organisations for distribution to the most deprived persons in the Community,
 - Council Regulation (EEC) No 386/90 of 12 February 1990 on the monitoring carried out at the time of export of agricultural products receiving refunds or other amounts (5),
 - Council Regulation (EEC) No 1186/90 of 7 May 1990 extending the scope of the Community scale for the classification of carcasses of adult bovine animals,
 - Council Regulation (EEC) No 1906/90 of 26 June 1990 on certain marketing standards for poultrymeat,
 - Council Regulation (EEC) No 2204/90 of 24 July 1990 laying down additional general rules on the common organisation of the market in milk and milk products as regards cheese,

⁽¹⁾ OJ L 282, 1.11.1975, p. 19.

⁽²⁾ OJ L 84, 31.3.1976, p. 1.

⁽³⁾ OJ L 128, 24.5.1977, p. 1. (4) OJ L 334, 28.12.1979, p. 8.

⁽⁵⁾ OJ L 42, 16.2.1990, p. 6. Regulation as amended by Regulation (EC) No 163/94 (OJ L 24, 29.1.1994, p. 2).

- Council Regulation (EEC) No 2077/92 of 30 June 1992 concerning inter-branch organisations and agreements in the tobacco sector (¹),
- Council Regulation (EEC) No 2137/92 of 23 July 1992 concerning the Community scale for the classification of carcasses of ovine animals and determining the Community standard quality of fresh or chilled sheep carcasses,
- Council Regulation (EC) No 2991/94 of 5 December 1994 laying down standards for spreadable fats,
- Council Regulation (EC) No 2597/97 of 18 December 1997 laying down additional rules on the common organisation of the market in milk and milk products for drinking milk,
- Council Regulation (EC) No 2250/1999 of 22 October 1999 concerning the tariff quota for butter of New Zealand origin (2),
- Council Regulation (EC) No 1788/2003 of 29 September 2003 establishing a levy in the milk and milk products sector,
- Council Regulation (EC) No 1028/2006 of 19 June 2006 on marketing standards for eggs,
- Council Regulation (EC) No 1183/2006 of 24 July 2006 concerning the Community scale for the classification of carcasses of adult bovine animals.
- (106) These Regulations should therefore be repealed. In the interests of legal certainty and given the number of acts to be repealed by this Regulation and the number of acts adopted pursuant to or amended by those acts, it is appropriate to clarify that repeal does not affect the validity of any legal acts adopted on the basis of the repealed act or of any amendments to other legal acts made thereby.
- (107) This Regulation should, as a general rule, start to apply on 1 January 2008. However, in order to ensure that the new provisions of this Regulation do not interfere with the ongoing 2007/2008 marketing year, a later date of application should be provided for in respect of those sectors for which marketing years are foreseen. This Regulation should therefore only apply as of the start of the 2008/2009 marketing year for the sectors concerned. As a consequence, the respective regulations governing those sectors should continue to apply until the end of the corresponding marketing year 2007/2008.
- (108) Moreover, in respect of certain other sectors for which no marketing years are foreseen, a later date of application should also be provided for in order to ensure the smooth transition from the existing CMOs to this Regulation. As a consequence, the regulations governing the existing CMOs for those sectors should continue to apply until the later date of application provided for in this Regulation.

⁽¹⁾ OJ L 215, 30.7.1992, p. 80.

⁽²⁾ OJ L 275, 26.10.1999, p. 4.

- (109) As regards Regulation (EC) No 386/90, the competence for the adoption of the substance dealt with by that Regulation is being transferred to the Commission by this Regulation. Moreover, Regulations (EEC) No 3220/84, (EEC) No 1186/90, (EEC) No 2137/92 and (EC) No 1183/2006 are being repealed by this Regulation whilst only certain provisions of those Regulations are being incorporated into this Regulation. Further details contained in those Regulations will therefore have to be dealt with in implementing rules yet to be adopted by the Commission. Some more time should be allowed for the Commission to establish the respective rules. The mentioned Regulations should therefore continue to apply until 31 December 2008.
- (110) The following acts of the Council have become redundant and should be repealed:
 - Council Regulation (EEC) No 315/68 of 12 March 1968 fixing quality standards for flowering bulbs, corms and tubers (1),
 - Council Regulation (EEC) No 316/68 of 12 March 1968 fixing quality standards for fresh cut flowers and fresh ornamental foliage (2),
 - Council Regulation (EEC) No 2517/69 of 9 December 1969 laying down certain measures for reorganising Community fruit production (3),
 - Council Regulation (EEC) No 2728/75 of 29 October 1975 on aids for the production of and trade in potato starch and potatoes for starch manufacture (4),
 - Council Regulation (EEC) No 1358/80 of 5 June 1980 fixing the guide price and the intervention price for adult bovine animals for the 1980/81 marketing year and introducing a Community grading scale for carcasses of adult bovine animals (5),
 - Council Regulation (EEC) No 4088/87 of 21 December 1987 fixing conditions for the application of preferential customs duties on imports of certain flowers originating in Cyprus, Israel and Jordan (6),
 - Council Decision 74/583/EEC of 20 November 1974 on the monitoring of sugar movements (7).
- (111) The transition from the arrangements provided for in the provisions and Regulations repealed by this Regulation could give rise to difficulties which are not dealt with in this Regulation. In order to deal with such difficulties, the Commission should be enabled to adopt transitional measures,

HAS ADOPTED THIS REGULATION:

⁽¹⁾ OJ L 71, 21.3.1968, p. 1. Regulation as last amended by Regulation (EEC) No 4112/88 (OJ L 361, 29.12.1988, p. 7).

⁽²⁾ OJ L 71, 21.3.1968, p. 8. Regulation as last amended by Regulation (EEC) No 309/79 (OJ L 42, 17.2.1979, p. 21).

⁽³⁾ OJ L 318, 18.12.1969, p. 15. Regulation as last amended by Regulation (EEC) No 1153/78 (OJ L 144, 31.5.1978, p. 4).

⁽⁴⁾ OJ L 281, 1.11.1975, p. 17.

⁽⁵⁾ OJ L 140, 5.6.1980 p. 4.
(6) OJ L 382, 31.12.1987, p. 22. Regulation as last amended by Regulation (EC) No 1300/97 (OJ L 177 5.7.1997 p. 1).

⁽⁷⁾ OJ L 317, 27.11.1974, p. 21.

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PART I

INTRODUCTORY PROVISIONS

Article 1

Scope

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

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2. In respect of the wine sector, only Article 195 of this Regulation shall apply.

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- 3. This Regulation establishes specific measures for the following sectors as listed and, as the case may be, as further defined in Annex II:
- (a) ethyl alcohol of agricultural origin, Part I of Annex II (hereinafter referred to as the agricultural ethyl alcohol sector);
- (b) apiculture products, Part II of Annex II (hereinafter referred to as the apiculture sector);
- (c) silkworms, Part III of Annex II.

▼<u>M3</u>

4. In respect of potatoes, fresh or chilled of CN code 0701, Chapter II of Part IV shall apply.

Definitions

- 1. For the purposes of application of this Regulation, the definitions concerning certain sectors as set out in Annex III shall apply.
- 2. For the purposes of this Regulation:
- (a) 'farmer' shall mean a farmer as defined in Regulation (EC) No 1782/2003;
- (b) 'paying agency' shall mean the body or the bodies assigned by a Member State in accordance with Regulation (EC) No 1290/2005;
- (c) 'intervention price' shall mean the price at which products shall be bought into public intervention.

Article 3

Marketing years

The following marketing years shall be established:

- (a) 1 January to 31 December of a given year for the banana sector;
- (b) 1 April to 31 March of the following year for:
 - (i) the dried fodder sector;
 - (ii) the silkworm sector;
- (c) 1 July to 30 June of the following year for:
 - (i) the cereals sector;
 - (ii) the seeds sector;
 - (iii) the olive oil and table olives sector;
 - (iv) the flax and hemp sector;
 - (v) the milk and milk products sector;
- (d) 1 September to 31 August of the following year for the rice sector;
- (e) 1 October to 30 September of the following year for the sugar sector.

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For products of the fruit and vegetables and processed fruit and vegetables sectors, the marketing years shall, if necessary, be fixed by the Commission.

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Article 4

Commission powers

Save as otherwise provided for by this Regulation, where powers are conferred upon the Commission, it shall act in accordance with the procedure referred to in Article 195(2).

Article 5

Implementing rules

The Commission may adopt the detailed rules for the application of Article 2.

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The Commission may amend the definitions concerning rice set out in Part I of Annex III and the definition of 'ACP/Indian sugar' set out in point 12 of Part II of that Annex.

The Commission may also fix the conversion rates for rice at various stages of processing, the processing costs and the value of by-products.

PART II

INTERNAL MARKET

TITLE I

MARKET INTERVENTION

CHAPTER I

Public intervention and private storage

Section I

General provisions

Article 6

Scope

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

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(d) 'cream' shall mean cream obtained directly and exclusively from milk.

Article 7

Community origin

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

Reference prices

- 1. For products subject to the intervention measures referred to in Article 6(1) the following reference prices shall be fixed:
- (a) as regards the cereals-sector:

EUR 101,31/tonne, increased monthly as follows:

— November: by EUR 0,46/tonne,

— December: by EUR 0,92/tonne,

— January: by EUR 1,38/tonne,

— February: by EUR 1,84/tonne,

- March: by EUR 2,30/tonne,

— April: by EUR 2,76/tonne,

- May: by EUR 3,22/tonne,

— June: by EUR 3,22/tonne.

The reference price valid for maize and grain sorghum in June shall remain valid in July, August and September of the same year;

- (b) as regards paddy rice, EUR 150/tonne for standard quality as defined in point A of Annex IV;
- (c) as regards sugar:
 - (i) for white sugar:
 - EUR 541,5/tonne for the marketing year 2008/2009,
 - EUR 404,4/tonne as from the marketing year 2009/2010;
 - (ii) for raw sugar:
 - EUR 448,8/tonne for the marketing year 2008/2009,
 - EUR 335,2/tonne as from the marketing year 2009/2010.

The reference prices laid down in points (i) and (ii) shall apply to unpacked sugar, ex factory of standard quality as defined in point B of Annex IV;

- (d) as regards the beef and veal sector, EUR 2 224/tonne for carcasses of male bovine animals of grade R3 as laid down in the Community scale for the classification of carcasses of adult bovine animals provided for in Article 42(1)(a);
- (e) as regards the milk and milk products sector:
 - (i) EUR 246,39 per 100 kg for butter;

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(ii) EUR 169,80 per 100 kg for skimmed milk powder;

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- (f) as regards the pigmeat sector, EUR 1 509,39/tonne for pig carcasses of standard quality defined in terms of weight and lean meat content in accordance with the Community scale for the classification of pig carcasses, provided for in Article 42(1)(b) as follows:
 - (i) carcasses weighing from 60 to less than 120 kg: grade E as laid down in point B II of Annex V;
 - (ii) carcasses weighing from 120 to 180 kg: grade R as laid down in point B II of Annex V.
- 2. The reference prices for cereals and rice set out in points (a) and (b) of paragraph 1 respectively, shall relate to the wholesale stage for

goods delivered to the warehouse, before unloading. Those reference prices shall be valid for all Community intervention centres designated in accordance with Article 41.

3. The Council, acting in accordance with the procedure laid down in Article 37(2) of the Treaty, may change the reference prices fixed in paragraph 1 of this Article in the light of developments in production and the markets.

Article 9

Price reporting in the sugar market

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

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

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

Section II

Public intervention

Subsection I

General provisions

Article 10

Products eligible for public intervention

- 1. Public intervention shall be applicable in respect of the following products subject to the conditions laid down in this Section and further requirements and conditions to be determined by the Commission in accordance with Article 43:
- (a) common wheat, durum wheat, barley, maize and sorghum;
- (b) paddy rice;
- (c) white or raw sugar provided that the sugar concerned has been produced under quota and manufactured from beet or cane harvested in the Community;
- (d) 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;
- (e) butter produced directly and exclusively from pasteurised cream in an approved undertaking of the Community of a minimum butterfat content, by weight, of 82 % and a maximum water content, by weight, of 16 %;

▼M3

(f) skimmed milk powder of top quality made from milk in an approved undertaking in the Community by the spray process, with a minimum protein-content of 34,0 % by weight of the fat free dry matter.

▼B

2. Public intervention may be applied in the pigmeat sector, subject to the conditions laid down in this Section and further requirements and conditions to be determined by the Commission in accordance with

Article 43, in respect of carcasses or half-carcasses, fresh or chilled, falling within CN code 0203 11 10, bellies (streaky), fresh or chilled, falling within CN code ex 0203 19 15, and unrendered pig fat, fresh or chilled, falling within CN code ex 0209 00 11.

Subsection II

Opening and suspension of buying-in

Article 11

Cereals

- 1. For cereals, public intervention shall be open:
- (a) from 1 August to 30 April in the case of Greece, Spain, Italy and Portugal;
- (b) from 1 December to 30 June in the case of Sweden;
- (c) from 1 November to 31 May in the case of the other Member States.

However, buying into public intervention of maize shall only be carried out within the following limits:

- (a) 700 000 tonnes for the marketing year 2008/2009;
- (b) 0 tonnes as from the marketing year 2009/2010.
- 2. In the event of the intervention period in Sweden leading to the diversion of such cereals from other Member States into intervention in Sweden, the Commission shall adopt measures to rectify the position.

Article 12

Rice

For paddy rice, public intervention shall be open during the period 1 April to 31 July. However, buying into public intervention shall only be carried out within the limit of 75 000 tonnes per period.

Article 13

Sugar

- 1. For sugar, public intervention shall be open throughout the marketing years 2008/2009 and 2009/2010. However, public intervention shall only be carried out within the limits of 600 000 tonnes, expressed in white sugar, per marketing year.
- 2. Sugar stored in accordance with paragraph 1 during a marketing year may not be subject to any other storage measures provided for in Articles 32, 52 or 63.

Article 14

Beef and veal

1. The Commission, without the assistance of the Committee referred to in Article 195(1), shall open public intervention for beef and veal if, for a period of two consecutive weeks, the average market price in a Member State or in a region of a Member State recorded on the basis of the Community scale for the classification of carcasses provided for in Article 42(1) falls short of EUR 1 560/tonne.

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2. The Commission, without the assistance of the Committee referred to in Article 195(1), shall close the public intervention if, for a period of at least one week, the condition provided for in paragraph 1 is no longer met.

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Article 15

Butter

- 1. For butter, public intervention shall be open during the period 1 March to 31 August.
- 2. Where the quantities offered for intervention during the period laid down in paragraph 1 exceed 30 000 tonnes, the Commission may suspend buying-in by public intervention. In that case buying-in may be carried out on the basis of a tendering procedure according to specifications to be determined by the Commission.

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Article 16

Skimmed milk powder

For skimmed milk powder public intervention shall be open during the period 1 March to 31 August.

However, the Commission may suspend public intervention as soon as the quantities offered for intervention in that period exceed 109 000 tonnes. In that case buying-in may be carried out on the basis of a tendering procedure according to specifications to be determined by the Commission.

Article 17

Pigmeat

The Commission may decide to open public intervention in the pigmeat sector when the average Community market price for pig carcasses as established by reference to the prices recorded in each Member State on the representative markets of the Community and weighted by means of coefficients reflecting the relative size of the pig herd in each Member State, is, and is likely to remain, at less than 103 % of the reference price.

Subsection III

Intervention Price

Article 18

Cereals

The intervention price for cereals shall be equal to the reference price without prejudice to price increases or reductions for quality reasons.

Article 19

Rice

The intervention price for rice shall be equal to the reference price.

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However, if the quality of the products offered to the paying agency differs from the standard quality, defined in point A of Annex IV, the intervention price shall be increased or reduced accordingly.

Moreover, increases and reductions of the intervention price may be fixed by the Commission in order to ensure that production is orientated towards certain varieties.

Article 20

Sugar

The intervention price for sugar shall be 80 % of the reference price fixed for the marketing year following the marketing year during which the offer is lodged.

However, if the quality of the sugar offered to the paying agency differs from the standard quality defined in point B of Annex IV for which the reference price is fixed, the intervention price shall be increased or reduced accordingly.

Article 21

Beef and veal

- 1. The intervention prices for beef and veal and the quantities accepted for intervention shall be determined by the Commission by means of tendering procedures. In special circumstances, they may be fixed per Member State or per region of a Member State on the basis of recorded average market prices.
- 2. Only offers equal to or less than the average market price recorded in a Member State or a region of a Member State and increased by an amount to be determined by the Commission on the basis of objective criteria may be accepted.

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Article 22

Butter

Without prejudice to the fixing of the intervention price by means of a tendering procedure in the case referred to in Article 15(2), the intervention price for butter shall be 90 % of the reference price.

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Article 23

Skimmed milk powder

Without prejudice to the fixing of the intervention price by means of a tendering procedure in the case referred to in the second paragraph of Article 16, the intervention price for skimmed milk powder shall be equal to the reference price.

Pigmeat

- 1. The intervention price in the pigmeat sector shall be fixed by the Commission for pig carcasses of standard quality. The intervention price may not be more than 92 % or less than 78 % of the reference price.
- 2. For products of standard quality other than pig carcasses, the intervention price shall be derived from the intervention price for pig carcasses on the basis of the ratio existing between the commercial value of these products to the commercial value of pig carcasses.
- 3. For products other than those of standard quality, the intervention price shall be derived from those in force for the relevant standard qualities, by reference to differences in quality in relation to the standard quality. This price shall apply to defined qualities.

Subsection IV

Disposal from intervention

Article 25

General principles

Disposal of products bought into public intervention shall take place in such a way as to avoid any disturbance of the market, to ensure equal access to the goods and equal treatment of purchasers and in compliance with the commitments resulting from agreements concluded in accordance with Article 300 of the Treaty.

Article 26

Sugar disposal

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

However, the Commission may decide that paying agencies:

- (a) may sell the sugar at a price equal to or lower than the reference price referred to in the first paragraph if the sugar is intended:
 - (i) for use as animal feed, or

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- (ii) for export, either without further processing or after processing into products listed in Annex I to the Treaty or into goods listed in Part III of Annex XX to this Regulation, or
- (iii) for industrial use referred to in Article 62.

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(b) are to make unprocessed sugar held by them available, for human consumption on the internal market of the Community, to charitable organisations — recognised by the Member State concerned or by the Commission in cases where a Member State has not recognised any such organisation — at a price which is lower than the current reference price or free of charge for distribution as part of individual emergency aid operations.

Distribution to the most deprived persons in the Community

1. Products which are in intervention stocks shall be made available to certain designated organisations to enable food to be distributed to the most deprived persons in the Community in accordance with an annual plan.

The distribution shall be:

- (a) free of charge, or
- (b) at a price which is in no case greater than that justified by the costs incurred by the designated organisations in implementing the action.
- 2. A product may be mobilised on the Community market where:
- (a) it is temporarily unavailable in Community intervention stocks during implementation of the annual plan referred to in paragraph 1, to the extent necessary to allow implementation of the plan in one or more Member States, and provided that the costs remain within the limits of the costs provided for in the Community budget for that purpose, or
- (b) implementation of the plan would involve the transfer between Member States of small quantities of products in intervention in a Member State other than that or those in which the product is required.
- 3. Member States concerned shall designate the organisations referred to in paragraph 1 and shall notify the Commission in due time each year if they wish to apply this scheme.
- 4. The products referred to in paragraphs 1 and 2 shall be released free of charge to the designated organisations. The accounting value of such products shall be the intervention price, adjusted by coefficients where necessary to take account of quality differences.
- 5. Without prejudice to Article 190, the products made available under paragraphs 1 and 2 of this Article shall be financed by appropriations in the relevant budgetary heading within the EAGF of the budget of the European Communities. Provision may also be made for this financing to contribute towards the costs of transport of products from intervention centres and for administrative costs for the designated organisations generated by the implementation of the scheme set out in this Article, excluding any costs which may be borne by the beneficiaries within the framework of the application of paragraphs 1 and 2.

Section III

Private storage

Subsection I

Mandatory aid

Article 28

Eligible products

Aid for private storage shall be granted for the following products subject to the conditions set out in this Section and to further requirements and conditions to be adopted by the Commission in accordance with Article 43:

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

▼B

- (b) in respect of cheese:
 - (i) Grana Padano cheese at least nine months old,
 - (ii) Parmigiano Reggiano cheese at least 15 months old,
 - (iii) Provolone cheese at least three months old.

▼M3

Article 29

Conditions and aid-level for butter

The amount of aid for butter shall be fixed by the Commission in the light of storage costs and the likely trends in prices for fresh butter and butter from stocks.

Where, at the time of removal from storage, an adverse change unforeseeable at the time of entry into storage has occurred on the market, the aid may be increased.

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Article 30

Conditions and aid-level for cheese

The conditions for, and amount of, aid to be paid for cheese shall be laid down by the Commission. The amount of aid shall be fixed taking account of storage costs and the likely trend of the market price.

The paying agency designated by the Member State in which the cheeses concerned are produced and in which those cheeses qualify to bear the designation of origin shall implement the measures taken by the Commission pursuant to the first paragraph.

Subsection II

Optional Aid

Article 31

Eligible products

- Aid for private storage may be granted in respect of the following products subject to the conditions set out in this Section and to further requirements and conditions to be adopted by the Commission in accordance with Article 43:
- (a) white sugar;
- (b) olive oil;

(c) fresh or chilled meat of adult bovine animals presented in the form of carcasses, half-carcasses, compensated quarters, forequarters or hindquarters, classified in accordance with the Community scale for the classification of carcasses of adult bovine animals provided for in Article 42(1);

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- (e) longkeeping cheeses and cheeses which are manufactured from sheep and/or goat's milk and require at least six months maturing;
- (f) pigmeat;
- (g) sheepmeat and goatmeat.

The Commission may amend the list of products laid down in point (c) of the first subparagraph if the market situation so requires

▼M3

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

In respect of the cheeses referred to in paragraph 1(e), the aid shall be fixed in the light of storage costs and the balance to be maintained between cheeses for which aid is granted and other cheeses coming on the market.

▼B

Article 32

Conditions of granting for white sugar

- 1. If the average Community price recorded for white sugar is below the reference price, during a representative period, and is likely to remain at that level, taking into account the market situation, the Commission may decide to grant aid for private storage of white sugar to undertakings which are allocated a sugar quota.
- 2. Sugar stored in accordance with paragraph 1 during a marketing year may not be subject to any other storage measures provided for in Articles 13, 52 or 63.

Article 33

Conditions of granting for olive oil

The Commission may decide to authorise bodies, offering sufficient guarantees and approved by the Member States, to conclude contracts for the storage of olive oil that they market in the event of a serious disturbance on the market in certain regions of the Community, *interalia*, when the average price recorded on the market during a representative period is less than:

- (a) EUR 1 779/tonne for extra virgin olive oil, or
- (b) EUR 1710/tonne for virgin olive oil, or
- (c) EUR 1 524/tonne for lampante olive oil having 2 degrees of free acidity, this amount being reduced by EUR 36,70/tonne for each additional degree of acidity.

Article 34

Conditions of granting for products of the beef and veal sector

When the average Community market price recorded on the basis of the Community scale for the classification of carcasses of adult bovine

animals provided for in Article 42(1) is, and is likely to remain, at less than 103 % of the reference price, the Commission may decide to grant aid for private storage.

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Article 36

Conditions of granting for cheese

- 1. If price developments and the stock situation for the cheese products referred to in point (e) of Article 31(1) indicate a serious imbalance of the market which may be eliminated or reduced by seasonal storage, the Commission may decide to grant aid for private storage.
- 2. If at the time the storage contract expires, the level of market prices for cheeses in store is higher than that prevailing when the contract was signed the Commission may decide to adjust the amount of aid accordingly.

Article 37

Conditions of granting for pigmeat

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

Article 38

Conditions of granting for sheepmeat and goatmeat

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

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

Section IV

Common provisions

Article 39

Rules concerning storage

1. Paying agencies may not store, outside the territory of the Member State within whose jurisdiction they fall, products they have bought in unless they have obtained prior authorisation from the Commission.

The territories of Belgium and Luxembourg shall be considered as a single Member State for the purposes of this Article.

2. Authorisation shall be granted if storage is essential and taking into account the following factors:

- (a) storage possibilities and storage requirements in the Member State within whose jurisdiction the paying agency falls and in other Member States;
- (b) any additional costs resulting from storage in the Member State within whose jurisdiction the paying agency falls and from transportation.
- 3. Authorisation for storage in a third country shall be granted only if, on the basis of the criteria set out in paragraph 2, storage in another Member State would create significant difficulties.
- 4. The information referred to in point (a) of paragraph 2 shall be drawn up after consulting all the Member States.
- 5. Any customs duties and any other amounts to be granted or levied under the common agricultural policy shall not apply to products:
- (a) transported following an authorisation granted under paragraphs 1, 2 and 3, or
- (b) transferred from one paying agency to another.
- 6. Any paying agency acting in accordance with paragraphs 1, 2 and 3 shall remain responsible for products stored outside the territory of the Member State within whose jurisdiction it falls.
- 7. If products held by a paying agency outside the territory of the Member State within whose jurisdiction it falls are not brought back into that Member State, they shall be disposed of at the prices and subject to the conditions laid down or to be laid down for the place of storage.

Rules for tendering procedures

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

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

Article 41

Intervention centres

1. The Commission shall designate the intervention centres in the cereals and rice sectors and determine the conditions applying thereto.

In respect of products of the cereals sector, the Commission may designate intervention centres for each cereal.

- 2. When drawing up the list of intervention centres the Commission shall in particular take account of the following factors:
- (a) situation of the centres in surplus areas in respect of the products concerned;
- (b) availability of sufficient premises and technical equipment;
- (c) favourable situation as regards means of transport.

Carcass classification

- 1. Community scales for the classification of carcasses shall apply in accordance with the rules laid down in Annex V in the following sectors:
- (a) beef and veal as regards carcasses of adult bovine animals;
- (b) pigmeat as regards carcasses of pigs other than those which have been used for breeding.

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

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

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

Article 43

Implementing rules

Without prejudice to any specific powers conferred upon the Commission by the provisions of this Chapter, the Commission shall adopt the detailed rules for its implementation, which may relate in particular to:

- (a) the requirements and conditions to be met by, and, in the case of pigmeat, the list of products to be bought-into public intervention as referred to in Article 10 or for which aid for private storage is granted as referred to in Articles 28 and 31, in particular with respect to quality, quality groups, quality grades, categories, quantities, packaging including labelling, maximum ages, preservation, the stage of the products to which the intervention price relates, the duration of private storage;
- (b) amendments to Part B of Annex IV;
- (c) where applicable, the scale of applicable price increases and reductions;
- (d) the procedures and conditions for taking over into public intervention by paying agencies and the granting of aid for private storage, in particular:
 - (i) with regard to the conclusion and the content of contracts;
 - (ii) the duration of the period of private storage and the conditions according to which such periods, once specified in the contracts, may be curtailed or extended;
 - (iii) the conditions according to which it may be decided that products covered by private storage contracts may be remarketed or disposed of;
 - (iv) the Member State where a request for private storage may be submitted:
- (e) the adoption of the list of representative markets referred to in Articles 17 and 37;
- (f) the rules as regards the conditions for disposal of products boughtin under public intervention, in particular as regards selling prices,

- the conditions for release from storage, where appropriate, the subsequent use or destination of products thus released, checks to be carried out and, as the case may be, a system of securities to be applied;
- (g) the setting-up of the annual plan referred to in Article 27(1);
- (h) the condition of mobilisation on the Community market referred to in Article 27(2);
- the rules concerning the authorisations referred to in Article 39 including, as far as strictly necessary, derogations from the rules on trade;
- (j) the rules relating to the procedures to be followed in the case of the making use of tendering procedures;
- (k) the rules concerning the designation of intervention centres referred to in Article 41;
- the conditions to be met by the stores where products may be stored;
- (m) the Community scales for the classification of carcasses provided for in Article 42(1), in particular as regards:
 - (i) definitions;
 - (ii) carcass presentations for the purpose of price reporting in respect of the classification of carcasses of adult bovine animals;
 - (iii) in respect of the measures to be taken by slaughterhouses as provided for in point III of point A of Annex V:
 - any derogations referred to in Article 5 of Directive 88/409/EEC for slaughterhouses wishing to restrict their production to the local market,
 - any derogations which may be granted to Member States which so request for slaughterhouses in which few bovine animals are slaughtered;
 - (iv) authorising the Member States not to apply the grading scale for the classification of pig carcasses and to use assessment criteria in addition to weight and estimated lean-meat content;
 - (v) rules concerning the reporting of prices of certain products by the Member States.

CHAPTER II

Special intervention measures

Section I

Exceptional market support measures

Article 44

Animal diseases

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

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

(a) beef and veal;

- (b) milk and milk products;
- (c) pigmeat;
- (d) sheepmeat and goatmeat;
- (e) eggs;
- (f) poultrymeat.
- 2. The measures provided for in the first subparagraph of paragraph 1 shall be taken at the request of the Member State(s) concerned.

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

Article 45

Loss in consumer confidence

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

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

Article 46

Financing

1. For exceptional measures referred to in Articles 44 and 45, the Community shall provide part-financing equivalent to 50 % of the expenditure borne by Member States.

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

- 2. Member States shall ensure that, where producers contribute to the expenditure borne by Member States, this does not result in distortion of competition between producers in different Member States.
- 3. Articles 87, 88 and 89 of the Treaty shall not apply to Member States' financial contributions towards the exceptional measures referred to in Articles 44 and 45.

Section II

Measures in the cereals and rice sectors

Article 47

Special market measures in the cereals sector

- 1. Where the market situation so dictates, the Commission may take special intervention measures in respect of the cereals sector. Such intervention measures may in particular be taken if, in one or more regions of the Community, market prices fall, or threaten to fall, in relation to the intervention price.
- 2. The nature and application of the special intervention measures and the conditions and procedures for the sale or for any other means

of disposal of the products subject to those measures shall be adopted by the Commission.

Article 48

Special market measures in the rice sector

- 1. The Commission may take special measures to:
- (a) prevent large-scale application of public intervention, as provided for in Section II of Chapter I of this Part, in the rice sector in certain regions of the Community;
- (b) make up for paddy rice shortages following natural disasters.
- 2. The Commission shall adopt the detailed rules for the implementation of this Article.

Section III

Measures in the sugar sector

Article 49

Minimum beet price

- 1. The minimum price for quota beet shall be:
- (a) EUR 27,83 per tonne for the marketing year 2008/2009;
- (b) EUR 26,29 per tonne as from the marketing year 2009/2010.
- 2. The minimum price referred to in paragraph 1 shall apply to sugar beet of the standard quality defined in Part B of Annex IV.
- 3. Sugar undertakings buying quota beet suitable for processing into sugar and intended for processing into quota sugar shall be required to pay at least the minimum price, adjusted by price increases or reductions to allow for deviations from the standard quality.

Increases and reductions referred to in the first subparagraph shall be applied in accordance with implementing rules to be laid down by the Commission.

4. For the quantities of sugar beet corresponding to the quantities of industrial sugar or surplus sugar that are subject to the surplus levy provided for in Article 64, the sugar undertaking concerned shall adjust the purchase price so that it is at least equal to the minimum price for quota beet.

Article 50

Interprofessional agreements

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

- (b) out-of-quota sugar.
- 4. Each sugar undertaking shall provide the Member State in which it produces sugar with the following information:
- (a) the quantities of beet referred to in point (a) of paragraph 3, for which they have concluded pre-sowing delivery contracts and the sugar content on which those contracts are based;
- (b) the corresponding estimated yield.

Member States may require additional information.

▼M3

- 5. Sugar undertakings which have not signed pre-sowing delivery contracts at the minimum price for quota beet for a quantity of beet equivalent to the sugar for which they hold a quota, adjusted, as the case may be, by the coefficient for a preventive withdrawal fixed in accordance with the first subparagraph of Article 52(2), shall be required to pay at least the minimum price for quota beet for all the sugar beet they process into sugar.
- 6. Subject to the approval of the Member State concerned, agreements within the trade may derogate from paragraphs 3, 4 and 5.

▼B

7. If no agreements within the trade exist, the Member State concerned shall take the necessary steps compatible with this Regulation to protect the interests of the parties concerned.

Article 51

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 56(2).
- 2. The production charge shall be set at EUR 12,00 per tonne of the quota sugar and quota inulin syrup. For isoglucose, the production charge shall be set at 50 % of the charge applicable to sugar.
- 3. The totality of the production charge paid in accordance with paragraph 1 shall be charged by the Member State to the undertakings on its territory according to the quota held during the marketing year concerned.

Payments shall be made by the undertakings by the end of February of the relevant marketing year at the latest.

4. Community sugar and inulin syrup undertakings may require sugar-beet or sugar-cane growers or chicory suppliers to bear up to 50 % of the production charge concerned.

Article 52

Withdrawal of sugar

1. In order to preserve the structural balance of the market at a price level which is close to the reference price, taking into account the commitments of the Community resulting from agreements concluded in accordance with Article 300 of the Treaty, a percentage, common to all Member States, of quota sugar, quota isoglucose and quota inulin syrup may be withdrawn from the market until the beginning of the following marketing year.

In that case, the traditional supply need for refining imported raw sugar provided for in Article 153 shall be reduced by the same percentage for the marketing year concerned.

- 2. The withdrawal percentage referred to in paragraph 1 shall be determined by 31 October of the marketing year concerned at the latest on the basis of expected market trends during that marketing year.
- 3. Each undertaking provided with a quota shall store at its own expense during the period of withdrawal the quantities of sugar corresponding to the application of the percentage referred to in paragraph 1 to its production under quota for the marketing year concerned.

The sugar quantities withdrawn during a marketing year shall be treated as the first quantities produced under quota for the following marketing year. However, taking into account the expected sugar market trends, the Commission may decide to consider, for the current and/or the following marketing year, all or part of the withdrawn sugar, isoglucose or inulin syrup as:

- (a) surplus sugar, surplus isoglucose or surplus 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 commitments of the Community resulting from agreements concluded in accordance with Article 300 of the Treaty.
- 4. If sugar supply in the Community is inadequate, the Commission may decide that a certain quantity of withdrawn sugar, isoglucose and inulin syrup may be sold on the Community market before the end of the period of withdrawal.
- 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 13, 32 or 63.

▼ M3

Article 52a

Withdrawal of sugar in the 2008/2009 and 2009/2010 marketing years

- 1. By way of derogation from Article 52(2) of this Regulation, for Member States for which the national sugar quota has been reduced as a result of renunciations of quota in accordance with Articles 3 and 4a(4) of Regulation (EC) No 320/2006, the coefficient shall be fixed by the Commission for the 2008/2009 and 2009/2010 marketing years by way of application of Annex VIIc to this Regulation.
- 2. An undertaking which, in accordance with Article 3(1)(a) or (b) of Regulation (EC) No 320/2006, renounces, with effect from the following marketing year, the total quota assigned to it shall, at its request, not be submitted to the application of the coefficients referred to in Article 52(2) of this Regulation. That request shall be submitted before the end of the marketing year to which the withdrawal applies.

▼<u>B</u>

Article 53

Implementing rules

The Commission may adopt the detailed rules for the implementation of this Section and, in particular:

- (a) the criteria to be applied by the sugar undertakings when allocating among beet sellers the quantities of beet to be covered by presowing delivery contracts as referred to in Article 50(4);
- (b) the percentage of withdrawn quota sugar referred to in Article 52(1);

(c) the conditions for the payment of the minimum price where the withdrawn sugar is being sold on the Community market under Article 52(4).

Section IV

Adjustment of supply

Article 54

Measures to facilitate the adjustment of supply to market requirements

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

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

CHAPTER III

Systems of production limitation

Section I

General provisions

Article 55

Quota systems

- 1. A quota system shall apply to the following products:
- (a) milk and other milk products as defined in points (a) and (b) of Article 65;
- (b) sugar, isoglucose and inulin syrup.
- 2. If a producer exceeds the relevant quota and, with regard to sugar, does not make use of the surplus quantities as provided for in Article 61, a surplus levy shall be payable on such quantities subject to the conditions set out in Sections II and III.
- 3. This Regulation shall apply without prejudice to the application of Council Regulation (EC) No 1868/94 establishing a quota system in relation to the production of potato starch (1).

OJ L 197, 30.7.1994, p. 4. Regulation as last amended by Regulation (EC) No 671/2007 (OJ L 156, 16.6.2007, p. 1).

Section II

Sugar

Subsection I

Quota allocation and management

Article 56

Quota allocation

- 1. The quotas for the production of sugar, isoglucose and inulin syrup at national or regional level are fixed in Annex VI.
- 2. Member States shall allocate a quota to each undertaking producing sugar, isoglucose or inulin syrup established in its territory and approved in accordance with Article 57.

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

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

Article 57

Approved undertakings

- 1. On request, Member States shall grant an approval to an undertaking producing sugar, isoglucose or inulin syrup or to an undertaking that processes these products into a product included in the list referred to in Article 62(2) provided that the undertaking:
- (a) proves its professional production capacities;
- (b) agrees to provide any information and to be subject to controls related to this Regulation;
- (c) is not subject to suspension or withdrawal of the approval.
- 2. The approved undertakings shall provide the Member State in whose territory the harvest of beet, cane or the refining takes place, with the following information:
- (a) the quantities of beet or cane for which a delivery contract has been concluded, as well as the corresponding estimated yields of beet or cane, and sugar per hectare;
- (b) data regarding provisional and actual sugar beet, sugar cane and raw sugar deliveries, and regarding sugar production and statements of sugar stocks;
- (c) quantities of white sugar sold and corresponding prices and conditions.

Article 58

Additional and supplementary isoglucose quota

1. In the marketing year 2008/2009 an additional isoglucose quota of 100 000 tonnes shall be added to the quota of the preceding marketing year. This increase shall not concern Bulgaria and Romania.

In the marketing year 2008/2009 an additional isoglucose quota of 11 045 tonnes for Bulgaria and of 1 966 tonnes for Romania shall be added to the quota of the preceding marketing year.

Member States shall allocate the additional quotas to undertakings, proportionately to the isoglucose quotas that have been allocated in accordance with Article 56(2).

- 2. Italy, Lithuania and Sweden may allocate, upon request by any undertaking established on their respective territories, a supplementary isoglucose quota in the marketing years 2008/2009 and 2009/2010. The maximum supplementary quotas are fixed per Member State in Annex VII.
- 3. A one-off amount of EUR 730 shall be levied on the quotas that have been allocated to undertakings in accordance with paragraph 2. It shall be collected per tonne of supplementary quota allocated.

▼<u>M3</u>

Article 59

Quota management

- 1. The Commission shall adjust the quotas set out in Annex VI by 30 April 2008 for the 2008/2009 marketing year and by 28 February 2009 and 2010 respectively for the 2009/2010 and 2010/2011 marketing years. The adjustments shall result from the application of paragraph 2 of this Article and Article 58 of this Regulation, and of Articles 3 and 4a(4) of Regulation (EC) No 320/2006.
- 2. Taking into account the results of the restructuring scheme provided for in Regulation (EC) No 320/2006, the Commission shall decide by 28 February 2010 the common percentage needed to reduce the existing quotas for sugar and isoglucose per Member State or region with a view to avoiding market imbalances in the marketing years from the 2010/2011 marketing year. The Member States shall adjust the quota of each undertaking accordingly.

By way of derogation from the first subparagraph of this paragraph, for Member States for which the national quota has been reduced as a result of renunciations of quota in accordance with Articles 3 and 4a(4) of Regulation (EC) No 320/2006, the Commission shall fix the percentage by way of application of Annex VIIa to this Regulation. Such Member States shall adjust, for each undertaking in their territory holding a quota, the percentage in accordance with Annex VIIb to this Regulation.

The first and second subparagraphs of this paragraph shall not apply to the outermost regions referred to in Article 299(2) of the Treaty.

Article 60

National quota reallocation and reduction of quotas

1. A Member State may reduce the sugar or isoglucose quota allocated to an undertaking established on its territory by up to $10\,\%$ for the marketing year 2008/2009 and following, whilst respecting the freedom of undertakings to participate in the mechanisms established by Regulation (EC) No 320/2006. In doing so, the Member States shall apply objective and non discriminatory criteria.

▼B

- 2. Member States may transfer quotas between undertakings in accordance with the rules laid down in Annex VIII 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.

▼ M3

4. By way of derogation from paragraph 3 of this Article, where Article 4a of Regulation (EC) No 320/2006 is applied, Member States shall adjust the sugar quota allocated to the undertaking concerned by applying the reduction defined under paragraph 4 of that Article, within the limit of the percentage fixed in paragraph 1 of this Article.

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Subsection II

Quota Overrun

Article 61

Scope

The sugar, isoglucose or inulin syrup produced during a marketing year in excess of the quota referred to in Article 56 may be:

- (a) used for the processing of certain products as referred to in Article 62;
- (b) carried forward to the quota production of the next marketing year, in accordance with Article 63;
- (c) used for the specific supply regime for the outermost regions, in accordance with Title II of Council Regulation (EC) No 247/2006 (1); or
- (d) exported within the quantitative limit fixed by the Commission respecting the commitments resulting from agreements concluded in accordance with Article 300 of the Treaty.

Other quantities shall be subject to the surplus levy referred to in Article 64.

Article 62

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 57; and
- (b) it has been delivered to the user by 30 November of the following marketing year at the latest.
- 2. The Commission shall draw up a list of products for the production of which industrial sugar, industrial isoglucose or industrial inulin syrup is used.

The list shall in particular include:

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

⁽¹⁾ OJ L 42, 14.2.2006, p. 1.

Carry forward of surplus sugar

- 1. Each undertaking may decide to carry forward all or part of its production in excess of its sugar quota, its isoglucose quota or its inulin syrup quota to be treated as part of the next marketing year's production. Without prejudice to paragraph 3, that decision shall be irrevocable.
- 2. Undertakings which take the decision referred to in paragraph 1 shall:
- (a) inform the Member State concerned before a date to be determined by that Member State:
 - between 1 February and 30 June of the current marketing year for quantities of cane sugar being carried forward,
 - between 1 February and 15 April of the current marketing year for other quantities of sugar or inulin syrup being carried forward;
- (b) undertake to store such quantities at their own expense until the end of the current marketing year.
- 3. If an undertaking's definitive production in the marketing year concerned was less than the estimate made when the decision in accordance with paragraph 1 was taken, the quantity carried forward may be adjusted retroactively by 31 October of the following marketing year at the latest.
- 4. The quantities carried forward shall be deemed to be the first quantities produced under the quota of the following marketing year.
- 5. Sugar stored in accordance with this Article during a marketing year may not be subject to any other storage measures provided for in Articles 13, 32 or 52.

Article 64

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 63 or quantities referred to in points (c) and (d) of Article 61;
- (b) industrial sugar, industrial isoglucose and industrial inulin syrup for which no proof has been supplied, by a date to be determined by the Commission, that it has been processed into one of the products referred to in Article 62(2);

▼<u>M3</u>

(c) sugar and isoglucose withdrawn from the market in accordance with Articles 52 and 52a and for which the obligations provided for in Article 52(3) are not met.

▼<u>B</u>

- 2. The surplus levy shall be fixed by the Commission at a sufficiently high level in order to avoid the accumulation of quantities referred to in paragraph 1.
- 3. The surplus levy referred to in paragraph 1 shall be charged by the Member State to the undertakings on its territory according to the quantities of production referred to in paragraph 1 that have been established for those undertakings for the marketing year concerned.

Section III Milk

Subsection I

General provisions

Article 65

Definitions

For the purposes of this Section:

- (a) 'milk' shall mean the produce of the milking of one or more cows;
- (b) 'other milk products' means any milk product other than milk, in particular skimmed milk, cream, butter, yoghurt and cheese; when relevant, these shall be converted into 'milk equivalents' by applying coefficients to be fixed by the Commission;
- (c) 'producer' means a farmer with a holding located within the geographical territory of a Member State, who produces and markets milk or who is preparing to do so in the very near future;
- (d) 'holding' means a holding as defined in Article 2 of Regulation (EC) No 1782/2003;
- (e) 'purchaser' means undertakings or groups which buy milk from producers:
 - to subject it to collecting, packing, storing, chilling or processing, including under contract,
 - to sell it to one or more undertakings treating or processing milk or other milk products.

However, any group of purchasers in the same geographical area which carries out the administrative and accounting operations necessary for the payment of the surplus levy on behalf of its members shall be regarded as a purchaser. For the purposes of the first sentence of this subparagraph, Greece shall be considered a single geographical area and it may deem an official body to be a group of purchasers;

- (f) 'delivery' means any delivery of milk, not including any other milk products, by a producer to a purchaser, whether the transport is carried out by the producer, a purchaser, an undertaking processing or treating such products or a third party;
- (g) 'direct sale' means any sale or transfer of milk by a producer directly to consumers, as well as any sale or transfer of other milk products by a producer. The Commission may, while respecting the definition of 'delivery' given in point (f), adjust the definition of 'direct sale' in order to ensure, in particular, that no quantity of marketed milk or other milk products is excluded from the quota arrangements;
- (h) 'marketing' means deliveries of milk or direct sales of milk or other milk products;
- (i) 'individual quota' means a producer's quota at 1 April of any twelve-month period;
- (j) 'national quota' means the quota referred to in Article 66, fixed for each Member State;
- (k) 'available quota' means the quota available to producers on 31 March of the twelve-month period for which the surplus levy is calculated, taking account of all transfers, sales, conversions and

temporary re-allocations provided for in this Regulation which have taken place during that twelve-month period.

Subsection II

Quota allocation and management

Article 66

National quotas

- 1. The national quotas for the production of milk and other milk products marketed during seven consecutive periods of twelve months commencing on 1 April 2008 (hereinafter referred to as 'twelve-month periods') are fixed in point 1 of Annex IX.
- 2. The quotas referred to in paragraph 1 shall be divided between producers in accordance with Article 67, distinguishing between deliveries and direct sales. Any overrun of the national quotas shall be determined nationally in each Member State, in accordance with this Section and making a distinction between deliveries and direct sales.
- 3. The national quotas set out in point 1 of Annex IX shall be fixed without prejudice to possible review in the light of the general market situation and particular conditions existing in certain Member States.
- 4. For Bulgaria and Romania a special restructuring reserve shall be established as set out in point 2 of Annex IX. This reserve shall be released as from 1 April 2009 to the extent that the on-farm consumption of milk and milk products in each of these countries has decreased since 2002.

The decision on releasing the reserve and its distribution to the deliveries and direct sales quota shall be taken by the Commission on the basis of a report to be submitted by Bulgaria and Romania to the Commission by 31 December 2008. This report shall detail the results and trends of the actual restructuring process in each country's dairy sector, and in particular the shift from production for on-farm consumption to production for the market.

5. For Bulgaria, the Czech Republic, Estonia, Cyprus, Latvia, Lithuania, Hungary, Malta, Poland, Romania, Slovenia and Slovakia the national quotas shall include all milk or milk equivalent delivered to a purchaser or sold directly, irrespective of whether it is produced or marketed under a transitional measure applicable in those countries.

Article 67

Individual quotas

- 1. The producers' individual quota or quotas at 1 April 2008 shall be equal to their individual reference quantity or quantities at 31 March 2008 without prejudice to transfers, sales and conversions of quota that take effect on 1 April 2008.
- 2. Producers may have either one or two individual quotas, one for deliveries and the other for direct sales. A producer's quantities may be converted from one quota to the other only by the competent authority of the Member State, at the duly justified request of the producer.
- 3. Where a producer has two quotas, his contribution to any surplus levy due shall be calculated separately for each.
- 4. The part of the Finnish national quota allocated to the deliveries referred to in Article 66 may be increased by the Commission to compensate Finnish SLOM producers up to 200 000 tonnes. This reserve, to be allocated in accordance with Community legislation,

must be used exclusively on behalf of producers whose right to take up production again has been affected as a result of accession.

5. Individual quotas shall be modified, where appropriate, for each of the twelve-month periods concerned, so that, for each Member State, the sum of the individual quotas for the deliveries and that for the direct sales does not exceed the corresponding part of the national quota adapted in accordance with Article 69, taking account of any reductions made for allocation to the national reserve as provided for in Article 71.

Article 68

Allocation of quotas from the national reserve

Member States shall adopt rules allowing for allocation to producers of all or part of the quotas from the national reserve provided for in Article 71 on the basis of objective criteria to be notified to the Commission.

Article 69

Management of quotas

- 1. The Commission shall adapt, for each Member State and for each period, before the end of that period, the division between 'deliveries' and 'direct sales' of national quotas, in the light of the conversions requested by producers, between individual quotas for deliveries and for direct sales.
- 2. Member States shall each year forward to the Commission, by dates and according to rules to be fixed by the Commission in accordance with Article 192(2), the information necessary to:
- (a) make the adaptation referred to in paragraph 1 of this Article;
- (b) calculate the surplus levy to be paid by them.

Article 70

Fat content

- 1. Each producer shall be assigned a reference fat content, to be applied to the individual quota for deliveries allocated to that producer.
- 2. For the quotas allocated to producers on 31 March 2008 in accordance with Article 67(1), the reference fat content referred to in paragraph 1 shall be the same as the reference fat content applied to that quota at that date.
- 3. The reference fat content shall be altered during the conversion referred to in Article 67(2) and where quotas are acquired, transferred or temporarily transferred in accordance with rules to be established by the Commission.
- 4. For new producers having an individual quota for deliveries allocated entirely from the national reserve, the fat content shall be fixed in accordance with rules to be established by the Commission.
- 5. The individual reference fat content referred to in paragraph 1 shall be adjusted, where appropriate, upon the entry into force of this Regulation and thereafter, at the beginning of each twelve-month period as necessary, so that, for each Member State, the weighted average of the individual representative fat contents does not exceed by more than 0,1 gram per kg the reference fat content set in Annex X.

For Romania the reference fat content set in Annex X shall be reviewed on the basis of the figures for the full year 2004 and, if necessary, adjusted by the Commission.

National reserve

- 1. Each Member State shall set up a national reserve as part of the national quotas fixed in Annex IX, in particular with a view to making the allocations provided for in Article 68. The national reserve shall be replenished, as appropriate, by withdrawing some quantities as provided for in Article 72, retaining part of transfers as provided for in Article 76, or by making an across-the-board reduction in all individual quotas. The quotas in question shall retain their original purpose, i.e. deliveries or direct sales.
- 2. Any additional quota allocated to a Member State shall automatically be placed in the national reserve and divided into deliveries and direct sales according to foreseeable needs.
- 3. The quotas placed in the national reserve shall not have a reference fat content.

Article 72

Cases of inactivity

1. When a natural or legal person holding individual quotas no longer meets the conditions referred to in point (c) of Article 65 during a twelve-month period, the corresponding quantities shall revert to the national reserve no later than 1 April of the following calendar year, unless that person becomes once again a producer within the meaning of point (c) of Article 65 before that date.

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

2. Where producers do not market a quantity equal to at least 70 % of their individual quota during at least one twelve-month period, Member States may decide whether and on what conditions all or part of the unused quota shall revert to the national reserve.

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

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

Article 73

Temporary transfers

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

Member States may regulate transfer operations according to the categories of producers or milk production structures concerned, may limit them to the level of the purchaser or within regions, authorise complete transfers in the cases referred to in Article 72(3) and determine to what extent the transferor can repeat transfer operations.

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

Transfers of quotas together with land

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

Article 75

Special transfer measures

- 1. With a view to successfully restructuring milk production or improving the environment, Member States may, in accordance with detailed rules which they shall lay down, taking account of the legitimate interests of the parties concerned:
- (a) grant compensation in one or more annual instalments to producers who undertake to abandon permanently all or part of their milk production and place the individual quotas thus released in the national reserve:
- (b) determine on the basis of objective criteria the conditions on which producers may obtain, in return for payment, at the beginning of a twelve-month period, the re-allocation by the competent authority or a body designated by that authority of individual quotas released definitively at the end of the preceding twelve-month period by other producers in return for compensation in one or more annual instalments equal to the abovementioned payment;
- (c) centralise and supervise transfers of quotas without land;
- (d) provide, in the case of land transferred with a view to improving the environment, for the individual quota concerned to be allocated to a producer giving up the land but wishing to continue milk production;
- (e) determine, on the basis of objective criteria, the regions or collection areas within which the permanent transfer of quotas without transfer of the corresponding land is authorised, with the aim of improving the structure of milk production;

- (f) authorise, upon application by a producer to the competent authority or a body designated by that authority, the definitive transfer of quotas without transfer of the corresponding land, or vice versa, with the aim of improving the structure of milk production at the level of the holding or to allow for extensification of production.
- 2. Paragraph 1 may be implemented at national level, at the appropriate territorial level or in specified collection areas.

Retention of quotas

- 1. In the case of transfers as referred to in Articles 74 and 75 Member States may, on the basis of objective criteria, retain part of the individual quotas for their national reserve.
- 2. Where quotas have been or are transferred in accordance with Articles 74 and 75 with or without the corresponding land by means of rural leases or by other means involving comparable legal effects, Member States may decide, on the basis of objective criteria and with the aim of ensuring that quotas are attributed solely to producers, whether and under which conditions all or part of the transferred quota shall revert to the national reserve.

Article 77

Aid for the acquisition of quotas

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

Subsection III

Quota overrun

Article 78

Surplus levy

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

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

- 2. Member States shall be liable to the Community for the surplus levy resulting from overruns of the national quota, determined nationally and separately for deliveries and direct sales, and between 16 October and 30 November following the twelve-month period concerned, shall pay 99 % of the amount due to the EAGF.
- 3. If the surplus levy provided for in paragraph 1 has not been paid before the due date and after consultation of the Committee of the Agricultural Funds, the Commission shall deduct a sum equivalent to the unpaid surplus levy from the monthly payments within the meaning of Articles 14 and 15(2) of Regulation (EC) No 1290/2005. Before taking its decision, the Commission shall warn the Member State concerned, which shall make its position known within one week. Article 14 of Council Regulation (EC) No 2040/2000 (1) shall not apply.
- 4. The Commission shall determine the arrangements for the implementation of this Article.

Contribution of producers to the surplus levy due

The surplus levy shall be entirely allocated, in accordance with Articles 80 and 83, among the producers who have contributed to each of the overruns of the national quotas referred to in Article 66(2).

Without prejudice to Articles 80(3) and 83(1), producers shall be liable vis-à-vis the Member State for payment of their contribution to the surplus levy due, calculated in accordance with Articles 69, 70 and 80, for the mere fact of having overrun their available quotas.

Article 80

Surplus levy on deliveries

- 1. In order to draw up the definitive surplus levy statement, the quantities delivered by each producer shall be increased or reduced to reflect any difference between the real fat content and the reference fat content, using coefficients and on terms to be laid down by the Commission.
- 2. Where, at national level, the sum of deliveries adjusted in accordance with paragraph 1 is less than the deliveries actually made, the surplus levy shall be calculated on the basis of the latter. In such cases, each downward adjustment shall be proportionately reduced so as to bring the sum of adjusted deliveries into line with the deliveries actually made.

Where the sum of the deliveries adjusted in accordance with paragraph 1 is greater than the deliveries actually made, the surplus levy shall be calculated on the basis of the former.

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

Article 81

Role of purchasers

- 1. Purchasers shall be responsible for collecting from producers contributions due from the latter by virtue of the surplus levy and shall pay to the competent body of the Member State, before a date and following a procedure to be laid down by the Commission, the amount of these contributions deducted from the price of the milk paid to the producers responsible for the overrun or, failing this, collected by any other appropriate means.
- 2. Where a purchaser fully or partially replaces one or more other purchasers, the individual quotas available to the producers shall be taken into account for the remainder of the twelve-month period in progress, after deduction of quantities already delivered and account being taken of their fat content. This paragraph shall also apply where a producer transfers from one purchaser to another.
- 3. Where, during the reference period, quantities delivered by a producer exceed that producer's available quota, the relevant Member State may decide that the purchaser shall deduct part of the price of the

milk in any delivery by the producer concerned in excess of the quota, by way of an advance on the producer's contribution, in accordance with detailed rules laid down by the Member State. The Member State may make specific arrangements to enable purchasers to deduct this advance where producers deliver to several purchasers.

Article 82

Approval

Purchaser status shall be subject to prior approval by the Member State in accordance with criteria to be laid by the Commission.

The conditions to be fulfilled and information to be provided by producers in the case of direct sales shall be established by the Commission.

Article 83

Surplus levy on direct sales

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

Article 84

Amounts paid in excess or unpaid

- 1. Where, in the case of deliveries or direct sales, the surplus levy is found to be payable and the contribution collected from producers is greater than that levy, the Member State may:
- (a) use partially or totally the excess to finance the measures in point (a) of Article 75(1), and/or
- (b) redistribute it partially or totally to producers who:
 - fall within priority categories established by the Member State on the basis of objective criteria and within the period to be laid down by the Commission, or
 - are affected by an exceptional situation resulting from a national rule unconnected with the quota system for milk and other milk products set up by this Chapter.
- 2. Where it is established that no surplus levy is payable, any advances collected by purchasers or the Member State shall be reimbursed no later than the end of the following twelve-month period.
- 3. Where a purchaser does not meet the obligation to collect the producers' contribution to the surplus levy in accordance with Article 81, the Member State may collect unpaid amounts directly from the producer, without prejudice to any penalties it may impose upon the defaulting purchaser.

4. Where a producer or a purchaser fails to comply with the time limit for payment, interest on arrears to be fixed by the Commission shall be paid to the Member State.

Section IV

Procedural provisions

Article 85

Implementing rules

The Commission shall adopt the detailed rules for the application of this Chapter which may relate, in particular, to:

- (a) supplementary information to be submitted by approved undertakings referred to in Article 57 as well as the criteria for administrative penalties, suspensions and withdrawal of approval of the undertakings;
- (b) the establishment and the communications of the amounts referred to in Article 58 and the surplus levy referred to in Article 64;
- (c) derogations from the dates laid down in Article 63.

CHAPTER IV

Aid schemes

Section I

Aid for processing

Subsection I

Dried fodder

Article 86

Eligible undertakings

- 1. Aid for processing in respect of the products of the dried fodder sector shall be granted to undertakings processing products of that sector falling into at least one of the following categories:
- (a) processors who have concluded contracts with producers of fodder for drying. Where a contract is a special-order contract for processing of fodder delivered by a producer, it shall include a clause containing an obligation for the processing undertakings to pay the producer the aid received for the quantity processed under the contract;
- (b) undertakings which have processed their own crop or, in the case of a group, that of its members;
- (c) undertakings which have obtained their supplies from natural or legal persons having concluded contracts with producers of fodder for drying.
- 2. The aid provided for in paragraph 1 shall be paid in respect of dried fodder that has left the processing plant and meets the following requirements:
- (a) its maximum moisture content is from 11 % to 14 % which may vary depending on the presentation of the product;

- (b) its minimum total crude protein content in the dry matter is not less than:
 - (i) 15 % for the products referred to in point (a) and the second indent of point (b) of Part IV of Annex I;
 - (ii) 45 % for the products referred to in the first indent of point (b) of Part IV of Annex I;
- (c) it is of sound and fair merchantable quality.

Advance payment

1. Processing undertakings shall be entitled to an advance payment of EUR 19,80 per tonne, or EUR 26,40 per tonne if they have lodged a security of EUR 6,60 per tonne.

Member States shall make the necessary checks to verify entitlement to the aid. Once entitlement has been established the advance shall be paid.

However, the advance may be paid before entitlement has been established provided the processor lodges a security equal to the amount of the advance plus 10 %. This security shall also serve as security for the purposes of the first subparagraph. It shall be reduced to the level specified in the first subparagraph as soon as entitlement to aid has been established and shall be released in full when the balance of the aid is paid.

- 2. Before an advance can be paid the dried fodder must have left the processing undertaking.
- 3. Where an advance has been paid, the balance amounting to the difference between the amount of the advance and the total aid due to the processing undertaking shall be paid subject to application of Article 88(2).
- 4. Where the advance exceeds the total to which the processing undertaking is entitled following the application of Article 88(2), the processor shall reimburse the excess to the competent authority of the Member State on request.

Article 88

Aid rate

- 1. The aid provided for in Article 86 shall be set at EUR 33/tonne.
- 2. By way of derogation from paragraph 1, where during a marketing year the volume of dried fodder for which aid is claimed exceeds the guaranteed maximum quantity set out in Article 89, the aid shall be reduced in each Member State in which production exceeds the guaranteed national quantity by reducing expenditure as a function of the percentage of the sum of the overruns represented by the overrun of that Member State.

The reduction shall be set by the Commission at a level ensuring that budget expenditure does not exceed that which would have been attained had the maximum guaranteed quantity not been exceeded.

Article 89

Guaranteed quantity

A maximum guaranteed quantity per marketing year of 4 960 723 tonnes of dehydrated and/or sun-dried fodder for which the aid provided for in Article 86 may be granted is hereby established. That

▼<u>B</u>

quantity shall be apportioned among the Member States concerned as national guaranteed quantities in accordance with point B of Annex XI.

Article 90

Implementing rules

The Commission shall adopt the detailed rules for the implementation of this Subsection which may, in particular, include rules concerning:

- (a) declarations to be submitted by undertakings when applying for aid;
- (b) conditions to be complied with for the determination of the eligibility for the aid, in particular as regards the keeping of stock records and other supporting documents;
- (c) the granting of the aid provided for in this Subsection and the advance, as well as the release of the securities, provided for in Article 87(1);
- (d) the conditions and criteria to be fulfilled by the undertakings referred to in Article 86 and, in the case where undertakings obtain their supplies from natural or legal persons, rules concerning the guarantees to be provided by those persons;
- (e) the terms of approvals of buyers of fodder for drying, to be applied by the Member States;
- (f) the criteria for determining the requirements laid down in Article 86(2);
- (g) the criteria to be fulfilled for the conclusion of contracts and information which they shall contain;
- (h) the application of the maximum guaranteed quantity laid down in Article 89;
- further requirements to those laid down in Article 86, in particular as regards carotene and fibre content.

▼M1

Subsection II

Flax and hemp grown for fibre

▼B

Article 91

Eligibility

▼<u>M1</u>

1. Aid for processing the straw of long flax grown for fibre shall be granted to authorised primary processors on the basis of the quantity of fibre actually obtained from straw for which a contract of sale has been concluded with a farmer.

During the marketing year 2008/2009 aid shall also be granted under the same conditions for processing the straw of short flax and hemp grown for fibre.

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However, in cases where farmers retain ownership of the straw which they are having processed under contract by an authorised primary processor and prove that they have placed the fibres obtained on the market, the aid shall be granted to the farmers.

In cases where the authorised primary processor and the farmer are one and the same person, the contract of sale shall be replaced by a commitment by the party concerned to carry out the processing itself.

▼M1

For the purposes of this Subsection, 'authorised primary processor' shall mean a natural or legal person or a group of natural or legal persons, irrespective of its legal status under national law, or that of its members, that has been authorised by the competent authority of the Member State in the territory of which are located its facilities for producing flax or hemp fibre.

▼B

Article 92

Aid rate

▼M1

- The amount of processing aid provided for in Article 91 shall be fixed:
- (a) for long flax fibre:
 - at EUR 160 per tonne for the 2008/2009 marketing year,
 - at EUR 200 per tonne from the 2009/2010 marketing year onwards;
- (b) during the marketing year 2008/2009, for short flax and hemp fibre containing not more than 7,5 % impurities and shives, at EUR 90 per tonne.

However, the Member State may, with reference to traditional outlets, also decide to grant aid:

- (a) for short flax fibre containing a percentage of impurities and shives of between 7,5 % and 15 %;
- (b) for hemp fibre containing a percentage of impurities and shives of between 7,5 % and 25 %.

In the cases provided for in the second subparagraph, the Member State shall grant the aid in respect of a quantity which amounts to not more than the quantity produced, on the basis of 7,5 % of impurities and shives.

▼B

The quantities of fibre eligible for aid shall be limited on the basis of the areas which were the subject of one of the contracts or commitments referred to in Article 91.

The limits referred to in the first subparagraph shall be fixed by the Member States so as to comply with the national guaranteed quantities referred to in Article 94.

Article 93

Advance payment

At the request of authorised primary processors, an advance shall be paid on the aid referred to in Article 91 on the basis of the quantity of fibre obtained.

Article 94

Guaranteed quantity

▼M1

A maximum guaranteed quantity of 80 878 tonnes per marketing year shall be established for long flax fibre in respect of which aid may be granted. That quantity shall be apportioned among certain

▼M1

Member States as national guaranteed quantities in accordance with point A.I. of Annex XI.

A maximum guaranteed quantity of 147 265 tonnes for the marketing year 2008/2009 shall be established for short flax fibre and hemp fibre in respect of which aid may be granted. That quantity shall be apportioned as national guaranteed quantities among certain Member States in accordance with point A.II. of Annex XI.

▼B

In cases where the fibre obtained in one Member State originates from straw produced in another Member State, the quantities of fibre concerned shall be offset against the national guaranteed quantity of the Member State in which the straw was harvested. The aid shall be paid by the Member State against whose national guaranteed quantity such an offset is made.

▼M1

Each Member State may transfer part of its national guaranteed quantity as referred to in paragraph 1 to its national guaranteed quantity as referred to in paragraph 1a and vice versa.

Transfers as referred to in the first subparagraph shall be carried out on the basis of an equivalence of one tonne of long flax fibre to 2,2 tonnes of short flax fibre and hemp fibre.

Processing aid shall be granted only in respect of the quantities referred to in paragraphs 1 and 1a, respectively, adjusted in accordance with the first two subparagraphs of this paragraph.

Article 94a

Additional aid

During the 2008/2009 marketing year, additional aid shall be granted to the authorised primary processor in respect of areas under flax in zones I and II as described in point A.III. of Annex XI and the straw production of which has been the subject of:

- (a) a sale/purchase contract or a commitment as referred to in Article 91(1); and
- (b) aid for processing into long fibre.

The amount of additional aid shall be EUR 120 per hectare in zone I and EUR 50 per hectare in zone II.

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Article 95

Implementing rules

The Commission shall adopt the detailed rules for the implementation of this Subsection which may, in particular, include rules concerning:

- (a) the conditions for authorisation of primary processors referred to in Article 91;
- (b) the conditions to be met by approved primary processors as regards the contracts of sale and commitments referred to in Article 91(1);
- (c) the requirements to be complied with by farmers in the case referred to in the second subparagraph of Article 91(1);
- (d) the criteria to be met by long flax fibre;
- (e) the conditions for the grant of aid and the advance payment, and in particular proof of the processing of straw;
- (f) the conditions to be met for fixing the limits referred to in Article 92(2).

Section II

Production refund

Article 96

Production refund for starch

- 1. A production refund may be granted:
- (a) for starch obtained from maize, wheat or potatoes and for certain derivatives used in the manufacture of certain products, a list of which shall be drawn up by the Commission;
- (b) in the absence of significant domestic production of other cereals for the production of starch, for the following quantities of starch obtained each marketing year in Finland and Sweden from barley and oats, insofar as it does not entail an increase in the level of starch production from those two cereals:
 - (i) 50 000 tonnes in Finland,
 - (ii) 10 000 tonnes in Sweden.
- 2. The refund referred to in paragraph 1 shall be fixed by the Commission periodically.

Article 97

Production refund in the sugar sector

- 1. A production refund may be granted on the products of the sugarsector listed in points (b) to (e) of Part III of Annex I if surplus sugar or imported sugar, surplus isoglucose or surplus inulin syrup is not available at a price corresponding to the world price for the manufacturing of the products referred to in Article 62(2)(b) and (c).
- 2. The production refund referred to in paragraph 1 shall be fixed taking into account in particular the costs arising from the use of imported sugar which the industry would have to bear in the event of supply on the world market and the price of the surplus sugar available on the Community market or the reference price if there is no surplus sugar.

Article 98

Conditions for granting

The Commission shall adopt the conditions for the granting of the production refunds referred to in this Section, as well as the amount of such refunds and, as regards the production refund for sugar provided for in Article 97, the eligible quantities.

Section III

Aids in the milk and milk products sector

Article 99

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

1. Aid shall be granted for skimmed milk and skimmed-milk powder intended for use as feedingstuffs, according to conditions and product standards to be determined by the Commission.

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

- Aid amounts shall be fixed by the Commission taking into account the following factors:
- (a) the reference price fixed in point (e)(ii) of Article 8(1) for skimmedmilk powder;
- (b) development of the supply situation as regards skimmed milk and skimmed-milk powder, and developments in the use thereof as feed;
- (c) trends in calf prices;
- (d) trends in the market prices for competing proteins as compared with those for skimmed-milk powder.

Article 100

Aid for skimmed milk processed into casein and caseinates

- Aid shall be granted for Community-produced skimmed milk processed into casein and caseinates, according to conditions and product standards of such milk and the casein or caseinates produced from it to be determined by the Commission.
- Aid shall be fixed by the Commission taking into account the following factors:
- (a) the reference price for skimmed-milk powder, or the market price for first-quality spray-process skimmed-milk powder, if that price exceeds the reference price;
- (b) the market prices for casein and caseinates on the Community and world markets.

The aid may vary, according to whether the skimmed milk is processed into casein or caseinates and according to the quality of those products.

Article 101

Aid for the purchase of cream, butter and concentrated butter at reduced prices

Under conditions to be determined by the Commission, when surpluses of milk products build up or are likely to occur, the Commission may decide that aid shall be granted to enable cream, butter and concentrated butter to be purchased at reduced prices:

(a) by non-profit making institutions and organisations;

▼ M3

- (b) by manufacturers of pastry products and ice-cream;
- (c) by manufacturers of other foodstuffs to be determined by the Commission:
- (d) for the direct consumption of concentrated butter.

▼B

Article 102

Aid for the supply of milk products to pupils

Under conditions to be determined by the Commission, Community aid shall be granted for supplying to pupils in educational establishments certain processed milk products to be determined by the Commission falling within CN codes 0401, 0403, 0404 90 and 0406 or CN code 2202 90.

2. By way of derogation from Article 180, Member States may, in addition to Community aid, grant national aid for supplying the products referred to in paragraph 1 to pupils in educational establishments. Member States may finance their national aid by means of a levy on the dairy sector or by any other contribution from the dairy sector.

▼<u>M3</u>

3. The Community aid shall be EUR 18,15/100 kg for all milk.

The amounts of aid for other eligible milk products shall be determined taking into account the milk components of the product concerned.

▼B

4. The aid referred to in paragraph 1 shall be granted on a maximum quantity of 0,25 litre of milk equivalent per pupil and per day.

Section IV

Aids in the olive oil and table olives sector

Article 103

Aids to operator organisations

- 1. The Community shall finance, by means of the amounts withheld by Member States in accordance with Article 110i (4) of Regulation (EC) No 1782/2003, three-year work programmes to be drawn up by operator organisations referred to in Article 125 in one or more of the following areas:
- (a) the market follow-up and administrative management in the olive oil and table olives sector;
- (b) the improvement of the environmental impacts of olive cultivation;
- (c) the improvement of the production quality of olive oil and table olives;
- (d) the traceability system, the certification and protection of the quality of olive oil and table olives, in particular the monitoring of the quality of olive oils sold to final consumers, under the authority of the national administrations;
- (e) the dissemination of information on the activities carried out by operator organisations with the aim of improving the quality of olive oil.
- 2. The maximum Community funding for the work programmes referred to in paragraph 1 shall be equal to the part of the amounts withheld by the Member States. This funding shall concern the eligible cost with a maximum of:
- (a) 100 % for activities in the areas referred to in points (a) and (b) of paragraph 1;
- (b) 100 % for fixed assets investments and 75 % for other activities in the area referred to in point (c) of paragraph 1;
- (c) 75 % for the work programmes carried out in at least three third countries or non-producing Member States by approved operator organisations from at least two producer Member States in the areas referred to in points (d) and (e) of paragraph 1, and 50 % for the other activities in these areas.

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

The Commission shall establish the detailed rules for the application of this Article and in particular the procedures for the approval of the work

programmes by the Member States and the types of activities eligible under such programmes.

3. Without prejudice to any specific provisions which may be adopted by the Commission in accordance with Article 194, Member States shall verify that the conditions for granting Community funding are met. To that end, they shall carry out an audit of work programmes and a control plan involving a sample determined on the basis of a risk analysis and comprising at least 30 % per year of producer organisations and all the other operators' organisations in receipt of Community funding under this Article.

▼<u>M3</u>

Section IVa

AIDS in the fruit and vegetables sector

Subsection I

Producer groups

Article 103a

Aid to producer groups

- 1. During the transitional period allowed pursuant to Article 125e, Member States may grant to producer groups in the fruit and vegetables sector which have been formed in view of being recognised as a producer organisation:
- (a) aid to encourage their formation and facilitate their administrative operation;
- (b) aid, provided either directly or through credit institutions, to cover part of the investments required to attain recognition and set out in the recognition plan referred to in the third subparagraph of Article 125e(1).
- 2. The aid referred to in paragraph 1 shall be reimbursed by the Community in accordance with rules to be adopted by the Commission on the financing of such measures, including the thresholds and ceilings and the degree of Community financing.
- 3. The aid referred to in paragraph 1(a) shall be determined for each producer group on the basis of its marketed production and shall amount, for the first, second, third, fourth and fifth years, to:
- (a) 10 %, 10 %, 8 %, 6 % and 4 % respectively of the value of marketed production in the Member States which acceded to the European Union on 1 May 2004 or thereafter; and
- (b) 5 %, 5 %, 4 %, 3 % and 2 %, respectively of the value of marketed production in the outermost regions of the Community as referred to in Article 299(2) of the Treaty or in the smaller Aegean Islands as referred to in Article 1(2) of Regulation (EC) No 1405/2006 of 18 September 2006 laying down specific measures for agriculture in favour of the smaller Aegean Islands (1).

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

⁽¹⁾ OJ L 265, 26.9.2006, p. 1.

Subsection II

Operational funds and operational programmes

Article 103b

Operational funds

- 1. Producer organisations in the fruit and vegetables sector may set up an operational fund. The fund shall be financed by:
- (a) financial contributions of members or of the producer organisation itself;
- (b) Community financial assistance which may be granted to producer organisations.
- 2. Operational funds shall be used only to finance operational programmes approved by Member States in accordance with Article 103g.

Article 103c

Operational programmes

- 1. Operational programmes in the fruit and vegetables sector shall have two or more of the objectives referred to in Article 122(c) or of the following objectives:
- (a) planning of production;
- (b) improvement of product quality;
- (c) boosting products' commercial value;
- (d) promotion of the products, whether in a fresh or processed form;
- (e) environmental measures and methods of production respecting the environment, including organic farming;
- (f) crisis prevention and management.
- 2. Crisis prevention and management shall be related to avoiding and dealing with crises on the fruit and vegetable markets and shall cover in this context:
- (a) market withdrawal;
- (b) green harvesting or non-harvesting of fruit and vegetables;
- (c) promotion and communication;
- (d) training measures;
- (e) harvest insurance;
- (f) support for the administrative costs of setting up mutual funds.

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

In order to finance crisis prevention and management measures, producer organisations may take out loans on commercial terms. In this case, the repayment of the capital and interest on those loans may form part of the operational programme and so may be eligible for Community financial assistance under Article 103d. Any specific action under crisis prevention and management shall be financed either by such loans, or directly, but not both.

3. Member States shall provide that:

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

Environmental actions shall respect the requirements for agri-environment payments set out in the first subparagraph of Article 39(3) of Council Regulation (EC) No 1698/2005 of 20 September 2005 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) (1).

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

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

- 4. Paragraph 3 shall only apply in Bulgaria and Romania from 1 January 2011.
- 5. Investments which increase environmental pressure shall only be permitted in situations where effective safeguards to protect the environment from these pressures are in place.

Article 103d

Community financial assistance

- 1. The Community financial assistance shall be equal to the amount of the financial contributions referred to in Article 103b(1)(a) as actually paid but limited to 50 % of the actual expenditure incurred.
- 2. The Community financial assistance shall be capped at 4,1 % of the value of the marketed production of each producer organisation.

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

- 3. At the request of a producer organisation, the percentage provided for in paragraph 1 shall be 60 % for an operational programme or part of an operational programme where it meets at least one of the following conditions:
- (a) it is submitted by several Community 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 until 31 December 2008, by Council Regulation (EEC) No 2092/91 of 24 June 1991 on organic production of agricultural products and indications referring thereto on agricultural products and foodstuffs (²) and, from 1 January 2009, by Council Regulation (EC) No 834/2007 of 28 June 2007 on organic production and labelling of organic products (³);

OJ L 277, 21.10.2005, p. 1. Regulation as last amended by Regulation (EC) No 146/2008 (OJ L 46, 21.2.2008, p. 1).

⁽²⁾ OJ L 198, 22.7.1991, p. 1. Regulation as last amended by Commission Regulation (EC) No 123/2008 (OJ L 38, 13.2.2008, p. 3).

⁽³⁾ OJ L 189, 20.7.2007, p. 1.

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- (d) it is submitted by a producer organisation in one of the Member States which acceded to the European Union on 1 May 2004 or thereafter for measures running no later than the end of 2013;
- (e) it is the first to be submitted by a recognised producer organisation which has merged with another recognised producer organisation;
- (f) it is the first to be submitted by a recognised association of producer organisations;
- (g) it is submitted by producer organisations in Member States where producer organisations market less than 20 % of fruit and vegetables production;
- (h) it is submitted by a producer organisation in one of the outermost regions of the Community;
- it covers solely specific support for actions to promote the consumption of fruit and vegetables targeted at children in educational establishments.
- 4. The percentage provided for in paragraph 1 shall be 100 % in the case of market withdrawals of fruit and vegetables which shall not exceed 5 % of the volume of marketed production of each producer organisation and which are disposed of by way of:
- (a) free distribution to charitable organisations and foundations, approved to that effect by the Member States, for use in their activities to assist persons whose right to public assistance is recognised in national law, in particular because they lack the necessary means of subsistence;
- (b) free distribution to penal institutions, schools and public education institutions and to children's holiday camps as well as to hospitals and old people's homes designated by the Member States, which shall take all necessary steps to ensure that the quantities thus distributed are additional to the quantities normally bought in by such establishments.

Article 103e

National financial assistance

- 1. In regions of the Member States where the degree of organisation of producers in the fruit and vegetables sector is particularly low, Member States may be authorised by the Commission, on a duly substantiated request, to pay producer organisations national financial assistance equal to a maximum of 80 % of the financial contributions referred to in Article 103b(1)(a). This assistance shall be additional to the operational fund. In regions of Member States where producer organisations market less than 15 % of the value of fruit and vegetable production and whose fruit and vegetable production represents at least 15 % of their total agricultural output, the assistance referred to in the first subparagraph may be reimbursed by the Community at the request of the Member State concerned.
- 2. By way of derogation from Article 180 of this Regulation, Articles 87, 88 and 89 of the Treaty shall not apply to the national financial assistance authorised pursuant to paragraph 1.

Article 103f

National framework and national strategy for operational programmes

1. Member States shall establish a national framework for drawing up the general conditions relating to the actions referred to in Article 103c(3). This framework shall provide in particular that such

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actions shall meet the appropriate requirements of Regulation (EC) No 1698/2005 including those in its Article 5 on complementarity, consistency and conformity.

Member States shall submit their proposed framework to the Commission which may require modifications within three months if it finds that the proposal does not enable the attainment of the objectives set out in Article 174 of the Treaty and in the sixth Community environment action programme (1). Investments on individual holdings supported by operational programmes shall also respect those objectives.

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

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

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

Article 103g

Approval of operational programmes

- 1. Draft operational programmes shall be submitted to the competent national authorities, who shall approve or reject them or request their modification in line with the provisions of this subsection.
- 2. Producer organisations shall communicate to the Member State the estimated amount of the operational fund for each year and shall submit appropriate reasons therefore based on operational programme estimates, expenditure for the current year and possibly expenditure for previous years and, if necessary, on estimated production quantities for the next year.
- 3. The Member State shall notify the producer organisation or association of producer organisations of the estimated amount of Community financial assistance in line with the limits set out in Article 103d.
- 4. Community financial assistance payments shall be made on the basis of expenditure incurred for the schemes covered by the operational programme. Advances may be made in respect of the same schemes subject to the provision of a guarantee or security.
- 5. The producer organisation shall notify the Member State of the final amount of expenditure for the previous year, accompanied by the necessary supporting documents, so that it may receive the balance of the Community financial assistance.
- 6. Operational programmes and their financing by producers and producer organisations on the one hand and by Community funds on the other shall have a minimum duration of three and a maximum duration of five years.

⁽¹) Decision No 1600/2002/EC of the European Parliament and of the Council of 22 July 2002 laying down the Sixth Community Environment Action Programme (OJ L 242, 10.9.2002, p. 1).

Article 103h

Implementing rules

The Commission shall establish the detailed rules for the application of this section, in particular:

- (a) rules on financing of the measures referred to in Article 103a, including the thresholds and ceilings for aid and the degree of Community co-financing of the aid;
- (b) the proportion of and rules on the reimbursement of the measures referred to in Article 103e(1);
- (c) rules on investments on individual holdings;
- (d) the dates for the communications and notifications referred to in Article 103g;
- (e) provision for partial payments of the Community financial assistance referred to in Article 103g.

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Section V

Community Tobacco Fund

Article 104

Tobacco Fund

- 1. A Community Tobacco Fund (hereinafter referred to as the Fund) shall be set up to finance measures in the following areas:
- (a) improving public awareness of the harmful effects of all forms of tobacco consumption, in particular through information and education, support for the collection of data to establish tobacco consumption patterns and to conduct epidemiological studies on nicotinism in the Community, and a study on preventing nicotinism;
- (b) specific measures to help tobacco growers to switch to other crops or other economic activities that create employment and studies of the possibilities for tobacco growers to do so.
- 2. The Fund shall be financed:
- (a) for the 2002 harvest by a deduction of 2 % and for the 2003, 2004 and 2005 harvests, of 3 % of the premium provided for in Title I of Regulation (EEC) No 2075/92 as applicable until and including the 2005 harvest for the financing of any kind of measures provided for in paragraph 1;

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(b) for the calendar years 2006 to 2009, in accordance with Article 110m of Regulation (EC) No 1782/2003.

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3. Detailed rules for the application of this Article shall be adopted by the Commission.

Section VI

Special provisions for the apiculture sector

Article 105

Scope

- 1. With a view to improving general conditions for the production and marketing of apiculture products, Member States may draw up a national programme for a period of three years (hereinafter referred to as the 'apiculture programme').
- 2. By way of derogation from Article 180, Articles 87, 88 and 89 of the Treaty shall not apply:
- (a) to the financial contribution provided by Member States for measures subject to Community support in accordance with this Section;
- (b) to specific national aids for the protection of apiaries disadvantaged by structural or natural conditions or under economic development programmes, except for those allocated for production or trade.

Aids referred to in point (b) shall be notified to the Commission by Member States together with the communication of the apiculture programme in accordance with Article 109.

Article 106

Measures eligible for aid

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

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

Measures financed from the EAFRD in accordance with Council Regulation (EC) No 1698/2005 (¹) shall be excluded from the apiculture programme.

Article 107

Study of the production and marketing structure in the beekeeping sector

To be eligible for the part-financing provided for in Article 108(1), Member States shall carry out a study of the production and marketing structure in the beekeeping sector in their territory.

⁽¹⁾ OJ L 277, 21.10.2005, p. 1.

Financing

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

Article 109

Consultation

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

Article 110

Implementing rules

The Commission shall establish the detailed rules for the application of this Section.

Section VII

Aids in the silkworm sector

Article 111

Aid to be granted to silkworm rearers

- 1. Aid shall be granted for silkworms falling within CN-code ex $0106\ 90\ 00$ and for silkworm eggs falling within CN-code ex $0511\ 99\ 85$ reared within the Community.
- 2. The aid shall be granted to silkworm rearers for each box of silkworm eggs used, on condition that the boxes contain a minimum quantity of eggs, to be determined, and that the worms have been successfully reared.
- 3. The aid per box of silkworm eggs used shall be EUR 133,26.

Article 112

Implementing rules

Detailed rules for the application of this Section shall be adopted by the Commission which shall cover, in particular, the minimum quantity of eggs referred to in Article 111(2).

TITLE II

RULES CONCERNING MARKETING AND PRODUCTION

CHAPTER I

Marketing standards and conditions for the production

Section I

Marketing standards

Article 113

Marketing standards

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- 1. Provision may be made by the Commission for marketing standards for one or more of the products of the following sectors:
- (a) olive oil and table olives in respect of the products referred to in point (a) of Part VII of Annex I;
- (b) fruit and vegetables;
- (c) processed fruit and vegetables;
- (d) bananas;
- (e) live plants.

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- 2. The standards referred to in paragraph 1:
- (a) shall be established taking into account, in particular:
 - (i) the specificities of the products concerned;
 - (ii) the need to ensure the conditions for a smooth disposal of those products on the market;

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(iii) the interest of consumers to receive adequate and transparent product information including, in particular for products of the fruit and vegetables and processed fruit and vegetables sectors, the country of origin, the class and, where appropriate, the variety (or the commercial type) of the product;

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(iv) as concerns the olive oils referred to in point (a) of Part VII of Annex I, changes in the methods used for determining their physical, chemical and organoleptic characteristics;

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- (v) as regards the fruit and vegetables and the processed fruit and vegetables sectors, the Standard recommendations adopted by the UN-Economic Commission for Europe (UN/ECE);
- (b) may in particular relate to quality, grading into classes, weight, sizing, packaging, wrapping, storage, transport, presentation, marketing, origin and labelling.

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3. Save as otherwise provided for by the Commission in accordance with the criteria referred to in point (a) of paragraph 2, the products for which marketing standards have been laid down may be marketed in the Community only in accordance with such standards.

Without prejudice to any specific provisions which may be adopted by the Commission in accordance with Article 194, Member States shall **▼**B

check whether those products conform to those standards and shall apply penalties as appropriate.

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Article 113a

Additional requirements for the marketing of the products of the fruit and vegetables sector

- 1. The 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 of this Article and in points (b) and (c) of Article 113(1) shall apply at all marketing stages including import and export unless otherwise provided for by the Commission.
- 3. The holder of products of the fruit and vegetables and processed fruit and vegetables sector covered by marketing standards may not display such products or offer them for sale or deliver or market them in any manner within the Community other than in conformity with those standards and shall be responsible for ensuring such conformity.
- 4. Further to the second subparagraph of Article 113(3) and without prejudice to any specific provisions which may be adopted by the Commission in accordance with Article 194, in particular on the consistent application in the Member States of the conformity checks, Member States shall, in respect of the fruit and vegetables and the processed fruit and vegetables sectors, check selectively, based on a risk analysis, whether the products concerned conform to the respective marketing standards. These checks shall be focused on the stage prior to dispatch from the production areas when the products are being packed or loaded. For products from third countries, checks shall be done prior to release for free circulation.

Article 113b

Marketing of the meat of bovine animals aged 12 months or less

1. Without prejudice to the provisions laid down in Article 42(1)(a) and (2) and point A of Annex V, the conditions laid down in Annex XIa, in particular the sales descriptions to be used set out in point III thereof, shall apply to the meat of bovine animals aged 12 months or less slaughtered on or after 1 July 2008, whether produced in the Community or imported from third countries.

However, the meat from animals aged 12 months or less and slaughtered before 1 July 2008 may continue to be marketed without meeting the conditions laid down in Annex XIa.

2. The conditions referred to in paragraph 1 shall not apply to the meat of bovine animals for which a protected designation of origin or geographical indication has been registered in accordance with Regulation (EC) No 510/2006 of 20 March 2006 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs (1), before 29 June 2007.

OJ L 93, 31.3.2006, p. 12. Regulation as amended by Regulation (EC) No 1791/2006 (OJ L 363, 20.12.2006, p. 1).

Marketing standards for milk and milk products

- 1. Foodstuffs intended for human consumption may be marketed as milk and milk products only if they comply with the definitions and designations laid down in Annex XII.
- 2. Without prejudice to exemptions provided for in Community law and to measures for the protection of public health, milk falling within CN code 0401 intended for human consumption may only be marketed within the Community in accordance with Annex XIII and, in particular, with the definitions set out in point I thereof.

Article 115

Marketing standards for fats

Without prejudice to Article 114(1) or to any provisions adopted in the veterinary and foodstuffs sectors to ensure that products comply with hygiene and health standards and to protect animal and human health, the standards laid down in Annex XV shall apply to the following products having a fat content of at least 10 % but less than 90 % by weight, intended for human consumption:

- (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 standards shall only apply to products which remain solid at a temperature of 20 °C, and which are suitable for use as spreads.

Article 116

Marketing standards for products of the eggs and poultrymeat sectors

Products of the eggs and poultrymeat sectors shall be marketed in accordance with the provisions set out in Annex XIV.

Article 117

Certification for hops

- 1. Products of the hops sector, harvested or prepared within the Community, shall be subject to a certification procedure.
- 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 indicate at least:
- (a) the place(s) of production of the hops;
- (b) the year(s) of harvesting;
- (c) the variety or varieties.

4. Products of the hops sector may be marketed or exported only if a certificate as referred to in paragraphs 1, 2 and 3 has been issued.

In the case of imported products of the hops sector, the attestation provided for in Article 158(2) shall be deemed to be equivalent to the certificate.

- 5. Measures derogating from paragraph 4 may be adopted by the Commission:
- (a) in order to satisfy the trade requirements of certain third countries;
- (b) for products intended for special uses.

The measures referred to in the first subparagraph shall:

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

Article 118

Marketing standards for olive oils and olive-pomace oils

- 1. The use of the descriptions and definitions of olive oils and olivepomace oils set out in Annex XVI shall be compulsory as regards the marketing of the products concerned within the Community and, insofar as compatible with international compulsory rules, in trade with third countries.
- 2. Only oils referred to in points 1(a) and (b), 3 and 6 of Annex XVI may be marketed at the retail stage.

Section II

Conditions for production

Article 119

Use of casein and caseinates in the manufacture of cheese

The use of casein and caseinates in the manufacture of cheese shall be subject to prior authorisation which shall be granted only if such use is a necessary condition for the manufacture of the products.

Article 120

Method of production of agricultural ethyl alcohol

The method of production and the characteristics of agricultural ethyl alcohol obtained from a specific agricultural product listed in Annex I to the Treaty may be laid down by the Commission.

Section III

Procedural rules

Article 121

Adoption of standards, implementing rules and derogations

The Commission shall establish the detailed rules for the application of this Chapter, which may in particular relate to:

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- (a) marketing standards referred to in Articles 113 and 113a including rules on:
 - derogations or exemptions from the application of the standards;
 - (ii) presentation of particulars required by the standards as well as on marketing and labelling;
 - (iii) the application of the standards to products imported into, or exported from, the Community;
 - (iv) in respect of Article 113a(1), to define what constitutes a product which is sound, fair and of marketable quality.

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- (b) as regards the definitions and designations that may be used in the marketing of milk and milk products in accordance with Article 114(1):
 - (i) drawing up and, where necessary, supplementing the list of the products referred to in the second subparagraph of point III(1) of Annex XII, on the basis of the lists sent to it by the Member States;
 - (ii) making additions, where necessary, to the list of designations given in point (a) of the second subparagraph of point II(2) of Annex XII;
- (c) as regards the standards for spreadable fats referred to in Article 115:
 - (i) a list of the products referred to in point (a) of the third subparagraph of point I(2) of Annex XV, on the basis of the lists sent to the Commission by the Member States;
 - (ii) the methods of analysis needed to check the composition and manufacturing characteristics of the products referred to in Article 115;
 - (iii) detailed rules for the taking of samples;
 - (iv) detailed rules for obtaining statistical information on the markets in the products referred to in Article 115;
- (d) as regards the provisions concerning the marketing of eggs set out in Part A of Annex XIV:
 - (i) definitions;
 - (ii) the frequency of collection, delivery, preservation and handling of eggs;
 - quality criteria, in particular the appearance of the shell, the consistency of the white and the yolk and the height of the air space;
 - (iv) weight grading, including exceptions;
 - (v) marking of eggs and indications on packs, including exceptions and including the rules to be applied in relation to packing centres;
 - (vi) trade with third countries;
 - (vii) farming methods;
- (e) as regards the provisions concerning the marketing of poultrymeat set out in Part B of Annex XIV:
 - (i) definitions;
 - ii) the list of poultry carcasses, parts of such carcasses and offals, including *foie gras*, to which Part B of Annex XIV shall apply;

- (iii) the criteria for classification within the meaning of point III(1) of Part B of Annex XIV;
- (iv) the rules concerning further indications to be shown on accompanying commercial documents, the labelling, presentation and advertising of poultrymeat intended for the final consumer and the name under which the product is sold within the meaning of point (1) of Article 3(1) of Directive 2000/13/EC;
- (v) optional indications of the method of the chilling used and of the type of farming;
- (vi) derogations that may be applied in case of deliveries to cutting or processing establishments;
- (vii) the rules to be applied as regards the percentages of water absorption during the preparation of fresh, frozen and quickfrozen carcasses and cuts thereof as well as the indications to be made in that respect;
- (f) as regards the provisions concerning the standards for the production and marketing of eggs for hatching and of farmyard poultry chicks set out in Part C of Annex XIV:
 - (i) definitions;
 - (ii) the registration of establishments producing or marketing eggs for hatching or farmyard poultry chicks;
 - (iii) indications to be made on eggs for hatching, including those to be imported from or to be exported to third countries, and on the packings, as well as the rules to be applied in respect of chicks originating in third countries;
 - (iv) registers to be kept by hatcheries;
 - (v) the use, other than for human consumption, that may be made of incubated eggs withdrawn from the incubator;
 - (vi) communications from hatcheries and other establishments to the competent authorities of the Member States;
 - (vii) accompanying documents;
- (g) the minimum quality characteristics for products of the hops sector referred to in Article 117;
- (h) the methods of analysis to be used, where applicable;
- (i) as regards the use of casein and caseinates referred to in Article 119:
 - (i) the conditions according to which the Member States shall grant the authorisations and the maximum percentages to be incorporated, on the basis of objective criteria having regard to what is technologically necessary;
 - (ii) the obligations to be respected by the undertakings authorised in accordance with point (i);

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- (j) as regards the conditions that shall be used in the marketing of the meat of bovine animals aged 12 months or less in accordance with Article 113b;
 - (i) the practical methods of indicating the category identification letter as defined in point II of Annex XIa, as regards the location and size of the characters used;
 - (ii) the import of meat from third countries as referred to in point VIII of Annex XIa, as regards the methods of verifying compliance with this Regulation.

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The Commission may amend Part B of the table set up in point III(2) of Annex XIa.

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CHAPTER II

Producer organisations, interbranch organisations, operator organisations

Section I

General principles

Article 122

Producer organisations

Member States shall recognise producer organisations, which:

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- (a) are constituted by producers of one of the following sectors:
 - (i) hops;
 - (ii) olive oil and table olives;
 - (iii) fruit and vegetables in respect of farmers growing one or more products of that sector and/or of such products solely intended for processing;
 - (iv) silkworm;

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(b) are formed on the initiative of the producers;

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- (c) pursue a specific aim which may in particular, or as regards the fruit and vegetables sector shall, include one or more of the following objectives:
 - (i) ensuring that production is planned and adjusted to demand, particularly in terms of quality and quantity;
 - (ii) concentration of supply and the placing on the market of the products produced by its members;
 - (iii) optimising production costs and stabilising producer prices.;

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Article 123

Interbranch organisations

► M3 1. ■ Member States shall recognise interbranch organisations which:

- (a) are made up of representatives of economic activities linked to the production of, trade in, and/or processing of products in the following sectors:
 - (i) the olive oil and table olives sector;
 - (ii) the tobacco sector;
- (b) are formed on the initiative of all or some of the organisations or associations which constitute them;
- (c) pursue a specific aim, which may, in particular relate to:

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- concentrating and coordinating supply and marketing of the produce of the members;
- (ii) adapting production and processing jointly to the requirements of the market and improving the product;
- (iii) promoting the rationalisation and improvement of production and processing;
- (iv) carrying out research into sustainable production methods and market developments.

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- 2. Where interbranch organisations referred to in paragraph 1 carry out their activities in the territories of several Member States, recognition shall be granted by the Commission without the assistance of the Committee referred to in Article 195(1).
- 3. Further to paragraph 1, Member States shall also recognise interbranch organisations which:
- (a) are made up of representatives of economic activities linked to the production of and/or trade in and/or processing of the products of the fruit and vegetables sector;
- (b) are formed on the initiative of all or some of the organisations or associations which constitute them;
- (c) carry out two or more of the following activities in one or more regions of the Community, taking into account the interests of consumers:
 - improving knowledge and the transparency of production and the market;
 - (ii) helping to coordinate better the way fruit and vegetables are placed on the market, in particular by means of research and market studies;
 - (iii) drawing up standard forms of contract compatible with Community rules;
 - (iv) exploiting to a fuller extent the potential of the fruit and vegetables produced;
 - (v) providing the information and carrying out the research necessary to adjust production towards products more suited to market requirements and consumer tastes and expectations, in particular with regard to product quality and protection of the environment;
 - (vi) seeking ways of restricting the use of plant-health products and other inputs and ensuring product quality and soil and water conservation;
 - (vii) developing methods and instruments for improving product quality;
 - (viii) exploiting the potential of and protecting organic farming as well as designations of origin, quality labels and geographical indications:
 - (ix) promoting integrated production or other environmentally sound production methods;
 - (x) laying down rules, as regards the production and marketing rules referred to in points 2 and 3 of Annex XVIa, which are stricter than Community or national rules.

Common provisions concerning producer and interbranch organisations

- 1. Article 122 and the first paragraph of Article 123 shall apply without prejudice to the recognition, decided by Member States on the basis of national law and in compliance with Community law, of producer organisations or interbranch organisations respectively, in any sector referred to in Article 1 except for the sectors referred to in Article 122 and the first paragraph of Article 123.
- 2. Producer organisations recognised or approved in accordance with Regulations (EC) No 865/2004, (EC) No 1952/2005 and (EC) No 1544/2006 shall be considered as recognised producer organisations under Article 122 of this Regulation.

Interbranch organisations recognised or approved in accordance with Regulations (EEC) 2077/92 and (EC) No 865/2004 shall be considered recognised interbranch organisations under Article 123 of this Regulation.

Article 125

Operator organisations

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

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Section IA

Rules concerning producer and interbranch organisations and producer groups in the fruit and vegetables sector

Subsection I

Rules of association and recognition of producer organisations

Article 125a

Rules of association of producer organisations

- 1. The rules of association of a producer organisation in the fruit and vegetables sector shall require its producer members, in particular, to:
- (a) apply the rules adopted by the producer organisation relating to production reporting, production, marketing and protection of the environment;
- (b) belong to only one producer organisation in respect of a given holding's production of any given product referred to in Article 122(a)(iii);
- (c) market their entire production concerned through the producer organisation;
- (d) provide the information requested by the producer organisation for statistical purposes, in particular on growing areas, quantities cropped, yields and direct sales;
- (e) pay the financial contributions provided for in its rules of association for the establishment and replenishment of the operational fund provided for in Article 103b.

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- 2. Notwithstanding paragraph 1(c), where the producer organisation so authorises and where this is in compliance with the terms and conditions laid down by the producer organisation, the producer members may:
- (a) sell no more than a fixed percentage of their production and/or products directly on their holdings and/or outside their holdings to consumers for their personal needs, such percentages being fixed by Member States at not less than 10 %;
- (b) market themselves or through another producer organisation designated by their own organisation, quantities of products which are marginal in relation to the volume of marketable production of their organisation;
- (c) market themselves or through another producer organisation designated by their own organisation products which, because of their characteristics, are not normally covered by the commercial activities of the producer organisation concerned.
- 3. The rules of association of a producer organisation shall also provide for:
- (a) procedures for determining, adopting and amending the rules referred to in paragraph 1;
- (b) the imposition on members of financial contributions needed to finance the producer organisation;
- (c) rules enabling the producer members to scrutinise democratically their organisation and its decisions;
- (d) penalties for infringement of obligations under the rules of association, particularly non-payment of financial contributions, or of the rules laid down by the producer organisation;
- (e) rules on the admission of new members, particularly a minimum membership period;
- (f) the accounting and budgetary rules necessary for the operation of the organisation.
- 4. Producer organisations in the fruit and vegetables sector shall be deemed as acting in the name of, and on behalf of, their members in economic matters.

Article 125b

Recognition

- 1. Member States shall recognise as producer organisations in the fruit and vegetables sector all legal entities or clearly defined parts of legal entities applying for such recognition, provided that:
- (a) they have the objective of the use of environmentally sound cultivation practices, production techniques and waste management practices in particular to protect the quality of water, soil and landscape and preserve or encourage biodiversity and meet the requirements laid down in Articles 122 and 125a and provide the relevant evidence therefore;
- (b) they have a minimum number of members and cover a minimum volume or value of marketable production to be laid down by Member States, and provide the relevant evidence therefore;
- (c) there is sufficient evidence that they can carry out their activities properly, both over time and in terms of effectiveness and concentration of supply, to which end Member States may decide which of the products, or groups of products referred to in Article 122(a)(iii) should be covered by the producer organisation;

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- (d) they effectively enable their members to obtain technical assistance in using environmentally-sound cultivation practices;
- (e) they effectively provide their members, where necessary, with the technical means for collecting, storing, packaging and marketing their produce;
- (f) they ensure proper commercial and accounting management of their activities; and
- (g) they do not hold a dominant position on a given market unless this is necessary in pursuance of the objectives of Article 33 of the Treaty.
- Member States shall:
- (a) decide whether to grant recognition to a producer organisation within three months of the lodging of an application accompanied by all the relevant evidence;
- (b) carry out checks at regular intervals to ascertain that producer organisations comply with this Chapter, impose the penalties on such organisations in the event of non-compliance or irregularities concerning the provisions of this Regulation and decide, where necessary, to withdraw recognition;
- (c) notify the Commission, once per year, of every decision to grant, refuse or withdraw recognition.

Subsection II

Association of producer organisations and producer groups

Article 125c

Association of producer organisations in the fruit and vegetables sector

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

- (a) the Member State considers that the association is capable of effectively carrying out those activities; and
- (b) the association does not hold a dominant position on a given market unless this is necessary in pursuance of the objectives of Article 33 of the Treaty.

Article 125a(4) shall apply mutatis mutandis.

Article 125d

Outsourcing

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

Article 125e

Producer groups in the fruit and vegetables sector

1. In Member States which acceded to the European Union on 1 May 2004 or thereafter, or in the outermost regions of the Community as referred to in Article 299(2) of the Treaty, or in the smaller Aegean Islands as referred to in Article 1(2) of Regulation (EC) No 1405/2006, producer groups may be formed as a legal entity or clearly defined part of a legal entity, on the initiative of farmers who are growers of one or more products of the fruit and vegetables sector and/or of such products solely intended for processing, with a view to being recognised as a producer organisation.

Such producer groups may be allowed a transitional period in which to meet the conditions for recognition as a producer organisation in accordance with Article 122.

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

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

Subsection III

Extension of rules to producers in an economic area

Article 125f

Extension of rules

- 1. In cases where a producer organisation in the fruit and vegetables sector which operates in a specific economic area is considered, in respect of a specific product, to be representative of production and producers in that area, the Member State concerned may, at the request of the producer organisation, make the following rules binding on producers established in that economic area who do not belong to the producer organisation:
- (a) the rules referred to in Article 125a(1)(a);
- (b) the rules required to implement the measures referred to in Article 103c(2)(c).

The first subparagraph shall apply on condition that those rules:

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

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

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

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

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Within one month of notification, the Commission shall approve the list or shall, after consultation with the Member State concerned, decide on the amendments which the latter must make to it. The Commission shall make the approved list publicly available by the methods it considers appropriate.

- 3. A producer organisation shall be deemed representative within the meaning of paragraph 1 where its members account for at least 50 % of the producers in the economic area in which it operates and it covers at least 60 % of the volume of production of that area. Without prejudice to paragraph 5, in calculating these percentages account shall not be taken of producers or production of organic products covered, until 31 December 2008, by Regulation (EEC) No 2092/91 and, from 1 January 2009, by Regulation (EC) No 834/2007.
- 4. The rules which are made binding on all producers in a specific economic area:
- (a) shall not cause any damage to other producers in the Member State concerned or in the Community;
- (b) shall not apply, unless they expressly cover them, to products delivered for processing under a contract signed before the beginning of the marketing year, with the exception of the rules on production reporting referred to in Article 125a(1)(a);
- (c) shall not be incompatible with Community and national rules in force.
- 5. Rules may not be made binding on producers of organic products covered, until 31 December 2008, by Regulation (EEC) No 2092/91 and, from 1 January 2009, by Regulation (EC) No 834/2007 unless such a measure has been agreed to by at least 50 % of such producers in the economic area in which the producer organisation operates and that organisation covers at least 60 % of such production of that area.

Article 125g

Notification

Member States shall notify the Commission forthwith of the rules which they have made binding on all producers in a specific economic area pursuant to Article 125f(1). The Commission shall make these rules publicly available by the methods it considers appropriate.

Article 125h

Repeal of the extension of rules

The Commission shall decide that a Member State shall repeal an extension of the rules decided on by that Member State pursuant to Article 125f(1):

- (a) where it finds that the extension in question to other producers excludes competition in a substantial part of the internal market or jeopardises free trade, or that the objectives of Article 33 of the Treaty are endangered;
- (b) where it finds that Article 81(1) of the Treaty applies to the rules extended to other producers. The Commission's decision with regard to those rules shall apply only from the date of such a finding;
- (c) where it finds after checks that this subsection has not been complied with.

Article 125i

Financial contributions of non-member producers

Where Article 125f(1) is applied, the Member State concerned may decide, on scrutiny of evidence presented, that non-member producers shall be liable to the producer organisation for the part of the financial contributions paid by the producer members, insofar as these are used to cover:

- (a) administrative costs resulting from applying the rules referred to in Article 125f(1);
- (b) the cost of research, market studies and sales promotion undertaken by the organisation or association and benefiting all producers in the area.

Article 125j

Extension of rules of associations of producer organisations

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

Subsection IV

Interbranch organisations in the fruit and vegetables sector

Article 125k

Recognition and withdrawal of recognition

- 1. If warranted by the Member State's structures, Member States may recognise as interbranch organisations in the fruit and vegetables sector all legal entities established on their territory which make an appropriate application, on condition that:
- (a) they carry out their activity in one or more regions in the Member State concerned;
- (b) they represent a significant share of the production of, trade in and/or processing of fruit and vegetables and products processed from fruit and vegetables in the region or regions in question and, where more than one region is involved, they can demonstrate a minimum level of representativeness in each region for each of the branches that they group;
- (c) they carry out two or more of the activities referred to in Article 123(3)(c);
- (d) they are not themselves engaged in the production or processing or marketing of fruit and vegetables or products processed from fruit and vegetables;
- (e) they do not engage in any of the agreements, decisions and concerted practices referred to in Article 176a(4).
- 2. Before granting recognition Member States shall notify the Commission of the interbranch organisations which have applied for recognition, providing all relevant information about their representativeness and their various activities, together with all other information needed for an assessment.

The Commission may object to recognition within a time limit of two months after notification.

3. Member States shall:

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- (a) decide whether to grant recognition within three months of the lodging of an application with all relevant supporting documents;
- (b) carry out checks at regular intervals to ascertain that interbranch organisations comply with the terms and conditions for recognition, impose the penalties on such organisations in the event of noncompliance or irregularities concerning the provisions of this Regulation and decide, where necessary, to withdraw recognition;
- (c) withdraw recognition if:
 - the requirements and conditions for recognition laid down in this subsection are no longer met;
 - (ii) the interbranch organisation engages in any of the agreements, decisions and concerted practices referred to in Article 176a(4), without prejudice to any other penalties to be imposed pursuant to national law;
 - (iii) the interbranch organisation fails to comply with the notification obligation referred to in Article 176a(2);
- (d) notify the Commission, within two months, of any decision to grant, refuse or withdraw recognition.
- 4. The Commission shall lay down the terms and conditions on which and the frequency with which the Member States are to report to the Commission on the activities of interbranch organisations.

The Commission may, as a result of checks, request a Member State to withdraw recognition.

- 5. Recognition shall constitute an authorisation to carry out the activities listed in Article 123(3)(c), subject to the terms of this Regulation.
- 6. The Commission shall make publicly available a list of recognised interbranch organisations, by the methods it considers appropriate, indicating the economic sphere or the area of their activities and the activities carried out within the meaning of Article 1251. Withdrawals of recognition shall also be made publicly available.

Article 125l

Extension of rules

- 1. In cases where an interbranch organisation operating in a specific region or regions of a Member State is considered to be representative of the production of or trade in or processing of a given product, the Member State concerned may, at the request of that interbranch organisation, make binding some of the agreements, decisions or concerted practices agreed on within that organisation for a limited period on other operators operating in the region or regions in question, whether individuals or groups, who do not belong to the organisation.
- 2. An interbranch organisation shall be deemed representative within the meaning of paragraph 1 where it accounts for at least two thirds of the production or trade in or processing of the product or products concerned in the region or regions concerned of a Member State. Where the application for extension of its rules to other operators covers more than one region, the interbranch organisation must demonstrate a minimum level of representativeness for each of the branches it groups in each of the regions concerned.
- 3. The rules for which extension to other operators may be requested:
- (a) shall have one of the following aims:
 - (i) production and market reporting;

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

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

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

Article 125m

Notification and repeal of the extension of rules

- 1. Member States shall notify the Commission forthwith of the rules which they have made binding on all operators in one or more specific regions pursuant to Article 125l(1). The Commission shall make those rules publicly available by the methods it considers appropriate.
- 2. Before the rules are made publicly available, the Commission shall inform the Committee set up by Article 195 of any notification of the extension of interbranch agreements.
- 3. The Commission shall decide that a Member State must repeal an extension of the rules decided on by that Member State in the cases referred to in Article 125h.

Article 125n

Financial contributions of non-members

In cases where rules for one or more products are extended and where one or more of the activities referred to in Article 125l(3)(a) are pursued by a recognised interbranch organisation and are in the general economic interest of those persons whose activities relate to one or more of the products concerned, the Member State which has granted recognition may decide that individuals or groups which are not members of the interbranch organisation but which benefit from those activities shall pay the organisation all or part of the financial contributions paid by its members to the extent that such contributions are intended to cover costs directly incurred as a result of pursuing the activities in question.

Section II

Rules concerning interbranch organisations in the tobacco sector

Article 126

Payment of subscription by non-members

- 1. Where one or more of the activities referred to in paragraph 2 is pursued by a recognised interbranch organisation in the tobacco sector and is in the general economic interest of those persons whose activities relate to one or more of the products concerned, the Member State which has granted recognition, or the Commission, without the assistance of the Committee referred to in Article 195(1), where recognition has been granted by the Commission, may decide that individuals or groups which are not members of the organisation but which benefit from those activities shall pay the organisation all or part of the subscriptions paid by its members to the extent that such subscriptions are intended to cover costs, other than administrative costs of any description, directly incurred as a result of pursuing the activities in question.
- 2. The activities referred to in paragraph 1 shall relate to one of the following objectives:
- (a) research to add value to the products, in particular through new uses which do not pose a threat to public health;
- (b) studies to improve the quality of leaf or baled tobacco;
- (c) research into methods of cultivation permitting reduced use of plant health products and guaranteeing conservation of the soil and the environment.
- 3. The Member States concerned shall notify the Commission of decisions which they intend to take under paragraph 1. Such decisions may not apply before the expiry of a three month period starting from the date of notification to the Commission. Within that three month period the Commission may call for the rejection of all or part of the draft decision if the general economic interest put forward does not appear to be well founded.
- 4. Where the activities of an interbranch organisation recognised by the Commission in accordance with this Chapter are in the general economic interest, the Commission shall notify its draft decision to the Member States concerned, who shall then have two months to make their comments.

Section III

Procedural rules

Article 127

Implementing rules

The Commission shall adopt the detailed rules for the application of this Chapter, in particular the conditions and procedures for the recognition of producer, interbranch and operator organisations in individual sectors, including:

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- (a) the specific aims to be pursued by such organisations;
- (b) the rules of association of such organisations;
- (c) the activities of such organisations;
- (d) derogations from the requirements laid down in Articles 122, 123 and 125;

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(da) as the case may be, the rules on transnational producer organisations and transnational associations of producer organisations including administrative assistance to be given by the relevant competent authorities in the case of transnational cooperation;

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(e) as the case may be, any effects deriving from the recognition as an interbranch organisation.

PART III

TRADE WITH THIRD COUNTRIES

CHAPTER I

General provisions

Article 128

General principles

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

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

Article 129

Combined nomenclature

The general rules for interpreting the Combined Nomenclature, provided for in Council Regulation (EEC) No 2658/87 of 23 July 1987 on the tariff and statistical nomenclature and on the Common Customs Tariff (¹) (hereinafter referred to as 'Combined Nomenclature''), and the special rules for its application shall apply to the tariff classification of products covered by this Regulation. The tariff nomenclature resulting from the application of this Regulation including, as the case may be, the definitions in Annex III shall be included in the Common Customs Tariff.

OJ L 256, 7.9.1987, p. 1. Regulation as last amended by Regulation (EC) No 733/2007 (OJ L 169, 29.6.2007, p. 1).

CHAPTER II

Imports

Section I

Import licences

Article 130

Import licences

- 1. Without prejudice to cases where import licences are required in accordance with this Regulation, the Commission may make imports of one or more products of the following sectors into the Community subject to presentation of an import 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 90 39, 0711 20 90, 2306 90 19, 1522 00 31 and 1522 00 39;
- (f) flax and hemp, as far as hemp is concerned;

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- (fa) fruit and vegetables;
- (fb) processed fruit and vegetables;

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- (g) bananas;
- (h) live plants;
- (i) beef and veal;
- (j) milk and milk products;
- (k) pigmeat;
- (l) sheepmeat and goatmeat;
- (m) eggs;
- (n) poultrymeat;
- (o) agricultural ethyl alcohol.
- 2. When applying paragraph 1, the Commission shall take account of the need for import licences for the management of the markets concerned and, in particular, for monitoring the imports of the products in question.

Article 131

Issue of licences

Import licences shall be issued by Member States to any applicant, irrespective of its place of establishment in the Community, unless a Council Regulation or any other act of the Council provides otherwise, and without prejudice to measures taken for the application of this Chapter.

Validity

Import licences shall be valid throughout the Community.

Article 133

Security

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

Article 134

Implementing rules

The Commission shall adopt the detailed rules for the application of this Section, including the terms of validity of the licences and the rate of security.

Section II

Import duties and levies

Article 135

Import duties

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

Article 136

Calculation of import duties for cereals

- 1. Notwithstanding Article 135, the import duty on products covered by CN codes 1001 10 00, 1001 90 91, ex 1001 90 99 (high quality common wheat), 1002 00 00, 1005 10 90, 1005 90 00 and 1007 00 90 other than hybrid for sowing, shall be equal to the intervention price valid for such products on importation increased by 55 %, minus the c.i.f. import price applicable to the consignment in question. However, that duty may not exceed the conventional rate of duty as determined on the basis of the Combined Nomenclature.
- 2. For the purposes of calculating the import duty referred to in paragraph 1, representative c.i.f. import prices shall be established on a regular basis for the products referred to in that paragraph.

Article 137

Calculation of import duties for husked rice

1. Notwithstanding Article 135, the import duty on husked rice falling within CN code 1006 20 shall be fixed by the Commission without the assistance of the Committee referred to in Article 195(1) within 10 days of the end of the reference period concerned in accordance with point 1 of Annex XVII.

The Commission, without the assistance of the Committee referred to in Article 195(1), shall fix a new applicable duty if the calculations performed under that Annex indicate a need to change the duty. Until such time as a new applicable duty is fixed, the duty previously fixed shall apply.

- 2. In order to calculate the imports referred to in point 1 of Annex XVII, account shall be taken of the quantities for which import licences for husked rice falling within CN code 1006 20 were issued in the corresponding reference period, excluding the import licences for Basmati rice referred to in Article 138.
- 3. The annual reference quantity shall be 449 678 tonnes. The partial reference quantity for each marketing year shall correspond to half the annual reference quantity.

Article 138

Calculation of import duties for husked basmati rice

Notwithstanding Article 135, the husked Basmati rice varieties falling within CN codes 1006 20 17 and 1006 20 98 listed in Annex XVIII shall qualify for a zero rate of import duty under the conditions fixed by the Commission.

Article 139

Calculation of import duties for milled rice

1. Notwithstanding Article 135, the import duty for semi-milled or wholly milled rice falling within CN code 1006 30 shall be fixed by the Commission, without the assistance of the Committee referred to in Article 195(1), within ten days after the end of the reference period concerned in accordance with point 2 of Annex XVII.

The Commission, without the assistance of the Committee referred to in Article 195(1), shall fix a new applicable duty if the calculations performed under that Annex indicate a need to change the duty. Until such time as a new applicable duty is fixed, the duty previously fixed shall apply.

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

Article 140

Calculation of import duties for broken rice

Notwithstanding Article 135, the import duty on broken rice falling within CN code 1006 40 00 shall be EUR 65 per tonne.

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Article 140a

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

1. Should application of the common customs tariff duty rate depend on the entry price of the imported consignment, the veracity of this price shall be checked using a flat-rate import value calculated by the Commission, by product and by origin, on the basis of the weighted average of prices for the product on Member States' representative import markets or on other markets, where appropriate.

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

- Where the declared entry price of the consignment in question is higher than the flat-rate import value, increased by a margin set by the Commission which may not exceed the flat-rate value by more than 10 %, the lodging of a security equal to the import duty determined on the basis of the flat-rate import value shall be required.
- If the entry price of the consignment in question is not declared at the time of customs clearance, the common customs tariff duty rate to be applied shall depend on the flat-rate import value or be arrived at by application of the relevant customs legislation provisions under conditions to be determined by the Commission.

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Article 141

Additional import duties

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An additional import duty shall apply to imports at the rate of duty laid down in Articles 135 to 140a of one or more products of the cereals, rice, sugar, fruit and vegetables, processed fruit and vegetables, beef and veal, milk and milk products, pig meat, sheep meat and goat meat, eggs, poultry and bananas sectors, in order to prevent or counteract adverse effects on the market of the Community which may result from those imports, if:

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

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

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

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

Article 142

Suspension of import duties in the sugar sector

The Commission may suspend import duties in whole or in part for certain quantities in respect of the following products to guarantee the supply necessary for the manufacturing of products referred to in Article 62(2):

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

Implementing rules

The Commission shall adopt the detailed rules for the application of this Section, in particular specifying:

- (a) as regards Article 136:
 - (i) the minimum requirements for high quality common wheat;
 - (ii) the price quotations to be taken into consideration;
 - (iii) the possibility, where appropriate in specific cases, of giving operators the opportunity to know the duty applicable before the arrival of the consignments concerned.
- (b) as regards Article 141, the products to which additional import duties shall be applied and the other criteria necessary to ensure the application of paragraph 1 of that Article.

Section III

Import quota management

Article 144

Tariff quotas

- 1. Tariff quotas for imports of products referred to in Article 1 resulting from agreements concluded in accordance with Article 300 of the Treaty or from any other act of the Council shall be opened and administered by the Commission under detailed rules adopted by the Commission.
- 2. Tariff quotas shall be administered in a manner which avoids any discrimination between the operators concerned, by applying one of the following methods or a combination of them or another appropriate method:
- (a) a method based on the chronological order of the lodging of applications ('first come, first served' principle);
- (b) a method of distribution in proportion to the quantities requested when the applications were lodged (using the 'simultaneous examination method');
- (c) a method based on taking traditional trade patterns into account (using the 'traditional/newcomers method').
- 3. The method of administration adopted shall, where appropriate, give due weight to the supply requirements of the Community market and the need to safeguard the equilibrium of that market.

Article 145

Opening of tariff quotas

The Commission shall provide for the annual tariff quotas, if necessary suitably phased over the year and shall determine the administrative method to be used.

Article 146

Specific rules

1. With regard to the import quota of 54 703 tonnes of frozen beef and veal meat falling within CN codes 0202 20 30, 0202 30 and

0206 29 91 and intended for processing, the Council, acting in accordance with the procedure laid down in Article 37(2) of the Treaty, may lay down that all or part of the quota shall cover equivalent quantities of quality meat, applying a conversion rate of 4,375.

2. In the case of tariff quota for import into Spain of 2 000 000 tonnes of maize and 300 000 tonnes of sorghum and tariff quota for import into Portugal of 500 000 tonnes of maize, the detailed rules referred to in Article 148 shall also include the provisions necessary for carrying out the tariff quota imports and, where appropriate, the public storage of the quantities imported by the paying agencies of the Member States concerned and their disposal on the markets of those Member States.

Article 147

Tariff rates for bananas

This Chapter shall apply without prejudice to Council Regulation (EC) No 1964/2005 (1).

Article 148

Implementing rules

The Commission shall adopt detailed rules for the implementation of this Section, in particular on:

- (a) guarantees covering the nature, provenance and origin of the product;
- (b) recognition of the document used for verifying the guarantees referred to in point (a);
- (c) the conditions under which import licences shall be issued and their term of validity.

Section IV

Special provisions for certain products

Subsection I

Special provisions for imports in respect of the cereals and rice sectors

Article 149

Imports of mixtures of different cereals

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

- (a) in the case where the mixture is composed of two of such cereals, the import duty shall be that applicable:
 - (i) to the component cereal predominating by weight, when the cereal represents at least 90 % of the weight of the mixture;
 - (ii) to the component cereal liable to the higher import duty, when neither of the two component cereals represents at least 90 % of the weight of the mixture;

(b) in the case where the mixture is composed of more than two of such cereals, and where several cereals each represent more than 10 % by weight of the mixture, the import duty applicable to the mixture shall be the highest of the import duties applicable to such cereals, even when the amount of the import duty is the same for two or more of the cereals.

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

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

Article 150

Imports of mixtures between cereals and rice

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

Article 151

Imports of mixtures of rice

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

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

Article 152

Applicability of the tariff classification

Where the method for fixing the import duty set out in Articles 149 to 151 cannot be applied, the duty to be applied to the mixtures referred to in those Articles shall be that determined by the tariff classification of sthe mixtures.

Subsection II

Preferential import arrangements for sugar

Article 153

Traditional supply need for refining

▼ M3

1. A traditional supply need of sugar for refining is fixed for the Community at 2 424 735 tonnes per marketing year, expressed in white sugar.

During the marketing year 2008/2009, the traditional supply need shall be distributed as follows:

- (a) 198 748 tonnes for Bulgaria;
- (b) 296 627 tonnes for France;
- (c) 100 000 tonnes for Italy;
- (d) 291 633 tonnes for Portugal;
- (e) 329 636 tonnes for Romania;
- (f) 19 585 tonnes for Slovenia;
- (g) 59 925 tonnes for Finland;
- (h) 1 128 581 tonnes for the United Kingdom.
- 2. The traditional supply need referred to in the first subparagraph of paragraph 1 shall be increased by 65 000 tonnes. This quantity shall concern raw cane sugar and shall be reserved for the marketing year 2008/2009 for the sole sugar beet processing plant at work in 2005 in Portugal. That processing plant is deemed to be a full time refiner.
- 3. Import licences for sugar for refining shall be issued only to full-time refiners provided that the quantities concerned do not exceed the quantities that may be imported in the framework of the traditional supply need referred to in paragraph 1. The licences may be transferred only between full-time refiners and their validity expires at the end of the marketing year for which they have been issued.

This paragraph shall apply for the marketing year 2008/2009, and for the first three months of each of the following marketing years.

4. The application of import duties on cane sugar for refining falling within CN code 1701 11 10 originating in the States referred to in Annex XIX shall be suspended for the complementary quantity which is needed to allow an adequate supply of the full-time refiners for the marketing year 2008/2009.

The complementary quantity shall be fixed by the Commission, based on the balance between the traditional supply need referred to in paragraph 1 and the forecast supply of sugar for refining for the marketing year concerned. This balance may be revised by the Commission during the marketing year and may be based on historic flat-rate estimates of raw sugar intended for consumption.

Article 154

Guaranteed price

- 1. The guaranteed prices fixed for the ACP/Indian sugar shall apply for import of standard quality raw and white sugar from:
- (a) the least developed countries under the arrangements referred to in Articles 12 and 13 of Council Regulation (EC) No 980/2005 (1);
- (b) the States listed in Annex XIX for the complementary quantity referred to in Article 153(4).
- 2. Applications for import licences for sugar benefiting from a guaranteed price shall be accompanied by an export licence issued by the authorities of the exporting country certifying the compliance of the sugar with the rules provided for in the agreements concerned.

⁽¹⁾ OJ L 169, 30.6.2005, p. 1.

Sugar Protocol commitments

The Commission may adopt measures to ensure that the ACP/Indian sugar is imported into the Community under the conditions set out in Protocol 3 to Annex V to the ACP-EC Partnership Agreement and the Agreement on cane sugar between the European Community and the Republic of India. Those measures may, if necessary, derogate from Article 153 of this Regulation.

Article 156

Implementing rules

Detailed rules for the application of this Subsection shall be adopted by the Commission, in particular to comply with international agreements. They may include amendments to Annex XIX.

Subsection III

Special provisions for imports of hemp

Article 157

Imports of hemp

- 1. The following products may be imported into the Community 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 52 of Regulation (EC) No 1782/2003;
- (b) seeds of varieties of hemp falling within CN code ex 1207 99 15 for sowing accompanied by proof that the tetrahydrocannabinol level does not exceed that fixed in accordance with Article 52 of Regulation (EC) No 1782/2003;
- (c) hemp seeds other than for sowing, falling within CN code 1207 99 91 imported only by importers authorised by the Member State in order to ensure that such seeds are not intended for sowing.
- 2. Without prejudice to any specific provisions which may be adopted by the Commission in accordance with Article 194, imports into the Community of the products specified in paragraph 1(a) and (b) of this Article shall be subject to checks to determine whether the conditions provided for in paragraph 1 of this Article are met.
- 3. This Article shall apply without prejudice to more restrictive provisions adopted by Member States in compliance with the Treaty and the obligations arising under the WTO Agreement on Agriculture.

Subsection IV

Special provisions for imports of hops

Article 158

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 Community or made from such products.

2. Products shall be considered as being of the standard referred to in paragraph 1 if they are accompanied by an attestation issued by the authorities of the country of origin and recognised as equivalent to the certificate referred to in Article 117.

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

The equivalence of those attestations shall be verified in accordance with detailed rules adopted by the Commission.

Section V

Safeguard and inward processing

Article 159

Safeguard measures

- 1. Safeguard measures against imports into the Community shall be taken by the Commission, subject to paragraph 3 of this Article, in accordance with Council Regulations (EC) No 519/94 (¹) and (EC) No 3285/94 (²).
- 2. Save as otherwise provided for pursuant to any other act of the Council, safeguard measures against imports into the Community provided for in international agreements concluded in accordance with Article 300 of the Treaty shall be taken by the Commission in accordance with paragraph 3 of this Article.
- 3. Measures referred to in paragraphs 1 and 2 may be taken by the Commission, without the assistance of the Committee referred to in Article 195(1), at the request of a Member State or on its own initiative. If the Commission receives a request from a Member State, it shall take a decision thereon within five working days following receipt of the request.

The Member States shall be notified of such measures, which shall be immediately applicable.

Decisions taken by the Commission pursuant to paragraphs 1 and 2 may be referred to the Council by any Member State within five working days of the date on which they were notified. The Council shall meet without delay. It may, acting by qualified majority, amend or repeal the decision in question within one month following the date on which it was referred to the Council.

- 4. Where the Commission considers that any safeguard measure taken in accordance with paragraphs 1 or 2 should be revoked or amended, it shall proceed as follows:
- (a) where the measure was enacted by the Council, the Commission shall propose to the Council that it be revoked or amended. The Council shall act by a qualified majority;
- (b) in all other cases, Community safeguard measures shall be revoked or amended by the Commission without the assistance of the Committee referred to in Article 195(1).

⁽¹⁾ OJ L 67, 10.3.1994, p. 89.

⁽²⁾ OJ L 349, 31.12.1994, p. 53.

Suspension of inward processing arrangements

▼ M3

1. Where the Community market is disturbed or is liable to be disturbed by inward processing arrangements, the Commission may suspend at the request of a Member State or on its own initiative fully or partially the use of inward processing arrangements for the products of the cereals, rice, sugar, olive oil and table olives, fruit and vegetables, processed fruit and vegetables, beef and veal, milk and milk products, pigmeat, sheepmeat and goatmeat, eggs, poultrymeat and agricultural ethyl alcohol sectors. If the Commission receives a request from a Member State, it shall take a decision thereon within five working days following receipt of the request.

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2. To the extent necessary for the proper functioning of the CMO, the use of inward processing arrangements for the products referred to in paragraph 1 may be fully or partially prohibited by the Council, acting in accordance with the procedure laid down in Article 37(2) of the Treaty.

CHAPTER III

Exports

Section I

Export licences

Article 161

Export licences

- 1. Without prejudice to cases where export licences are required in accordance with this Regulation, the Commission may make exports of one or more products of the following sectors from the Community subject to presentation of an export licence:
- (a) cereals;
- (b) rice;
- (c) sugar;
- (d) olive oil and table olives, with regard to olive oil referred to in point (a) of Part VII of Annex I;

▼M3

- (da) fruit and vegetables;
- (db) processed fruit and vegetables;

▼B

- (e) beef and veal;
- (f) milk and milk products;
- (g) pigmeat;
- (h) sheepmeat and goatmeat;
- (i) eggs;
- (j) poultrymeat;
- (k) agricultural ethyl alcohol.

When applying the first subparagraph, the Commission shall take account of the need for export licences for the management of the

markets concerned and, in particular, for monitoring the exports of the products in question.

- 2. Articles 131 to 133 shall apply mutatis mutandis.
- 3. The Commission shall adopt detailed rules for the application of paragraphs 1 and 2, including the terms of validity of the licences and the rate of security.

Section II

Export refunds

Article 162

Scope of export refunds

- 1. To the extent necessary to enable exports on the basis of world market quotations or prices and within the limits resulting from agreements concluded in accordance with Article 300 of the Treaty, the difference between those quotations or prices and prices in the Community may be covered by export refunds for:
- (a) the products of the following sectors to be exported without further processing:
 - (i) cereals;
 - (ii) rice;
 - (iii) sugar, with regard to the products listed in points (b), (c), (d) and (g) of Part III of Annex I;
 - (iv) beef and veal;
 - (v) milk and milk products;
 - (vi) pigmeat;
 - (vii) eggs;
 - (viii) poultrymeat;
- (b) the products listed in point (a)(i), (ii), (iii), (v) and (vii) to be exported in the form of goods listed in Annexes XX and XXI.

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

- 2. Export refunds on products exported in the form of processed goods listed in Annexes XX and XXI may not be higher than those applicable to the same products exported without further processing.
- 3. Insofar as is necessary to take account of the features of production peculiar to certain spirit drinks obtained from cereals, the criteria for granting export refunds referred to in paragraphs 1 and 2, and the procedure for verification, may be adapted by the Commission to suit this particular situation.

Article 163

Export refund distribution

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

(a) is most suited to the nature of the product and the situation on the market in question, allowing the most efficient possible use of the resources available, account being taken of the efficiency and

- structure of Community exports without creating discrimination between the operators concerned and in particular between large and small operators;
- (b) is least cumbersome administratively for operators, account being taken of administrative requirements;
- (c) avoids any discrimination between the operators concerned.

Export refund fixation

- 1. Export refunds shall be the same for the whole Community. They may vary according to destination, especially where the world market situation, the specific requirements of certain markets, or obligations resulting from agreements concluded in accordance with Article 300 of the Treaty make this necessary.
- 2. Refunds shall be fixed by the Commission.

Refunds may be fixed:

- (a) at regular intervals;
- (b) by invitation to tender for products in respect of which provision was made for that procedure before the date of application of this Regulation in accordance with Article 204(2).

Except where fixed by tender, the list of products on which an export refund is granted and the amount of export refunds shall be fixed at least once every three months. The amount of the refund may, however, remain at the same level for more than three months and may, where necessary, be adjusted in the intervening period by the Commission, without the assistance of the Committee referred to in Article 195(1), either at the request of a Member State or on its own initiative.

- 3. One or more of the following aspects shall be taken into account when refunds for a certain product are being fixed:
- (a) the existing situation and the future trend with regard to:
 - prices and availabilities of that product on the Community market,
 - prices for that product on the world market.
- (b) the aims of the common market organisation which are to ensure equilibrium and the natural development of prices and trade on this market;
- (c) the need to avoid disturbances likely to cause a prolonged imbalance between supply and demand on the Community market;
- (d) the economic aspect of the proposed exports;
- (e) the limits resulting from agreements concluded in accordance with Article 300 of the Treaty;
- (f) the need to establish a balance between the use of Community basic products in the manufacture of processed goods for export to third countries, and the use of third-country products brought in under processing arrangements;
- (g) the most favourable marketing costs and transport costs from Community markets to Community ports or other places of export together with forwarding costs to the countries of destination;
- (h) demand on the Community market;
- (i) in respect of the pigmeat, eggs and poultrymeat sectors, the difference between prices within the Community and prices on

the world market for the quantity of feed grain input required for the production in the Community of the products of those sectors.

4. A corrective amount applicable to the export refunds may be set by the Commission in respect of the cereals and rice sectors. However, where necessary, the Commission, without the assistance of the Committee referred to in Article 195(1), may amend the corrective amounts.

The first subparagraph may also be applied to products that are exported in the form of goods listed in Annex XX.

Article 165

Export refund for malt in storage

For the first three months of the marketing year, the refund applicable to exports of malt in storage at the end of the previous marketing year or made from barley in stock at that time shall be that which would have been applied in respect of the export licence in question to exports during the last month of the preceding marketing year.

Article 166

Export refund adjustment for cereals

Unless otherwise provided for by the Commission, the refund on products listed in points (a) and (b) of Part I of Annex I, established in accordance with Article 167(2), shall be adjusted by the Commission in line with the level of the monthly increases applicable to the intervention price and, where appropriate, changes in that price.

The first paragraph may be applied, in whole or in part, to products listed in points (c) and (d) of Part I of Annex I as well as to products referred to in Part I of Annex I and exported in the form of goods referred to in Part I of Annex XX. In that case, the adjustment referred to in the first subparagraph shall be corrected by applying to the monthly increase a coefficient expressing the ratio between the quantity of basic product and the quantity thereof contained in the processed product exported or used in the goods exported.

Article 167

Granting of export refund

- 1. Refunds on products listed in Article 162(1)(a) exported as such without further processing shall only be granted on application and on presentation of an export licence.
- 2. The refund applicable to products referred to in paragraph 1 shall be that applicable on the day of application for the licence or, as the case may be, that resulting from the tender procedure concerned and, in the case of a differentiated refund, that applicable on the same day:
- (a) for the destination indicated on the licence, or
- (b) where appropriate, for the actual destination if this differs from the destination indicated on the licence, in which case the amount applicable shall not exceed the amount applicable to the destination indicated on the licence.

Appropriate measures may be taken by the Commission to prevent abuse of the flexibility provided for in this paragraph.

3. By way of derogation from paragraph 1, the Commission may decide that in the case of eggs for hatching and of day-old chicks export licences may be granted *ex post*.

- 4. It may be decided, in accordance with the procedure referred to in Article 16(2) of Council Regulation (EC) No 3448/93 (¹), to apply paragraphs 1 and 2 to the goods referred to in Article 162(1)(b) of this Regulation.
- 5. Derogations from paragraph 1 and 2 may be granted by the Commission in the case of products on which export refunds are paid under food-aid operations.
- 6. The refund shall be paid upon submission of proof that:
- (a) the products have been exported from the Community;
- (b) in the case of a differentiated refund, the products have reached the destination indicated on the licence or another destination for which a refund was fixed, without prejudice to point (b) of paragraph 2.

However, exceptions may be allowed by the Commission provided that conditions are laid down which offer equivalent guarantees.

- 7. Further conditions for the granting of export refunds may be established by the Commission for one or more products. They may include:
- (a) that refunds are only paid for products of Community origin;
- (b) that the amount of refunds for imported products shall be limited to the duties collected on importation where those duties are lower than the refund applicable.

Article 168

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 provisions established in Community legislation concerning animal welfare and, in particular, the protection of animals during transport.

Article 169

Export limits

Observance of the volume commitments resulting from the agreements concluded in accordance with Article 300 of the Treaty shall be ensured on the basis of export licences issued for the reference periods which apply to the products concerned. With regard to compliance with the obligations arising under the WTO Agreement on Agriculture, the ending of a reference period shall not affect the validity of export licences.

Article 170

Implementing rules

Detailed rules for the application of this Section shall be adopted by the Commission, in particular:

- (a) on the redistribution of exportable quantities which have not been allocated or utilised;
- (b) governing the quality and other specific requirements and conditions of the products eligible for an export refund;

(c) for monitoring whether operations conferring entitlement to the payment of refunds and all other amounts in respect of export transactions have actually been carried out and executed correctly, including physical checks and document scrutiny.

Any necessary amendments to Annex XX shall be made by the Commission taking into account the criteria referred to in the first subparagraph of Article 8(2) of Regulation (EC) No 3448/93.

However, the detailed rules for the application of Article 167 for products referred to in Article 162(1)(b) shall be adopted in accordance with the procedure referred to in Article 16(2) of Regulation (EC) No 3448/93.

Section III

Export quota management in the milk and milk products sector

Article 171

Management of tariff quotas opened by third countries

- 1. With regard to milk and milk products, where an agreement concluded in accordance with Article 300 of the Treaty provides for the total or partial management of a tariff quota opened by a third country, the management method to be applied and detailed rules relating to that method shall be adopted by the Commission.
- 2. The tariff quotas referred to in paragraph 1 shall be administered in a manner which avoids any discrimination between the operators concerned and which guarantees the full use of the possibilities available under the quota concerned, by applying one of the following methods or a combination of them or another appropriate method:
- (a) a method based on the chronological order of the lodging of applications ('first come, first served' principle);
- (b) a method of distribution in proportion to the quantities requested when the applications were lodged (using the 'simultaneous examination method');
- (c) a method based on taking traditional trade patterns into account (using the 'traditional/new arrival method').

Section IV

Special import treatment by third countries

Article 172

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

- 1. When products are exported which may, in accordance with agreements concluded by the Community in accordance with Article 300 of the Treaty, benefit from a special treatment on importation into a third country if certain conditions are respected, the competent authorities of the Member States shall, on request and after appropriate checks, issue a document certifying that the conditions are met.
- 2. Detailed rules for the application of this Article shall be adopted by the Commission.

Section V

Special provisions for live plants

Article 173

Minimum export prices

1. For each of the products of the live plants sector falling within CN code 0601 10, one or more minimum prices for exports to third countries may be fixed by the Commission each year in good time before the marketing season.

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

2. Detailed rules for the application of paragraph 1 shall be adopted by the Commission having regard to the obligations arising from agreements concluded in accordance with Article 300(2) of the Treaty.

Section VI

Outward processing

Article 174

Suspension of outward processing arrangements

▼ M3

1. Where the Community market is disturbed or is liable to be disturbed by outward processing arrangements, the Commission may suspend at the request of a Member State or on its own initiative fully or partially the use of outward processing arrangements for the products of the cereals, rice, fruit and vegetables, processed fruit and vegetables, beef and veal, pigmeat, sheepmeat and goatmeat and poultrymeat sectors. If the Commission receives a request from a Member State, it shall take a decision thereon within five working days following receipt of the request.

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The Member States shall be notified of such measures, which shall be immediately applicable.

Measures decided on by the Commission pursuant to the first subparagraph may be referred to the Council by any Member State within five working days of the date on which they were notified. The Council shall meet without delay. It may, acting by qualified majority, amend or repeal the measures in question within one month following the date on which they were referred to the Council.

2. To the extent necessary for the proper functioning of the CMO, the use of outward processing arrangements for the products referred to in paragraph 1 may be fully or partially prohibited by the Council, acting in accordance with the procedure laid down in Article 37(2) of the Treaty.

PART IV

COMPETITION RULES

CHAPTER I

Rules applying to undertakings

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Article 175

Application of Articles 81 to 86 of the Treaty

Save as otherwise provided for in this Regulation, Articles 81 to 86 of the Treaty and implementation provisions thereof shall, subject to Articles 176 to 177 of this Regulation, apply to all agreements, decisions and practices referred to in Articles 81(1) and 82 of the Treaty which relate to the production of or trade in the products referred to in points (a) to (k) and Article 1(1)(m) to (u) and in Article 1(3) of this Regulation.

▼B

Article 176

Exceptions

1. Article 81(1) of the Treaty shall not apply to the agreements, decisions and practices referred to in Article 175 of this Regulation which are an integral part of a national market organisation or are necessary for the attainment of the objectives set out in Article 33 of the Treaty.

In particular, Article 81(1) of the Treaty shall not apply to agreements, decisions and practices of farmers, farmers' associations, or associations of such associations belonging to a single Member State which concern the production or sale of agricultural products or the use of joint facilities for the storage, treatment or processing of agricultural products, and under which there is no obligation to charge identical prices, unless the Commission finds that competition is thereby excluded or that the objectives of Article 33 of the Treaty are jeopardised.

2. After consulting the Member States and hearing the undertakings or associations of undertakings concerned and any other natural or legal person that it considers appropriate, the Commission shall have sole power, subject to review by the Court of Justice, to determine, by a decision which shall be published, which agreements, decisions and practices fulfil the conditions specified in paragraph 1.

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

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

▼ M3

Article 176a

Agreements and concerted practices in the fruit and vegetables sector

1. Article 81(1) of the Treaty shall not apply to the agreements, decisions and concerted practices of recognised interbranch organi-

▼<u>M3</u>

sations with the object of carrying out the activities referred to in Article 123(3)(c) of this Regulation.

- 2. Paragraph 1 shall apply only provided that:
- (a) the agreements, decisions and concerted practices have been notified to the Commission;
- (b) within two months of receipt of all the details required the Commission has not found that the agreements, decisions or concerted practices are incompatible with Community rules.
- 3. The agreements, decisions and concerted practices may not be put into effect before the lapse of the period referred to in paragraph 2(b).
- 4. The following agreements, decisions and concerted practices shall in any case be declared incompatible with Community rules:
- (a) agreements, decisions and concerted practices which may lead to the partitioning of markets in any form within the Community;
- (b) agreements, decisions and concerted practices which may affect the sound operation of the market organisation;
- (c) agreements, decisions and concerted practices which may create distortions of competition which are not essential to achieving the objectives of the common agricultural policy pursued by the interbranch organisation activity;
- (d) agreements, decisions and concerted practices which entail the fixing of prices, without prejudice to activities carried out by interbranch organisations in the application of specific Community rules;
- (e) agreements, decisions and concerted practices which may create discrimination or eliminate competition in respect of a substantial proportion of the products in question.
- 5. If, following expiry of the two-month period referred to in paragraph 2(b), the Commission finds that the conditions for applying paragraph 1 have not been met, it shall take a Decision declaring that Article 81(1) of the Treaty applies to the agreement, decision or concerted practice in question.

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

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

▼B

Article 177

Agreements and concerted practices in the tobacco sector

- 1. Article 81(1) of the Treaty shall not apply to the agreements and concerted practices of recognised interbranch organisations in the tobacco sector, intended to implement the aims referred to in Article 123(c) of this Regulation provided that:
- (a) the agreements and concerted practices have been notified to the Commission;
- (b) the Commission, acting within three months of receipt of all the details required, has not found that those agreements or concerted practices are incompatible with Community competition rules.

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

- 2. Agreements and concerted practices shall be declared contrary to Community competition rules in the following cases where:
- (a) they may lead to the partitioning of markets in any form within the Community;
- (b) they may affect the sound operation of the market organisation;
- (c) they may create distortions of competition which are not essential to achieving the objectives of the common agricultural policy pursued by the interbranch organisation measure;
- (d) they entail the fixing of prices or quotas, without prejudice to measures taken by interbranch organisations in the application of specific provisions of Community rules;
- (e) they may create discrimination or eliminate competition in respect of a substantial proportion of the products in question.
- 3. If, following expiry of the three-month period referred to in point (b) of paragraph 1, the Commission finds that the conditions for applying this Chapter have not been met, it shall without the assistance of the Committee referred to in Article 195(1), take a decision declaring that Article 81(1) of the Treaty applies to the agreement or concerted practice in question.

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

Article 178

Binding effect of agreements and concerted practices on nonmembers in the tobacco sector

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

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

- 2. The rules for which an extension of scope is requested shall have been in force for at least one year and shall relate to one of the following objectives:
- (a) knowledge of production and the market;
- (b) definition of minimum qualities;
- (c) use of cultivation methods compatible with the protection of the environment;
- (d) definition of minimum standards of packing and presentation;
- (e) use of certified seed and monitoring of product quality.
- 3. Extension of the rules shall be subject to approval by the Commission.

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Article 179

Implementing rules in respect of agreements and concerted practices in the fruit and vegetables and tobacco sectors

The Commission may adopt the detailed rules for the application of Articles 176a, 177 and 178, including the rules concerning notification and publication.

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CHAPTER II

State Aid rules

▼ M3

Article 180

Application of Articles 87, 88 and 89 of the Treaty

Save as otherwise provided for in this Regulation, and in particular with the exception of the State aids referred to in Article 182 of this Regulation, Articles 87, 88 and 89 of the Treaty shall apply to the production of and trade in the products referred to in points (a) to (k) and Article 1(1)(m) to (u) and in Article 1(3) of this Regulation.

▼B

Article 181

Specific provisions for the milk and milk products sector

Subject to Article 87(2) of the Treaty, aids the amount of which is fixed on the basis of the price or quantity of products listed in Part XVI of Annex I of this Regulation shall be prohibited.

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

Article 182

Specific national provisions

1. Subject to Commission authorisation, aids for the production and marketing of reindeer and reindeer products (CN ex 0208 and ex 0210) may be granted by Finland and Sweden insofar as they do not entail any increase in traditional levels of production.

▼ M3

- 2. Subject to Commission authorisation, Finland may grant aid for certain quantities of seeds, with the exception of Timothy seeds (*Phleum pratense* L.), and for certain quantities of cereal seed produced solely in Finland up to and including the 2010 harvest.
- By 31 December 2008, Finland shall transmit to the Commission a detailed report on the results of the aid authorised.

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3. Member States which reduce their sugar quota by more than 50 % of the sugar quota fixed on 20 February 2006 in Annex III to Regulation (EC) No 318/2006 may grant temporary State aid during the period for which the transitional aid for beet growers is being paid in accordance with Chapter 10f of Title IV of Regulation (EC) No 1782/2003. The Commission shall, on the basis of an application by any Member State concerned, decide on the total amount of the State aid available for this measure.

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

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

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

4. Without prejudice to the application of Article 88(1) and of the first sentence of Article 88(3) of the Treaty, until 31 December 2010, Germany may grant aid in the framework of the German Alcohol Monopoly for products marketed, after further transformation, by the Monopoly, as ethyl alcohol of agricultural origin listed in Annex I to the Treaty. The total amount of this aid shall not exceed EUR 110 million per year.

Germany shall present before 30 June each year, a report to the Commission on the functioning of the system.

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- 5. Member States may continue to pay state aids under any existing schemes in respect of the production of and trade in potatoes, fresh or chilled, of CN code 0701 until 31 December 2011.
- 6. With regard to the fruit and vegetables sector, Member States may pay a state aid until 31 December 2010 under the following conditions:
- (a) the state aid is paid only to producers of fruit and vegetables who are not members of a recognised producer organisation and who sign a contract with a recognised producer organisation in which they accept that they shall apply the crisis prevention and management measures of the producer organisation concerned;
- (b) the amount of aid paid to such producers is no more than 75 % of the Community support received by the members of the producer organisation concerned; and
- (c) the Member State concerned presents a report to the Commission by 31 December 2010 on the effectiveness and efficiency of the state aid, in particular analysing how much it has supported the organisation of the sector. The Commission will examine the report and decide whether to make any appropriate proposals.

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PART V

SPECIFIC PROVISIONS FOR INDIVIDUAL SECTORS

Article 183

Promotional levy in the milk and milk products sector

Without prejudice to the application of Articles 87, 88 and 89 of the Treaty as provided for in Article 180 of this Regulation, a Member State may impose a promotional levy on its milk producers in respect of marketed quantities of milk or milk equivalent in order to finance the measures on promoting consumption in the Community, expanding the markets for milk and milk products and improving quality.

Article 184

Reporting in respect of certain sectors

The Commission shall present a report:

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- to the Council before 30 September 2008 on the dried fodder sector, on the basis of an evaluation of the provisions contained in this Regulation, dealing in particular with the development of areas of leguminous and other green fodder, the production of dried fodder and the savings of fossil fuels achieved. The report shall be accompanied, if necessary, by appropriate proposals;
- every three years and for the first time by 31 December 2010 to the European Parliament and the Council on the implementation of the measures concerning the apiculture sector set out in Section VI of Chapter IV of Title I of Part II;
- 3) before 31 December 2009 to the European Parliament and the Council on the application of the derogation provided for in Article 182(4) in respect of the German Alcohol Monopoly, including an evaluation of the aids granted in the framework of that Monopoly, together with any appropriate proposals;

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4) to the European Parliament and the Council by 31 December 2013 on the implementation of the provisions set out in Section IVa of Chapter IV of Title I of Part II and Chapter II of Title II of Part II as regards producer organisations, operational funds and operational programmes in the fruit and vegetables sector.

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Article 185

Registration of contracts in the hops sector

- 1. Any contract to supply hops produced within the Community concluded between a producer or producer organisation on the one hand and a buyer on the other shall be registered by the bodies designated for that purpose by each producer Member State concerned.
- 2. Contracts relating to the supply of specific quantities at agreed prices for a period covering one or more harvests and concluded before 1 August of the year of the first harvest concerned shall be known as 'contracts concluded in advance'. They shall be registered separately.
- 3. The data on which registration is based may be used only for the purposes of this Regulation.
- 4. The Commission shall lay down the detailed rules concerning the registration of contracts to supply hops.

Article 186

Disturbances as regards internal market prices

The Commission may take the necessary measures in the case of the following situations, when those situations are likely to continue, thereby disturbing or threatening to disturb the markets:

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

Article 187

Disturbances caused by quotations or prices on the world market

Where, with regard to the products of the cereals, rice, sugar and milk and milk products sectors, the quotations or prices on the world market of one or more products reach a level that disrupts or threatens to disrupt the availability of supply on the Community market and where that situation is likely to continue or to deteriorate, the Commission may take the necessary measures for the sector concerned. It may in particular suspend import duties in whole or in part for certain quantities.

Article 188

Conditions for measures to be applied in cases of disturbances and implementing rules

- 1. The measures provided for in Articles 186 and 187 may be adopted:
- (a) provided that any other measures available under this Regulation appear insufficient;
- (b) having regard to the obligations arising from agreements concluded in accordance with Article 300(2) of the Treaty.
- 2. Detailed rules for the application of Articles 186 and 187 may be adopted by the Commission.

Article 189

Communications in the ethyl alcohol sector

- 1. As regards the products of the ethyl alcohol sector, the Member States shall communicate to the Commission the following information:
- (a) the production of ethyl alcohol of agricultural origin expressed as hectolitres of pure alcohol, broken down by alcohol-producing product used;
- (b) the volume of ethyl alcohol of agricultural origin disposed of, expressed as hectolitres of pure alcohol, broken down by sector of destination;
- (c) the stocks of ethyl alcohol of agricultural origin available in the Member State at the end of the previous year;
- (d) forecast production for the current year.

Rules for communicating this information and, in particular, the frequency of communication and the definition of the sectors of destination shall be adopted by the Commission.

2. On the basis of the information referred to in paragraph 1 and of any other information available, the Commission without the assistance of the Committee referred to in Article 195(1), shall draw up a Community balance for the market in ethyl alcohol of agricultural origin for the previous year and an estimated balance for the current year.

The Community balance shall also contain information on ethyl alcohol of non-agricultural origin. The precise content and means of collecting such information shall be laid down by the Commission.

For the purposes of this paragraph, 'ethyl alcohol of non-agricultural origin' shall mean products falling within CN codes 2207, 2208 90 91 and 2208 90 99 not obtained from a specific agricultural product listed in Annex I to the Treaty.

3. The Commission shall notify the Member States of the balances referred to in paragraph 2.

PART VI

GENERAL PROVISIONS

Article 190

Financial provisions

Regulation (EC) No 1290/2005 and the provisions adopted for the implementation thereof shall apply to the expenditure incurred by the Member States in carrying out obligations under this Regulation.

Article 191

Emergency

The Commission shall adopt the measures which are both necessary and justifiable in an emergency, in order to resolve specific practical problems.

Such measures may derogate from provisions of this Regulation, but only to the extent that, and for such a period, as is strictly necessary.

Article 192

Exchange of information between the Member States and the Commission

- 1. Member States and the Commission shall provide each other with any information necessary for the application of this Regulation or for market monitoring and analysis and for complying with the international obligations concerning the products referred to in Article 1.
- 2. The Commission shall adopt detailed rules to determine what information is necessary for the application of paragraph 1, as well as those on its form, content, timing and deadlines and on arrangements for transmitting or making available information and documents.

Article 193

Circumvention clause

Without prejudice to any specific provisions, no advantage provided for under this Regulation shall be granted in favour of a natural or legal person in respect of whom it is established that the conditions required for obtaining such advantages were created artificially, contrary to the objectives of this Regulation.

Article 194

Controls and administrative measures and administrative penalties and their reporting

The Commission shall determine:

(a) the rules concerning administrative and physical controls to be conducted by the Member States with regard to the respect of obligations resulting from the application of this Regulation;

- (b) a system for the application of administrative measures and administrative penalties where non-compliance with any of the obligations resulting from the application of this Regulation is found;
- (c) the rules regarding the recovery of undue payments resulting from the application of this Regulation;
- (d) the rules on the reporting of the controls carried out and their results.

The administrative penalties referred to in point (b) shall be graduated according to the severity, extent, permanence and repetition of the non-compliance found.

PART VII

IMPLEMENTING, TRANSITIONAL AND FINAL RULES

CHAPTER I

Implementing provisions

Article 195

Committee

- 1. The Commission shall be assisted by the Management Committee for the Common Organisation of Agricultural Markets (hereinafter referred to as the Committee).
- 2. Where reference is made to this paragraph, Articles 4 and 7 of Decision 1999/468/EC shall apply.

The period laid down in Article 4(3) of Decision 1999/468/EC shall be set at one month.

Article 196

Organisation of the Committee

The organisation of meetings of the Committee referred to in Article 195 shall take into account, in particular, the scope of its responsibilities, the specificities of the subject to be dealt with, and the need to involve appropriate expertise.

CHAPTER II

Transitional and final provisions

Article 197

Amendments to Regulation (EC) No 1493/1999

Articles 74 to 76 of Regulation (EC) No 1493/1999 shall be deleted.

Article 198

Amendments to Regulation (EC) No 2200/96

Articles 46 and 47 of Regulation (EC) No 2200/96 shall be deleted.

Article 199

Amendments to Regulation (EC) No 2201/96

Articles 29 and 30 of Regulation (EC) No 2201/96 shall be deleted.

Article 200

Amendments to Regulation (EC) No 1184/2006

Regulation (EC) No 1184/2006 shall be amended as follows:

1. The title shall be replaced by the following:

'Council Regulation (EC) No 1184/2006 of 24 July 2006 applying certain rules of competition to the production of and trade in certain agricultural products';

2. Article 1 shall be replaced by the following:

'Article 1

This Regulation shall lay down the rules to be applied as regards the applicability of Articles 81 to 86 and certain provisions of Article 88 of the Treaty in relation to production of, or trade in, the products listed in Annex I to the Treaty with the exception of the products referred to in points (a) to (h), point (k) and points (m) to (u) of Article 1(1) and in Article 1(3) of Council Regulation (EC) No 1234/2007 (¹).

Article 1a

Articles 81 to 86 of the Treaty and provisions made for their implementation shall, subject to Article 2 of this Regulation, apply to all agreements, decisions and practices referred to in Articles 81(1) and 82 of the Treaty which relate to the production of, or trade in, the products referred to in Article 1.

- 3. The first subparagraph of Article 2(1) shall be replaced by the following:
 - '1. Article 81(1) of the Treaty shall not apply to those agreements, decisions and practices referred to in Article 1a of this Regulation which form an integral part of a national market organisation or are necessary for attainment of the objectives set out in Article 33 of the Treaty.';
- 4. Article 3 shall be replaced by the following:

'Article 3

Article 88(1) and of the first sentence of Article 88(3) of the Treaty shall apply to aid granted for the production of, or trade in, the products referred to in Article 1.'.

Article 201

Repeals

- 1. Subject to paragraph 3, the following Regulations shall be repealed:
- (a) Regulations (EEC) No 234/68, (EEC) No 827/68, (EEC) No 2517/69, (EEC) No 2728/75, (EEC) No 1055/77, (EEC) No 2931/79, (EEC) No 1358/80, (EEC) No 3730/87, (EEC) No 4088/87, (EEC) No 404/93, (EC) No 670/2003 and (EC) No 797/2004, as from 1 January 2008;
- (b) Regulations (EEC) No 707/76, (EC) No 1786/2003, (EC) No 1788/2003 and (EC) No 1544/2006 as from 1 April 2008;
- (c) Regulations (EEC) No 315/68, (EEC) No 316/68, (EEC) No 2729/75, (EEC) No 2759/75, (EEC) No 2763/75, (EEC) No 2771/75, (EEC) No 2777/75, (EEC) No 2782/75, (EEC) No 1898/87, (EEC) No 1906/90, (EEC) No 2204/90, (EEC) No 2075/92, (EEC) No 2077/92, (EEC) No 2991/94, (EC) No 2597/97, (EC) No 1254/1999, (EC) No 1255/1999, (EC) No 2250/1999, (EC) No 1673/2000, (EC) No 1947/2005 (EC) No 1952/2005 and (EC) No 1028/2006, as from 1 July 2008;
- (d) Regulation (EC) No 1785/2003 as from 1 September 2008;
- (e) Regulation (EC) No 318/2006 as from 1 October 2008;
- (f) Regulations (EEC) No 3220/84, (EEC) No 386/90, (EEC) No 1186/90, (EEC) No 2137/92, and (EC) No 1183/2006 as from 1 January 2009.
- 2. Decision 74/583/EEC shall be repealed as from 1 January 2008.
- 3. The repeal of the Regulations referred to in paragraph 1 shall be without prejudice to:
- (a) the maintenance in force of Community acts adopted on the basis of those Regulations; and
- (b) the continuing validity of amendments made by those Regulations to other acts of Community law that are not repealed by this Regulation.

Article 202

Construction of references

References to the provisions and Regulations which are amended or repealed by Articles 197 to 201 shall be construed as references to this Regulation and shall be read in accordance with the correlation tables set out in Annex XXII.

Article 203

Transitional rules

The Commission may adopt the measures required to facilitate the transition from the arrangements provided for in the Regulations which are amended or repealed by Articles 197 to 201 to those established by this Regulation.

Article 203a

Transitional rules in the fruit and vegetables and the processed fruit and vegetables sectors

- 1. The aid schemes set out in Regulations (EC) No 2201/96 and (EC) No 2202/96 of 28 October 1996 introducing a Community aid scheme for producers of certain citrus fruit (¹) and abolished by Regulation (EC) No 1182/2007 shall remain applicable in respect of each of the products concerned for the marketing year for that product ending in 2008.
- 2. Producer organisations and associations of producer organisations already recognised under Regulation (EC) No 2200/96 before the date of entry into force of this Regulation shall continue to be recognised under this Regulation. Where necessary, they shall make adaptations to the requirements of this Regulation by 31 December 2010.

Producer organisations and associations of producer organisations already recognised under Regulation (EC) No 1182/2007 shall continue to be recognised under this Regulation.

- 3. At the request of a producer organisation, an operational programme approved under Regulation (EC) No 2200/96 before the date of application of Regulation (EC) No 1182/2007:
- (a) may continue to run until its end; or
- (b) be modified to meet the requirements of this Regulation; or
- (c) be replaced by a new operational programme approved under this Regulation.

Article 103d(3)(e) and (f) shall apply to operational programmes submitted in 2007 but not yet approved at the date of application of this Regulation which otherwise meet the criteria of those points.

- 4. Producer groups which were granted preliminary recognition under Regulation (EC) No 2200/96 shall continue to benefit from that preliminary recognition under this Regulation. Recognition plans accepted under Regulation (EC) No 2200/96 shall continue to benefit from that acceptance under this Regulation. However the plans shall be modified, if necessary, so as to permit the producer group to be able to meet the criteria for recognition as a producer organisation laid down in Article 125b of this Regulation. As concerns such producer groups in Member States which acceded to the European Union on 1 May 2004 or thereafter, the aid rates set out in Article 103a(3)(a) shall apply to recognition plans from the date of application of this Regulation.
- 5. The contracts referred to in Article 3(2) of Regulation (EC) No 2202/96 covering more than one marketing year of the aid scheme for processing citrus fruits which relate to the marketing year beginning on 1 October 2008 or to subsequent marketing years may, with the agreement of both parties, be amended or terminated to take into account the repeal of that Regulation by Regulation (EC) No 1182/2007 and the consequential abolition of the aid. No penalties shall be applied under that Regulation or its implementing rules to the parties concerned as a result of such an amendment or termination.
- 6. Where a Member State makes use of the transitional arrangement under Article 68b or Article 143bc of Regulation (EC) No 1782/2003, the rules adopted pursuant to Article 6 of Regulation (EC) No 2201/96 or Article 6 of Regulation (EC) No 2202/96 on the minimum characteristics of the raw material supplied for processing and minimum quality requirements for finished products shall remain applicable in respect of the raw materials harvested in its territory.
- 7. Until new marketing standards are adopted in respect of fruit and vegetables and processed fruit and vegetables in accordance with

OJ L 297, 21.11.1996, p. 49. Regulation as last amended by Commission Regulation (EC) No 1933/2001 (OJ L 262, 2.10.2001, p. 6).;

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Articles 113 and 113a, the marketing standards drawn up pursuant to Regulations (EC) No 2200/96 and (EC) No 2201/96 shall continue to apply.

8. The Commission may adopt the measures required to facilitate the transition from the arrangements provided for in Regulations (EC) No 2200/96, (EC) No 2201/96, (EC) No 2202/96 and (EC) No 1182/2007 to those laid down in this Regulation including those provided for in paragraphs 1 to 7 of this Article.

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Article 204

Entry into force

- 1. This Regulation shall enter into force on the seventh day following its publication in the *Official Journal of the European Union*.
- 2. It shall apply from 1 January 2008.

However, it shall apply:

- (a) as regards the cereals, seeds, hops, olive oil and table olives, flax and hemp, raw tobacco, beef and veal, pigmeat, sheepmeat and goatmeat, eggs and poultrymeat sectors, from 1 July 2008;
- (b) as regards the rice sector, from 1 September 2008;
- (c) as regards the sugar sector, from 1 October 2008 with the exception of Article 59 which shall apply as from 1 January 2008;
- (d) as regards the dried fodder and the silkworm sectors, from 1 April 2008;
- (e) as regards the wine sector as well as Article 197, from 1 August 2008;
- (f) as regards the milk and milk products sector, with the exception of the provisions set out in Chapter III of Title I of Part II, from 1 July 2008:
- (g) as regards the system of milk production limitation established in Chapter III of Title I of Part II, from 1 April 2008;
- (h) as regards the Community scales for carcass classification referred to in Article 42(1), from 1 January 2009.

Articles 27, 39 and 172 shall apply from 1 January 2008 and Articles 149 to 152 from 1 July 2008 for all the products concerned.

- 3. As regards the sugar sector, Title I of Part II shall apply until the end of the marketing year 2014/2015 for sugar.
- 4. The provisions related to the system of milk production limitation established in Chapter III of Title I of Part II shall, in accordance with Article 66, apply until 31 March 2015.

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

ANNEX I

LIST OF PRODUCTS REFERRED TO IN ARTICLE 1(1)

Part I: Cereals

As regards cereals, this Regulation shall cover the products listed in the following table:

	CN code	Description
(a)	0709 90 60	Sweetcorn, fresh or chilled
	0712 90 19	Dried sweetcorn, whole, cut, sliced, broken or in powder, but not further prepared, other than hybrid for sowing
	1001 90 91	Common wheat and meslin seed
	1001 90 99	Spelt, common wheat and meslin other than for sowing
	1002 00 00	Rye
	1003 00	Barley
	1004 00	Oats
	1005 10 90	Maize (corn) seed other than hybrid
	1005 90 00	Maize other than seed
	1007 00 90	Grain sorghum, other than hybrids for sowing
	1008	Buckwheat, millet and canary seed; other cereals
(b)	1001 10	Durum wheat
(c)	1101 00 00	Wheat or meslin flour
	1102 10 00	Rye flour
	1103 11	Groats and meal of wheat
	1107	Malt, whether or not roasted
(d)	0714	Manioc, arrowroot, salep, Jerusalem artichokes, sweet potatoes and similar roots and tubers with high starch or inulin content, fresh, chilled, frozen or dried, whether or not sliced or in the form of pellets; sago pith
	ex 1102	Cereal flours other than of wheat or meslin:
	1102 20	- Maize (corn) flour
	1102 90	- Other:
	1102 90 10	– – Barley flour
	1102 90 30	Oat flour
	1102 90 90	Other
	ex 1103	Cereal groats, meal and pellets with the exception of groats and meal of wheat (subheading 1103 11), groats and meal of rice (subheading 1103 19 50) and pellets of rice (subheading 1103 20 50)

an: i	
CN code	Description
ex 1104	Cereal grains otherwise worked (for example, hulled, rolled, flaked, pearled, sliced or kibbled), except rice of heading 1006 and flaked rice of subheading 1104 19 91; germ of cereals, whole, rolled, flaked or ground
1106 20	Flour, meal and powder of sago or of roots or tubers of heading 0714
ex 1108	Starches; inulin:
	- Starches:
1108 11 00	Wheat starch
1108 12 00	Maize (corn) starch
1108 13 00	Potato starch
1108 14 00	Manioc (cassava) starch
ex 1108 19	Other starches:
1108 19 90	Other
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:
	Other:
1702 30 91	In the form of white crystalline powder, whether or not agglomerated
1702 30 99	Other
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:

CN code	Description
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
ex 2308	Vegetable materials and vegetable waste, vegetable residues and by-products, whether or not in the form of pellets, of a kind used in animal feeding, not elsewhere specified or included:
2308 00 40	- Acorns and horse-chestnuts; pomace or marc of fruit, other than grapes
2309	Preparations of a kind used in animal feeding:
ex 2309 10	- Dog or cat food, put up for retail sale:
2309 10 11 2309 10 13 2309 10 31 2309 10 33 2309 10 51 2309 10 53	 Containing starch, glucose, glucose syrup, maltodextrine or maltodextrine syrup of subheadings 1702 30 51 to 1702 30 99, 1702 40 90, 1702 90 50 and 2106 90 55 or milk products (¹) except preparations and feedingstuffs containing 50 % or more by weight of milk products
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 2309 90 33 2309 90 41 2309 90 43 2309 90 51 2309 90 53	 Other, containing starch, glucose, glucose syrup, maltodextrine syrup of subheadings 1702 30 51 to 1702 30 99, 1702 40 90, 1702 90 50 and 2106 90 55, or milk products (¹), excluding preparations and feedingstuffs containing 50 % or more by weight of milk products

 $^(^1)$ For the purposes of this subheading 'milk products' means products falling within headings 0401 to 0406 as well as subheadings 1702 11, 1702 19 and 2106 90 51.

Part II: Rice

As regards rice, this Regulation shall cover the products listed in the following table:

	CN code	Description
(a)	1006 10 21 to 1006 10 98	Rice in the husk (paddy or rough), other than for sowing
	1006 20	Husked (brown) rice
	1006 30	Semi-milled or wholly milled rice, whether or not polished or glazed
(b)	1006 40 00	Broken rice
(c)	1102 90 50	Rice flour
	1103 19 50	Rice groats and meal
	1103 20 50	Pellets of rice
	1104 19 91	Flaked grains of rice
	ex 1104 19 99	Rolled grains of rice
	1108 19 10	Rice starch

Part III: Sugar

As regards sugar, this Regulation shall cover the products listed in the following table:

	CN code	Description
(a)	1212 91	Sugar beet
	1212 99 20	Sugar cane
(b)	1701	Cane or beet sugar and chemically pure sucrose, in solid form
(c)	1702 20	Maple sugar and maple syrup
	1702 60 95 and 1702 90 99	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 60	Artificial honey, whether or not mixed with natural honey
	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 1702 40 10 1702 60 10 1702 90 30	Isoglucose
(e)	1702 60 80 1702 90 80	Inulin syrup
(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

As regards dried fodder, this Regulation shall cover the products listed in the following table:

	CN code		Description
(a)	ex 1214 10 00	-	Meal and pellets of lucerne artificially heat-dried
		_	Meal and pellets of lucerne otherwise dried and ground
	ex 1214 90 90	_	Lucerne, sainfoin, clover, lupins, vetches and similar fodder products, artificially heat-dried, except hay and fodder kale and products containing hay
		_	Lucerne, sainfoin, clover, lupins, vetches, honey lotus, chickling pea and birdsfoot, otherwise dried and ground
(b)	ex 2309 90 99	_	Protein concentrates obtained from lucerne juice and grass juice
		_	Dehydrated products obtained exclusively from solid residues and juice resulting from preparation of the abovementioned concentrates

Part V: Seeds

As regards seeds, this Regulation shall cover the products listed in the following table

CN code	Description
0712 90 11	Sweetcorn hybrids:
	- for sowing
0713 10 10	Peas (Pisum sativum):
	for sowing
ex 0713 20 00	Chickpeas (garbanzos):
	- for sowing
ex 0713 31 00	Beans of the species Vigna mungo (L.) Hepper or Vigna radiata (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 (Phaseolus vulgaris):
	- for sowing
ex 0713 39 00	Other beans:
	- for sowing
ex 0713 40 00	Lentils:
	- for sowing
ex 0713 50 00	Broad beans (Vicia faba var. major) and horse beans (Vicia faba var. equina, Vicia faba var. minor):
	- for sowing
ex 0713 90 00	Other dried leguminous vegetables:
	- for sowing

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CN code	Description
1001 90 10	Spelt:
	- for sowing
ex 1005 10	Hybrid maize (corn) seed
1006 10 10	Rice in the husk (paddy or rough):
	- for sowing
1007 00 10	Grain sorghum hybrids:
	- for sowing
1201 00 10	Soya beans, whether or not broken:
	- for sowing
1202 10 10	Groundnuts, not roasted or otherwise cooked, in shell:
	– for sowing
1204 00 10	Linseed, whether or not broken:
	- for sowing
1205 10 10 and ex 1205 90 00	Rape or colza seeds, whether or not broken, for sowing
	- Other
1206 00 10	Sunflower seeds, whether or not broken:
	- for sowing
ex 1207	Other oil seeds and oleaginous fruits, whether or not broken:
	- for sowing
1209	Seeds, fruit and spores, of a kind used:
	- for sowing

Part VI: Hops

1. As regards hops, this Regulation shall cover the products listed in the following table

CN code	Description
1210	Hop cones, fresh or dried, whether or not ground, powdered or in the form of pellets; lupulin

2. The rules of this Regulation on marketing and trade with third countries shall also apply to the following products:

CN code	Description
1302 13 00	Vegetable saps and extracts of hops

Part VII: Olive oil and table olives

As regards olive oil and table olives, this Regulation shall cover the products listed in the following table:

	CN code	Description
(a)	1509	Olive oil and its fractions, whether or not refined, but not chemically modified
	1510 00	Other oils and their fractions, obtained solely from olives, whether or not refined, but not chemically modified, including blends of these oils or fractions with oils or fractions of heading 1509

	CN code	Description
(b)	0709 90 31	Olives, fresh or chilled, for uses other than the production of oil
	0709 90 39	Other olives, fresh or chilled
	0710 80 10	Olives (uncooked or cooked by steaming or boiling water), frozen
	0711 20	Olives provisionally preserved (for example, by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption
	ex 0712 90 90	Olives dried, whole, cut, sliced, broken or in powder, but not further prepared
	2001 90 65	Olives prepared or preserved by vinegar or acetic acid
	ex 2004 90 30	Olives prepared or preserved otherwise than by vinegar or acetic acid, frozen
	2005 70	Olives prepared or preserved otherwise than by vinegar or acetic acid, not frozen
(c)	1522 00 31 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 residues resulting from the extractions of olive oil

Part VIII: Flax and hemp grown for fibre

As regards flax and hemp grown for fibre, this Regulation shall cover the products listed in the following table:

CN code	Description
5301	Flax, raw or processed but not spun; flax tow and waste (including yarn waste and garnetted stock)
5302	True hemp (Cannabis sativa L.) raw or processed but not spun; tow and waste of true hemp (including yarn waste and garnetted stock)

Part IX: Fruit and vegetables

As regards fruit and vegetables, this Regulation shall cover the products listed in the following table:

CN code	Description
0702 00 00	Tomatoes, fresh or chilled
0703	Onions, shallots, garlic, leeks and other alliaceous vegetables, fresh or chilled
0704	Cabbages, cauliflowers, kohlrabi, kale and similar edible brassicas, fresh or chilled
0705	Lettuce (Lactuca sativa) and chicory (Cichorium 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

CN code	Description
0708	Leguminous vegetables, shelled or unshelled, fresh or chilled
ex 0709	Other vegetables, fresh or chilled, excluding vegetables of subheadings 0709 60 91, 0709 60 95, 0709 60 99, 0709 90 31, 0709 90 39 and 0709 90 60
ex 0802	Other nuts, fresh or dried, whether or not shelled or peeled, excluding areca (or betel) and cola nuts falling within subheading 0802 90 20
0803 00 11	Fresh plantains
ex 0803 00 90	Dried plantains
0804 20 10	Figs, fresh
0804 30 00	Pineapples
0804 40 00	Avocados
0804 50 00	Guavas, mangos and mangosteens
0805	Citrus fruit, fresh or dried
0806 10 10	Fresh table grapes
0807	Melons (including watermelons) and pawpaws (papayas), fresh
0808	Apples, pears and quinces, fresh
0809	Apricots, cherries, peaches (including nectarines), plums and sloes, fresh
0810	Other fruit, fresh
0813 50 31 0813 50 39	Mixtures exclusively of dried nuts of headings 0801 and 0802
0910 20	Saffron
ex 0910 99	Thyme, fresh or chilled
ex 1211 90 85	Basil, melissa, mint, <i>origanum vulgare</i> (oregano/wild marjoram), rosemary, sage, fresh or chilled
1212 99 30	Locust (or carob) beans

Part X: Processed fruit and vegetable products

As regards processed fruit and vegetable products, this Regulation shall cover the products listed in the following table:

	CN Code	Description
(a)	ex 0710	Vegetables (uncooked or cooked by steaming or boiling in water) frozen, excluding sweetcorn of subheading 0710 40 00, olives of subheading 0710 80 10 and fruits of the genus <i>Capsicum</i> or of the genus <i>Pimenta</i> of subheading 0710 80 59
	ex 0711	Vegetables provisionally preserved (for example, by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption, excluding olives of subheading 0711 20, fruits of the genus <i>Capsicum</i> or of the genus <i>Pimenta</i> of subheading 0711 90 10 and sweetcorn of subheading 0711 90 30

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		CN Code	Description
		ex 0712	Dried vegetables, whole, cut, sliced, broken or in powder, but not further prepared, excluding potatoes dehydrated by artificial heat-drying and unfit for human consumption falling within subheading ex 0712 90 05, sweetcorn falling within the subheadings ex 0712 90 11 and 0712 90 19 and olives falling within subheading ex 0712 90 90
		0804 20 90	Dried figs
		0806 20	Dried grapes
		ex 0811	Fruit and nuts, uncooked or cooked by steaming or boiling in water, frozen, not containing added sugar or other sweetening matter, excluding frozen bananas falling within subheading ex 0811 90 95
		ex 0812	Fruit and nuts, provisionally preserved (for example by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption, excluding bananas provisionally preserved falling within subheading ex 0812 90 98
		ex 0813	Fruit, dried, other than that of headings 0801 to 0806; mixtures of nuts or dried fruits of this chapter excluding mixtures exclusively of nuts of headings 0801 and 0802 falling within subheadings 0813 50 31 and 0813 50 39
		0814 00 00	Peel of citrus fruit or melons (including watermelons), fresh, frozen, dried or provisionally preserved in brine, in sulphur water or in other preservative solutions
		0904 20 10	Dried sweet peppers, neither crushed nor ground
	(b)	ex 0811	Fruit and nuts, uncooked or cooked by steaming or boiling in water, frozen, containing added sugar or other sweetening matter
		ex 1302 20	Pectic substances and pectinates
		ex 2001	Vegetables, fruit, nuts and other edible parts of plants, prepared or preserved by vinegar or acetic acid, excluding: — fruit of the genus Capsicum other than sweet peppers or pimentos of subheading 2001 90 20 — sweetcorn (Zea mays var. saccharata) of subheading 2001 90 30 — yams, sweet potatoes and similar edible parts of plants containing 5 % or more by weight of starch of subheading 2001 90 40 — palm hearts of subheading 2001 90 60 — olives of subheading 2001 90 65 — vine leaves, hop shoots and other similar edible parts of plants falling within subheading ex 2001 90 99
		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

CN Code	Description
ex 2004	Other vegetables prepared or preserved otherwise than by vinegar or acetic acid, frozen, other than the products of heading 2006, excluding sweetcorn (<i>Zea mays</i> var. <i>saccharata</i>) of subheading ex 2004 90 10, olives of subheading ex 2004 90 30 and potatoes prepared or preserved in the form of flour, meal or flakes of subheading 2004 10 91
ex 2005	Other vegetables prepared or preserved otherwise than by vinegar or acetic acid, not frozen, other than products of heading 2006 excluding olives of subheading 2005 70, sweetcorn (<i>Zea mays</i> var. <i>saccharata</i>) of subheading 2005 80 00 and fruit of the genus <i>Capsicum</i> , other than sweet peppers or pimentos of subheading 2005 99 10 and potatoes prepared or preserved in the form of flour, meal or flakes of subheading 2005 20 10
ex 2006 00	Fruit, nuts, fruit-peel and other parts of plants, preserved by sugar (drained, glacé or crystallised), excluding bananas preserved by sugar falling within headings ex 2006 00 38 and ex 2006 00 99
ex 2007	Jams, fruit jellies, marmalades, fruit or nut purée and fruit or nut pastes, being cooked preparations, whether or not containing added sugar or other sweetening matter, excluding: — 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 57 and ex 2007 99 98
ex 2008	Fruit, nuts and other edible parts of plants, otherwise prepared or preserved, whether or not containing added sugar or other sweetening matter or spirit, not elsewhere specified or included, excluding: — peanut butter of subheading 2008 11 10 — palm hearts of subheading 2008 91 00 — maize of subheading 2008 99 85 — yams, sweet potatoes and similar edible parts of plants, containing 5 % or more by weight of starch of subheading 2008 99 91 — vine leaves, hop shoots and other similar edible parts of plants falling within subheading ex 2008 99 99 — mixtures of banana otherwise prepared or preserved of subheadings ex 2008 92 59, ex 2008 92 78, ex 2008 92 93 and ex 2008 92 98 — bananas otherwise prepared or preserved of subheadings ex 2008 99 67 and ex 2008 99 99
ex 2009	Fruit juices (excluding grape juice and grape must of subheadings 2009 61 and 2009 69 and banana juice of subheading ex 2009 80) and vegetable juices, unfermented and not containing added spirit, whether or not containing added sugar or other sweetening matter

Part XI: Bananas

As regards bananas, this Regulation shall cover the products listed in the following table:

CN codes	Description
0803 00 19	Fresh bananas, excluding plantains
ex 0803 00 90	Dried bananas, excluding plantains
ex 0812 90 98	Bananas provisionally preserved
ex 0813 50 99	Mixtures containing dried bananas

CN codes	Description
1106 30 10	Flour, meal and powder of bananas
ex 2006 00 99	Bananas preserved in sugar
ex 2007 10 99	Homogenised preparations of bananas
ex 2007 99 39 ex 2007 99 57 ex 2007 99 98	Jams, jellies, marmalades, purées and pastes of bananas
ex 2008 92 59 ex 2008 92 78 ex 2008 92 93 ex 2008 92 98	Mixtures containing bananas otherwise prepared or preserved, not containing added spirit
ex 2008 99 49 ex 2008 99 67 ex 2008 99 99	Bananas otherwise prepared or preserved
ex 2009 80 35 ex 2009 80 38 ex 2009 80 79 ex 2009 80 86 ex 2009 80 89 ex 2009 80 99	Banana juice

Part XII: Wine

As regards wine, this Regulation shall cover the products listed in the following table:

	CN code	Description
(a)	2009 61 2009 69	Grape juice (including grape must)
	2204 30 92 2204 30 94 2204 30 96 2204 30 98	Other grape musts, other than those in fermentation or with fermentation arrested otherwise than by the addition of alcohol
(b)	ex 2204	Wine of fresh grapes, including fortified wines; grape must other than that of heading 2009, excluding other grape must of subheadings 2204 30 92, 2204 30 94, 2204 30 96 and 2204 30 98
(c)	0806 10 90	Fresh grapes other than table grapes
	2209 00 11 2209 00 19	Wine vinegar
(d)	2206 00 10	Piquette
	2307 00 11 2307 00 19	Wine lees
	2308 00 11 2308 00 19	Grape marc

Part XIII: Live trees and other plants, bulbs, roots and the like, cut flowers and ornamental foliage

As regards live trees and other plants, bulbs, roots and the like, cut flowers and ornamental foliage, this Regulation shall cover all the products falling within Chapter 6 of the Combined Nomenclature.

Part XIV: Raw tobacco

As regards raw tobacco, this Regulation shall cover raw or non-manufactured tobacco and tobacco refuse falling within heading 2401 of the Combined Nomenclature.

Part XV: Beef and veal

As regards beef and veal, this Regulation shall cover the products listed in the following table:

	CN code	Description
(a)	0102 90 05 to 0102 90 79	Live animals of the domestic bovine species, other than pure-bred breeding animals
	0201	Meat of bovine animals, fresh or chilled
	0202	Meat of bovine animals, frozen
	0206 10 95	Thick skirt and thin skirt, fresh or chilled
	0206 29 91	Thick skirt and thin skirt, frozen
	0210 20	Meat of bovine animals, salted, in brine, dried or smoked
	0210 99 51	Thick skirt and thin skirt, salted, in brine, dried or smoked
	0210 99 90	Edible flours and meals of meat or meat offal
	1602 50 10	Other prepared or preserved meat or meat offal of bovine animals, uncooked; mixtures of cooked meat or offal and uncooked meat or offal
	1602 90 61	Other prepared or preserved meat containing bovine meat or offal, uncooked; mixtures of cooked meat or offal and uncooked meat or offal
(b)	0102 10	Live bovine pure-bred breeding animals
	0206 10 91 0206 10 99	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 0206 22 00 0206 29 99	Edible offal of bovine animals excluding thick skirt and thin skirt, frozen, other than for the manufacture of pharmaceutical products
	0210 99 59	Edible meat offal of bovine animals, salted, in brine, dried or smoked, other than thick skirt and thin skirt
	ex 1502 00 90	Fats of bovine animals other than those of heading 1503
	1602 50 31 to 1602 50 80	Other prepared or preserved meat or meat offal, of bovine animals, other than uncooked meat or meat offal and mixtures of cooked meat or offal and uncooked meat or offal
	1602 90 69	Other prepared or preserved meat containing bovine meat or offal other than uncooked, and mixtures of cooked meat or offal and uncooked meat or offal.

Part XVI: Milk and milk products

As regards milk and milk products, this Regulation shall cover the products listed in the following table:

CN code		Description	
(a)	0401	Milk and cream, not concentrated nor containing added sugar or other sweetening matter	
(b)	0402	Milk and cream, concentrated or containing added sugar or other sweetening matter	
(c)	0403 10 11 to 0403 10 39 0403 90 11 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	

	CN code	Description
(d)	0404	Whey, whether or not concentrated or containing added sugar or other sweetening matter; products consisting of natural milk constituents, whether or not containing added sugar or other sweetening matter, not elsewhere specified or included
(e)	ex 0405	Butter and other fats and oils derived from milk; dairy spreads of a fat content of more than 75 % but less than 80 %
(f)	0406	Cheese and curd
(g)	1702 19 00	Lactose and lactose syrup not containing added flavouring or colouring matter, containing by weight less than 99 % lactose, expressed as anhydrous lactose, calculated on the dry matter
(h)	2106 90 51	Flavoured or coloured lactose syrup
(i)	ex 2309	Preparations of a kind used in animal feeding:
		 Preparations and feedingstuffs containing products to which this Regulation applies, directly or by virtue of Regulation (EC) No 1667/2006, except preparations and feeding- stuffs falling under Part I of this Annex.

Part XVII: Pigmeat

As regards pigmeat, this Regulation shall cover the products listed in the following table:

	CN code	Description
(a)	ex 0103	Live swine, of domestic species, other than pure-bred breeding animals
(b)	ex 0203	Meat of domestic swine, fresh, chilled, or frozen
	ex 0206	Edible offal of domestic swine, other than for the manufacture of pharmaceutical products, fresh, chilled or frozen
	ex 0209 00	Pig fat, free of lean meat, not rendered or otherwise extracted, fresh, chilled, frozen, salted, in brine, dried or smoked
	ex 0210	Meat and edible meat offal of domestic swine, salted, in brine, dried or smoked
	1501 00 11 1501 00 19	Pig fat (including lard)
(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 1602 42 10 1602 49 11 to 1602 49 50	Other preparations and preserves containing meat or offal of domestic swine
	1602 90 10	Preparations of blood of any animal
	1602 90 51	Other preparations or preserves containing meat or meat offal of domestic swine
	1902 20 30	Stuffed pasta, whether or not cooked or otherwise prepared, containing more than 20 % by weight of sausages and the like, of meat and meat offal of any kind, including fats of any kind or origin

Part XVIII: Sheepmeat and goatmeat

As regards sheepmeat and goatmeat, this Regulation shall cover the products listed in the following table:

	CN code	Description
(a)	0104 10 30	Lambs (up to one year old)
	0104 10 80	Live sheep other than pure-bred breeding animals and lambs
	0104 20 90	Live goats other than pure-bred breeding animals
	0204	Meat of sheep or goats, fresh, chilled or frozen
	0210 99 21	Meat of sheep and goats, with bone in, salted, in brine, dried or smoked
	0210 99 29	Meat of sheep and goats, boneless, salted, in brine, dried or smoked
(b)	0104 10 10	Live sheep — pure-bred breeding animals
	0104 20 10	Live goats — pure-bred breeding animals
	0206 80 99	Edible offal of sheep and goats, fresh or chilled, other than for the manufacture of pharmaceutical products
	0206 90 99	Edible offal of sheep and goats, frozen, other than for the manufacture of pharmaceutical products
	0210 99 60	Edible offal of sheep and goats, salted, in brine, dried or smoked
	ex 1502 00 90	Fats of sheep or goats, other than those of 1503
(c)	1602 90 72	Other prepared or preserved meat or meat offal of sheep or goats, uncooked;
	1602 90 74	mixtures of cooked and uncooked meat or offal
(d)	1602 90 76 1602 90 78	Other prepared or preserved meat or meat offal of sheep or goats, other than uncooked or mixtures of cooked and uncooked meat or offal

Part XIX: Eggs

As regards eggs, this Regulation shall cover the products listed in the following table:

	CN code	Description
(a)	0407 00 11 0407 00 19 0407 00 30	Poultry eggs, in shell, fresh, preserved or cooked
(b)	0408 11 80 0408 19 81 0408 19 89 0408 91 80 0408 99 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

Part XX: Poultrymeat

As regards poultrymeat, this Regulation shall cover the products listed in the following table:

	CN code	Description
(a)	0105	Live poultry, that is to say, fowls of the species <i>Gallus domesticus</i> , ducks, geese, turkeys and guinea fowls
(b)	ex 0207	Meat and edible offal, of the poultry of heading 0105 fresh, chilled or frozen, excluding livers falling within point (c)
(c)	0207 13 91	Poultry livers, fresh, chilled or frozen
	0207 14 91	
	0207 26 91	
	0207 27 91	
	0207 34	
	0207 35 91	
	0207 36 81	
	0207 36 85	
	0207 36 89	
	0210 99 71	Poultry livers, salted, in brine, dried or smoked
	0210 99 79	
(d)	0209 00 90	Poultry fat, not rendered or otherwise extracted, fresh, chilled, frozen, salted, in brine, dried or smoked
(e)	1501 00 90	Poultry fat
(f)	1602 20 11	Goose or duck livers, otherwise prepared or preserved
	1602 20 19	
	1602 31	Meat or meat offal of poultry of heading 0105, otherwise prepared or preserved
	1602 32	
	1602 39	

Part XXI: Other products

CN code	Description
ex 0101	Live horses, asses, mules and hinnies:
0101 10	- Pure-bred breeding animals:
0101 10 10	Horses (a)
0101 10 90	- Horses (a)- OtherOther:
0101 90	- Other:
	Horses:
0101 90 19	Other than for slaughter

CN code	Description
0101 90 30	Asses
0101 90 90	Mules and hinnies
ex 0102	Live bovine animals:
ex 0102 90	- Other than pure-bred breeding animals:
0102 90 90	Other than domestic species
ex 0103	Live swine:
0103 10 00	- Pure-bred breeding animals (b)
	- Other:
ex 0103 91	Weighing less than 50 kg:
0103 91 90	Other than domestic species
ex 0103 92	Weighing 50 kg or more
0103 92 90	Other than domestic species
0106 00	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 borin:
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 bo in:
0203 22 90	Other than of domestic swine

CN code	Description
ex 0203 29	Other:
0203 29 90	Other than of domestic swine
0205 00	Meat of asses, mules or hinnies, fresh, chille frozen:
ex 0206	Edible offal of bovine animals, swine, she goats, horses, asses, mules or hinnies, fichilled or frozen:
ex 0206 10	- Of bovine animals, fresh or chilled
0206 10 10	For the manufacture of pharmaceu products (°)
	- Of bovine animals, frozen:
ex 0206 22 00	Livers:
	For the manufacture of pharmaceu products (°)
ex 0206 29	Other:
0206 29 10	For the manufacture of pharmaceu products (c)
ex 0206 30 00	- Of swine, fresh or chilled:
	For the manufacture of pharmaceu products (°)
	Other:
	other than of domestic swine
	- Of swine, frozen:
ex 0206 41 00	Livers:
	For the manufacture of pharmaceu products (°)
	Other:
	other than of domestic swine
ex 0206 49	Other:
ex 0206 49 20	Of domestic swine:
	For the manufacture of pharmaceu products (°)
0206 49 80	Other
ex 0206 80	- Other, fresh or chilled:
0206 80 10	For the manufacture of pharmaceu products (°)
	Other:

CN code	Description
	•
0206 80 91	Of horses, asses, mules and hinnies
ex 0206 90	– Other, frozen:
0206 90 10	For the manufacture of pharmaceut products (c)
	Other:
0206 90 91	Of horses, asses, mules and hinnies
0208	Other meat and edible meat offal, fresh, chi or frozen
ex 0210	Meat and edible meat offal, salted, in brine, do or smoked; edible flours and meals of meat meat offal:
	- Meat of swine:
ex 0210 11	Hams, shoulders and cuts thereof, with b in:
0210 11 90	Other than of domestic swine
ex 0210 12	Bellies (streaky) and cuts thereof:
0210 12 90	Other than of domestic swine
ex 0210 19	Other:
0210 19 90	Other than of domestic swine
	Other, including edible flours and meals meat or meat offal:
0210 91 00	Of primates
0210 92 00	 Of whales, dolphins and porpo (mammals of the order <i>Cetacea</i>); manatees and dugongs (mammals of order <i>Sirenia</i>)
0210 93 00	Of reptiles (including snakes and turtles)
ex 0210 99	Other:
	Meat:
0210 99 31	Of reindeer
0210 99 39	Other
	Offal:
	Other than of domestic swine, box animals, sheep and goats
0210 99 80	Other than poultry livers
ex 0407 00	Birds' eggs, in shell, fresh, preserved or cook

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CN code	Description
0407 00 90	- Other than of poultry
ex 0408	Birds' eggs, not in shell, and egg yolks, fresh, dried, cooked by steaming or by boiling in water, moulded, frozen or otherwise preserved, whether or not containing added sugar or other sweetening matter:
	– Egg yolks:
ex 0408 11	Dried:
0408 11 20	Unfit for human consumption (d)
ex 0408 19	Other:
0408 19 20	Unfit for human consumption (d)
	- Other:
ex 0408 91	Dried:
0408 91 20	Unfit for human consumption (d)
ex 0408 99	Other:
0408 99 20	Unfit for human consumption (d)
0410 00 00	Edible products of animal origin, not elsewhere specified or included
0504 00 00	Guts, bladders and stomachs of animals (other than fish), whole and pieces thereof, fresh, chilled, frozen, salted, in brine, dried or smoked
ex 0511	Animal products not elsewhere specified or included; dead animals of Chapter 1 or 3, unfit for human consumption:
0511 10 00	- Bovine semen
	- Other:
0511 91	 Products of fish or crustaceans, molluscs or other aquatic invertebrates; dead animals of Chapter 3
ex 0511 99	Other:
<u>M3</u> —	
	Other
ex 0709	Other vegetables, fresh or chilled:
ex 0709 60	Fruits of the genus Capsicum or of the genus Pimenta:
	Other:
0709 60 91	Of the genus <i>Capsicum</i> , for the manufacture of capsicin or capsicum oleoresin dyes (°)

CN code	Description
0709 60 95	 For the industrial manufacture of essential or resinoids (c)
0709 60 99	Other
ex 0710	Vegetables (uncooked or cooked by steaming boiling in water), frozen:
ex 0710 80	- Other vegetables:
	Fruits of the genus <i>Capsicum</i> or of the ge <i>Pimenta</i> :
0710 80 59	Other than sweet peppers
ex 0711	Vegetables provisionally preserved (for exam by sulphur dioxide gas, in brine, in sulphur w or in other preservative solutions), but unsuita 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 genus <i>Pimenta</i> , excluding sw peppers
ex 0713	Dried leguminous vegetables, shelled, whethe not skinned or split:
ex 0713 10	- Peas (Pisum sativum):
0713 10 90	Other than for sowing
ex 0713 20 00	- Chickpeas (garbanzos):
	Other than for sowing
	- Beans (Vigna spp., Phaseolus spp.):
ex 0713 31 00	 Beans of the species Vigna mungo Hepper or Vigna radiata (L) Wilczek:
	Other than for sowing
ex 0713 32 00	 - Small red (Adzuki) beans (Phaseolus Vigna angularis):
	Other than for sowing
ex 0713 33	Kidney beans, including white pea be (Phaseolus vulgaris):
0713 33 90	Other than for sowing
ex 0713 39 00	Other:
	Other than for sowing
ex 0713 40 00	- Lentils:
	Other than for sowing

CN code	Description
ex 0713 50 00	 Broad beans (Vicia faba var. major) and horse beans (Vicia faba var. equina and Vicia faba var. minor):
	Other than for sowing
ex 0713 90 00	- Other:
	Other than for sowing
0801	Coconuts, Brazil nuts and cashew nuts, fresh o dried, whether or not shelled or peeled
ex 0802	Other nuts, fresh or dried, whether or not shelled or peeled:
ex 0802 90	- Other:
ex 0802 90 20	Areca (or betel) and cola
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 Piper; dried or crushed o ground fruits of the genus <i>Capsicum</i> or of the genus <i>Pimenta</i> , excluding sweet peppers falling within subheading 0904 20 10
0905 00 00	Vanilla
0906	Cinnamon and cinnamon-tree flowers
0907 00 00	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 00 90	Soya beans, whether or not broken, other than for sowing
1202 10 90	Groundnuts, not roasted or otherwise cooked, in shell, other than for sowing
1202 20 00	Ground-nuts, not roasted or otherwise cooked shelled, whether or not broken
1203 00 00	Copra

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CN code	Description
1204 00 90	Linseed, whether or not broken, other than for sowing
1205 10 90 and ex 1205 90 00	Rape or colza seeds, whether or not broken, other than for sowing
1206 00 91	Sunflower seeds, whether or not broken, other than for sowing
1206 00 99	
1207 20 90	Cotton seeds, whether or not broken, other than for sowing
1207 40 90	Sesamum seeds, whether or not broken, other than for sowing
1207 50 90	Mustard seeds, whether or not broken, other than for sowing
1207 91 90	Poppy seeds, whether or not broken, other than for sowing
1207 99 91	Hemp seeds, whether or not broken, other than for sowing
ex 1207 99 97	Other oilseeds and oleaginous fruits, whether or not broken, other than for sowing
1208	Flours and meals of oil seeds or oleaginous fruits, other than those of mustard
1211	▶ <u>M3</u> 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 85 in Part IX of this Annex ◀
ex 1212	Locust beans, seaweeds and other algae, sugar beet and sugar cane, fresh, chilled, frozen or dried, whether or not ground; fruit stones and kernels and other vegetable products (including unroasted chicory roots of the variety <i>Cichorium intybus sativum</i>) of a kind used primarily for human consumption, not elsewhere specified or included:
ex 1212 20 00	Seaweeds and other algae used primarily in pharmacy or for human consumption
	- Other:
ex 1212 99	Other than sugar cane :
1212 99 41 and 1212 99 49	Locust bean seeds
ex 1212 99 70	Other, excluding chicory root
1213 00 00	Cereal straw and husks, unprepared, whether or not chopped, ground, pressed or in the form of pellets
ex 1214	Swedes, mangolds, fodder roots, hay, lucerne (alfalfa), clover, sainfoin, forage kale, lupines, vetches and similar forage products, whether or not in the form of pellets:

CN code	Description
ex 1214 10 00	 Lucerne (alfalfa) meal and pellets, excludir of lucerne artificially heat-dried or of lucern 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 ar similar fodder products artificially heat-drie except hay and fodder kale and produc containing hay
	 Lucerne, sainfoin, clover, lupines, vetche honey lotus, chickling pea and birdsfoc otherwise dried and ground
ex 1502 00	Fats of bovine animals, sheep or goats, oth than those of heading 1503:
ex 1502 00 10	For industrial uses other than the manufacture of foodstuffs for human consumption excluding fats obtained from bones are waste (c)
1503 00	Lard stearin, lard oil, oleostearin, oleo-oil ar tallow oil, not emulsified or mixed otherwise prepared
1504	Fats and oils and their fractions, of fish marine mammals, whether or not refined, b not chemically modified
1507	Soya-bean oil and its fractions, whether or n refined, but not chemically modified
1508	Groundnut oil and its fractions, whether or n refined, but not chemically modified
1511	Palm oil and its fractions, whether or not refine but not chemically modified
1512	Sunflower-seed, safflower or cotton-seed oil at fractions thereof, whether or not refined, but n chemically modified
1513	Coconut (copra), palm kernel or babassu oil at fractions thereof, whether or not refined, but n chemically modified
1514	Rape, colza or mustard oil and fractions thereowhether or not refined, but not chemical modified
ex 1515	Other fixed vegetable fats and oils (excluding jojoba oil of subheading ex 1515 90 11) at their fractions, whether or not refined, but not chemically modified
ex 1516	Animal or vegetable fats and oils and the fractions, partly or wholly hydrogenated, into esterified, re-esterified or elaidinised, wheth or not refined, but not further prepar (excluding hydrogenated castor oil, so calle 'opalwax' of subheading 1516 20 10)

CN code	Description
ex 1517	Margarine; edible mixtures or preparations animal or vegetable fats or oils or of fractic of different fats or oils of this chapter, other the edible fats or oils or their fractions of headi 1516, excluding subheadings 1517 10 1517 90 10 and 1517 90 93
1518 00 31 1518 00 39	Fixed vegetable oils, fluid, mixed for technical industrial uses other than the manufacture foodstuffs for human consumption (°)
1522 00 91	Oil foots and dregs; soapstocks, resulting free the treatment of fatty substances or animal vegetable waxes, excluding those containing having the characteristics of olive oil
1522 00 99	Other residues resulting from the treatment fatty substances or animal or vegetable wax excluding those containing oil having the ch acteristics of olive oil
ex 1602	Other prepared or preserved meat, meat offal 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 a animal:
	Other than preparations of blood of a animal:
1602 90 31	Of game or rabbit
1602 90 41	Of reindeer
	Other:
	Other than containing the meat or m offal of domestic swine:
	Other than containing bovine meat meat offal:
1602 90 98	Other than of sheep or goats

CN code	Description
1603 00	Extracts and juices of meat, fish or crustacea molluscs or other aquatic invertebrates
1801 00 00	Cocoa beans, whole or broken, raw or roas
1802 00 00	Cocoa shells, husks, skins and other cocoa wa
ex 2001	Vegetables, fruit, nuts and other edible parts plants, prepared or preserved by vinegar or ac acid:
ex 2001 90	- Other:
2001 90 20	 Fruits of the genus Capsicum other t sweet peppers or pimentos
ex 2005	Other vegetables prepared or preserved otherwithan by vinegar or acetic acid, not frozen, o than products of heading 2006:
ex 2005 99	- Other vegetables and mixtures of vegetab
2005 99 10	 Fruits of the genus Capsicum other t sweet peppers or pimentos
ex 2206	Other fermented beverages (for example, ci perry, mead); mixtures of fermented bevera and mixtures of fermented beverages and malcoholic beverages, not elsewhere specified included:
2206 00 31 to 2206 00 89	- Other than piquette
ex 2301	Flours, meals and pellets, of meat or meat or of fish or of crustaceans, molluscs or o aquatic invertebrates, unfit for hur consumption; greaves:
2301 10 00	 Flours, meals and pellets, of meat or n offal; greaves
ex 2302	Bran, sharps and other residues, whether or in the form of pellets, derived from the sift milling or other working of cereals or of le minous plants:
2302 50 00	- Of leguminous plants
2304 00 00	Oilcake and other solid residues, whether or ground or in the form of pellets, resulting fithe extraction of soya-bean oil
2305 00 00	Oilcake and other solid residues, whether or ground or in the form of pellets, resulting fithe extraction of groundnut oil
ex 2306	Oilcake and other solid residues, whether or ground or in the form of pellets, resulting fithe extraction of vegetable fats or oils, other t those of heading 2304 or 2305 with exception of CN subheading 2306 90 (oilcake and other solid residues resulting fithe extraction of maize (corn) germ) 2306 90 11 and 2306 90 19 (oilcake and other solid residues resulting from the extraction olive oil)

▼B

CN code	Description
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 51 to 1702 30 99, 1702 40 90, 1702 90 50 and 2106 90 55 or milk products
ex 2309 90	- Other:
2309 90 10	Fish or marine mammal solubles
	Other, including premixes:
ex 2309 90 91 to 2309 90 99	Other than containing starch, glucose, glucose syrup, maltodextrine or maltodextrine syrup of subheadings 1702 30 51 to 1702 30 99, 1702 40 90, 1702 90 50 and 2106 90 55 or milk products, excluding
	Protein concentrates obtained from lucerne juice and grass juice
	 Dehydrated products obtained exclusively from solid residues and juice resulting from the preparation of the concentrates referred to in the first indent

(a) Entry under this subheading is subject to the conditions laid down in the relevant Community provisions (see Council Directive 94/28/EC (OJ L 178, 12.7.1994, p. 66); Commission Decision 93/623/EEC (OJ L 298, 3.12.1993, p. 45)).

⁽b) Entry under this subheading is subject to conditions laid down in the relevant Community provisions (see Council Directive 88/661/EEC (OJ L 382, 31.12.1988, p. 36); Council Directive 94/28/EC (OJ L 178, 12.7.1994, p. 66); Commission Decision 96/510/EC (OJ L 210, 20.8.1996, p. 53)).

⁽c) Entry under this subheading is subject to conditions laid down in the relevant Community provisions (see Articles 291 to 300 of Commission Regulation (EEC) No 2454/93 (OJ L 253, 11.10.1993, p. 1) and subsequent amendments).

⁽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.

ANNEX II

LIST OF PRODUCTS REFERRED TO IN ARTICLE 1(3)

Part I: Ethyl alcohol of agricultural origin

1. As regards ethyl alcohol, this Regulation shall cover the products listed in the following table:

CN code	Description
ex 2207 10 00	Undenatured ethyl alcohol of an alcoholic strength by volume of 80 % vol. or higher obtained from the agricultural products listed in Annex I to the Treaty
ex 2207 20 00	Ethyl alcohol and other spirits, denatured, of any strength, obtained from the agricultural products listed in Annex I to the Treaty
ex 2208 90 91 and ex 2208 90 99	Undenatured ethyl alcohol of an alcoholic strength by volume of less than 80 % vol. obtained from the agricultural products listed in Annex I to the Treaty

2. Section I of Chapter II of Part III on import licences and Section I of Chapter III of that Part shall apply also to products based on ethyl alcohol of agricultural origin falling within CN code 2208 put up in containers of more than two litres and presenting all the characteristics of ethyl alcohol as described in paragraph 1.

Part II: Apiculture products

As regards apiculture products, this Regulation shall cover the products listed in the following table:

CN code	Description
0409	Natural honey
ex 0410 00 00	Royal jelly and propolis, edible
ex 0511 99 85	Royal jelly and propolis, non-edible
ex 1212 99 70	Pollen
ex 1521 90	Beeswax

Part III: Silkworms

As regards silkworms, this Regulation shall cover silkworms falling within CN subheading ex $0106\ 90\ 00$ and silkworm eggs falling within CN subheading ex $0511\ 99\ 85$.

ANNEX III

DEFINITIONS REFERRED TO IN ARTICLE 2(1)

Part I: Definitions concerning the rice sector

- I. The terms 'paddy rice', 'husked rice', 'semi-milled rice', 'wholly milled rice', 'round grain rice' medium grain rice', 'long grain rice A or B' and 'broken rice' shall be defined as follows:
 - 1. a) 'Paddy rice' means rice which has retained its husk after threshing.
 - (b) 'Husked rice' means paddy rice from which only the husk has been removed. Examples of rice falling within this definition are those with the commercial descriptions 'brown rice', 'cargo rice', 'loonzain' and 'riso sbramato'.
 - (c) 'Semi-milled rice' means paddy rice from which the husk, part of the germ and the whole or part of the outer layers of the pericarp but not the inner layers have been removed.
 - (d) 'Wholly milled rice' means paddy rice from which the husk, the whole of the outer and inner layers of the pericarp, the whole of the germ in the case of long grain or medium grain rice and at least part thereof in the case of round grain rice have been removed, but in which longitudinal white striations may remain on not more than 10 % of the grains.
 - (a) 'Round grain rice' means rice, the grains of which are of a length not exceeding 5,2 mm and of a length/width ratio of less than 2.
 - (b) 'Medium grain rice' means rice, the grains of which are of a length exceeding 5,2 mm but not exceeding 6,0 mm and of a length/width ratio no greater than 3.
 - (c) 'Long grain rice' means:
 - (i) long grain rice A, rice, the grains of which are of a length exceeding 6,0 mm and of which the length/width ratio is greater than 2 but less than 3;
 - (ii) long grain rice B, rice, the grains of which are of a length exceeding 6,0 mm and of which the length/width ratio is equal to or greater than 3.
 - (d) 'Measurements of the grains' means grain measurements are taken on wholly milled rice by the following method:
 - (i) take a sample representative of the batch;
 - (ii) sieve the sample so as to retain only whole grains, including immature grains;
 - (iii) carry out two measurements of 100 grains each and work out the average;
 - (iv) express the result in millimetres, rounded off to one decimal place.
 - 'Broken rice' means grain fragments the length of which does not exceed three quarters of the average length of the whole grain.
- II. As regards grains and broken grains which are not of unimpaired quality, the following definitions shall apply:
 - A. 'Whole grains' means grains from which only part of the end has been removed, irrespective of characteristics produced at each stage of milling.
 - Clipped grains' means grains from which the entire end has been removed.
 - C. 'Broken grains or fragments' means grains from which a part of the volume greater than the end has been removed; broken grains include:
 - large broken grains (pieces of grain of a length not less than half that of a grain, but not constituting a complete grain),

- medium broken grains (pieces of grain of a length not less than a quarter of the length of a grain but which are smaller than the minimum size of 'large broken grains'),
- fine broken grains (pieces of grain less than a quarter of the size of a grain but too large to pass through a sieve with a mesh of 1,4 mm),
- fragments (small pieces or particles of grain which can pass through a sieve with a mesh of 1,4 mm); split grains (pieces produced by a longitudinal split in the grain) come under this definition.
- D. 'Green grains' means grains which are not fully ripened.
- E. 'Grains showing natural malformation' means grains showing a natural malformation whether or not of hereditary origin, as compared with the morphological characteristics typical of the variety.
- F. 'Chalky grains' means grains at least three-quarters of the surface of which looks opaque and chalky.
- G. 'Grains striated with red' means grains showing longitudinal red striations of differing intensity and shades, due to residues from the pericarp.
- H. 'Spotted grains' means grains showing a well-defined small circle of dark colour of more or less regular shape; spotted grains also include those which show slight black striations on the surface only; the striations and spots must not show a yellow or dark aureole.
- I. 'Stained grains' means grains which have undergone, on a small area of their surface, an obvious change in their natural colour; the stains may be of different colours (blackish, reddish, brown); deep black striations are also to be regarded as stains. If the colour of the stains is sufficiently marked (black, pink, reddish-brown) to be immediately visible and if they cover an area not less than half that of the grain, the grains must be considered to be yellow grains.
- J. 'Yellow grains' means grains which have undergone, totally or partially, otherwise than by drying, a change in their natural colour and have taken on a lemon or orange-yellow tone.
- K. 'Amber grains' means grains which have undergone, otherwise than by drying, a slight uniform change in colour over the whole surface; this change alters the colour of the grains to a light amber-yellow.

Part II: Definitions concerning the sugar sector

- '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;
- '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;
- 'quota sugar', 'quota isoglucose' and 'quota inulin syrup' mean any quantity
 of sugar, isoglucose or inulin syrup production attributed to a specific
 marketing year under the quota of the undertaking concerned;
- 6. 'industrial sugar' means any quantity of sugar production attributed to a specific marketing year over and above the sugar quantity referred to in point (5), intended for the production by the industry of one of the products referred to in Article 62(2);
- '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 62(2);

- 'surplus sugar', 'surplus isoglucose' and 'surplus inulin syrup' mean any quantity of sugar, isoglucose or inulin syrup production attributed to a specific marketing year over and above the respective quantities referred to in points (5), (6) and (7);
- 9. 'quota beet' means all sugar beet processed into quota sugar;
- 'delivery contract' means a contract concluded between a seller and an undertaking for the delivery of beet for the manufacture of sugar;
- 11. 'agreement within the trade' means one of the following:
 - (a) an agreement concluded at Community level, prior to the conclusion of any delivery contract, between a group of national undertakings' organisations on the one hand and a group of national sellers' organisations on the other;
 - (b) an agreement concluded, prior to the conclusion of any delivery contract, between undertakings or an undertakings' organisation recognised by the Member State concerned on the one hand and a sellers' association recognised by the Member State concerned on the other:
 - (c) in the absence of any agreement as referred to in point (a) or (b), the law on companies and the law on cooperatives, in so far as they govern the delivery of sugar beet by the shareholders or members of a company or cooperative manufacturing sugar;
 - (d) in the absence of any agreement as referred to in point (a) or (b), the arrangements existing before the conclusion of any delivery contract, provided the sellers accepting the arrangement supply at least 60 % of the total beet bought by the undertaking for the manufacture of sugar in one or more factories.
- 12. 'ACP/Indian sugar' means sugar falling within CN code 1701 originating in the States listed in Annex XIX and imported into the Community under:
 - Protocol 3 to Annex V to the ACP-EC Partnership Agreement, or
 - the Agreement on cane sugar between the European Community and the Republic of India (¹);
- 13. 'full-time refiner' means a production unit:
 - of which the sole activity consists of refining imported raw cane sugar, or
 - which refined in the marketing year 2004/2005 a quantity of at least 15 000 tonnes of imported raw cane sugar.

Part III: Definitions concerning the hops sector

- '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;
- 'hop powder' means the product obtained by milling the hops, containing all the natural elements thereof;
- '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;
- '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 beef and veal sector

- 'bovine animals' means live animals of the domestic bovine species falling within CN codes ex 0102 10, 0102 90 05 to 0102 90 79;
- 'adult bovine animals' means bovine animals the live weight of which is more than 300 kilograms.

Part V: Definitions concerning the milk and milk products sector

- For the purpose of the implementation of the tariff quota for butter of New Zealand origin, the phrase 'manufactured directly from milk or cream' does not exclude butter manufactured from milk or cream, without the use of stored materials, in a single, self-contained and uninterrupted process which may involve the cream passing through a stage of concentrated milkfat and/or the fractionation of such milkfat.
- 2. For the purposes of the application of Article 119 concerning the use of casein and caseinates in the manufacture of cheese:
 - (a) 'cheese' means products covered by CN code 0406 and manufactured within the Community territory;
 - (b) 'casein and caseinates' means products covered by CN codes 3501 10 90 and 3501 90 90 and used as such or in the form of a mixture.

Part VI: Definitions concerning the eggs sector

- 'eggs in shell' means poultry eggs in shell, fresh, preserved, or cooked, other than eggs for hatching specified in 2.;
- 2. 'eggs for hatching' means poultry eggs for hatching;
- 3. 'whole products' means birds' eggs not in shell, whether or not containing added sugar or other sweetening matter suitable for human consumption;
- 'separated products' means birds' egg yolks, whether or not containing added sugar or other sweetening matter suitable for human consumption.

Part VII: Definitions concerning the poultrymeat sector

- 'live poultry' means live fowls, ducks, geese, turkeys and guinea fowls each weighing more than 185 grams;
- 'chicks' means live fowls, ducks, geese, turkeys and guinea fowls, each weighing not more than 185 grams;
- 'slaughtered poultry' means dead fowls, ducks, geese, turkeys and guinea fowls, whole, with or without offal;
- 4. 'derived products' means the following:
 - (a) products specified in point (a) of Part XX of Annex I;
 - (b) products specified in point (b) of Part XX of Annex I, excluding slaughtered poultry and edible offal, known as 'poultry cuts';
 - (c) edible offals specified in point (b) of Part XX of Annex I;
 - (d) products specified in point (c) of Part XX of Annex I;
 - (e) products specified in points (d) and (e) of Part XX of Annex I;
 - (f) products referred to in point (f) of Part XX of Annex I, other than those products falling within CN codes 1602 20 11 and 1602 20 19.

Part VIII: Definitions concerning the apiculture sector

'Honey' means the natural sweet substance produced by Apis mellifera bees
from the nectar of plants or from secretions of living parts of plants or
excretions of plant-sucking insects on the living parts of plants, which the
bees collect, transform by combining with specific substances of their own,
deposit, dehydrate, store and leave in honeycombs to ripen and mature.

The main types of honey are as follows:

- (a) according to origin:
 - blossom honey or nectar honey: honey obtained from the nectar of plants;
 - (ii) honeydew honey: honey obtained mainly from excretions of plant sucking insects (*Hemiptera*) on the living part of plants or secretions of living parts of plants;
- (b) according to mode of production and/or presentation:
 - (iii) comb honey: honey stored by bees in the cells of freshly built broodless combs or thin comb foundation sheets made solely of

- beeswax and sold in sealed whole combs or sections of such combs;
- (iv) chunk honey or cut comb in honey: honey which contains one or more pieces of comb honey;
- (v) drained honey: honey obtained by draining decapped broodless combs;
- (vi) extracted honey: honey obtained by centrifuging decapped broodless combs;
- (vii) pressed honey: honey obtained by pressing broodless combs with or without the application of moderate heat not exceeding 45 $^{\rm o}{\rm C}$;
- (viii) filtered honey: honey obtained by removing foreign inorganic or organic matter in such a way as to result in the significant removal of pollen.

'Baker's honey' means honey which is:

- (a) suitable for industrial uses or as an ingredient in other foodstuffs which are then processed and
- (b) may:
 - have a foreign taste or odour, or
 - have begun to ferment or have fermented, or
 - have been overheated.
- 2. 'Apiculture products' means honey, beeswax, royal jelly, propolis or pollen.

ANNEX IV

STANDARD QUALITY OF RICE AND SUGAR

A. Standard quality for paddy rice

Paddy rice of standard quality shall:

- (a) be of a sound and fair marketable quality, free of odour;
- (b) contain a moisture content of maximum 13 %;
- (c) have a yield of wholly milled rice 63 % by weight in whole grains (with a tolerance of 3 % of clipped grains) of which a percentage by weight of wholly milled rice grains which are not of unimpaired quality:

chalky grains of paddy rice under CN codes CN 1006 10 27 and CN 1006 10 98	1,5 %
chalky grains of paddy rice under CN codes other than CN 1006 10 27 and CN 1006 10 98:	2,0 %
grains striated with red	1,0 %
spotted grains	0,50 %
stained grains	0,25 %
yellow grains	0,02 %
amber grains	0,05 %

B. Standard qualities for sugar

- I. Standard quality for sugar beet
 - Standard quality beet shall:
 - (a) be of sound and fair merchantable quality;
 - (b) have a sugar content of 16 % at the reception point.
- II. Standard quality for white sugar
 - White sugar of the standard quality shall have the following characteristics:
 - (a) be of sound, genuine and merchantable quality; dry, in homogeneous granulated crystals, free-flowing;
 - (b) minimum polarisation: 99,7;
 - (c) maximum moisture content: 0,06 %;
 - (d) maximum invert sugar content: 0,04 %;
 - (e) the number of points determined under paragraph 2 shall not exceed a total of 22, nor:
 - 15 for the ash content,
 - 9 for the colour type, determined using the method of the Brunswick Institute of Agricultural Technology (hereinafter referred to as the Brunswick method),
 - 6 for the colouring of the solution, determined using the method of the International Commission for Uniform Methods of Sugar Analysis (hereinafter referred to as the ICUMSA method).
 - 2. One point shall correspond to:
 - (a) 0,0018 % of ash content determined using the ICUMSA method at 28° Brix,
 - (b) 0,5 units of colour type determined using the Brunswick method,
 - (c) 7,5 units of colouring of the solution determined using the ICUMSA method.

▼B

- The methods for determining the factors referred to in paragraph 1 shall be those used for determining those factors under the intervention measures.
- III. Standard quality for raw sugar
 - 1. Raw sugar of the standard quality shall be sugar with a yield in white sugar of 92 %.
 - 2. The yield of raw beet sugar shall be calculated by subtracting from the degree of polarisation of that sugar:
 - (a) its percentage ash content multiplied by four;
 - (b) its percentage invert sugar content multiplied by two;
 - (c) the number 1.
 - 3. The yield of raw cane sugar shall be calculated by subtracting 100 from the degree of polarisation of that sugar multiplied by two.

ANNEX V

COMMUNITY SCALES FOR THE CLASSIFICATION OF CARCASSES REFERRED TO IN ARTICLE 42

A. Community scale for the classification of carcasses of adult bovine animals

I. Definitions

The following definitions shall apply:

- 'carcass': the whole body of a slaughtered animal as presented after bleeding, evisceration and skinning;
- 'half-carcass': the product obtained by separating the carcass referred to in point (1) symmetrically through the middle of each cervical, dorsal, lumbar and sacral vertebra and through the middle of the sternum and the ischiopubic symphysis.

II. Categories

The carcasses shall be divided into the following categories:

- A: carcasses of uncastrated young male animals of less than two years of age;
- B: carcasses of other uncastrated male animals;
- C: carcasses of castrated male animals;
- D: carcasses of female animals that have calved;
- E: carcasses of other female animals.

III. Classification

The carcasses shall be classified by successive assessment of:

1. Conformation, defined as follows:

Development of carcass profiles, in particular the essential parts (round, back, shoulder)

Conformation class	Description
S Superior	All profiles extremely convex; exceptional muscle development (double muscled carcass type)
E Excellent	All profiles convex to super-convex; exceptional muscle development
U Very good	Profiles on the whole convex, very good muscle development
R Good	Profiles on the whole straight; good muscle development
O Fair	Profiles straight to concave; average muscle development
P Poor	All profiles concave to very concave; poor muscle development

2. Fat cover, defined as follows:

Amount of fat on the outside of the carcass and in the thoracic cavity

Class of fat cover	Description
low	None up to low fat cover

Class of fat cover	Description
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 shall be 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:

- 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 carpametacarpal or tarsometatarsal joints,
- without the organs contained in the thoracic and abdominal cavities with or without the kidneys, the kidney fat and the pelvic fat,
- without the sexual organs and the attached muscles and without the udder or the mammary fat.

For the purpose of establishing market prices, a different presentation may be set out in accordance with the procedure referred to in Article 195(2).

V. Classification and identification

Slaughterhouses approved under Article 4 of Regulation (EC) No 853/2004 of the European Parliament and the Council of 29 April 2004 laying down specific hygiene rules for food of animal origin (¹) shall take measures to ensure that all carcasses or half-carcasses from adult bovine animals slaughtered in such slaughterhouses and bearing a health mark provided for Article 5(2) in conjunction with Chapter III of Section I of Annex I to Regulation (EC) 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 (²) are classified and identified in accordance with the Community 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. Community scale for the classification of pig carcasses

I. Definition

'carcass' shall mean the body of a slaughtered pig, bled and eviscerated, whole or divided down the mid-line.

II. Classification

Carcasses shall be divided into classes according to their estimated lean-meat content and classified accordingly:

⁽¹) OJ L 139, 30.4.2004, p. 55. Regulation as last amended by Regulation (EC) No 1791/2006 (OJ L 363, 20.12.2006, p. 1).

⁽²⁾ OJ L 139, 30.4.2004, p. 206. Regulation as last amended by Regulation (EC) No 1791/2006.

Classes	Lean meat as percentage of carcass weight
S	60 or more (*)
Е	55 or more
U	50 or more but less than 55
R	45 or more but less than 50
0	40 or more but less than 45
P	less than 40

^(*) Member States may introduce, for pigs slaughtered in their territory, a separate class of 60 % or more of lean meat designated with the letter S.

III. Presentation

Carcasses shall be presented without tongue, bristles, hooves, genital organs, flare fat, kidneys and diaphragm.

With regard to pigs slaughtered in their territory, the Member States may be authorised to provide for a different presentation of pig carcasses if one of the following conditions is fulfilled:

- if normal commercial practice in their territory differs from the standard presentation defined in the first subparagraph,
- 2. if technical requirements warrant it,
- 3. if carcasses are dehided in a uniform manner.

IV. Lean-meat content

- 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.
- 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 Community scale

C. Community scale for the classification of sheep carcasses

I. Definition

As regards the terms 'carcass' and 'half-carcass' the definitions laid down in point A.I shall apply.

II. Categories

The carcasses shall be divided into the following categories:

- A carcasses of sheep under 12 months old,
- B carcasses of other sheep.

III. Classification

- The carcasses shall be classified by way of application of the provisions in point A.III. mutatis mutandis. However, the term 'round' in point A.III.1 and in rows 3 and 4 of the table under point A.III.2. shall be replaced by the term 'hindquarter'.
- By way of derogation from point 1, for lambs of less than 13 kg carcass weight, Member States may be authorised by the Commission, without the assistance of the Committee referred to in Article 195(1), to use the following criteria for classification:
 - (a) carcass weight,
 - (b) colour of meat,

(c) fat cover.

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.

However, Member States shall be authorised to permit different presentations when the reference presentation is not used. In such instances, the adjustments necessary to progress from those presentations to the reference presentation shall be determined in accordance with the procedure laid down in Article 195(2).

V. Identification of carcasses

Classified carcasses and half-carcasses shall be identified by marking in accordance with the Community scale.

ANNEX VI

NATIONAL AND REGIONAL QUOTAS

from the 2008/09 marketing year onwards

(in tonnes)

			(in tonnes)
Member States or regions (1)	Sugar (2)	Isoglucose (3)	Inulin syrup (4)
Belgium	676 235,0	114 580,2	0
Bulgaria	0	89 198,0	
Czech Republic	372 459,3		
Denmark	372 383,0		
Germany	2 898 255,7	56 638,2	
Ireland	0		
Greece	158 702,0	0	
Spain	630 586,2	123 423,4	
France (metropolitan)	2 956 786,7		0
French overseas departments	480 244,5		
Italy	508 379,0	32 492,5	
Latvia	0		
Lithuania	90 252,0		
Hungary	105 420,0	220 265,8	
Netherlands	804 888,0	0	0
Austria	351 027,4		
Poland	1 405 608,1	42 861,4	
Portugal (mainland)	0	12 500,0	
Autonomous Region of the Azores	9 953,0		
Romania	104 688,8	15 879,0	
Slovenia	0		
Slovakia	112 319,5	68 094,5	
Finland	80 999,0	0	
Sweden	293 186,0		
United Kingdom	1 056 474,0	43 591,6	
TOTAL	13 468 847,2	819 524,6	0

ANNEX VII

SUPPLEMENTARY QUOTAS FOR ISOGLUCOSE REFERRED TO IN ARTICLE 58(2)

Member State	Additional quota (tonnes)
Italy	60 000
Lithuania	8 000
Sweden	35 000

ANNEX VIIa

CALCULATION OF THE PERCENTAGE TO BE ESTABLISHED IN ACCORDANCE WITH THE SECOND SUBPARAGRAPH OF ARTICLE 59(2)

- For the purpose of the calculation set out in point 2, the following definitions shall apply:
 - (a) 'percentage at Member State level' means the percentage to be established in accordance with point 2 for the purpose of determining the total quantity to be reduced at the level of the Member State concerned;
 - (b) 'common percentage' means the common percentage established by the Commission in accordance with the first subparagraph of Article 59(2);
 - (c) 'reduction' means the figure obtained by dividing the total renunciation of quotas in the Member State by the national quotas as fixed in Annex III to Regulation (EC) No 318/2006 in the version applicable on 1 July 2006. For those Member States which were not members of the Community on 1 July 2006, the reference to that Annex concerns the version applicable on the date of their accession to the Community.
- 2. The percentage at Member State level is equal to the common percentage multiplied by $1 [(1/0,6) \times \text{the reduction}]$.

When the result is below zero, the applicable percentage is equal to zero.

ANNEX VIIb

CALCULATION OF THE PERCENTAGE APPLICABLE TO UNDERTAKINGS IN ACCORDANCE WITH THE SECOND SUBPARAGRAPH OF ARTICLE 59(2)

- 1. For the purpose of the calculation set out in point 2, the following definitions shall apply:
 - (a) 'applicable percentage' means the percentage to be established in accordance with point 2 and applicable to the quota allocated to the undertaking concerned;
 - (b) 'common percentage at Member State level' means the percentage calculated for the Member State concerned as:

Qty/ Σ [(1 - R/K) × Q]

with

Qty = the quantity to be reduced at the level of the Member State referred to in point 1(a) of Annex VIIa,

R = renunciation referred to under (c) for a given undertaking,

Q = the quota of the same given undertaking available at the end of February 2010,

K = the figure calculated under (d),

 Σ refers to the sum of the product of $(1 - R/K) \times Q$ calculated for each undertaking holding a quota in the territory of the Member State; when the product is below zero, it shall be equal to zero;

- (c) 'renunciation' means the figure obtained by dividing the quantity of quotas renounced by the undertaking concerned by its quota as allocated in accordance with Articles 7 and 11(1) to (3) of Regulation (EC) No 318/2006 and Article 60(1) to (3) of this Regulation;
- (d) 'K' is calculated in each Member State by dividing the total reduction of quota in that Member State (voluntary renunciations plus the quantity to be reduced at the level of Member State referred to in point 1(a) of Annex VIIa) by its initial quota as fixed in Annex III to Regulation (EC) No 318/2006 in the version applicable on 1 July 2006. For those Member States which were not members of the Community on 1 July 2006, the reference to that Annex concerns the version applicable on the date of their accession to the Community.
- 2. The applicable percentage is equal to the common percentage at Member State level multiplied by $1 [(1/K) \times \text{the renunciation}]$.

When the result is below zero, the applicable percentage is equal to zero.

ANNEX VIIc

CALCULATION OF THE COEFFICIENT TO BE ESTABLISHED IN ACCORDANCE WITH ARTICLE 52A(1)

- 1. For the purpose of the calculations set out in point 2, the following definitions shall apply:
 - (a) 'coefficient at Member State level' means the coefficient to be established in accordance with point 2;
 - (b) 'reduction' means the figure obtained by dividing the total renunciation of sugar quotas in the Member State, including renunciations in the marketing year to which the withdrawal applies, by the national sugar quotas as fixed in Annex III to Regulation (EC) No 318/2006 in the version applicable on 1 July 2006. For those Member States which were not members of the Community on 1 July 2006, the reference to that Annex concerns the version applicable on the date of their accession to the Community;
 - (c) 'coefficient' means the coefficient established by the Commission in accordance with Article 52(2).
- 2. For the 2008/2009 and 2009/2010 marketing years, the coefficient at Member State level shall be equal to the coefficient increased by $[(1/0,6) \times \text{the reduction}] \times (1 \text{the coefficient})$.

When the result is above 1, the applicable coefficient is equal to 1.

ANNEX VIII

DETAILED RULES ON TRANSFERS OF SUGAR OR ISOGLUCOSE QUOTAS IN ACCORDANCE WITH ARTICLE 60

I

For the purposes of this Annex:

- (a) 'merger of undertakings' means the consolidation of two or more undertakings into a single undertaking;
- (b) 'transfer of an undertaking' means the transfer or absorption of the assets of an undertaking having quota to one or more undertakings;
- (c) 'transfer of a factory' means the transfer of ownership of a technical unit, including all the plant required to manufacture the product concerned, to one or more undertakings, resulting in the partial or total absorption of the production of the undertaking making the transfer;
- (d) 'lease of a factory' means the leasehold contract of a technical unit including all the plant required for the manufacture of sugar, with a view to its operation, concluded for a period of at least three consecutive marketing years, which the parties agree not to terminate before the end of the third marketing year, with an undertaking which is established in the same Member State, as the factory concerned, if, after the lease takes effect, the undertaking which rents the factory can be considered a solely sugarproducing undertaking for its entire production.

П

- 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, the Member States shall allocate to the undertaking resulting from the merger a quota equal to the sum of the quotas allocated prior to the merger to the sugar-producing undertakings concerned;
 - (b) in the event of the transfer of a sugar-producing undertaking, the Member State shall allocate the quota of the transferred undertaking to the transferee undertaking for the production of sugar or, if there is more than one transferee undertaking, the allocation shall be made in proportion to the sugar production absorbed by each of them;
 - (c) in the event of the transfer of a sugar factory, the Member State shall reduce the quota of the undertaking transferring ownership of the factory and shall increase the quota of the sugar-producing undertaking or undertakings purchasing the factory in question by the quantity deducted in proportion to the production absorbed.
- 2. Where a number of the sugar-beet or cane growers directly affected by one of the operations referred to in 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.
- 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 preceding 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.

 Where the derogation referred to in Article 50(6) is invoked, the Member State concerned may require the beet growers and the sugar undertakings concerned by that derogation to include in their agreements within the trade special clauses enabling the Member State to apply 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 paragraph 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 Community 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.

Ш

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.

ΙV

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 VI.

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.

▼ M3

VI

Where Article 59(2) is applied, Member States shall allocate the adjusted quotas by the end of February with a view to applying them in the following marketing year.

▼B

VII

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 IX

NATIONAL QUOTAS AND RESTRUCTURING RESERVE QUANTITIES REFERRED TO IN ARTICLE 66

▼<u>M2</u>

1. National quotas

Member State	Quantity (tonnes)
Belgium	3 427 288,740
Bulgaria	998 580,000
Czech Republic	2 792 689,620
Denmark	4 612 619,520
Germany	28 847 420,391
Estonia	659 295,360
Ireland	5 503 679,280
Greece	836 923,260
Spain	6 239 289,000
France	25 091 321,700
Italy	10 740 661,200
Cyprus	148 104,000
Latvia	743 220,960
Lithuania	1 738 935,780
Luxembourg	278 545,680
Hungary	2 029 861,200
Malta	49 671,960
Netherlands	11 465 630,280
Austria	2 847 478,469
Poland	9 567 745,860
Portugal	1 987 521,000
Romania	3 118 140,000
Slovenia	588 170,760
Slovakia	1 061 603,760
Finland	2 491 930,710
Sweden	3 419 595,900
United Kingdom	15 125 168,940

▼<u>B</u>

2. Special restructuring reserve quantities

Member State	Tonnes
Bulgaria	39 180
Romania	188 400

 $\label{eq:annex} \textit{ANNEX X}$ REFERENCE FAT CONTENT REFERRED TO IN ARTICLE 70

Member State	g/kg
Belgium	36,91
Bulgaria	39,10
Czech Republic	42,10
Denmark	43,68
Germany	40,11
Estonia	43,10
Greece	36,10
Spain	36,37
France	39,48
Ireland	35,81
Italy	36,88
Cyprus	34,60
Latvia	40,70
Lithuania	39,90
Luxembourg	39,17
Hungary	38,50
Netherlands	42,36
Austria	40,30
Poland	39,00
Portugal	37,30
Romania	38,50
Slovenia	41,30
Slovakia	37,10
Finland	43,40
Sweden	43,40
United Kingdom	39,70

ANNEX XI

▼<u>M1</u>

A.I. Apportionment of the maximum guaranteed quantity for long flax fibre among the Member States referred to in Article 94(1):

Belgium	13 800
Bulgaria	13
Czech Republic	1 923
Germany	300
Estonia	30
Spain	50
France	55 800
Latvia	360
Lithuania	2 263
Netherlands	4 800
Austria	150
Poland	924
Portugal	50
Romania	42
Slovakia	73
Finland	200
Sweden	50
United Kingdom	50

A.II. Apportionment of the maximum guaranteed quantity for the marketing year 2008/2009 for short flax and hemp fibre among the Member States referred to in Article 94(1a)

The quantity referred to in Article 94(1a) shall be apportioned in the form of:

(a) national guaranteed quantities for the following Member States:

Belgium	10 350
Bulgaria	48
Czech Republic	2 866
Germany	12 800
Estonia	42
Spain	20 000
France	61 350
Latvia	1 313
Lithuania	3 463
Hungary (*)	2 061
Netherlands	5 550
Austria	2 500
Poland	462
Portugal	1 750
Romania	921
Slovakia	189
Finland	2 250
Sweden	2 250
United Kingdom	12 100

 $^{(\}ensuremath{^*})$ The national guaranteed quantity fixed for Hungary concerns hemp fibre only.

▼<u>M1</u>

- (b) 5 000 tonnes to be apportioned in national guaranteed quantities for the marketing year 2008/2009 among Denmark, Ireland, Greece, Italy and Luxembourg. Such apportionment shall be determined on the basis of the areas which were the subject of one of the contracts or commitments as referred to in Article 91(1).
- A.III. Zones eligible for the aid referred to in Article 94a

Zone I

- 1. The territory of the Netherlands;
- the following Belgian communes: Assenede, Beveren-Waas, Blankenberge, Bredene, Brugge, Damme, De Haan, De Panne, Diksmuide (except Vladslo and Woumen), Gistel, Jabbeke, Knokke-Heist, Koksijde, Lo-Reninge, Middelkerke, Nieuwpoort, Oostende, Oudenburg, Sint-Gillis-Waas (Meerdonk only), Sint-Laureins, Veurne and Zuienkerke.

Zone II

- 1. Areas of Belgium other than those included in Zone I;
- 2. the following areas of France:
 - the department of Nord,
 - the districts of Béthune, Lens, Calais, Saint-Omer and the canton of Marquise in the department of Pas-de-Calais,
 - the districts of Saint-Quentin and Vervins in the department of Aisne.
 - the district of Charleville-Mézières in the department of Ardennes.

▼B

B. Apportionment of the maximum guaranteed quantity among the Member States referred to in Article 89

Memb	er State		Tonnes
Belgo-Luxembourg (BLEU)	Economic	Union	8 000
Czech Republic			27 942
Denmark			334 000
Germany			421 000
Greece			37 500
Spain			1 325 000
France			1 605 000
Ireland			5 000
Italy			685 000
Lithuania			650
Hungary			49 593
Netherlands			285 000
Austria			4 400
Poland			13 538
Portugal			30 000
Slovakia			13 100
Finland			3 000
Sweden			11 000
United Kingdom			102 000

ANNEX XIa

MARKETING OF THE MEAT OF BOVINE ANIMALS AGED 12 MONTHS OR LESS IN ACCORDANCE WITH ARTICLE 113B

I. Definition

For the purposes of this Annex, 'meat' means all carcases, meat on the bone or boned, and offal, whether or not cut, intended for human consumption, obtained from bovine animals aged 12 months or less, presented fresh, frozen or deep-frozen, whether or not wrapped or packed.

II. Classification of bovine animals aged 12 months or less at the slaughterhouse

On slaughter, all bovine animals aged 12 months or less shall be classified by the operators, under the supervision of the competent authority referred to in point VII(1) of this Annex, in one of the following two categories:

(A) Category V: bovine animals aged 8 months or less

Category identification letter: V;

(B) Category Z: bovine animals aged more than 8 months but not more than 12 months

Category identification letter: Z.

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 of 17 July 2000 establishing a system for the identification and registration of bovine animals and regarding the labelling of beef and beef products (*).

III. Sales descriptions

- The sale description is the name under which a foodstuff is sold, within the meaning of Article 5(1) of Directive 2000/13/EC.
- The meat of bovine animals aged 12 months or less shall only be marketed in the Member States under the following sales description(s) laid down for each Member State:
 - (A) For the meat of bovine animals in category 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
Greece	μοσχάρι γάλακτος
Spain	ternera blanca, carne de ternera blanca
France	veau, viande de veau

^(*) OJ L 204, 11.8.2000, p. 1. Regulation as last amended by Council Regulation (EC) 1791/2006 (OJ L 363, 20.12.2006, p. 1).

▼<u>M3</u>

Country of marketing	Sales descriptions to be used
Ireland	veal
Italy	vitello, carne di vitello
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	tel'acie mäso
Finland	vaalea vasikanliha/ljust kalvkött
Sweden	ljust kalvkött
United Kingdom	veal

(B) For the meat of bovine animals in category Z:

Country of marketing	Sales descriptions to be used	
Belgium	jeune bovin, viande de jeune bovin/jongrundvlees/Jungrind- fleisch	
Bulgaria	телешко месо	
Czech Republic	hovězí maso z mladého skotu	
Denmark	kalvekød	
Germany	Jungrindfleisch	
Estonia	noorloomaliha	
Greece	νεαρό μοσχάρι	
Spain	ternera, carne de ternera	
France	jeune bovin, viande de jeune bovin	
Ireland	rosé veal	
Italy	vitellone, carne di vitellone	
Cyprus	νεαρό μοσχάρι	
Latvia	jaunlopa gaļa	
Lithuania	jautiena	
Luxembourg	jeune bovin, viande de jeune bovin/Jungrindfleisch	
Hungary	növendék marha húsa	

▼M3

Country of marketing	Sales descriptions to be used
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 2 may be supplemented by an indication of the name or designation of the pieces of meat or offal concerned.
- 4. The sales descriptions listed for category V in point A of the table set-out in paragraph 2 and any new name derived from those sales descriptions shall only be used if all the requirements of this Annex are met.

In particular, the terms 'veau', 'telecí', '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.

IV. Compulsory information on the label

- Without prejudice to Article 3(1) of Directive 2000/13/EC 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 12 months or less with the following information:
 - (a) the age of the animals on slaughter, indicated, as the case may be, on the form 'age on slaughter: up to eight months' in the case of animals aged eight months or less, or 'age on slaughter: from eight to 12 months' in the case of animals aged more than eight months but not more than 12 months;
 - (b) the sales description in accordance with point III of this Annex.

However, by way of derogation from point (a), operators may, at each stage of production and marketing, except the release to the final consumer, replace the age on slaughter by the category identification letter provided for in point II of this Annex.

2. In the case of the meat of bovine animals aged 12 months or less 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. Optional information on the label

Operators may supplement the compulsory information referred to in point IV by optional information approved in accordance with the procedure provided for in Articles 16 or 17 of Regulation (EC) No 1760/2000.

VI. Recording

At each stage of production and marketing of the meat of bovine animals aged 12 months or less, operators shall, in order to guarantee the accuracy of labelling information referred to in points IV and V, record in particular the following information:

 an indication of the identification number and the date of birth of the animals, at slaughterhouse level only;

▼ M3

- (b) an indication of 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;
- (c) an indication of the date of arrival and departure of the animals and meat in the establishment, to ensure that a correlation between arrivals and departures is established.

VII. Official checks

- Before 1 July 2008 Member States shall designate the competent authority or authorities responsible for official checks performed to verify the application of Article 113b and this Annex 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 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 (*).
- The Commission shall, jointly with the competent authorities, ensure that Member States are complying with the provisions of Article 113b and this Annex.
- 4. 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 Article 113b and this Annex are being implemented.
- 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.

VIII. Meat imported from third countries

- The meat of bovine animals aged 12 months or less imported from third countries shall be marketed in the Community in accordance with the provisions of Article 113b and this Annex.
- 2. Operators from a third country wishing to place on the Community market meat as referred to in paragraph 1 shall subject their activities to checks by the competent authority designated by that third country or, failing that, an independent third-party body. The independent body shall provide full assurance of compliance with the conditions laid down in European Standard EN 45011 or ISO/IEC Guide 65 (General requirements for bodies operating product certification systems).
- The designated competent authority or, where applicable, the independent third-party body shall ensure that the requirements of Article 113b and this Annex are met.

IX. Penalties

Without prejudice to any specific provisions which may be adopted by the Commission in accordance with Article 194 of this Regulation, Member States shall lay down the rules on penalties applicable to infringements of the provisions of Article 113b and this Annex and shall take all measures necessary to ensure that they are implemented. The penalties provided for shall be effective, proportionate and dissuasive. The Member States shall notify the provisions on the penalties to the Commission by 1 July 2009 and shall notify it without delay of any subsequent amendment affecting them.

^(*) OJ L 165, 30.4.2004, p. 1. Regulation as last amended by Commission Regulation (EC) No 180/2008 (OJ L 56, 29.2.2008, p. 4).

ANNEX XII

DEFINITIONS AND DESIGNATIONS IN RESPECT OF MILK AND MILK PRODUCTS REFERRED TO IN ARTICLE 114(1)

I. Definitions

For the purposes of this Annex:

- (a) 'marketing' means holding or display with a view to sale, offering for sale, sale, delivery or any other manner of placing on the market;
- (b) 'designation' means the name used at all stages of marketing.
- II. Use of the term 'milk'
 - The term 'milk' means exclusively the normal mammary secretion obtained from one or more milkings without either addition thereto or extraction therefrom.

However, the term 'milk' may be used:

- (a) for milk treated without altering its composition or for milk the fat content of which is standardised under Article 114(2) in conjunction with Annex XIII;
- (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.
- For the purposes of this Annex, '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 designations:
 - (i) whey,
 - (ii) cream,
 - (iii) butter,
 - (iv) buttermilk,
 - (v) butteroil,
 - (vi) caseins,
 - (vii) anhydrous milkfat (AMF),
 - (viii) cheese,
 - (ix) yogurt,
 - (x) kephir,
 - (xi) koumiss,
 - (xii) viili/fil,
 - (xiii) smetana,
 - (xiv) fil;

- (b) designations or names within the meaning of Article 5 of 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 (¹), 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.
- The origin of milk and milk products to be defined by the Commission shall be stated if it is not bovine.

III. Use of designations in respect of competing products

 The designations referred to in point II of this Annex 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.

2. In respect of a product other than those described in point II of this Annex, no label, commercial document, publicity material or any form of advertising as defined in Article 2(1) of Council Directive 84/450/EEC of 10 September 1984 concerning misleading and comparative advertising (2) 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 point II (2) of this Annex may be used only to describe the basic raw materials and to list the ingredients in accordance with Directive 2000/13/EC.

IV. Lists of products; communications

 Member States shall make available to the Commission an indicative list of the products which they regard as corresponding in their territory to the products referred to in the second subparagraph of point III(1).

Member States shall, where necessary, make additions to this list subsequently and inform the Commission thereof.

2. Each year before 1 October the Member States shall report to the Commission on developments in the market in milk products and competing products in the context of the implementation of this Annex so that the Commission is in a position to report to the Council by 1 March of the ensuing year.

 ⁽¹) OJ L 109, 6.5.2000, p. 29. Directive as last amended by Directive 2003/89/EC (OJ L 308, 25.11.2003, p. 15).

⁽²⁾ OJ L 250, 19.9.1984, p. 17. Directive as last amended by Directive 2005/29/EC (OJ L 149, 11.6.2005, p. 22).

ANNEX XIII

MARKETING OF MILK FOR HUMAN CONSUMPTION REFERRED TO IN ARTICLE 114(2)

I. Definitions

For the purposes of this Annex:

- (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

- 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.
- The sales descriptions to be used for those products shall be those given in point III of this Annex. Those descriptions shall be used only for the products referred to in that point, without prejudice to their use in composite descriptions.
- Member States shall adopt measures to inform consumers of the nature and composition of the products concerned where the absence of such information is likely to cause confusion.

III. Drinking milk

- 1. The following products shall be considered as drinking milk:
 - (a) raw milk: milk which has not been heated above 40 °C or subjected to treatment having equivalent effect;
 - (b) whole milk: heat-treated milk which, with respect to fat content, meets one of the following requirements:
 - (i) standardised whole milk: milk with a fat content of at least 3,50 % (m/m). However, Member States may provide for an additional category of whole milk with a fat content of 4,00 % (m/m) or above;
 - (ii) non-standardised whole milk: milk with a fat content that has not been altered since the milking stage either by the addition or removal of milk fats or by mixture with milk the natural fat content of which has been altered. However, the fat content may not be less than 3,50 % (m/m);
 - (c) semi-skimmed milk: heat-treated milk whose fat content has been reduced to at least 1,50 % (m/m) and at most 1,80 % (m/m);
 - (d) skimmed-milk: heat-treated milk whose fat content has been reduced to not more than 0,50 % (m/m).

▼ M3

Heat-treated milk not complying with the fat content requirements laid down in points (b), (c) and (d) of the first subparagraph shall be considered drinking milk provided that the fat content is clearly indicated with one decimal and easily readable on the packaging in form of '... % fat'. Such milk shall not be described as whole milk, semi-skimmed milk or skimmed milk.

▼<u>B</u>

Without prejudice to point (b)(ii) of paragraph 1, 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, semiskimmed milk or skimmed milk;
- (b) enrichment of milk with milk proteins, mineral salts or vitamins;
- (c) reduction of the lactose content by conversion to glucose and galactose.

Modifications in the composition of milk referred to in points (b) and (c) shall be allowed only if they are indelibly indicated on the packing of the product so that it can be easily seen and read. However, such indication shall not remove the obligation as regards nutrition labelling laid down by Council Directive 90/496/EEC of 24 September 1990 on nutrition labeling for foodstuffs (¹). 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.

IV. Imported products

Products imported into the Community for sale as drinking milk shall comply with this Regulation.

- V. Directive 2000/13/EC shall apply, in particular as regards national provisions on the labelling of drinking milk.
- VI. Controls and penalties and their reporting

Without prejudice to any specific provisions which may be adopted by the Commission in accordance with Article 194 of this Regulation, Member States shall adopt all appropriate measures to monitor the application of this Regulation, penalise infringements and prevent and repress fraud.

Such measures and any amendments shall be notified to the Commission during the month following their adoption.

 ⁽¹) OJ L 276, 6.10.1990, p. 40. Directive as last amended by Regulation (EC) No 1882/2003 (OJ L 284, 31.10.2003, p. 1).

ANNEX XIV

MARKETING STANDARDS FOR PRODUCTS OF THE EGGS AND POULTRYMEAT SECTORS REFERRED TO IN ARTICLE 116

A. Marketing standards for eggs of hens of the Gallus gallus species

Scope

- Without prejudice to Part C of this Annex concerning the provisions on the production and marketing of eggs for hatching and of farmyard poultry chicks, this Part shall apply in relation to the marketing within the Community of the eggs produced in the Community, imported from third countries or intended for export outside the Community.
- Member States may exempt from the requirements provided for in this Part of this Annex, 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, according to 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:
 - Class A or 'fresh',
 - Class B.
- Class A eggs shall also be graded by weight. However, grading by weight shall not be required for eggs delivered to the food and nonfood industry.
- 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.

- 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.
- 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.

IV. Import of eggs

 The Commission, without the assistance of the Committee referred to in Article 195(1), shall evaluate marketing standards for eggs applicable in exporting third countries on request of the country concerned. This evaluation shall extend to the rules on marking and labeling, farming methods and controls as well as implementation. If it finds that the rules applied offer sufficient guarantees as to equivalence with Community legislation, eggs imported from the countries concerned shall be marked with a distinguishing number equivalent to the producer code.

- The Commission, without the assistance of the Committee referred to in Article 195(1), shall, where necessary, conduct negotiations with third countries aimed at finding appropriate ways of offering guarantees as referred to in point 1 and concluding agreements on such guarantees.
- If sufficient guarantees as to equivalence of rules are not provided, imported eggs from the third country concerned shall bear a code permitting the identification of the country of origin and the indication that the farming method is 'unspecified'.

B. Marketing standards for poultrymeat

I. Scope

- 1. Without prejudice to Part C of this Annex concerning the provisions on the production and marketing of eggs for hatching and of farmyard poultry chicks, this Part shall apply in relation to the marketing, within the Community by way of business or trade, of certain types and presentations of poultrymeat of the following species as set out to in Part XX of Annex I:
 - Gallus domesticus,
 - ducks,
 - geese,
 - turkeys,
 - guinea fowls.
- 2. This Part shall not apply:
 - (a) to poultrymeat for export from the Community;
 - (b) to delayed eviscerated poultry as referred to in 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 (¹).
- Member States may derogate from the requirements of this Regulation in cases of direct supply of small quantities of poultrymeat as referred to in point (d) of Article 1(3) of Regulation (EC) No 853/2004 by a producer with an annual production of under 10 000 birds.

II. Definitions

Without prejudice to further definitions to be laid down by the Commission for the purpose of the application of this Part:

- 'poultrymeat' means poultrymeat suitable for human consumption, which has not undergone any treatment other than cold treatment;
- 2. 'fresh poultrymeat' means poultrymeat not stiffened by the cooling process, which is to be kept at a temperature not below 2 °C and not higher than 4 °C at any time. However, Member States may fix different temperature requirements for the cutting and storage of fresh poultrymeat performed in retail shops or in premises adjacent to sales points, where the cutting and storage 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. Certain tolerances may, however, be fixed by the Commission;

⁽¹) OJ L 139, 30.4.2004, p. 55. Corrected version in OJ L 226, 25.6.2004, p. 22. Regulation as last amended by Regulation (EC) No 1791/2006 (OJ L 363, 20.12.2006, p. 1).

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 of 21 December 1988 on the approximation of the laws of the Member States relating to quick-frozen foodstuffs for human consumption (¹).

III. Quality and weight grading

Poultrymeat shall be graded by quality as either Class A or Class B
according to the conformation and appearance of the carcasses or
cuts

Class A shall be subdivided into A 1 and A 2 in accordance with criteria to be determined by the Commission.

This classification shall take account, in particular, of flesh development, the presence of fat and the amount of damage and contusions.

- 2. Poultrymeat shall be marketed in one of the following conditions:
 - fresh,
 - frozen, or
 - quick-frozen.
- Prepackaged frozen or quick-frozen poultrymeat may be classified by weight category.

C. Marketing standards for the production and marketing of eggs for hatching and of farmyard poultry chicks

I. Scope

- This Part shall apply in relation to the marketing and transport of eggs for hatching and of chicks as well as the incubation of eggs for hatching as regards trade within the Community or commercial purposes.
- However, pedigree breeding and other breeding establishments with less than 100 birds and hatcheries with a capacity of less than 1 000 eggs for hatching shall not be bound by this Part.
- II. Marking and packing of eggs for hatching
 - Eggs for hatching, used for chick production, shall be marked individually.
 - Eggs for hatching shall be transported in perfectly clean packs, containing only eggs for hatching of the same species, category and type of poultry, originating in one establishment.
 - The packing of eggs for hatching to be imported from third countries shall contain only eggs for hatching of the same species, category and type of poultry from the same country of origin and sender.

III. Packing of chicks

- 1. The chicks shall be packed by species, type and category of poultry.
- The boxes shall contain only chicks from the same hatchery and shall show at least the distinguishing number of the hatchery.
- Chicks originating in third countries may be imported only if they are grouped in accordance with point 1. The boxes must contain only chicks from the same country of origin and sender.

⁽¹) OJ L 40, 11.2.1989, p. 51. Directive as last amended by Directive 2006/107/EC (OJ L 363, 20.12.2006, p. 411).

ANNEX XV

MARKETING STANDARDS APPLYING TO SPREADABLE FATS REFERRED TO IN ARTICLE 115

I. Sales descriptions

- The products referred to in Article 115 may not be supplied or transferred without processing to the ultimate consumer either directly or through restaurants, hospitals, canteens or similar establishments, unless they meet the requirements set out in the Appendix.
- The sales descriptions of these products shall be those specified in the Appendix, without prejudice to point II(2) or point III(2) and (3) of this Annex.

The sales descriptions in the Appendix shall be reserved for the products defined therein.

However, this paragraph 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. Labelling and presentation

- In addition to the rules laid down in Directive 2000/13/EC, the following information shall be indicated in the labeling and presentation of the products referred to in point I(1) of this Annex:
 - (a) the sales description as defined in the Appendix;
 - (b) the total percentage fat content by weight at the time of production for products referred to in the Appendix;
 - (c) the vegetable, milk or other animal fat content in decreasing order of weighted importance as a percentage by total weight at the time of production for compound fats referred to in the Part C of the Appendix;
 - (d) the percentage salt content must be indicated in a particularly legible manner in the list of ingredients for products referred to in the Appendix.
- Notwithstanding paragraph 1(a) the sales descriptions 'minarine' or 'halvarine' may be used for products referred to in point 3 of Part B of the Appendix.
- 3. The sales description referred to in point (a) of paragraph 1 may be used together with one or more terms to define the plant and/or animal species from which the products originate, or the intended use of the products as well as with other terms concerning the production methods in so far as such terms are not in contradiction with other Community provisions, in particular with Council Regulation (EC) No 509/2006 of 20 March 2006 on agricultural products and foodstuffs as traditional specialities guaranteed (¹).

Indications of geographical origin may also be used subject to Council Regulation (EC) No 510/2006 of 20 March 2006 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs (²).

4. The term 'vegetable' may be used together with the sales descriptions in Part B of the Appendix, 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.

⁽¹⁾ OJ L 93, 31.3.2006, p. 1.

⁽²⁾ OJ L 93, 31.3.2006, p. 12.

- The information referred to in paragraphs 1, 2 and 3 shall be easy to understand and marked in a conspicuous place in such a way as to be easily visible, clearly legible and indelible.
- Special measures regarding the information referred to in points (a) and (b) of paragraph 1 may be introduced by the Commission for certain forms of advertising.

III. Terminology

 The term 'traditional' may be used together with the name 'butter' provided for in point 1 of part A of the Appendix, 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 %.

- Terms for products referred to in the Appendix 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:
 - (a) the term 'reduced-fat' may be used for products referred to in the Appendix with a fat content of more than 41 % but not more than 62 %;
 - (b) the terms 'low-fat' or 'light' may be used for products referred to in the Appendix with a fat content of 41 % or less.

The term 'reduced-fat' and the terms 'low-fat' or 'light' may, however, replace respectively the terms 'three-quarter-fat' or 'half-fat' used in the Appendix.

IV. National rules

 Subject to the provisions of this Annex, Member States may adopt or maintain national regulations laying down different quality levels. Such regulations shall allow those quality levels to be assessed on the basis of criteria relating in particular to the raw materials used, the organoleptic, characteristics of the products and their physical and microbiological stability.

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

- The sales descriptions referred to in point II(1)(a) may be supplemented by a reference to the quality level peculiar to the product concerned.
- 3. Member States shall take the measures necessary to ensure that checks are conducted on the application of all the criteria referred to in the second subparagraph of paragraph 1 for determining the quality levels. Regular and frequent checks shall extend up to the end product and must be made by one or more bodies governed by public law and designated by the Member State, or by an approved body supervised by the latter. Member States shall give the Commission a list of the bodies they have designated.

V. Imported products

Products imported into the Community must comply with the provisions set out in this Annex in the cases referred to in point I(1).

VI. Penalties

Without prejudice to any specific provisions which may be adopted by the Commission in accordance with Article 194, Member States shall specify the effective penalties to be imposed in the case of breach of Article 115 and this Annex and, where appropriate, the national measures relevant for its enforcement and inform the Commission thereof.

Appendix to Annex XV

Fat group		Product categories
Definitions	Sales description	Additional description of the category with an indication of the % fat content by weight
A. Milk fats 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.	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 %.
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.	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 %.
B. Fats 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	1. Margarine	The product obtained from vegetable and/or animal fats with a fat content of not less than 80 % but less than 90 %.
animal fats suitable for human consumption, with a milk-fat content of not more than 3 % or the fat content.	2. Three-quarter-fât margarine (***)	The product obtained from vegetable and/or animal fats with a fat content of not less than 60 % but nor 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 %.

Fat group		Product categories
Definitions	Sales description	Additional description of the category with an indication of the % fat content by weight
C. Fats composed of plant and/or animal products Products in the form of a solid, malleable emulsion principally of the	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 %.
water-in-oil type, derived from solid and/or liquid vegetable and/or animals fats suitable for human consumption, with a milk-fat content of between 10 % and 80 % of the fat content.	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 %.
	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 60' in Danish. (****) corresponding to 'blandingsprodukt 60' in Danish. (*****) corresponding to 'blandingsprodukt 40' in Danish.		

The milk-fat component of the products listed in this Appendix may be modified only by physical processes.

Note:

ANNEX XVI

DESCRIPTIONS AND DEFINITIONS OF OLIVE OIL AND OLIVE POMAGE OILS REFERRED TO IN ARTICLE 118

1. VIRGIN OLIVE OILS

Oils obtained from the fruit of the olive tree solely by mechanical or other physical means under conditions that do not lead to alterations in the oil, which have not undergone any treatment other than washing, decantation, centrifugation or filtration, to the exclusion of oils obtained using solvents or using adjuvants having a chemical or biochemical action, or by re-esterification process and any mixture with oils of other kinds.

Virgin olive oils are exclusively classified and described as follows:

(a) Extra virgin olive oil

Virgin olive oil having a maximum free acidity, in terms of oleic acid, of 0,8 g per 100 g, the other characteristics of which comply with those laid down for this category.

(b) Virgin olive oil

Virgin olive oil having a maximum free acidity, in terms of oleic acid, of 2 g per 100 g, the other characteristics of which comply with those laid down for this category.

(c) Lampante olive oil

Virgin olive oil having a free acidity, in terms of oleic acid, of more than 2 g per 100 g, and/or the other characteristics of which comply with those laid down for this category.

2. REFINED OLIVE OIL

Olive oil obtained by refining virgin olive oil, having a free acidity content expressed as oleic acid, of not more than 0,3 g per 100 g, and the other characteristics of which comply with those laid down for this category.

OLIVE OIL — COMPOSED OF REFINED OLIVE OILS AND VIRGIN OLIVE OILS

Olive oil obtained by blending refined olive oil and virgin olive oil other than lampante olive oil, having a free acidity content expressed as oleic acid, of not more than 1 g per 100 g, and the other characteristics of which comply with those laid down for this category.

4. CRUDE OLIVE-POMACE OIL

Oil obtained from olive pomace by treatment with solvents or by physical means or oil corresponding to lampante olive oil, except for certain specified characteristics, excluding oil obtained by means of re-esterification and mixtures with other types of oils, and the other characteristics of which comply with those laid down for this category.

5. REFINED OLIVE-POMACE OIL

Oil obtained by refining crude olive-pomace oil, having free acidity content expressed as oleic acid, of not more than 0,3 g per 100 g, and the other characteristics of which comply with those laid down for this category.

6. OLIVE-POMACE OIL

Oil obtained by blending refined olive-pomace oil and virgin olive oil other than lampante olive oil, having a free acidity content expressed as oleic acid, of not more than 1 g per 100 g, and the other characteristics of which comply with those laid down for this category.

ANNEX XVIa

EXHAUSTIVE LIST OF RULES THAT MAY BE EXTENDED TO NON-MEMBER PRODUCERS PURSUANT TO ARTICLE 125F AND ARTICLE 125L

1. Rules on production information

- (a) notification of growing intentions, by product and where appropriate by variety;
- (b) notification of sowings and plantings;
- (c) notification of total areas grown, by product and if possible variety;
- (d) notification of anticipated tonnages and probable cropping dates by product and if possible variety;
- (e) periodic notification of quantities cropped and available stocks, by variety;
- (f) information on storage capacities.

2. Production rules

- (a) choice of seed to be used according to intended destination (fresh market/industrial processing);
- (b) thinning in orchards.

3. Marketing rules

- (a) specified dates for commencement of cropping, staggering of marketing;
- (b) minimum quality and size requirements;
- (c) preparation, presentation, packaging and marking at first marketing stage;
- (d) indication of product origin.

4. Rules on the protection of the environment

- (a) use of fertiliser and manure;
- (b) use of plant-health products and other crop protection methods;
- (c) maximum residue content in fruit and vegetables of plant-health products and fertilisers;
- (d) rules on disposal of by-products and used material;
- (e) rules concerning products withdrawn from the market.
- 5. Rules on promotion and communication in the context of crisis prevention and management as referred to in Article 103c(2)(c).

ANNEX XVII

IMPORT DUTIES FOR RICE REFERRED TO IN ARTICLES 137 AND 139

- 1. Import duties for husked rice
 - (a) EUR 30 per tonne in the following cases:
 - (i) where it is noted that the imports of husked rice made over the course of the marketing year just ended did not reach the annual reference quantity referred to in the first subparagraph of Article 137(3), less 15 %;
 - (ii) where it is noted that the imports of husked rice made over the course of the first six months of the marketing year do not reach the partial reference quantity referred to in the second subparagraph of Article 137(3), less 15 %;
 - (b) EUR 42,5 per tonne in the following cases:
 - where it is noted that the imports of husked rice made over the course of the marketing year just ended exceed the annual reference quantity referred to in the first subparagraph of Article 137(3), less 15 %, but do not exceed that same annual reference quantity plus 15 %;
 - (ii) where it is noted that the imports of husked rice made in the first six months of the marketing year exceed the partial reference quantity referred to in the second subparagraph of Article 137(3), less 15 %, but do not exceed that same partial reference quantity plus 15 %;
 - (c) EUR 65 per tonne in the following cases:
 - (i) where it is noted that the imports of husked rice made over the course of the marketing year just ended exceed the annual reference quantity referred to in the first subparagraph of Article 137(3), plus 15 %;
 - (ii) where it is noted that the imports of husked rice made over the course of the first six months of the marketing year exceed the partial reference quantity referred to in the second subparagraph of Article 137(3), plus 15 %.
- 2. Import duties for milled rice
 - (a) EUR 175 per tonne in the following cases:
 - (i) where it is noted that imports of semi-milled and wholly milled rice during the marketing year just ended exceed 387 743 tonnes;
 - (ii) where it is noted that imports of semi-milled and wholly milled rice during the first six months of the marketing year exceed 182 239 tonnes;
 - (b) EUR 145 per tonne in the following cases:
 - where it is noted that imports of semi-milled and wholly milled rice during the marketing year just ended do not exceed 387 743 tonnes;
 - (ii) where it is noted that imports of semi-milled and wholly milled rice during the first six months of the marketing year do not exceed 182 239 tonnes.

ANNEX XVIII

VARIETIES OF BASMATI RICE REFERRED TO IN ARTICLE 138

Basmati 217

Basmati 370

Basmati 386

Kernel (Basmati)

Pusa Basmati

Ranbir Basmati

Super Basmati

Taraori Basmati (HBC-19)

Type-3 (Dehradun)

Barbados

Uganda Zambia Zimbabwe

ANNEX XIX

STATES REFERRED TO IN ARTICLES 153(3) AND 154(1)(b) AND IN POINT 12 OF PART II OF ANNEX III

Belize
Côte d'Ivoire
Republic of the Congo
Fiji
Guyana
India
Jamaica
Kenya
Madagascar
Malawi
Mauritius
Mozambique
Saint Kitts and Nevis — Anguilla
Suriname
Swaziland
Tanzania
Trinidad and Tobago

ANNEX XX

LIST OF GOODS OF THE CEREALS, RICE, SUGAR, MILK AND EGG SECTORS FOR THE PURPOSE OF ARTICLE 26(a)(ii) AND FOR THE GRANTING OF EXPORT REFUNDS REFERRED TO IN SECTION II OF CHAPTER III OF PART III

Part I: Cereals

CN code	Description
ex 0403	Buttermilk, curdled milk and cream, yogurt, kephir and other fermented or acidified milk and cream, whether or not concentrated or containing added sugar or other sweetening matter or flavoured or containing added fruit, nuts or cocoa:
0403 10	- Yoghurt:
0403 10 51 to 0403 10 99	Flavoured or containing added fruit, nuts or cocoa
0403 90	- Other:
0403 90 71 to 0403 90 99	Flavoured or containing added fruit, nuts or cocoa
ex 0710	Vegetables (uncooked or cooked by steaming or boiling in water), frozen:
0710 40 00	- Sweetcorn
ex 0711	Vegetables provisionally preserved (for example, by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption:
0711 90 30	- Sweetcorn
ex 1704	Sugar confectionery (including white chocolate), not containing cocoa, except liquorice extract of subheading 1704 90 10
1806	Chocolate and other food preparations containing cocoa
ex 1901	Malt extract; food preparations of flour, groats, meal, starch or malt extract, not containing cocoa or containing less than 40 % by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included; food preparations of goods of headings 0401 to 0404, not containing cocoa or containing less than 5 % by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included:
1901 10 00	- Preparations for infant use, put up for retail sale
1901 20 00	Mixes and doughs for the preparation of bakers' wares of heading 1905
1901 90	- Other:
1901 90 11 to 1901 90 19	Malt extract
	Other:
1901 90 99	Other

CN code	Description
ex 1902	Pasta, whether or not cooked or stuffed (wi meat or other substances) or otherwi prepared, such as spaghetti, macaroni, noodle lasagne, gnocchi, ravioli, cannelloni; couscou whether or not prepared:
	 Uncooked pasta, not stuffed or otherwing prepared:
1902 11 00	Containing eggs
1902 19	Other
ex 1902 20	 Stuffed pasta, whether or not cooked otherwise prepared:
	Other:
1902 20 91	Cooked
1902 20 99	Other
1902 30	- Other pasta
1902 40	- Couscous
1903 00 00	Tapioca and substitutes therefor prepared fro starch, in the form of flakes, grains, pear siftings or similar forms
1904	Prepared foods obtained by the swelling roasting of cereals or cereal products (fexample, corn flakes); cereals (other the maize(corn)) in grain form or in the form flakes or other worked grains (except flow groats and meal), pre-cooked or otherwip prepared, not elsewhere specified or included:
1905	Bread, pastry, cakes, biscuits and other bake wares, whether or not containing cocc communion wafers, empty cachets of a ki suitable for pharmaceutical use, sealing wafe rice paper and similar products
ex 2001	Vegetables, fruit, nuts and other edible parts plants, prepared or preserved by vinegar or ace acid:
	- Other:
2001 90 30	Sweetcorn (Zea mays var. saccharata)
2001 90 40	 Yams, sweet potatoes and similar edit parts of plants containing 5 % or more weight of starch
ex 2004	Other vegetables prepared or preserved otherwithan by vinegar or acetic acid, frozen, other the products of heading 2006:
2004 10	- Potatoes:
	Other:
2004 10 91	In the form of flour, meal or flakes
2004 90	Other vegetables and mixtures of vegetable
2004 90 10	Sweetcorn (Zea mays var. saccharata)
ex 2005	Other vegetables prepared or preserved otherwithan by vinegar or acetic acid, not frozen, oth than products of heading 2006:

CN code	Description
2005 20	- Potatoes:
2005 20 10	In the form of flour, meal or flakes
2005 80 00	- Sweetcorn (Zea mays var. saccharata)
ex 2008	Fruit, nuts and other edible parts of p otherwise prepared or preserved, whether o containing added sugar or other sweete matter or spirit, not elsewhere specifie included:
	 Other, including mixtures other than tho subheading 2008 19:
2008 99	Other:
	Not containing added spirit:
	Not containing added sugar:
2008 99 85	Maize (corn), other than swee (Zea mays var. saccharata)
2008 99 91	Yams, sweet potatoes and si edible parts of plants, conta 5 % or more by weight of starc
ex 2101	Extracts, essences and concentrates, of conteas or maté and preparations with a base these products or with a basis of coffee, to maté; roasted chicory and other roasted contrates thereof:
2101 12	 Preparations with a basis of these extremes essences or concentrates or with a basic coffee:
2101 12 98	Other
2101 20	 Extracts, essences and concentrates, of to maté, and preparations with a basis of extracts, essences or concentrates, or w basis of tea or maté:
2101 20 98	Other
2101 30	Roasted chicory and other roasted c substitutes, and extracts, essences and contrates thereof:
	 Roasted chicory and other roasted c substitutes:
2101 30 19	Other
	 - Extracts, essences and concentrates roasted chicory and other roasted c substitutes:
2101 30 99	Other
ex 2102	Yeasts (active or inactive); other single micro-organisms, dead (but not incluvaccines of heading 3002); prepared by powders:
2102 10	- Active yeasts
2102 10 31 and 2102 10 39	Bakers' yeast
2105 00	Ice cream and other edible ice, whether o containing cocoa
ex 2106	Food preparations not elsewhere specifie included:

CN code	Description
2106 90	- Other:
	Other:
2106 90 92	Containing no milkfats, sucros isoglucose, glucose or starch containing, by weight, less than 1,5 cmilkfat, 5 % sucrose or isoglucose, 5 cglucose or starch
2106 90 98	Other
2202	Waters, including mineral waters and aerate water, containing added sugar or othe sweetening matter or flavoured, and other nor alcoholic beverages, not including fruit of vegetable juices of heading 2009
2205	Vermouth and other wine or fresh grape flavoured with plants or aromatic substances
ex 2208	Undenatured ethyl alcohol of an alcohol strength by volume of less than 80 % vo spirits, liqueurs and other spirit drinks:
2208 30	- Whiskies:
2208 30 32 to 2208 30 88	Other than Bourbon whiskey
2208 50	- Gin and Geneva
2208 60	- Vodka
2208 70	- Liqueurs and cordials
2208 90	- Other:
	 Other spirits and other spirit drinks, in containers holding:
	2 litres or less:
2208 90 41	Ouzo
	Other:
	Spirits (excluding liqueurs):
	Other:
2208 90 52	Korn
2208 90 54	Tequila
2208 90 56	Other
2208 90 69	Other spirit drinks
	More than 2 litres:
	Spirits (excluding liqueurs):
2208 90 75	Tequila
2208 90 77	Other
2208 90 78	Other spirit drinks
2905 43 00	Mannitol
2905 44	D-glucitol (sorbitol)

CN code	Description
ex 3302	Mixtures of odoriferous substances and mixtures (including alcoholic solutions) with a basis of one or more of these substances, of a kind used as raw materials in industry; other preparations based on odoriferous substances, of a kind used for the manufacture of beverages:
3302 10	Of a kind used in the food or drink industries:
	Of a kind used in the drink industries:
	Preparations containing all flavouring agents characterising a beverage:
	Other:
3302 10 29	Other
3505	Dextrins and other modified starches (for example, pregelatinised or esterified starches); glues based on starches, or on dextrins or other modified starches
ex 3809	Finishing agents, dye carriers to accelerate the dyeing or fixing of dyestuffs and other products and preparations (for example, dressings and mordants), of a kind used in the textile, paper, leather or like industries, not elsewhere specified or included:
3809 10	- With a basis of amylaceous substances
3824 60	- Sorbitol other than that of subheading 2905 44

Part II: Rice

CN code	Description
ex 0403	Buttermilk, curdled milk and cream, yoghurt, kephir and other fermented or acidified milk and cream, whether or not concentrated or containing added sugar or other sweetening matter or flavoured or containing added fruit, nuts or cocoa:
0403 10	- Yoghurt:
0403 10 51 to 0403 10 99	Flavoured or containing added fruit, nuts or cocoa
0403 90	- Other:
0403 90 71 to 0403 90 99	Flavoured or containing added fruit, nuts or cocoa
ex 1704	Sugar confectionery (including white chocolate), not containing cocoa:
1704 90 51 to 1704 90 99	Other
ex 1806	Chocolate and other food preparations containing cocoa, except goods of subheadings 1806 10, 1806 20 70, 1806 90 60, 1806 90 70 and 1806 90 90

CN code	Description
ex 1901	Malt extract; food preparations of flour, groats, meal, starch or malt extract, not containing cocoa or containing less than 40 % by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included; food preparations of goods of headings 0401 to 0404, not containing cocoa or containing less than 5 % by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included:
1901 10 00	Preparations for infant use, put up for retail sale
1901 20 00	Mixes and doughs for the preparation of bakers' wares of heading 1905
1901 90	- Other:
1901 90 11 to 1901 90 19	Malt extract
	Other:
1901 90 99	Other
ex 1902	Pasta, whether or not cooked or stuffed (with meat or other substances) or otherwise prepared, such as spaghetti, macaroni, noodles, lasagne, gnocchi, ravioli, cannelloni; couscous, whether or not prepared:
1902 20	Stuffed pasta, whether or not cooked or otherwise prepared:
	Other
1902 20 91	Cooked
1902 20 99	Other
1902 30	- Other pasta
1902 40	- Couscous:
1902 40 90	Other
1904	Prepared foods obtained by the swelling or roasting of cereals or cereal products (for example, corn flakes); cereals (other than maize (corn)) in grain form or in the form of flakes or other worked grains (except flour, groats and meal), pre-cooked or otherwise prepared, not elsewhere specified or included
ex 1905	Bread, pastry, cakes, biscuits and other bakers' wares, whether or not containing cocoa; communion wafers, empty cachets of a kind suitable for pharmaceutical use, sealing wafers, rice paper and similar products:
1905 90 20	Communion wafers, empty cachets of a kind suitable for pharmaceutical use, sealing wafers, rice paper and similar products
ex 2004	Other vegetables prepared or preserved otherwise than by vinegar or acetic acid, frozen, other than products of heading 2006:

CN code	Description
2004 10	- Potatoes:
	Other:
2004 10 91	In the form of flour, meal or flakes
ex 2005	Other vegetables prepared or preserved other than by vinegar or acetic acid, not frozen, than products of heading 2006:
2005 20	- Potatoes:
2005 20 10	In the form of flour, meal or flakes
ex 2101	Extracts, essences and concentrates, of c tea or mate and preparations with a bas these products or with a basis of coffee, t maté; roasted chicory and other roasted substitutes, and extracts, essences and co trates thereof:
2101 12	Preparations with a basis of these extended essences or concentrates or with a basic coffee:
2101 12 98	Other
2101 20	 Extracts, essences and concentrates, of t maté, and preparations with a basis of extracts, essences or concentrates, or w basis of tea or maté:
2101 20 98	Other
2105 00	Ice cream and other edible ice, whether containing cocoa
ex 2106	Food preparations not elsewhere specific included:
2106 90	- Other:
	Other:
2106 90 92	Containing no milkfats, such isoglucose, glucose or starch containing, by weight, less than 1 milkfat, 5 % sucrose or isoglucose, glucose or starch
2106 90 98	Other
ex 3505	Dextrins and other modified starches example, pregelatinised or esterified star glues based on starches, or on dextrins or modified starches, except starches of subhe 3505 10 50
ex 3809	Finishing agents, dye carriers to accelerat dyeing or fixing of dyestuffs and products and preparations (for exa dressings and mordants), of a kind used i textile, paper, leather or like industries elsewhere specified or included:
3809 10	 With a basis of amylaceous substances

Part III: Sugar

CN code	Description
ex 0403	Buttermilk, curdled milk and cream, yogurt, kephir and other fermented or acidified milk and cream, whether or not concentrated or containing added sugar or other sweetening matter or flavoured or containing added fruit, nuts or cocoa:
0403 10	- Yogurt:
0403 10 51 to 0403 10 99	Flavoured or containing added fruit, nuts or cocoa
0403 90	- Other:
0403 90 71 to 0403 90 99	Flavoured or containing added fruit, nuts or cocoa
ex 0710	Vegetables (uncooked or cooked by steaming or by boiling in water), frozen:
0710 40 00	- Sweetcorn
ex 0711	Vegetables provisionally preserved (for example, by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption:
0711 90	- Other vegetables; mixtures of vegetables:
	Vegetables:
0711 90 30	Sweetcorn
1702 50 00	- Chemically pure fructose
ex 1704	Sugar confectionery (including white chocolate), not containing cocoa, except liquorice extract of subheading 1704 90 10
1806	Chocolate and other food preparations containing cocoa
ex 1901	Malt extract; food preparations of flour, groats, meal, starch or malt extract, not containing cocoa or containing less than 40 % by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included; food preparations of goods of headings 0401 to 0404, not containing cocoa or containing less than 5 % by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included:
1901 10 00	- Preparations for infant use, put up for retail sale
1901 20 00	 Mixes and doughs for the preparation of bakers' wares of heading 1905
1901 90	- Other:
	Other:
1901 90 99	Other
ex 1902	Pasta, whether or not cooked or stuffed (with meat or other substances) or otherwise prepared, such as spaghetti, macaroni, noodles, lasagne, gnocchi, ravioli, cannelloni; couscous, whether or not prepared:

CN code	Description
1902 20	Stuffed pasta, whether or not cooked or otherwise prepared:
	Other:
1902 20 91	Cooked
1902 20 99	Other
1902 30	- Other pasta
1902 40	- Couscous:
1902 40 90	Other
1904	Prepared foods obtained by the swelling of roasting of cereals or cereal products (for example, corn flakes); cereals (other than maize (corn)) in grain form or in the form of flakes of other worked grains (except flour, groats and meal), pre-cooked or otherwise prepared, no elsewhere specified or included
x 1905	Bread, pastry, cakes, biscuits and other bakers wares, whether or not containing cocoa communion wafers, empty cachets of a kind suitable for pharmaceutical use, sealing wafers rice paper and similar products:
1905 10 00	- Crispbread
1905 20	- Gingerbread and the like
1905 31	Sweet biscuits
1905 32	Waffles and wafers
1905 40	- Rusks, toasted bread and similar toasted products
1905 90	- Other:
	Other:
1905 90 45	Biscuits
1905 90 55	Extruded or expanded products, savoury or salted
	Other:
1905 90 60	With added sweetening matter
1905 90 90	Other
ex 2001	Vegetables, fruit, nuts and other edible parts of plants, prepared or preserved by vinegar or acetic acid:
2001 90	- Other:
2001 90 30	Sweetcorn (Zea mays var. saccharata)
2001 90 40	 Yams, sweet potatoes and similar edible parts of plants containing 5 % or more by weight of starch
ex 2004	Other vegetables prepared or preserved otherwise than by vinegar or acetic acid, frozen, other than products of heading 2006:

CN code	Description
2004 10	- Potatoes
	Other
2004 10 91	In the form of flour, meal or flake
2004 90	- Other vegetables and mixtures of veg
2004 90 10	– Sweetcorn (Zea mays var. saccharate
ex 2005	Other vegetables prepared or preserved of than by vinegar or acetic acid, not frozen than products of heading 2006):
2005 20	- Potatoes:
2005 20 10	In the form of flour, meal or flakes
2005 80 00	- Sweetcorn (Zea mays var. saccharata)
ex 2101	Extracts, essences and concentrates, of tea or mate and preparations with a these products or with a basis of coffee maté; roasted chicory and other roasted substitutes, and extracts, essences and trates thereof:
	 Extracts, essences and concentrates, o and preparations with a basis of these essences or concentrates or with a l coffee:
2101 12	 Preparations with a basis of these essences or concentrates or with a coffee:
2101 12 98	Other:
2101 20	 Extracts, essences and concentrates, or maté, and preparations with a basis of extracts, essences or concentrates, or basis of tea or mate:
	Preparations
2101 20 98	Other
2101 30	 Roasted chicory and other roasted substitutes, and extracts, essences and trates thereof:
	 Roasted chicory and other roasted substitutes:
2101 30 19	Other
	 - Extracts, essences and concentrated roasted chicory and other roasted substitute:
2101 30 99	Other
2105 00	Ice cream and other edible ice, whether containing cocoa
ex 2106	Food preparations not elsewhere spec included:

CN code	Description
ex 2106 90	- Other:
	Other:
2106 90 92	Containing no milk-fats, sucrose, isoglucose, glucose or starch or containing, by weight, less than 1,5 % milk-fat, 5 % sucrose or isoglucose, 5 % glucose or starch
2106 90 98	Other
2202	Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavoured, and other non-alcoholic beverages, not including fruit or vegetable juices of heading 2009
2205	Vermouth and other wine of fresh grapes flavoured with plants or aromatic substances
ex 2208	Undenatured ethyl alcohol of an alcoholic strength by volume of less than 80 % vol; spirits, liqueurs and other spirit drinks:
2208 20	Spirits obtained by distilling grape wine or grape marc
ex 2208 50	- Geneva
2208 70	- Liqueurs and cordials
ex 2208 90	- Other
2208 90 41 to 2208 90 78	Other spirits and spirit drinks
2905 43 00	Mannitol
2905 44	- D-glucitol (sorbitol)
ex 3302	Mixtures of odoriferous substances and mixtures (including alcoholic solutions) with a basis of one or more of these substances, of a kind used as raw materials in industry; other preparations based on odoriferous substances, of a kind used for the manufacture of beverages:
3302 10	- Of a kind used in the food or drink industries
	Of a kind used in the drink industries:
	Preparations containing all flavouring agents characterising a beverage:
	Other (of an actual alcoholic strength by volume not exceeding 0,5 %)
3302 10 29	Other
ex Chapter 38	Miscellaneous chemical products:
3824 60	- Sorbitol other than that of subheading 2905 44

Part IV: Milk

CN code	Description
ex 0405	Butter and other fats and oils derived from milk; dairy spreads:
0405 20	– Dairy spreads:
0405 20 10	- Of a fat content, by weight, of 39 % or more but less than 60 %
0405 20 30	Of a fat content, by weight, of 60 % or more but not exceeding 75 %
ex 1517	Margarine; edible mixtures or preparations of animal or vegetable fats or oils or of fractions of different fats or oils of this chapter, other than edible fats or oils or their fractions of heading 1516:
1517 10	- Margarine, excluding liquid margarine:
1517 10 10	Containing, by weight, more than 10 % but not more than 15 % of milkfats
1517 90	- Other:
1517 90 10	Containing, by weight, more than 10 % but not more than 15 % of milkfats
ex 1704	Sugar confectionery (including white chocolate), not containing cocoa:
ex 1704 90	Other, excluding liquorice extract containing more than 10 % by weight of sucrose but not containing other added substances
ex 1806	Chocolate and other food preparations containing cocoa, excluding cocoa powder sweetened solely by the addition of sucrose of subheading ex 1806 10
ex 1901	Malt extract; food preparations of flour, groats, meal, starch or malt extract, not containing cocoa or containing less than 40 % by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included; food preparations of goods of headings 0401 to 0404, not containing cocoa or containing less than 5 % by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included:
1901 10 00	- Preparations for infant use, put up for retail sale
1901 20 00	Mixes and doughs for the preparation of bakers' wares of heading 1905

CN code	Description
1901 90	- Other:
	Other:
1901 90 99	Other
ex 1902	Pasta, whether or not cooked or stuffer meat or other substances) or other prepared, such as spaghetti, macaroni, n lasagne, gnocchi, ravioli, cannelloni; co whether or not prepared:
	 Uncooked pasta, not stuffed or oth prepared:
1902 19	Other
1902 20	Stuffed pasta, whether or not cool otherwise prepared:
	Other:
1902 20 91	Cooked
1902 20 99	Other
1902 30	- Other pasta
1902 40	- Couscous:
1902 40 90	Other
1904	Prepared foods obtained by the swell roasting of cereals or cereal produc example, corn flakes); cereals (other than (corn)) in grain form or in the form of flother worked grains (except flour, growneal), pre-cooked or otherwise prepare elsewhere specified or included
ex 1905	Bread, pastry, cakes, biscuits and other wares, whether or not containing communion wafers, empty cachets of suitable for pharmaceutical use, sealing rice paper and similar products:
1905 10 00	Crispbread
1905 20	- Gingerbread and the like
	- Sweet biscuits; waffles and wafers:
1905 31	Sweet biscuits
1905 32	Waffles and wafers
1905 40	Rusks, toasted bread and similar products
1905 90	- Other:
	Other:
1905 90 45	Biscuits
1905 90 55	Extruded or expanded products, so or salted
	Other:
1905 90 60	with added sweetening matter
1905 90 90	Other

CN code	Description
ex 2004	Other vegetables prepared or preserved others than by vinegar or acetic acid, frozen, other t products of heading 2006:
2004 10	- Potatoes:
	Other:
2004 10 91	In the form of flour, meal or flakes
ex 2005	Other vegetables prepared or preserved others than by vinegar or acetic acid, not frozen, o than products of heading 2006:
2005 20	- Potatoes:
2005 20 10	In the form of flour, meal or flakes
2105 00	Ice cream and other edible ice, whether or containing cocoa
ex 2106	Food preparations not elsewhere specified included:
2106 90	- Other:
	Other:
2106 90 92	Containing no milkfats, sucr isoglucose, glucose or starch containing, by weight, less than 1,5 milkfat, 5 % sucrose or isoglucose, 5 glucose or starch
2106 90 98	Other
ex 2202	Waters, including mineral waters and aer waters, containing added sugar or of sweetening matter or flavoured, and other ralcoholic beverages, not including fruit vegetable juices of heading 2009:
2202 90	- Other:
	- Other, containing by weight of fat obtain from the products of headings 0401 to 04
2202 90 91	Less than 0,2 %
2202 90 95	0.2 % or more but less than 2 %
2202 90 99	2 % or more
ex 2208	Undenatured ethyl alcohol of an alcohol strength by volume of less than 80 % spirits, liqueurs and other spirit drinks:
2208 70	- Liqueurs and cordials
2208 90	- Other:
	 Other spirits and spirit drinks, in contain holding:
	2 litres or less:
	Other:

CN code	Description
2208 90 69	Other spirit drinks
	More than 2 litres:
2208 90 78	Other spirit drinks
ex 3302	Mixtures of odoriferous substances and mixtures (including alcoholic solutions) with a basis of one or more of these substances, of a kind used as raw materials in industry; other preparations based on odoriferous substances, of a kind used for the manufacture of beverages:
3302 10	- Of a kind used in the food or drink industries:
	Of a kind used in the drink industries:
	 Preparations containing all flavouring agents characterising a beverage:
	Other:
3302 10 29	Other
3501	Casein, caseinates and other casein derivatives; casein glues
ex 3502	Albumins, (including concentrates of two or more whey proteins, containing by weight more than 80 % whey proteins, calculated on the dry matter), albuminates and other albumin derivatives:
3502 20	Milk albumin, including concentrates of two or more whey proteins:
	Other:
3502 20 91	Dried (for example in sheets, scales, flakes, powder)
3502 20 99	Other

Part V: Eggs

CN code	Description
ex 0403 10 51 to ex 0403 10 99 and ex 0403 90 71 to ex 0403 90 99	Buttermilk, curdled milk and cream, yogurt, kephir and other fermented or acidified milk and cream, flavoured or containing added fruit, nuts or cocoa, whether or not concentrated or containing added sugar or other sweetening matter or flavoured or containing added fruit, nuts or cocoa.
1806	Chocolate and other food preparations containing cocoa
ex 1901	Food preparations of goods of headings 0401 to 0404, containing less than 5 % by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included
1902 11 00	Uncooked pasta, not stuffed or otherwise prepared, containing eggs

CN code	Description
ex 1904	Prepared foods obtained by the swelling or roasting of cereals or cereal products (for example, corn flakes); cereals(other than maize (corn)), in grain form or in the form of flakes or other worked grains (except flour, groats and meal), precooked or otherwise prepared, not elsewhere specified or included
ex 1905	Bread, pastry, cakes, biscuits and other bakers' wares, whether or not containing cocoa; communion wafers, empty cachets of a kind suitable for pharmaceutical use, sealing wafers, rice paper and similar products:
1905 20	- Gingerbread and the like
1905 31	Sweet biscuits
1905 32	Waffles and wafers
1905 40	 Rusks, toasted bread and similar toasted products
ex 1905 90	Other, with the exception of products falling within subheading codes 1905 90 10 to 1905 90 30
ex 2105 00	Ice cream and other edible ice, containing cocoa
2208	Undenatured ethyl alcohol of an alcoholic strength by volume of less than 80 % vol; spirits, liqueurs and other spirit drinks:
ex 2208 70	– – Liqueurs
3502	Albumins (including concentrates of two or more whey proteins, containing by weight more than 80 % whey proteins, calculated on the dry matter), albuminates and other albumin derivatives:
3502 11 90	Other dried egg albumin
3502 19 90	Other egg albumin

ANNEX XXI

LIST OF CERTAIN GOODS CONTAINING SUGAR FOR THE PURPOSE OF THE GRANTING OF EXPORT REFUNDS REFERRED TO IN SECTION II OF CHAPTER III OF PART III

The products listed in point (b) of Part X of Annex I.

ANNEX XXII

CORRELATION TABLES REFERRED TO IN ARTICLE 202

1. Regulation (EEC) No 234/68

Regulation (EEC) No 234/68	This Regulation
Article 1	Article 1(1)(m)
Article 2	Article 54
Article 3 to 5	Article 113
Article 6	_
Article 7	Article 173
Article 8	Section I of Chapter II of Part III
Article 9	Article 135
Article 10(1)	Article 129
Article 10(2)	Article 128
Article 10a	Article 159
Article 11	Article 180
Article 12	_
Article 13	Article 195
Article 14	Article 195
Article 15	_
Article 16	_
Article 17	_
Article 18	_

2. **Regulation (EEC) No 827/68**

Regulation (EEC) No 827/68	This Regulation
Article 1	Article 1(1)(u)
Article 2(1)	Article 135
Article 2(2)	Article 129
Article 2(3)	Article 128
Article 3	Article 159
Article 4	_
Article 5 first paragraph	Article 180
Article 5 second paragraph	Article 182(1)
Article 6	Article 195
Article 7	_
Article 8	
Article 9	_

3. Regulation (EEC) No 2729/75

Regulation (EEC) No 2729/75	This Regulation
Article 1	Article 149
Article 2(1)	Article 150
Article 2(2)	Article 151
Article 3	Article 152

	4.	Regulation (EEC) No 2759/75	
		Regulation (EEC) No 2759/75	This Regulation
		Article 1	Article 1(1)(q)
		Article 2	Article 54
▼ <u>M3</u>			
		Article 3 first paragraph, first indent	Article 31(1)(e)
▼ <u>B</u>			
		Article 3 first paragraph, second indent	Article 10(2)
		Article 3 second paragraph	_
		Article 3 third paragraph	Article 10(2)
		Article 4(1)	Article 8(1)(f)
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15. Regulation (EEC) No 1906/90

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16. Regulation (EEC) No 2204/90

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17. Regulation (EEC) No 2075/92

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18. Regulation (EEC) No 2077/92

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21. Regulation (EC) No 2991/94

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22. Regulation (EC) No 2200/96

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23. Regulation (EC) No 2201/96

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24. Regulation (EC) No 2597/97

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27. Regulation (EC) No 2250/1999

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31. Regulation (EC) No 670/2003

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34. Regulation (EC) No 1786/2003

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35. Regulation (EC) No 1788/2003

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36. Regulation (EC) No 797/2004

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38. Regulation (EC) No 1947/2005

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39. Regulation (EC) No 1952/2005

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40. Regulation (EC) No 318/2006

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41. Regulation (EC) No 1028/2006

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43. Regulation (EC) No 1184/2006

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44. Regulation (EC) No 1544/2006

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45. Regulation (EC) No 700/2007

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46. Regulation (EC) No 1182/2007

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