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COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 29.7.2008
COM(2008) 489 final

2008/0156 (CNS)

Proposal for a

COUNCIL REGULATION

amending Regulation (EC) No 1234/2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products ("single CMO Regulation")

(presented by the Commission)

EXPLANATORY MEMORANDUM

1. CONTEXT

- **Grounds for and objectives of the proposal: completion of the new legal framework for the CAP, the single common market organisation Regulation (EC) No 1234/2007**

Council Regulation (EC) No 1234/2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products ("single CMO Regulation") revised the existing 21 regulations on sector-specific common market organisations (CMOs) and combined them into a comprehensive single regulation, with a view to streamlining and simplifying the legal framework without changing the underlying policies thus providing a single set of harmonised rules in the classic areas of market policy such as intervention, private storage, import tariff quotas, export refunds, safeguard measures, state aid and competition rules, and the communication and reporting of data.

The proposal for the single CMO Regulation was submitted by the Commission in December 2006 and was drafted in a way that policy decisions that had been taken over the years in the CAP were not called into question. The proposal as well as the Regulation as subsequently adopted by the Council, therefore, constituted an act of technical simplification based on the legal situation as it was in December 2006. Substantive amendments in certain sectors (notably the fruit and vegetables, processed fruit and vegetables, and wine sectors) could not yet be taken into account at the moment of the adoption of the single CMO Regulation. Whilst amendments in the fruit and vegetables and processed fruit and vegetables sectors have, meanwhile, been incorporated into the single CMO Regulation by Regulation (EC) No 361/2008 of 14 April 2008¹, the wine reform has only just been finalised by the publication of Council Regulation (EC) No 479/2008 on the common organisation of the market in wine, amending Regulations (EC) No 1493/1999, (EC) No 1782/2003, (EC) No 1290/2005, (EC) No 3/2008 and repealing Regulations (EEC) No 2392/86 and (EC) No 1493/1999².

- **General context**

This proposal is an essential component in the Commission's plans to streamline and simplify the common agricultural policy (CAP). The key issues of the Commission's approach have been set out in its 2005 Communication on "Simplification and Better Regulation for the Common Agricultural Policy" (referred to hereinafter as "the Communication")³. In this document the Commission underlined that "Reducing red tape in the farm sector by making rules more transparent, easier to understand and less burdensome will reduce costs for businesses and ensure that European citizens receive value for money".

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

The wine CMO, Regulation (EC) No 479/2008 will be repealed by the present proposal and its substance be fully incorporated into the single CMO Regulation.

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

This proposal, in the area of agriculture forms an integral part of the overall Commission approach to Better Regulation and simplification, as it is expressed in its Communication of 25 October 2005 on "Implementing the Community Lisbon programme – A strategy for the

¹ OJ L 121, 7.5.2008, p. 1.

² OJ L 148, 6.6.2008, p. 1.

³ COM(2005) 509 final.

simplification of the regulatory environment”⁴ and endorsed in the Interinstitutional Agreement on better law-making of 16 December 2003⁵.

2. CONSULTATION OF INTERESTED PARTIES AND IMPACT ASSESSMENT

• Consultation of interested parties

Interested parties were consulted as part of the preparations for the single CMO Regulation which has, eventually, in general been seen as a positive step, making the law applicable in the area of CAP-market policy more transparent and easier accessible. A further consultation is not needed given that this proposal will merely complete the single CMO Regulation without introducing any substantive amendments.

• Collection and use of expertise

There was no need for external expertise.

• Impact assessment

Not applicable. The proposal is not subject to impact assessment requirements as it is not included in the Commission Legislative and Work Programme.

3. LEGAL ELEMENTS AND MAIN CHARACTERISTICS OF THE HORIZONTAL CMO

• Legal basis

Articles 36 and 37 of the Treaty

• Content of the proposal

The single CMO Regulation did not yet incorporate the main aspects of the wine CMO given that that CMO was pending for a policy reform at the time when the single CMO Regulation was proposed. With regard to the wine sector, the single CMO Regulation as published in November 2007 therefore only foresees the applicability of the Management Committee procedure. In recital 8 of the single CMO Regulation it is spelled out that the wine sector will have to be incorporated to its full extent once the policy reform has been enacted which has happened by way of the publication of Regulation (EC) No 479/2008.

• Subsidiarity principle

The proposal pursues the same objective as the single CMO Regulation itself, namely to simplify the legislative framework of the CMOs without changing their underlying political orientations.

• Choice of instrument

Proposed instruments: regulation.

Other means would not be adequate as the proposal is aimed at establishing a horizontal CMO which is directly applicable in all Member States.

4. BUDGETARY IMPLICATIONS

Given that the proposal does not bring about changes to the existing CAP measures it has no budgetary implications.

⁴ COM(2005) 535 final.

⁵ OJ C 321, 31.12.2003, p. 1.

5. SIMPLIFICATION

The proposal further completes an act which, itself, was adopted for reasons of technical simplification. This proposal will further simplify the legislative environment of the CAP by adding certain rules to the single CMO Regulation which were still missing. It is expected to lead to significant simplification of existing legislation.

Repeal of existing legislation

The adoption of the proposal will lead to a further repeal of one Council Regulation.

Proposal for a

COUNCIL REGULATION

amending Regulation (EC) No 1234/2007 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,

Whereas:

- (1) In view of simplifying the regulatory environment of the Common Agricultural Policy (CAP), Council Regulation (EC) No 1234/2007 ("single CMO Regulation")⁶ repealed, and replaced by one single legal act, all the regulations which the Council had adopted since the introduction of the CAP in the framework of the establishment of common organisations of the markets for the agricultural products or groups of products.
- (2) As explained in recital 7 of the single CMO Regulation, that act of simplification was not meant to lead to calling into question policy decisions that had been taken over the years in the CAP and that, therefore, it did not envisage to provide for any new instruments or measures. The single CMO Regulation, therefore, reflects the policy decisions taken up to the moment when the text for the single CMO Regulation was proposed by the Commission.
- (3) In parallel to the negotiations and adoption of the single CMO Regulation, the Council also started to negotiate a policy reform in the wine sector which has now been finalised by the adoption of Council Regulation (EC) No 479/2008 on the common organisation of the market in wine, amending Regulations (EC) No 1493/1999, (EC) No 1782/2003, (EC) No 1290/2005, (EC) No 3/2008 and repealing Regulations (EEC) No 2392/86 and (EC) No 1493/1999⁷. As it is spelled out in recital 8 of the single CMO Regulation, only those provisions of the wine sector which were not themselves subject to any policy reforms, were incorporated into the single CMO Regulation from the beginning and that the substantive provisions which were subject to policy amendments should be incorporated into the single CMO Regulation once having been enacted. Since that is the case, the wine sector should now be fully incorporated into the single CMO Regulation by way of introducing the policy decisions taken in Regulation (EC) No 479/2008 into the single CMO Regulation.

⁶ OJ L 299, 16.11.2007, p. 1. Regulation as last amended by Regulation (EC) No 361/2008 (OJ L 121, 7.5.2008, p. 1).

⁷ OJ L XXX, XXX.6.2008, p. 1.

- (4) The incorporation of these provisions into the single CMO Regulation should follow the same approach as the one taken by the single CMO Regulation when it was adopted, namely by not calling into question the policy decisions taken when those provisions were adopted by the Council and the motivation for those policy decisions as expressed in the respective recitals of the respective Regulations.
- (5) The single CMO Regulation should therefore be amended accordingly.
- (6) In its Article 175, the single CMO Regulation incorporated the provisions concerning the applicability of competition rules under the Treaty in respect of the sectors that are covered by the single CMO Regulation. Such provisions had, so far, been dealt with in Council Regulation (EC) No 1184/2006 of 24 July 2006 applying certain rules of competition to the production of, and trade in, agricultural products⁸. The single CMO Regulation, in its Article 200, therefore adapted the scope of Regulation (EC) No 1184/2006. Due to the full incorporation of the wine sector into the single CMO Regulation, and the extension of the competition rules contained therein to that sector, provision should be made to exclude the wine sector from the scope of Regulation (EC) No 1184/2006.
- (7) In order to ensure that the changeover from the provisions of Regulation (EC) No 479/2008 to those provided for in this Regulation does not interfere with the ongoing 2008/2009 marketing year for wine, the amendments should apply as of the start of the next marketing year for wine, i.e. as of 1 August 2009,

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EC) No 1234/2007 is amended as follows:

- (1) In Article 1, paragraph 2 is deleted.
- (2) In the first paragraph of Article 3, the following point is inserted after point (c):
"(ca) 1 August to 31 July of the following year for the wine sector;"
- (3) Article 55 is amended as follows:
 - (a) the Heading is replaced by the following:

"Article 55

Quota systems and production potential"

- (b) after paragraph 2, the following paragraph is inserted:
 - "2a. In relation to the wine sector, rules concerning production potential as regards unlawful plantings, transitional planting rights as well as a grubbing-up scheme shall apply in accordance with the provisions set out in Section IVa."

⁸ OJ L OJ L 214, 4.8.2006, p. 7. Regulation as last amended by Regulation (EC) No 361/2008 (OJ L 121, 7.5.2008, p. 1).

- (4) The Title of Section IV Chapter III of Title I of Part II is replaced by the following:

**"SECTION IV
PROCEDURAL RULES CONCERNING SUGAR AND MILK QUOTAS";**

- (5) In Article 85, the introductory words are replaced by the following:

"The Commission shall adopt the detailed rules for the application of Sections I, II and III which may relate, in particular, to:";

- (6) In Chapter III of Title I of Part II, the following Section IVa is added after Section IV:

**"SECTION IV_A
PRODUCTION POTENTIAL IN THE WINE SECTOR**

**SUBSECTION I
UNLAWFUL PLANTINGS**

Article 85a

Unlawful plantings planted after 31 August 1998

1. Producers shall grub up at their own cost areas planted with vines without a corresponding planting right, where applicable, after 31 August 1998.
2. Pending grubbing-up in accordance with paragraph 1, grapes and products made from grapes from areas referred to in that paragraph may be put into circulation only for the purposes of distillation at the exclusive expense of the producer. The products resulting from distillation may not be used in the preparation of alcohol having an actual alcoholic strength by volume of 80 % or less.
3. Without prejudice, where applicable, to earlier penalties imposed by Member States, Member States shall impose penalties on producers who have not complied with this grubbing-up obligation graduated according to the severity, extent and duration of the non-compliance.
4. The end of the transitional ban on new plantings on 31 December 2015, as provided for in Article 85g(1), shall not affect the obligations provided for in this Article.

Article 85b

*Obligatory regularisation of unlawful plantings
planted before 1 September 1998*

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

Without prejudice to any proceedings under clearance of accounts, the first subparagraph shall not apply to areas regularised on the basis of Article 2(3) of Regulation (EC) No 1493/1999.

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

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

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

5. The end of the transitional ban on new plantings on 31 December 2015 as provided for in Article 85g(1), shall not affect the obligations provided for in paragraphs 3 and 4.

Article 85c

Control of non-circulation or distillation

1. In relation to Article 85a(2) and Article 85b(3) and (4), Member States shall require proof of non-circulation of the products concerned or, where the products concerned are distilled, the submission of distillation contracts.
2. Member States shall verify non-circulation and distillation referred to in paragraph 1. They shall impose penalties in case of non-compliance.
3. Member States shall notify the Commission of the areas subject to distillation and the corresponding volumes of alcohol.

Article 85d

Accompanying measures

Areas referred to in the first subparagraph of Article 85b(1) as long as they are not regularised and areas referred to in Article 85a(1) shall not benefit from any national or Community support measures.

Article 85e

Implementing measures

Detailed rules for the implementation of this Subsection shall be adopted by the Commission.

Those rules may include:

- (a) details on the communication requirements of Member States including possible reductions of the budget allocations referred to in Annex Xb in case of non-compliance;

- (b) details on the penalties to be imposed by Member States in case of non-compliance with the obligations laid down in Articles 85a, 85b and 85c.

SUBSECTION II

TRANSITIONAL PLANTING RIGHT REGIME

Article 85f

Duration

The provisions of this Subsection shall apply until 31 December 2015.

Article 85g

Transitional prohibition on planting vines

1. Without prejudice to Article 120a(1) to (6) and in particular paragraph 4 thereof, the planting of vines of wine grape varieties classifiable according to Article 120a(2) shall be prohibited.
2. Grafting-on of wine grape varieties classifiable according to Article 120a(2) to varieties other than wine grape varieties referred to in that Article shall also be prohibited.
3. Notwithstanding paragraphs 1 and 2, plantings and grafting-on as referred to in those paragraphs shall be allowed if covered by:
 - (a) a new planting right, as provided for in Article 85h;
 - (b) a replanting right, as provided for in Article 85i;
 - (c) a planting right granted from a reserve as provided for in Articles 85j and 85k.
4. The planting rights referred to in paragraph 3 shall be granted in hectares.
5. Member States may decide to maintain the prohibition referred to in paragraph 1 in their territory or parts of their territory until 31 December 2018 at the latest. In such case the rules governing the transitional planting right regime as laid down in this Subsection, including this Article, shall apply accordingly in the given Member State.

Article 85h

New planting rights

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

- (b) be used before the end of the second wine year after the one in which they were granted;
- (c) be used for the purposes for which they were granted.

Article 85i
Replanting rights

1. Member States shall grant replanting rights to producers who have grubbed up an area planted with vines.
However, grubbed-up areas for which a grubbing-up premium is granted in accordance with Subsection III shall not generate replanting rights.
2. Member States may grant replanting rights to producers who undertake to grub up an area planted with vines. In such cases, the grubbing-up of the pledged area shall be carried out at the latest at the end of the third year after which new vines for which the replanting rights had been granted have been planted.
3. Replanting rights granted shall correspond to the equivalent of the grubbed-up area in terms of pure crop.
4. The replanting rights shall be exercised on the holding in respect of which they were granted. Member States may further stipulate that such replanting rights may be exercised only on the area where the grubbing-up was carried out.
5. By way of derogation from paragraph 4, Member States may decide that replanting rights may be transferred, in whole or in part, to another holding in the same Member State in the following cases:
 - (a) part of the holding concerned is transferred to that other holding;
 - (b) areas on that other holding are intended for:
 - (i) the production of wines with a protected designation of origin or a protected geographical indication; or
 - (ii) the cultivation of graft nurseries.

Member States shall ensure that the application of the derogation provided for in the first subparagraph does not lead to an overall increase in production potential on their territory, in particular when transfers are made from non-irrigated to irrigated areas.

6. Paragraphs 1 to 5 shall apply *mutatis mutandis* to rights similar to replanting rights acquired under prior Community or national legislation.
7. Replanting rights granted under Article 4(5) of Regulation (EC) No 1493/1999 shall be used within the periods provided for therein.

Article 85j
National and regional reserve of planting rights

1. In order to improve management of the production potential Member States shall create a national reserve or regional reserves of planting rights.
2. Member States which have established national or regional reserves of planting rights under Regulation (EC) No 1493/1999 may maintain those reserves as

long as they apply the transitional planting right regime in accordance with this Subsection.

3. The following planting rights shall be allocated to the national or regional reserves if they are not used within the prescribed period:
 - (a) new planting rights;
 - (b) replanting rights;
 - (c) planting rights granted from the reserve.
4. Producers may transfer replanting rights to the national or regional reserves. The conditions of such transfer, where necessary in return for a payment from national funds, shall be determined by the Member States taking into account the legitimate interests of the parties.
5. By way of derogation from paragraph 1, Member States may decide not to implement a reserve system provided that they can prove that an effective alternative system for managing planting rights exists throughout their territory. The alternative system may, where necessary, derogate from the relevant provisions of this Subsection.

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

Article 85k

Granting planting rights from the reserve

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

Member States shall define the criteria for setting the amounts of the payment referred to in (b), which may vary depending on the final intended product of the vineyards concerned and on the residual transitional period during which the prohibition on new plantings as provided for in Article 85g(1) and (2) applies.

2. Where planting rights granted from a reserve are used, Member States shall ensure that:
 - (a) the location, the varieties used and the cultivation techniques used guarantee that the subsequent production is adapted to market demand;
 - (b) the yields concerned are typical of the average in the region, in particular where planting rights originating in non-irrigated areas are used in irrigated areas.

3. Planting rights granted from a reserve which are not used before the end of the second wine year after the one in which they were granted shall be forfeited and re-allocated to the reserve.
4. Planting rights in a reserve which are not disbursed before the end of the fifth wine year following their allocation to the reserve shall be extinguished.
5. If regional reserves exist in a Member State, the Member State may lay down rules permitting the transfer of planting rights between regional reserves. If both regional and national reserves exist in a Member State, the Member State may also allow for transfers between those reserves.

Transfers may be subject to a reduction coefficient.

Article 85l
De minimis

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

Article 85m
Stricter national rules

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

Article 85n
Implementing measures

Detailed rules for the implementation of this Subsection shall be adopted by the Commission.

Those rules may in particular include:

- (a) provisions to avoid excessive administrative charges when applying the provisions of this Subsection;
- (b) the co-existence of vines pursuant to Article 85i(2);
- (c) the application of the reduction coefficient referred to in Article 85k(5).

SUBSECTION III
GRUBBING-UP SCHEME

Article 85o
Duration

The provisions of this Subsection shall apply until the end of the wine year 2010/2011.

Article 85p
Scope and definition

This Subsection lays down the conditions under which vine-growers shall receive a premium in exchange for grubbing up vines (hereinafter referred to as "the grubbing-up premium").

Article 85q
Conditions of eligibility

The grubbing-up premium may be granted only if the area concerned complies with the following conditions:

- (a) it did not receive Community or national support for restructuring and conversion-type measures within the 10 wine years preceding the grubbing-up request;
- (b) it did not receive Community support under any other common market organisation within the five wine years preceding the grubbing-up request;
- (c) it is tended;
- (d) it is not smaller than 0,1 hectare. However, that minimum size may be 0,3 hectare, if a Member State so decides, for certain administrative regions of that Member State in which the average of the area planted with vines of a wine holding exceeds one hectare;
- (e) it has not been planted in violation of any applicable Community or national provision;
- (f) it is planted with a wine grape variety classifiable according to Article 120a(2).

Notwithstanding point (e), areas regularised in accordance with Article 2(3) of Regulation (EC) No 1493/1999 and Article 85b(1) of this Regulation shall be eligible for the grubbing-up premium.

Article 85r
Amount of the grubbing-up premium

1. Scales for the grubbing-up premiums to be granted shall be fixed by the Commission.
2. The specific amount of the grubbing-up premium shall be established by Member States within the scales referred to in paragraph 1 and on the basis of the historical yields of the holding concerned.

Article 85s
Procedure and budget

1. Interested producers shall submit applications for the grubbing-up premium to the respective authorities in Member States not later than 15 September of each year. Member States may fix an earlier date than 15 September provided that it is later than 30 June and provided that they take into due account, where applicable, their application of the exemptions provided for in Article 85u.
2. Member States shall carry out administrative controls concerning the applications received, process eligible applications and notify to the

Commission by 15 October each year the total area and amounts covered by those applications split by regions and by yield ranges.

3. The maximum annual budget for the grubbing-up scheme is set out in Annex Xd.
4. By 15 November each year the Commission shall set a single percentage for acceptance of the amounts notified if the total amount notified to the Commission by Member States exceeds the available budget resources, regard being had, where applicable, to the application of Articles 85u(2) and (3).
5. By 1 February each year, Member States shall accept the applications:
 - (a) for the areas applied for in their entirety if the Commission has not set a percentage as referred to in paragraph 4; or
 - (b) for the areas resulting from the application of the percentage referred to in paragraph 4 based on objective and non-discriminatory criteria and in accordance with the following priorities:
 - (i) Member States shall give priority to applicants whose application for the grubbing-up premium covers their entire vineyard;
 - (ii) Member States shall give second priority to applicants who are not less than 55 years old, or older where Member States so provide.

Article 85t
Cross compliance

Where farmers are found not to have complied on their holding, at any time during three years from payment of the grubbing-up premium, with the statutory management requirements and the good agricultural and environmental condition referred to in Articles 3 to 7 of Regulation (EC) No 1782/2003, the amount of the payment shall, where non-compliance is the result of an action or omission directly imputable to the farmer, be reduced or cancelled, partially or wholly depending on the severity, extent, permanence and repetition of the non-compliance, and the farmer shall, where applicable, be ordered to reimburse it in accordance with the conditions set out in those provisions.

Article 85u
Exemptions

1. A Member State may decide to reject any further applications referred to in Article 85s(1) once the accumulated grubbed-up area on its territory reaches 8 % of its area planted with vines as referred to in Annex Xe.

A Member State may decide to reject any further applications referred to in Article 85s(1) for a region once the accumulated grubbed-up area in that region reaches 10 % of the region's area planted with vines.
2. The Commission may decide to stop the application of the grubbing-up scheme in a Member State if, taking into account the pending applications, continued grubbing-up would lead to a cumulated grubbed-up area of more than 15 % of the Member State's total area planted with vines as referred to in Annex Xe.

3. The Commission may decide to stop the application of the grubbing-up scheme in a Member State for a given year if, taking into account the pending applications, continued grubbing-up would lead to a grubbed-up area of more than 6 % of the Member State's total area planted with vines as referred to in Annex Xe in that particular year of the scheme's operation.
4. Member States may declare vines in mountain and steep-slope areas ineligible for the grubbing-up scheme in accordance with conditions to be determined by the Commission.
5. Member States may declare areas ineligible for the grubbing-up scheme where application of the scheme would be incompatible with environmental concerns. Areas thus declared ineligible shall not exceed 3 % of the total area planted with vines as referred to in Annex Xe.
6. Greece may declare areas planted with vines on the Aegean islands and the Greek Ionian islands, with the exception of Crete and Eubia, ineligible under the grubbing-up scheme.
7. The grubbing-up scheme set out in this Subsection shall not apply in the Azores, Madeira and Canary Islands.
8. Member States shall grant producers in the areas ineligible or declared ineligible under paragraphs 4 to 7 priority under other support measures laid down in this Regulation in respect of the wine sector, in particular, where applicable, the restructuring and conversion measure under the support programmes and rural development measures.

Article 85v

De minimis

This Subsection shall not apply in Member States where wine production does not exceed 50 000 hectolitres per wine year. This production shall be calculated on the basis of the average production during the previous five wine years.

Article 85w

Complementary national aid

Member States may grant complementary national aid not exceeding 75 % of the applicable grubbing-up premium in addition to the grubbing-up premium granted.

Article 85x

Implementing measures

Detailed rules for the implementation of this Subsection shall be adopted by the Commission.

Those rules may in particular include:

- (a) details on the conditions of eligibility referred to in Article 85q, in particular as regards proof that areas were properly tended in 2006 and 2007;
- (b) the premium scales and levels referred to in Article 85r;
- (c) the criteria for exemption as referred to in Article 85u;

- (d) the reporting requirements of Member States concerning the implementation of the grubbing-up scheme, including penalties in case of delays in reporting and the information which Member States give to producers concerning the availability of the scheme;
 - (e) the reporting requirements as regards complementary national aid;
 - (f) deadlines for payments.”;
- (7) In Chapter IV of Title I of Part II, the following Section is inserted after Section IVA:

**“SECTION IVB
SUPPORT PROGRAMMES IN THE WINE SECTOR**

**SUBSECTION I
INTRODUCTORY PROVISIONS**

*Article 103i
Scope*

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

*Article 103j
Compatibility and consistency*

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

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

3. No support shall be granted:
 - (a) for research projects and measures to support research projects;
 - (b) for measures which are contained in Member States' rural development programmes under Regulation (EC) No 1698/2005.

SUBSECTION II

SUBMISSION AND CONTENT OF SUPPORT PROGRAMMES

Article 103k

Submission of support programmes

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

Support programmes that became applicable in accordance with the first subparagraph of Article 5(1) of Regulation (EC) No 479/2008 shall continue to apply under this Regulation.

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

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

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

However, if the submitted support programme does not comply with the conditions laid down in this Section, the Commission shall inform the Member State thereof. In such case, the Member State shall submit a revised support programme to the Commission. The revised support programme shall become applicable two months after its notification unless an incompatibility persists in which case this subparagraph shall apply.

3. Paragraph 2 shall apply *mutatis mutandis* to changes in respect of support programmes submitted by Member States.
4. Article 103l shall not apply where a Member State's only measure in a support programme consists of the transfer to the Single Payment Scheme referred to in Article 103o. The reporting and evaluation obligations set out in Articles 188a(5) and (6) shall apply in such case only in respect of its paragraph (5) and in relation to the year in which the transfer takes place.

Article 103l

Content of support programmes

Support programmes shall consist of the following elements:

- (a) a detailed description of the measures proposed as well as their quantified objectives;
- (b) the results of consultations held;
- (c) an appraisal showing the expected technical, economic, environmental and social impact;
- (d) a schedule for implementing the measures;

- (e) a general financing table showing the resources to be deployed and the envisaged indicative allocation of the resources between the measures in accordance with ceilings provided for in Annex Xb;
- (f) the criteria and quantitative indicators to be used for monitoring and evaluation as well as the steps taken to ensure that the support programmes are implemented appropriately and effectively;
- (g) the designation of competent authorities and bodies responsible for implementing the support programme.

Article 103m
Eligible measures

1. Support programmes shall contain one or more of the following measures:
 - (a) Single Payment Scheme support in accordance with Article 103o;
 - (b) promotion in accordance with Article 103p;
 - (c) restructuring and conversion of vineyards in accordance with Article 103q;
 - (d) green harvesting in accordance with Article 103r;
 - (e) mutual funds in accordance with Article 103s;
 - (f) harvest insurance in accordance with Article 103t;
 - (g) investments in accordance with Article 103u;
 - (h) by-product distillation in accordance with Article 103v;
 - (i) potable alcohol distillation in accordance with Article 103w;
 - (j) crisis distillation in accordance with Article 103x;
 - (k) use of concentrated grape must in accordance with Article 103y.
2. Support programmes shall not contain other measures than the ones listed in Articles 103o to 103y.

Article 103n
General rules concerning support programmes

1. The allocation of the available Community funds as well as the budgetary limits are provided for in Annex Xb.
2. Community support shall only relate to eligible expenditure incurred after the submission of the relevant support programme as referred to in Article 103k(1).
3. Member States shall not contribute to the costs of measures financed by the Community under the support programmes.
4. By way of derogation from paragraph 3, Member States may grant national aid in accordance with the relevant Community rules on State aid for the measures referred to in Articles 103p, 103t and 103u.

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

SUBSECTION III

SPECIFIC SUPPORT MEASURES

Article 103o

Single Payment Scheme and support to vine-growers

1. Member States may provide support to vine-growers by allocating to them payment entitlements within the meaning of Chapter 3 of Title III of Regulation (EC) No 1782/2003 in accordance with point O of Annex VII to that Regulation.
2. Member States intending to make use of the possibility referred to in paragraph 1 shall foresee such support in their support programmes including, as regards subsequent transfers of funds to the Single Payment Scheme, by way of changes to those programmes in accordance with Article 103k(3).
3. Once effective, support as referred to in paragraph 1 shall:
 - (a) remain in the Single Payment Scheme and no longer be available, or be made available under Article 103k(3), for the measures listed in Articles 103p to 103y in subsequent years of the operation of the support programmes;
 - (b) commensurately reduce the amount of funds available for measures listed in Articles 103p to 103y in the support programmes.

Article 103p

Promotion on third-country markets

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

Article 103q
Restructuring and conversion of vineyards

1. The objective of measures relating to the restructuring and conversion of vineyards shall be to increase the competitiveness of wine producers.
2. Restructuring and conversion of vineyards shall be supported in accordance with this Article only if Member States submit the inventory of their production potential in accordance with Article 185a(3).
3. Support for restructuring and conversion of vineyards may only cover one or more of the following activities:
 - (a) varietal conversion, including by means of grafting-on;
 - (b) relocation of vineyards;
 - (c) improvements to vineyard management techniques.

The normal renewal of vineyards which have come to the end of their natural life shall not be supported.

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

Article 103r
Green harvesting

1. For the purposes of this Article, green harvesting means the total destruction or removal of grape bunches while still in their immature stage, thereby reducing the yield of the relevant area to zero.
2. Support for green harvesting shall contribute to restoring the balance of supply and demand in the market in wine in the Community in order to prevent market crises.

3. Support for green harvesting may be granted as compensation in the form of a flat rate payment per hectare to be determined by the Member State concerned.

The payment shall not exceed 50 % of the sum of the direct costs of the destruction or removal of grape bunches and the loss of revenue related to the destruction or removal of grape bunches.

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

Article 103s

Mutual funds

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

Article 103t

Harvest insurance

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

Article 103u

Investments

1. Support may be granted for tangible or intangible investments in processing facilities, winery infrastructure and marketing of wine which improve the overall performance of the enterprise and concern one or more of the following:

- (a) the production or marketing of products referred to in Annex XIb;
 - (b) the development of new products, processes and technologies related to the products referred to in Annex XIb.
2. Support under paragraph 1 at its maximum rate shall be limited to micro, small and medium-sized enterprises within the meaning of Commission Recommendation 2003/361/EC**. For the territories of the Azores, Madeira, the Canary Islands, the smaller Aegean islands within the meaning of Council Regulation (EC) No 1405/2006*** and the French overseas departments, no size limits shall apply for the maximum rate. For enterprises that are not covered by Article 2(1) of Title I of Annex to Recommendation 2003/361/EC with less than 750 employees or with a turn-over of less than EUR 200 million, the maximum aid intensity shall be halved.

Support shall not be granted to enterprises in difficulty within the meaning of the Community guidelines on State aid for rescuing and restructuring firms in difficulty.

3. The eligible expenditure shall exclude the elements referred to in Article 71(3)(a) to (c) of Regulation (EC) No 1698/2005.
4. The following maximum aid rates in relation to the eligible investment costs shall apply to the Community contribution:
- (a) 50 % in regions classified as convergence regions in accordance with Regulation (EC) No 1083/2006;
 - (b) 40 % in regions other than convergence regions;
 - (c) 75 % in the outermost regions in accordance with Council Regulation (EC) No 247/2006****;
 - (d) 65 % in the smaller Aegean islands within the meaning of Regulation (EC) No 1405/2006.
5. Article 72 of Regulation (EC) No 1698/2005 shall apply *mutatis mutandis* to support referred to in paragraph 1.

Article 103v

By-product distillation

1. Support may be granted for the voluntary or obligatory distillation of by-products of wine making which has been carried out in accordance with the conditions laid down in point D of Annex XVb.
- The amount of aid shall be fixed per % volume and per hectolitre of alcohol produced. No aid shall be paid for the volume of alcohol contained in the by-products to be distilled which exceeds 10 % in relation to the volume of alcohol contained in the wine produced.
2. The maximum applicable aid levels shall be based on collection and processing costs and fixed by the Commission.
3. The alcohol resulting from the supported distillation referred to in paragraph 1 shall be used exclusively for industrial or energy purposes so as to avoid distortion of competition.

Article 103w
Potable alcohol distillation

1. Support may be granted until 31 July 2012 to producers, for wine which is distilled into potable alcohol in the form of a per-hectare aid.
2. The relevant contracts concerning the distillation of wine as well as the relevant proofs of delivery for distillation shall be submitted before support is granted.

Article 103x
Crisis distillation

1. Support may be granted until 31 July 2012 for voluntary or obligatory distillation of surplus wine decided upon by Member States in justified cases of crisis so as to reduce or eliminate the surplus and at the same time ensure supply continuity from one harvest to the next.
2. The maximum applicable aid levels shall be fixed by the Commission.
3. The alcohol resulting from the supported distillation referred to in paragraph 1 shall be used exclusively for industrial or energy purposes so as to avoid distortion of competition.
4. The share of the available budget used for the crisis distillation measure shall not exceed the following percentage shares as calculated against the globally available funds laid down in Annex Xb per Member State in the respective budget year:
 - 20 % in 2009,
 - 15 % in 2010,
 - 10 % in 2011,
 - 5 % in 2012.
5. Member States may increase the available funds for the crisis distillation measure beyond the annual ceilings given in paragraph 4 by way of contributing national funds in accordance with the following limits (expressed in terms of percentage of the respective annual ceiling given in paragraph 4):
 - 5 % in the wine year 2010,
 - 10 % in the wine year 2011,
 - 15 % in the wine year 2012.

Member States shall, where applicable, notify the Commission of the addition of national funds referred to in the first subparagraph and the Commission shall approve the transaction before such funds are made available.

Article 103y
Use of concentrated grape must

1. Support may be granted until 31 July 2012 to wine producers who use concentrated grape must including rectified concentrated grape must to increase the natural alcoholic strength of products in accordance with the conditions laid down in Annex XVa.

2. The amount of the aid shall be fixed per % volume potential alcoholic strength and per hectolitre of the must used for enrichment.
3. The maximum applicable aid levels for this measure in the different wine growing zones shall be fixed by the Commission.

Article 103z
Cross compliance

Where farmers are found not to have complied on their holding, at any time during three years from payment under the support programmes for restructuring and conversion or at any time during one year from payment under the support programmes for green harvesting, with the statutory management requirements and the good agricultural and environmental condition referred to in Articles 3 to 7 of Regulation (EC) No 1782/2003, the amount of the payment shall, where non-compliance is the result of an action or omission directly imputable to the farmer, be reduced or cancelled, partially or wholly depending on the severity, extent, permanence and repetition of the non-compliance, and the farmer shall, where applicable, be ordered to reimburse it in accordance with the conditions set out in those provisions.

SUBSECTION IV
PROCEDURAL PROVISIONS

Article 103za
Implementing measures

The measures necessary for the implementation of this Section shall be adopted by the Commission.

Those measures may include, in particular:

- (a) the format of presentation of the support programmes;
- (b) rules concerning changes to support programmes after they have become applicable;
- (c) detailed rules for the implementation of the measures provided for in Articles 103p to 103y;
- (d) the conditions under which assistance through Community funds is to be communicated and publicised.

* OJ L 210, 31.7.2006, p. 25.
** OJ L 124, 20.5.2003, p. 36.
*** OJ L 265, 26.9.2006, p. 1.
**** OJ L 42, 14.2.2006, p. 1.”;

- (8) The heading of Chapter I of Title II of Part II is replaced by the following:

"Chapter I
Rules concerning marketing and production";

- (9) The heading of Section I of Chapter I of Title II of Part II is replaced by the following:

**"SECTION I
MARKETING RULES";**

(10) The following Articles are inserted after Article 113b:

“Article 113c

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

1. In order to improve and stabilise the operation of the common market in wines including the grapes, musts and wines from which they derive, producer Member States, particularly by way of implementing decisions taken by inter-branch organisations referred to in Articles 123(3) and 125o, may lay down marketing rules to regulate supply.

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

- (a) relate to any transaction after the first marketing of the produce concerned;
 - (b) allow for price fixing, including where prices are set for guidance or recommendation;
 - (c) render unavailable an excessive proportion of the vintage that would otherwise be available;
 - (d) provide scope for refusing to issue the national and Community certificates required for the circulation and marketing of wines where such marketing is in accordance with those rules.
2. The rules referred to in paragraph 1 must be brought to the attention of operators by publication *in extenso* in an official publication of the Member State concerned.
 3. The reporting obligation referred to in Article 125o(3) shall also apply in respect of the decisions or actions taken by the Member States in accordance with this Article.

Article 113d

Specific provisions for the marketing of wine

1. A designation for a category of a grapevine product as provided for in Annex XIb may be used in the Community only for the marketing of a product which conforms to the corresponding conditions laid down in that Annex.

However, notwithstanding Article 118y(1)(a), Member States may allow the use of the term "wine" if:

- (a) it is accompanied by the name of a fruit in the form of a composite name to market products obtained by the fermentation of fruit other than grapes; or
- (b) it is part of a composite name.

Any confusion with products corresponding to the wine categories in Annex XIb shall be avoided.

2. Categories of grapevine products listed in Annex XIb may be modified by the Commission in accordance with the procedure referred to in Article 195(4).

3. Except for bottled wine in respect of which there is evidence that bottling was performed before 1 September 1971, wine produced from wine grape varieties listed in the classifications drawn up in accordance with the first subparagraph of Article 120a(2) but not conforming to one of the categories laid down in Annex XIb shall be used only for consumption by individual wine-producers' households, for the production of wine vinegar or for distillation.”;
- (11) In Chapter I of Title II of Part II, the following Sections Ia and Ib are inserted after Section I:

**"SECTION IA
DESIGNATIONS OF ORIGIN, GEOGRAPHICAL INDICATIONS
AND TRADITIONAL TERMS IN THE WINE SECTOR**

Article 118a

Scope

1. Rules relating to designations of origin, geographical indications and traditional terms laid down in this Section shall apply to the products referred to in paragraphs 1, 3 to 6, 8, 9, 11, 15 and 16 of Annex XIb.
2. The rules referred to in paragraph 1 shall be based on:
 - (a) the protection of legitimate interests of:
 - (i) consumers and
 - (ii) producers;
 - (b) ensuring the smooth operation of the common market in the products concerned;
 - (c) promoting the production of quality products, whilst allowing national quality policy measures.

**SUBSECTION I
DESIGNATIONS OF ORIGIN AND GEOGRAPHICAL INDICATIONS**

Article 118b

Definitions

1. For the purposes of this Subsection, the following definitions shall apply:
 - (a) "designation of origin" means the name of a region, a specific place or, in exceptional cases, a country used to describe a product referred to in Article 118a(1) that complies with the following requirements:
 - (i) its quality and characteristics are essentially or exclusively due to a particular geographical environment with its inherent natural and human factors;
 - (ii) the grapes from which it is produced come exclusively from this geographical area;
 - (iii) its production takes place in this geographical area;
 - (iv) it is obtained from vine varieties belonging to *Vitis vinifera*;

- (b) "geographical indication" means an indication referring to a region, a specific place or, in exceptional cases, a country, used to describe a product referred to in Article 118a(1) which complies with the following requirements:
 - (i) it possesses a specific quality, reputation or other characteristics attributable to that geographical origin;
 - (ii) at least 85 % of the grapes used for its production come exclusively from this geographical area;
 - (iii) its production takes place in this geographical area;
 - (iv) it is obtained from vine varieties belonging to *Vitis vinifera* or a cross between the *Vitis vinifera* species and other species of the genus *Vitis*.
- 2. Certain traditionally used names shall constitute a designation of origin where they:
 - (a) designate a wine;
 - (b) refer to a geographical name;
 - (c) meet the requirements referred to in paragraph 1(a)(i) to (iv);
 - (d) undergo the procedure conferring protection on designations of origin and geographical indications laid down in this Subsection.
- 3. Designations of origin and geographical indications, including those relating to geographical areas in third countries, shall be eligible for protection in the Community in accordance with the rules laid down in this Subsection.

Article 118c

Content of applications for protection

- 1. Applications for protection of names as designations of origin or geographical indications shall include a technical file containing:
 - (a) the name to be protected;
 - (b) the name and address of the applicant;
 - (c) a product specification as referred to in paragraph 2;
 - (d) a single document summarising the product specification referred to in paragraph 2.
- 2. The product specification shall enable interested parties to verify the relevant conditions of production of the designation of origin or geographical indication.

It shall consist at least of:

 - (a) the name to be protected;
 - (b) a description of the wine(s):
 - (i) for wines with a designation of origin, its principal analytical and organoleptic characteristics;

- (ii) for wines with a geographical indication, its principal analytical characteristics as well as an evaluation or indication of its organoleptic characteristics;
- (c) where applicable, the specific oenological practices used to make the wine(s) as well as the relevant restrictions on making the wine(s);
- (d) the demarcation of the geographical area concerned;
- (e) the maximum yields per hectare;
- (f) an indication of the wine grape variety or varieties the wine(s) is obtained from;
- (g) the details bearing out the link referred to in Article 118b(1)(a)(i) or, as the case may be, in Article 118b(1)(b)(i);
- (h) applicable requirements laid down in Community or national provisions or, where foreseen by Member States, by an organisation which manages the protected designation of origin or geographical indication, having regard to the fact that such requirements shall be objective and non-discriminatory and compatible with Community law;
- (i) the name and address of the authorities or bodies verifying compliance with the provisions of the product specification and their specific tasks.

Article 118d

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

1. Where the application for protection concerns a geographical area in a third country, it shall contain in addition to the elements provided for in Article 118c proof that the name in question is protected in its country of origin.
2. The application shall be sent to the Commission, either directly from the applicant or via the authorities of the third country concerned.
3. The application for protection shall be filed in one of the official languages of the Community or accompanied by a certified translation into one of those languages.

Article 118e

Applicants

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

Article 118f
Preliminary national procedure

1. Applications for protection of a designation of origin or a geographical indication of wines in accordance with Article 118b originating in the Community shall be subject to a preliminary national procedure in accordance with this Article.
2. The application for protection shall be filed with the Member State in which territory the designation of origin or geographical indication originates.
3. The Member State shall examine the application for protection as to whether it meets the conditions set out in this Subsection.

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

4. If the Member State considers that the designation of origin or geographical indication does not meet the relevant requirements, including the eventuality that it is incompatible with Community law in general, it shall reject the application.
5. If the Member State considers that the relevant requirements are met, it shall:
 - (a) publish the single document and the product specification at least on the Internet; and
 - (b) forward to the Commission an application for protection containing the following information:
 - (i) the name and address of the applicant;
 - (ii) the single document referred to in Article 118c(1)(d);
 - (iii) a declaration by the Member State that it considers that the application lodged by the applicant meets the conditions required;
 - (iv) the reference to publication, as referred to in (a).

This information shall be forwarded in one of the official languages of the Community or accompanied by a certified translation into one of those languages.

6. Member States shall introduce the laws, regulations or administrative provisions necessary to comply with this Article by 1 August 2009.
7. Where a Member State has no national legislation concerning the protection of designations of origin and geographical indications, it may, on a transitional basis only, grant protection in accordance with the terms of this Subsection at national level to the name with effect from the day the application is lodged with the Commission. Such transitional national protection shall cease on the date on which a decision on registration or refusal under this Subsection is taken.

Article 118g
Scrutiny by the Commission

1. The Commission shall make the date of submission of the application for protection of the designation of origin or geographical indication public.
2. The Commission shall examine whether the applications for protection referred to in Article 118f(5) meet the conditions laid down in this Subsection.
3. Where the Commission considers that the conditions laid down in this subsection are met, it shall publish in the *Official Journal of the European Union* the single document referred to in Article 118c(1)(d) and the reference to the publication of the product specification referred to in Article 118f(5).

Where this is not the case, the Commission shall decide, in accordance with the procedure referred to in Article 195(4), to reject the application.

Article 118h
Objection procedure

Within two months from the date of publication provided for in the first subparagraph of Article 118g(3), any Member State or third country, or any natural or legal person having a legitimate interest, established or resident in a Member State other than that applying for the protection or in a third country, may object to the proposed protection by lodging a duly substantiated statement relating to the conditions of eligibility as laid down in this subsection with the Commission.

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

Article 118i
Decision on protection

On the basis of the information available to the Commission, the Commission shall decide, in accordance with the procedure referred to in Article 195(4), either to confer protection on the designation of origin or geographical indication which meets the conditions laid down in this subsection and is compatible with Community law, or to reject the application where those conditions are not satisfied.

Article 118j
Homonyms

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

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

The use of a registered homonymous name shall be subject to there being a sufficient distinction in practice between the homonym registered subsequently

and the name already on the register, having regard to the need to treat the producers concerned in an equitable manner and not to mislead the consumer.

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

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

3. Save as otherwise provided for in Commission implementing measures, where the name of a wine grape variety contains or consists of a protected designation of origin or geographical indication that name shall not be used for purposes of labelling the products covered by this Regulation.
4. The protection of designations of origin and geographical indications for products covered in Article 118b shall be without prejudice to protected geographical indications applying in relation to spirit drinks within the meaning of Regulation (EC) No 110/2008 of the European Parliament and of the Council*and vice versa.

Article 118k

Grounds for refusal of protection

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

For the purposes of this subsection, a "name that has become generic" means the name of a wine which, although it relates to the place or the region where this product was originally produced or marketed, has become the common name of a wine in the Community.

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

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

Article 118l

Relationship with trademarks

1. Where a designation of origin or a geographical indication is protected under this Regulation, the registration of a trademark corresponding to one of the situations referred to in Article 118m(2) and relating to a product falling under one of the categories listed in Annex XIb shall be refused if the application for registration of the trademark is submitted after the date of submission of the application for protection of the designation of origin or geographical

indication to the Commission and the designation of origin or geographical indication is subsequently protected.

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

2. Without prejudice to Article 118k(2), a trademark the use of which corresponds to one of the situations referred to in Article 118m(2), which has been applied for, registered or established by use, if that possibility is provided for by the legislation concerned, in the territory of the Community before the date on which the application for protection of the designation of origin or geographical indication is submitted to the Commission, may continue to be used and renewed notwithstanding the protection of a designation of origin or geographical indication, provided that no grounds for the trademark's invalidity or revocation exist as specified by the First Council Directive 89/104/EEC**or by Council Regulation (EC) No 40/94***.

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

Article 118m
Protection

1. Protected designations of origins and geographical indications may be used by any operator marketing a wine which has been produced in conformity with the corresponding product specification.
2. Protected designations of origins and geographical indications and the wines using those protected names in conformity with the product specification shall be protected against:
 - (a) any direct or indirect commercial use of a protected name:
 - (i) by comparable products not complying with the product specification of the protected name; or
 - (ii) in so far as such use exploits the reputation of a designation of origin or a geographical indication;
 - (b) any misuse, imitation or evocation, even if the true origin of the product or service is indicated or if the protected name is translated or accompanied by an expression such as "style", "type", "method", "as produced in", "imitation", "flavour", "like" or similar;
 - (c) any other false or misleading indication as to the provenance, origin, nature or essential qualities of the product, on the inner or outer packaging, advertising material or documents relating to the wine product concerned, and the packing of the product in a container liable to convey a false impression as to its origin;
 - (d) any other practice liable to mislead the consumer as to the true origin of the product.
3. Protected designations of origin or protected geographical indications shall not become generic in the Community within the meaning of Article 118k(1).

4. Member States shall take the steps necessary to stop unlawful use of protected designations of origin and geographical indications as referred to in paragraph 2.

Article 118n
Register

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

Article 118o
Designation of competent control authority

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

Article 118p
Verification of compliance with specifications

1. In respect of protected designations of origin and geographical indications relating to a geographical area within the Community, annual verification of compliance with the product specification, during the production and during or after conditioning of the wine, shall be ensured by:
 - (a) the competent authority or authorities referred to in Article 118o(1); or
 - (b) one or more control bodies within the meaning of point 5 of the second subparagraph of Article 2 of Regulation (EC) No 882/2004 operating as a product certification body in accordance with the criteria laid down in Article 5 of that Regulation.

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

2. In respect of protected designations of origin and geographical indications relating to a geographical area in a third country, annual verification of compliance with the product specification, during the production and during or after conditioning of the wine, shall be ensured by:
 - (a) one or more public authorities designated by the third country; or
 - (b) one or more certification bodies.
3. The certification bodies referred to in paragraphs 1(b) and 2(b) shall comply with, and from 1 May 2010 be accredited in accordance with, the European standard EN 45011 or ISO/IEC Guide 65 (General requirements for bodies operating product certification systems).

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

Article 118q

Amendments to product specifications

1. An applicant satisfying the conditions of Article 118e may apply for approval of an amendment to the product specification of a protected designation of origin or geographical indication, in particular to take account of developments in scientific and technical knowledge or to redefine the geographical area referred to in (d) of the second subparagraph of Article 118c(2). Applications shall describe and give reasons for the amendments requested.
2. Where the proposed amendment involves one or more amendments to the single document referred to in Article 118c(1)(d), Articles 118f to 118i shall apply *mutatis mutandis* to the amendment application. However, if the proposed amendment is only minor, the Commission shall decide, in accordance with the procedure referred to in Article 195(4), whether to approve the application without following the procedure laid down in Article 118g(2) and Article 118h and in the case of approval, the Commission shall proceed to publication of the elements referred to in Article 118g(3).
3. Where the proposed amendment does not involve any change to the single document, the following rules shall apply:
 - (a) where the geographical area is in a given Member State, that Member State shall express its position on the amendment and, if it is in favour, shall publish the amended product specification and inform the Commission of the amendments approved and the reasons for them;
 - (b) where the geographical area is in a third country, the Commission shall determine whether to approve the proposed amendment.

Article 118r

Cancellation

The Commission may decide, in accordance with the procedure referred to in Article 195(4), at its own initiative or at a duly substantiated request of a Member State, of a third country or of a natural or legal person having a legitimate interest, to cancel the protection of a designation of origin or a geographical indication if compliance with the corresponding product specification is no longer ensured.

Articles 118f to 118i shall apply *mutatis mutandis*.

Article 118s

Existing protected wine names

1. Wine names, which are protected in accordance with Articles 51 and 54 of Regulation (EC) No 1493/1999 and Article 28 of Commission Regulation (EC) No 753/2002*****, shall automatically be protected under this Regulation. The Commission shall list them in the register provided for in Article 118n of this Regulation.

2. Member States shall, in respect of existing protected wine names referred to in paragraph 1, transmit to the Commission:
 - (a) the technical files as provided for in Article 118c(1);
 - (b) the national decisions of approval.
3. Wine names referred to in paragraph 1, for which the information referred to in paragraph 2 is not submitted by 31 December 2011, shall lose protection under this Regulation. The Commission shall take the corresponding formal step of removing such names from the register provided for in Article 118n.
4. Article 118r shall not apply in respect of existing protected wine names referred to in paragraph 1.

The Commission may decide, until 31 December 2014, at its own initiative and in accordance with the procedure referred to in Article 195(4), to cancel protection of existing protected wine names referred to in paragraph 1 if they do not meet the conditions laid down in Article 118b.

Article 118t

Fees

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

SUBSECTION II TRADITIONAL TERMS

Article 118u

Definitions

1. "Traditional term" shall mean a term traditionally used in Member States for products referred to in Article 118a(1) to designate:
 - (a) that the product has a protected designation of origin or geographical indication under Community or Member State law;
 - (b) the production or ageing method or the quality, colour, type of place, or a particular event linked to the history, of the product with a protected designation of origin or geographical indication.
2. Traditional terms shall be recognised, defined and protected by the Commission.

Article 118v

Protection

1. A protected traditional term may only be used for a product which has been produced in conformity with the definition referred to in Article 118u(2).

Traditional terms shall be protected against unlawful use.

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

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

SECTION IB

LABELLING AND PRESENTATION IN THE WINE SECTOR

Article 118w *Definition*

For the purposes of this Section:

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

Article 118x *Applicability of horizontal rules*

Save as otherwise provided for in this Regulation, Directive 89/104/EEC, Council Directive 89/396/EEC*****, Directive 2000/13/EC of the European Parliament and of the Council*****, and Directive 2007/45/EC of the European Parliament and of the Council *****, shall apply to the labelling and presentation of products falling within their scopes.

Article 118y *Compulsory particulars*

1. Labelling and presentation of the products referred to in paragraphs 1 to 11, 13, 15 and 16 of Annex XIb marketed in the Community or for export shall contain the following compulsory particulars:
 - (a) the designation for the category of the grapevine product in accordance with Annex XIb;
 - (b) for wines with a protected designation of origin or geographical indication:
 - (i) the term "protected designation of origin" or "protected geographical indication"; and
 - (ii) the name of the protected designation of origin or geographical indication;
 - (c) the actual alcoholic strength by volume;
 - (d) an indication of provenance;
 - (e) an indication of the bottler or, in the case of sparkling wine, aerated sparkling wine, quality sparkling wine or quality aromatic sparkling wine, the name of the producer or vendor;
 - (f) an indication of the importer in the case of imported wines;
 - (g) in the case of sparkling wine, aerated sparkling wine, quality sparkling wine or quality aromatic sparkling wine, an indication of the sugar content.

2. By way of derogation from paragraph 1(a) the reference to the category of the grapevine product may be omitted for wines whose labels include the protected name of a designation of origin or geographical indication.
3. By way of derogation from paragraph 1(b) the reference to the terms "protected designation of origin" or "protected geographical indication" may be omitted in the following cases:
 - (a) where a traditional term as referred to in Article 118u(1)(a) is displayed on the label;
 - (b) where, in exceptional circumstances to be determined by the Commission, the name of the protected designation of origin or protected geographical indication is displayed on the label.

Article 118z
Optional particulars

1. Labelling and presentation of products referred to in Article 118y(1) may in particular contain the following optional particulars:
 - (a) the vintage year;
 - (b) the name of one or more wine grape varieties;
 - (c) in the case of wines other than the ones referred to in Article 118y(1)(g), terms indicating the sugar content;
 - (d) for wines with a protected designation of origin or geographical indication, traditional terms as referred to in Article 118u(1)(b);
 - (e) the Community symbol indicating the protected designation of origin or geographical indication;
 - (f) terms referring to certain production methods;
 - (g) for wines bearing a protected designation of origin or geographical indication the name of another geographical unit that is smaller or larger than the area underlying the designation of origin or geographical indication.
2. Without prejudice to Article 118j(3), as regards the use of particulars referred to in paragraph 1(a) and (b) for wines without a protected designation of origin or geographical indication:
 - (a) Member States shall introduce laws, regulations or administrative provisions to ensure certification, approval and control procedures so as to guarantee the veracity of the information concerned;
 - (b) Member States may, on the basis of non-discriminatory and objective criteria and with due regard to loyal competition, for wine produced from wine grape varieties on their territory, draw up lists of excluded wine grape varieties, in particular if:
 - (i) there is a risk of confusion of consumers as to the true origin of the wine due to the fact that the given wine grape variety forms an integral part of an existing protected designation of origin or geographical indication;

- (ii) the relevant controls would not be cost effective due to the fact that the given wine grape variety represents a very small part of the Member State vineyard;
- (c) mixtures of wines from different Member States shall not give rise to labelling of the wine grape variety or varieties unless the Member States concerned agree otherwise and ensure the feasibility of the relevant certification, approval and control procedures.

Article 118za
Languages

1. Compulsory and optional particulars referred to in Articles 118y and 118z shall, where expressed in words, appear in one or more of the official languages of the Community.
2. Notwithstanding paragraph 1, the name of a protected designation of origin or geographical indication or a traditional term as referred to in Article 118u(1)(a) shall appear on the label in the language or languages for which the protection applies.

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

Article 118zb
Enforcement

The competent authorities of the Member States shall take measures to ensure that a product referred to in Article 118y(1) not labelled in conformity with this Section is not placed on, or is withdrawn from, the market.

* OJ L 39, 13.2.2008, p. 16.
 ** OJ L 40, 11.2.1989, p. 1.
 *** OJ L 11, 14.1.1994, p. 1.
 **** OJ L 165, 30.4.2004, p. 1. Corrected version in OJ L 191, 28.5.2004, p. 1.
 ***** OJ L 118, 4.5.2002, p. 1.
 ***** OJ L 186, 30.6.1989, p. 21.
 ***** OJ L 109, 6.5.2000, p. 29.
 ***** OJ L 247, 21.9.2007, p. 17.”;

- (12) In Chapter I of Title II of Part II, the following Section IIa is inserted after Section II:

“SECTION IIa
PRODUCTION RULES IN THE WINE SECTOR

SUBSECTION I
WINE GRAPE VARIETIES

Article 120a
Classification of wine grape varieties

1. Products listed in Annex XIb and produced in the Community shall be made from wine grape varieties classifiable according to paragraph 2.

2. Subject to paragraph 3, Member States shall classify which wine grape varieties may be planted, replanted or grafted on their territories for the purpose of wine production.

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

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

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

3. Member States whose wine production does not exceed 50 000 hectolitres per wine year, calculated on the basis of the average production during the latest five wine years, shall be exempted from the classification obligation referred to in paragraph 2.

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

4. By way of derogation from the first and second subparagraphs of paragraph 2 and the second subparagraph of paragraph 3, the planting, replanting or grafting of the following wine grape varieties shall be allowed for scientific research and experimental purposes:

- (a) wine grape varieties which are not classified as far as Member States referred to in paragraph 2 are concerned;
- (b) wine grape varieties which do not comply with paragraph 2(a) and (b) as far as Member States referred to in paragraph 3 are concerned.

5. Areas planted with wine grape varieties for the purpose of wine production planted in contravention of paragraphs 2 to 4 shall be grubbed up.

However, there shall be no obligation to grub up such areas where the relevant production is intended exclusively for consumption by the wine-producers' households.

6. Member States shall take the necessary measures to check compliance by producers with paragraphs 2 to 5.

SUBSECTION II

OENOLOGICAL PRACTICES AND RESTRICTIONS

Article 120b

Scope

This subsection concerns the authorised oenological practices and the applicable restrictions applying to the production and commercialisation of products of the wine sector as well as the procedure for deciding on those practices and restrictions.

Article 120c
Oenological practices and restrictions

1. Only oenological practices authorised under Community law as laid down in Annex XVa or decided upon in accordance with Articles 120d and 120e shall be used in the production and conservation in the Community of products of the wine sector.

The first subparagraph shall not apply to:

- (a) grape juice and concentrated grape juice;
 - (b) grape must and concentrated grape must intended for the preparation of grape juice.
2. Authorised oenological practices shall only be used for the purposes of ensuring proper vinification, proper preservation or proper refinement of the product.
 3. Products of the wine sector shall be produced in the Community in accordance with the relevant restrictions laid down in Annex XVb.
 4. Products covered by this Regulation, which have undergone unauthorised Community oenological practices or, where applicable, unauthorised national oenological practices or which contravene the restrictions laid down in Annex XVb, shall not be marketed in the Community.

Article 120d
Stricter rules decided by Member States

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

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

Article 120e
Authorisation of oenological practices and restrictions

1. Except for the oenological practices concerning enrichment, acidification and de-acidification laid down in Annex XVa for the specific products covered therein as well as the restrictions listed in Annex XVb, the authorisation of oenological practices and restrictions as regards the production and conservation of products of the wine sector shall be decided by the Commission in accordance with the procedure referred to in Article 195(4).
2. Member States may allow the experimental use of unauthorised oenological practices under conditions to be determined by the Commission in accordance with the procedure referred to in Article 195(4).

Article 120f
Authorisation criteria

When authorising oenological practices in accordance with the procedure referred to in Article 195(4), the Commission shall:

- (a) base itself on the oenological practises recommended and published by the International organisation of vine and wine (OIV) as well as on the results of experimental use of as yet unauthorised oenological practices;
- (b) take into account the protection of human health;
- (c) take into account possible risks of consumers being misled due to their established expectations and perceptions, having regard to the availability and feasibility of informational means to exclude such risks;
- (d) allow the preservation of the natural and essential characteristics of the wine and not cause a substantial change in the composition of the product concerned;
- (e) ensure an acceptable minimum level of environmental care;
- (f) respect the general rules concerning oenological practices and restrictions laid down respectively in Annexes XVa and XVb.

Article 120g
Methods of analysis

The methods of analysis for determining the composition of the products of the wine sector and the rules whereby it may be established whether these products have undergone processes contrary to the authorised oenological practices shall be those recommended and published by the OIV.

Where there are no methods and rules recommended and published by the OIV, corresponding methods and rules shall be adopted by the Commission in accordance with the procedure referred to in Article 195(4).

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

(13) Article 121 is amended as follows:

- (a) in the first paragraph, the following points are added after point (j):
 - "(k) the rules concerning the designation of origin and geographical indications referred to in Subsection I of Section Ia, in particular derogations from the applicability of the rules and requirements laid down in that subsection:
 - (i) insofar as pending applications for protection of designations of origin or geographical indications are concerned;
 - (ii) insofar as the production of certain wines with a protected designation of origin or geographical indication in a geographical area in proximity of the geographical area where the grapes originate is concerned;
 - (iii) insofar as traditional production practices of certain wines with a protected designation of origin are concerned;

- (l) the rules concerning traditional terms referred to in SubSection II of Section Ia in particular concerning:
 - (i) the procedure conferring protection;
 - (ii) the specific level of protection;
- (m) the rules concerning labelling and presentation referred to in Section Ib, in particular:
 - (i) details on the indication of provenance of the relevant product;
 - (ii) the terms of use of the optional particulars listed in Article 118z;
 - (iii) specific requirements relating to the indications concerning the vintage year and the wine grape variety displayed on labels as referred to in Article 118z(2);
 - (iv) further derogations in addition to those referred to in Article 118y(2) which provide that the reference to the category of the grapevine product may be omitted;
 - (v) rules concerning protection to be conferred in relation to the presentation of a given product.";

- (b) the following third and fourth paragraphs are added:

"The measures necessary for the implementation of the provisions concerning oenological practices and restrictions laid down in Subsection II of Section IIa and Annexes XVa and XVb, save as otherwise provided in those Annexes, shall be adopted by the Commission in accordance with the procedure referred to in Article 195(4).

The measures referred to in the third paragraph may include, in particular:

- (a) provisions to the effect that the Community oenological practices listed in Annex IV to Regulation (EC) No 1493/1999 are considered authorised oenological practices;
- (b) authorised oenological practices and restrictions including enrichment, acidification and de-acidification concerning sparkling wines, quality sparkling wines and quality aromatic sparkling wines;
- (c) authorised oenological practices and restrictions concerning liqueur wines;
- (d) subject to point C of Annex XVb, provisions regulating the blending and coupage of musts and wines;
- (e) where Community rules on that matter do not exist, the purity and identification, specification of substances used in oenological practices;
- (f) administrative rules for carrying out the oenological practices authorised;
- (g) the conditions governing the holding, circulation and the use of products not complying with Article 120c and possible exemptions from the requirements of that Article, as well as the establishment of criteria for the purpose of avoiding hardship in individual cases;
- (h) the conditions under which Member States may authorise the holding, circulation and use of products not complying with Subsection II of

Section IIa other than Article 120c, or with provisions implementing that subsection.";

(14) In Article 122, the following third and fourth paragraphs are added:

“Member States may, as regards the wine sector, recognise producer organisations under the same conditions as those set out in points (b) and (c) of paragraph 1 and which apply rules of association which require their members, in particular, to:

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

The following specific aims within the meaning of point (c) of paragraph 1 may be pursued, in particular, in the wine sector:

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

(15) Article 123(3) is amended as follows:

(a) the introductory words and points (a) and (b) are replaced by the following:

“Further to paragraph 1, Member States shall with regard to the fruit and vegetables sector, and may with regard to the wine sector, also recognise interbranch organisations which:

- (a) are made up of representatives of economic activities linked to the production of, trade in, or processing of the products of the sectors referred to in the introductory words;
- (b) are formed on the initiative of all or some of the representatives referred to in point (a);”;

(b) point (c) is amended as follows:

(i) the introductory words are replaced by the following:

“ carry out one, and in the case of the fruit and vegetables sector two, or more of the following activities in one or more regions of the Community, taking into account the interests of consumers, in the wine sector in particular with regard to public health:”;

(ii) point (ii) is replaced by the following:

"(ii) helping to coordinate better the way the products of the fruit and vegetables and the wine sectors are placed on the market, in particular by means of research and market studies,";

- (iii) point (iv) is replaced by the following:
 - "(iv) exploiting to a fuller extent the potential of the products of the fruit and vegetables and the wine sectors produced,";
- (iv) point (vii) is replaced by the following:
 - "(vii) developing methods and instruments for improving product quality at all stages of production and marketing and, as regards the wine sector, also vinification.";
- (vi) point (x) is replaced by the following:
 - "(x) with regard to the fruit and vegetables sector, laying down rules, as regards the production and marketing rules referred to in points 2 and 3 of Annex XVIa, which are stricter than Community or national rules.";
- (vii) the following point is added:
 - "(xi) with regard to the wine sector:
 - providing information on particular characteristics of wine with a protected designation of origin or geographical indication;
 - encouraging moderate and responsible consumption of wine and informing on the harm linked to hazardous consumption patterns;
 - carrying out promotion actions for wine, especially in third countries;"

(16) The following Section is inserted after Article 125n:

**“SECTION IB
RULES CONCERNING PRODUCER AND INTERBRANCH ORGANISATIONS
IN THE WINE SECTOR**

*Article 125o
Recognition*

1. Member States may recognise producer and interbranch organisations which have lodged an application for recognition with the Member State concerned and the application contains evidence that the entity:
 - (a) as regards producer organisations:
 - (i) meet the requirements laid down in Article 122;
 - (ii) has a minimum number of members, to be laid down by the Member State concerned;
 - (iii) covers a minimum volume of marketable production in the area where the organisation operates, to be laid down by the Member State concerned;
 - (iv) can carry out its activities properly, both over time and in terms of effectiveness and concentration of supply;

- (v) effectively enables its members to obtain technical assistance in using environmentally sound cultivation practices;
- (b) as regards interbranch organisations:
 - (i) meet the requirements laid down in Article 123(3);
 - (ii) carries out its activities in one or more regions in the territory concerned;
 - (iii) represents a significant share of the production of or trade in products covered by this Regulation;
 - (iv) does not engage in the production or processing or marketing of products of the wine sector.
- 2. Producer organisations recognised in accordance with Regulation (EC) No 1493/1999 shall be considered as recognised producer organisations under this Article.

Organisations meeting the criteria set out in Article 123(3) and of paragraph (1)(b) of this Article, which have been recognised by Member States, shall be considered as recognised inter-branch organisations under those provisions.
- 3. Articles 125b(2) and 125k(3) shall apply *mutatis mutandis* to producer and interbranch organisations respectively in the wine sector. However, the annual notifications referred to in Articles 125b(2)(c) and 125k(3)(d) respectively shall be made by 1 March each year.”;
- (17) In Article 129, the second sentence is replaced by the following:

“The tariff nomenclature resulting from the application of this Regulation including, as the case may be, the definitions in Annex III and Annex XIb shall be included in the Common Customs Tariff.”;
- (18) In Article 130, the following point is inserted after point (g):

“(ga) wine;”;
- (19) The following Article is inserted after Article 133:

*“Article 133a
Special security in the wine sector*

1. For juice and musts falling under CN codes 2009 61, 2009 69 and 2204 30 for which the application of the Common Customs Tariff duties depends on the import price of the product, the actual amount of that price shall be verified either by checking every consignment or by using a flat-rate import value calculated by the Commission on the basis of price quotations for the same products in the countries of origin.

Should the declared entry price of the consignment be higher than the flat-rate import value, if such applies, increased by a margin adopted by the Commission that may not exceed the flat-rate value by more than 10 %, a security must be lodged equal to the import duties determined on the basis of the flat-rate import value.

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

2. Should derogations by the Council referred to in points B.5 or C of Annex XVb be applied to imported products, importers shall lodge a security for those products with the designated customs authorities at the time of release for free circulation. The security shall be released on presentation by the importer of proof, to the satisfaction of the customs authorities of the Member State of release for free circulation, that the musts were made into grape juice, used in other products outside the wine sector or, if vinified, have been appropriately labelled.”;

(20) In Article 141(1), the introductory words are replaced by the following:

“An additional import duty shall apply to imports, subject to 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, as well as of grape juice and grape must, in order to prevent or counteract adverse effects on the market of the Community which may result from those imports, if:”;

(21) In Section IV of Chapter II of Part III, the following Subsection V is added:

**“SUBSECTION V
SPECIAL PROVISIONS FOR IMPORTS OF WINE**

“Article 158a

Special import requirements for wine

1. Save as otherwise provided for, in particular in agreements concluded pursuant to Article 300 of the Treaty, the provisions concerning designations of origin and geographical indications and labelling set out in Subsection I of Section Ia of Chapter I of Title II of Part II, as well as Article 113d(1) of this Regulation shall apply to products falling under CN codes 2009 61, 2009 69 and 2204 which are imported into the Community.
2. Save as otherwise provided in agreements concluded pursuant to Article 300 of the Treaty, products referred to in paragraph 1 of this Article shall be produced in accordance with oenological practices recommended and published by the OIV or authorised by the Community pursuant to this Regulation and its implementing measures.
3. The importation of the products referred to in paragraph 1 shall be subject to the presentation of:
 - (a) a certificate evincing compliance with the provisions referred to in paragraphs 1 and 2, to be drawn up by a competent body, included on a list to be made public by the Commission, in the country from which the product comes;
 - (b) an analysis report drawn up by a body or department designated by the country from which the product comes, in so far as the product is intended for direct human consumption.

4. Detailed rules for the application of this Article shall be adopted by the Commission.”;

(22) The first subparagraph of Article 160(1) is replaced by the following:

“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, wine, beef and veal, milk and milk products, pigmeat, sheepmeat and goatmeat, eggs, poultrymeat and agricultural ethyl alcohol sectors. If the Commission receives a request from a Member State, it shall take a decision thereon within five working days following receipt of the request.”;

(23) In Article 161, the following point is inserted after point (db):

“(dc) wine;”;

(24) The first subparagraph of Article 174(1) is replaced by the following:

“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, wine, beef and veal, pigmeat, sheepmeat and goatmeat and poultrymeat sectors. If the Commission receives a request from a Member State, it shall take a decision thereon within five working days following receipt of the request.”;

(25) Article 175 is replaced by the following:

"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 covered by this Regulation.”;

(26) Article 180 is amended as follows:

(a) the first paragraph is replaced by the following:

"Articles 87, 88 and 89 of the Treaty shall apply to the production of and trade in the products referred to in Article 1."(b) in the second paragraph, after "182", the following is added: "and 182a, Subsection III of Section IVa of Chapter III of Title I of Part II and Section IVb of Chapter IV of Title I of Part II";

(27) The following Article is inserted after Article 182:

"Article 182a

National aid for distillation of wine in cases of crisis

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

2. The aid referred to in paragraph 1 shall be proportionate and allow this crisis to be addressed.
3. The overall amount of aid available in a Member State in any given year for such aid shall not exceed 15 % of the globally available funds per Member State laid down in Annex Xb for that year.
4. Member States who wish to make use of the aid referred to in paragraph 1 shall submit a duly substantiated notification to the Commission. The Commission shall decide whether the measure is approved and aid may be granted.
5. The alcohol resulting from distillation referred to in paragraph 1 shall be used exclusively for industrial or energy purposes so as to avoid distortion of competition.
6. Detailed rules for the application of this Article may be adopted by the Commission.”;

(28) In Article 184, the following points are added:

- “7) to the European Parliament and the Council by 31 December 2011 on the implementation of the promotion measures in the wine sector referred to in Article 103p.
- 8) by the end of 2012 concerning the wine sector, in particular taking into account the experience gained with the implementation of the reform.”;

(29) The following Articles are inserted after Article 185:

*“Article 185a
Vineyard register and inventory*

1. Member States shall maintain a vineyard register which contains updated information on the production potential.
2. Member States in which the total area planted with vines of wine grape varieties classifiable according to Article 120a(2) is less than 500 hectares shall not be subject to the obligation laid down in paragraph 1.
3. Member States, which provide for the measure "restructuring and conversion of vineyards" in their support programmes in accordance with Article 103q, shall, on the basis of the vineyard register, submit to the Commission by 1 March each year an updated inventory of their production potential.
4. Detailed rules concerning the vineyard register and the inventory shall be adopted by the Commission in particular with regard to their use concerning monitoring and control of the production potential and concerning the measurement of areas.

Any time after 1 January 2016, the Commission may decide that paragraphs 1 to 3 no longer apply.

*Article 185b
Compulsory declarations in the wine sector*

1. Producers of grapes for wine making and producers of must and wine shall declare to the competent national authorities each year the quantities produced from the last harvest.

2. Member States may require merchants of grapes for wine making to declare each year the quantities marketed from the last harvest.
3. Producers of must and wine, and merchants other than retailers, shall declare to the competent national authorities each year their stocks of must and wine, whether from the harvest of the current year or from the harvest of preceding years. Must and wine imported from third countries shall be stated separately.
4. Detailed rules for the application of this Article may be adopted by the Commission and may in particular include rules on penalties to be applied in case of non-compliance with the communication requirements.”;

Article 185c

Accompanying documents and register in the wine sector

1. The products of the wine sector shall be put into circulation within the Community only with an officially authorised accompanying document.
2. Natural or legal persons or groups of persons who hold products covered by the wine sector in the exercise of their trade, in particular producers, bottlers and processors, as well as merchants to be determined by the Commission, shall keep inwards and outwards registers in respect of those products.
3. Detailed rules for the application of this Article may be adopted by the Commission.”;

Article 185d

Designation of responsible national authorities for the wine sector

1. Without prejudice to any other provisions of this Regulation concerning the determination of competent national authorities, Member States shall designate one or more authorities which shall be responsible for ensuring compliance with Community rules in the wine sector. In particular, Member States shall designate the laboratories authorised to carry out official analyses in the wine sector. The designated laboratories shall meet the general criteria for the operation of testing laboratories set out in ISO/IEC 17025.
2. Member States shall inform the Commission of the names and addresses of the authorities and laboratories referred to in paragraph 1. The Commission, without the assistance of the Committee referred to in Article 195(1), shall make this information public.”;

(30) The following Article is inserted after Article 188:

"Article 188a

Reporting and evaluation in the wine sector

1. As concerns unlawful plantings planted after 31 August 1998 referred to in Article 85a, Member States shall communicate to the Commission by 1 March each year the areas planted with vines without a corresponding planting right after 31 August 1998 as well as the areas grubbed up in accordance with paragraph 1 of that Article.

2. As concerns obligatory regularisation of unlawful plantings planted before 1 September 1998 referred to in Article 85b, Member States shall communicate to the Commission by 1 March of each of the relevant years:
 - (a) the areas planted with vines without a corresponding planting right before 1 September 1998;
 - (b) the areas regularised in accordance with paragraph 1 of that Article, the fees as provided for in that paragraph as well as the average value of the regional planting rights as provided for in paragraph 2 of that Article.

Member States shall, for the first time by 1 March 2010, communicate to the Commission the areas grubbed up in accordance with the first subparagraph of Article 85b(4).

The end of the transitional ban on new plantings on 31 December 2015 as provided for in Article 85g(1), shall not affect the obligations provided for in this paragraph.

3. As concerns aid applications in the context of the grubbing-up scheme set up in Subsection III of Section IVa of Chapter III of Title I of Part II, Member States shall notify the Commission by 1 March each year of the applications accepted split by regions and by yield ranges and the total amount of grubbing-up premiums paid by region.

For the preceding wine year, Member States shall notify the Commission by 1 December each year of:

- (a) the areas grubbed-up split by regions and by yield ranges;
 - (b) the total amount of grubbing-up premiums paid by region.
4. As concerns exemptions from the eligibility for the participation in the grubbing-up scheme in accordance with Article 85u, Member States deciding to make use of the possibility provided for in paragraphs 4 to 6 of that Article shall communicate to the Commission by 1 August each year, concerning the grubbing-up measure to be implemented:
 - (a) the areas declared ineligible;
 - (b) the justification for ineligibility in accordance with Article 85u(4) and (5).

5. Member States shall submit to the Commission by 1 March each year, and for the first time by 1 March 2010, a report on the implementation of the measures provided for in their support programmes referred to in Section IVb of Chapter IV of Title I of Part II during the previous financial year.

Those reports shall list and describe the measures for which Community assistance under the support programmes was granted and shall in particular provide details on the implementation of the promotion measures referred to in Article 103p.

6. Member States shall by 1 March 2011 and, a second time, by 1 March 2014 submit to the Commission an evaluation of the costs and benefits of the support programmes as well as an indication of how to increase their efficiency.
7. Detailed rules for the application of this Article shall be adopted by the Commission.”;

- (31) The following Article is inserted after Article 190:

"Article 190a

Transfer of amounts available in the wine sector to rural development

1. The amounts fixed in paragraph 2, based on historical expenditure under Regulation (EC) No 1493/1999 for intervention measures to regulate agricultural markets as referred to in Article 3(1)(b) of Regulation (EC) No 1290/2005, shall be available as additional Community funds for measures in wine-producing regions under the rural development programming financed under Regulation (EC) No 1698/2005.
2. The following amounts shall be available in the given calendar years:
 - 2009: EUR 40,5 million,
 - 2010: EUR 80,9 million,
 - from 2011 onwards: EUR 121,4 million.
3. The amounts set in paragraph 2 shall be allocated among Member States in accordance with Annex Xc.

- (32) In Article 194, the following paragraph is added:

“The Commission may also determine the rules ensuring uniform application of Community provisions as laid down in this Regulation and, in particular, in the wine sector. Such rules may, in particular, relate to controls and rules governing the specific financial procedures for the improvement of controls.”;

- (33) The following Article is inserted after Article 194:

"Article 194a

Compatibility with the integrated administration and control system

For the purposes of applying this Regulation in the wine sector, Member States shall ensure that the administration and control procedures, referred to in the first and the third paragraph of Article 194, which relate to areas are compatible with the integrated administration control system (IACS) as regards the following elements:

- (a) the computerised data base;
- (b) the identification systems for agricultural parcels referred to in Article 20(1) of Regulation (EC) No 1782/2003;
- (c) the administrative checks.

The procedures shall allow, without any problems or conflicts, a common functioning or the exchange of data with the IACS.”;

- (34) Article 195 is amended as follows:

- (a) paragraph 1 is replaced by the following:

"1. The Commission shall be assisted by the Management Committee for the Common Organisation of Agricultural Markets (hereinafter referred to as the Management Committee)"

- (b) the following paragraphs are added:

- "3. The Commission shall also be assisted by a Regulatory Committee.
4. Where reference is made to this paragraph, Articles 5 and 7 of Decision 1999/468/EC shall apply.

The period laid down in Article 5(6) of Decision 1999/468/EC shall be set at three months.";

- (35) Article 196 is replaced by the following:

*"Article 196
Organisation of the Management Committee*

The organisation of the meetings of the Management Committee referred to in Article 195(1) shall take into account, in particular, the scope of its responsibilities, the specificities of the subject to be dealt with, and the need to involve appropriate expertise.";

- (36) The following Article is inserted after Article 203a:

*"Article 203b
Transitional rules in the wine sector*

"The Commission may adopt the measures required to facilitate the transition from the arrangements provided for in Regulations (EC) No 1493/1999 and (EC) No 479/2008 to those laid down in this Regulation.";

- (37) The Annexes are amended as follows:

- (a) In Annex III, after Part III, Part IIIa is inserted, the text of which is as set out in Annex I to this Regulation;
- (b) After Annex X, Annexes Xb, Xc, Xd and Xe are inserted, the text of which is as set out in Annex II to this Regulation;
- (c) After Annex XIa, Annexes XIb to XIc are inserted, the text of which is as set out in Annex III to this Regulation;
- (d) After Annex XV, Annexes XVa and XVb are inserted, the text of which is as set out in Annex IV to this Regulation;
- (e) In Annex XXII, point 47 is added, the text of which is as set out in Annex V to this Regulation.

*Article 2
Amendment to Regulation (EC) No 1184/2006*

Article 1 of Regulation (EC) No 1184/2006 is 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 covered by Council Regulation (EC) No 1234/2007*.

* OJ L 299, 16.11.2007.”

Article 3

Repeals and transitional continued applicability

1. Subject to paragraph 2, Regulation (EC) No 479/2008 is repealed.
References to the repealed Regulation shall be construed as references to Regulation (EC) No 1234/2007 and shall be read in accordance with the respective correlation table set out in Annex XXII to that Regulation.
2. Article 128(3) of Regulation (EC) No 479/2008 shall continue to apply for the measures and under the conditions set out therein.

Article 4

Entry into force

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

It shall apply from 1 August 2009.

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

Done at Brussels,

For the Council

The President

ANNEX I

“Part IIIa: Definitions concerning the wine sector

Vine related

1. "Grubbing-up" shall mean the complete elimination of all vine stocks on an area planted with vines.
2. "Planting" shall mean the definitive establishment of vine plants or parts of vine plants, whether or not grafted, with a view to producing grapes or to establishing a graft nursery.
3. "Grafting-on" shall mean the grafting of a vine which has already been subject to a previous grafting.

Produce related

4. "Fresh grapes" shall mean the fruit of the vine used in making wine, ripe or even slightly raisined, which may be crushed or pressed by normal wine-cellar means and which may spontaneously produce alcoholic fermentation.
5. "Fresh grape must with fermentation arrested by the addition of alcohol" shall mean a product which:
 - (a) has an actual alcoholic strength of not less than 12 % vol. and not more than 15 % vol.;
 - (b) is obtained by addition to unfermented grape must, which has a natural alcoholic strength of not less than 8,5 % vol. and is exclusively derived from wine grape varieties classifiable according to Article 120a(2):
 - (i) either of neutral alcohol of vinous origin, including alcohol obtained from the distillation of dried grapes, having an actual alcoholic strength of not less than 96 % vol.;
 - (ii) or of an unrectified product derived from the distillation of wine and having an actual alcoholic strength of not less than 52 % vol. and not more than 80 % vol.
6. "Grape juice" shall mean the unfermented but fermentable liquid product which:
 - (a) is obtained by appropriate treatment rendering it fit for consumption as it is;
 - (b) is obtained from fresh grapes or from grape must or by reconstitution. Where obtained by reconstitution, it shall be reconstituted from concentrated grape must or concentrated grape juice.

An actual alcoholic strength of the grape juice of not more than 1 % vol. is permissible.

7. "Concentrated grape juice" shall mean uncaramelised grape juice obtained by partial dehydration of grape juice carried out by any authorised method other than by direct heat in such a way that the figure indicated by a refractometer used in accordance with a method to be prescribed at a temperature of 20° C is not less than 50,9 %.

An actual alcoholic strength of the concentrated grape juice of not more than 1 % vol. is permissible.

8. "Wine lees" shall mean:
- (a) the residue accumulating in vessels containing wine after fermentation, during storage or after authorised treatment;
 - (b) the residue obtained from filtering or centrifuging the product referred to in (a);
 - (c) the residue accumulating in vessels containing grape must during storage or after authorised treatment;
 - (d) the residue obtained from filtering or centrifuging the product referred to in (c).
9. "Grape marc" shall mean the residue from the pressing of fresh grapes, whether or not fermented.
10. "Piquette" shall mean a product obtained:
- (a) by the fermentation of untreated grape marc macerated in water;
 - (b) by leaching fermented grape marc with water.
11. "Wine fortified for distillation" shall mean a product which:
- (a) has an actual alcoholic strength of not less than 18 % vol. and not more than 24 % vol.;
 - (b) is obtained exclusively by the addition to wine containing no residual sugar of an unrectified product derived from the distillation of wine and having a maximum actual alcoholic strength of 86 % vol.;
 - (c) has a maximum volatile acidity of 1,5 grams per litre, expressed as acetic acid.
12. "Cuvée" shall mean:
- (a) the grape must;
 - (b) the wine;
 - (c) the mixture of grape musts and/or wines with different characteristics, intended for the preparation of a specific type of the sparkling wines.

Alcoholic strength

13. "Actual alcoholic strength by volume" shall mean the number of volumes of pure alcohol contained at a temperature of 20° C in 100 volumes of the product at that temperature.
14. "Potential alcoholic strength by volume" shall mean the number of volumes of pure alcohol at a temperature of 20° C capable of being produced by total fermentation of the sugars contained in 100 volumes of the product at that temperature.
15. "Total alcoholic strength by volume" shall mean the sum of the actual and potential alcoholic strengths.
16. "Natural alcoholic strength by volume" shall mean the total alcoholic strength by volume of a product before any enrichment.
17. "Actual alcoholic strength by mass" shall mean the number of kilograms of pure alcohol contained in 100 kilograms of product.
18. "Potential alcoholic strength by mass" shall mean the number of kilograms of pure alcohol capable of being produced by total fermentation of the sugars contained in 100 kilograms of product.

19. "Total alcoholic strength by mass" shall mean the sum of the actual and potential alcoholic strength."

ANNEX II
“ANNEX Xb

Budget for support programmes
(referred to in Article 103n(1))

in 1 000 EUR

Budget year	2009	2010	2011	2012	2013	from 2014 onwards
BG	15 608	21 234	22 022	27 077	26 742	26 762
CZ	2 979	4 076	4 217	5 217	5 151	5 155
DE	22 891	30 963	32 190	39 341	38 867	38 895
EL	14 286	19 167	19 840	24 237	23 945	23 963
ES	213 820	284 219	279 038	358 000	352 774	353 081
FR	171 909	226 814	224 055	284 299	280 311	280 545
IT*	238 223	298 263	294 135	341 174	336 736	336 997
CY	2 749	3 704	3 801	4 689	4 643	4 646
LT	30	37	45	45	45	45
LU	344	467	485	595	587	588
HU	16 816	23 014	23 809	29 455	29 081	29 103
MT	232	318	329	407	401	402
AT	8 038	10 888	11 313	13 846	13 678	13 688
PT	37 802	51 627	53 457	65 989	65 160	65 208
RO	42 100	42 100	42 100	42 100	42 100	42 100
SI	3 522	4 820	4 987	6 169	6 091	6 095
SK	2 938	4 022	4 160	5 147	5 082	5 085
UK	160	221	227	284	280	280

* The national ceilings in Annex VIII to Regulation (EC) No 1782/2003 for Italy corresponding to years 2009 and 2010 are reduced by EUR 20 millions and those amounts have been included in the budget amounts of Italy for the years 2009, 2010 and 2011 as laid down in this table.

ANNEX Xc
Budget allocation for rural development referred to in Article 190a(3)

in 1 000 EUR

Budget year	2009	2010	From 2011 onwards
BG	–	–	–
CZ	–	–	–
DE	–	–	–
EL	–	–	–
ES	15 491	30 950	46 441
FR	11 849	23 663	35 512
IT	13 160	26 287	39 447
CY	–	–	–
LT	–	–	–
LU	–	–	–
HU	–	–	–
MT	–	–	–
AT	–	–	–
PT	–	–	–
RO	–	–	–
SI	–	–	–
SK	–	–	–
UK	–	–	–

“

ANNEX Xd
Budget for the grubbing-up scheme

The budget available for the grubbing-up scheme referred to in Article 85s(3) shall be:

- (a) for the wine year 2008/2009 (2009 budget year): EUR 464 million;
- (b) for the wine year 2009/2010 (2010 budget year): EUR 334 million;
- (c) for the wine year 2010/2011 (2011 budget year): EUR 276 million.

ANNEX Xe
Areas which Member States may declare ineligible for the grubbing-up scheme
(referred to in Article 85u(1), (2) and (5))

in ha

Member State	Total area planted with vines	Areas referred to in Article 85u(5)
BG	135 760	4 073
CZ	19 081	572
DE	102 432	3 073
EL	69 907	2 097
ES	1 099 765	32 993
FR	879 859	26 396
IT	730 439	21 913
CY	15 023	451
LU	1 299	39
HU	85 260	2 558
MT	910	27
AT	50 681	1 520
PT	238 831	7 165
RO	178 101	5 343
SI	16 704	501
SK	21 531	646

“

ANNEX III
"ANNEX XIb
Categories of grapevine products

1. Wine

Wine shall be the product obtained exclusively from the total or partial alcoholic fermentation of fresh grapes, whether or not crushed, or of grape must.

Wine shall:

- (a) have, whether or not following application of the processes specified in point B of Annex XVa, an actual alcoholic strength of not less than 8,5 % vol. provided that the wine derives exclusively from grapes harvested in wine-growing zones A and B referred to in the Appendix to this Annex, and of not less than 9 % vol. in other wine-growing zones;
- (b) have, by way of derogation from the otherwise applicable minimum actual alcoholic strength, where it has a protected designation of origin or geographical indication, whether or not following application of the processes specified in point B of Annex XVa, an actual alcoholic strength of not less than 4,5 % vol.;
- (c) have a total alcoholic strength of not more than 15 % vol.. By way of derogation:
 - the upper limit for the total alcoholic strength may reach up to 20 % vol. for wines from certain wine-growing areas of the Community, to be decided by the Commission in accordance with the procedure referred to in Article 195(4), which have been produced without any enrichment,
 - the upper limit for the total alcoholic strength may exceed 15 % vol. for wines with a protected designation of origin which have been produced without enrichment;
- (d) have, subject to derogations which may be adopted by the Commission in accordance with the procedure referred to in Article 195(4), a total acidity content, expressed as tartaric acid, of not less than 3,5 grams per litre or 46,6 milliequivalents per litre.

"Retsina" shall be wine produced exclusively in the geographical territory of Greece using grape must treated with resin from the Aleppo pine. The use of Aleppo pine resin is permitted solely for the purpose of obtaining "Retsina" wine under the conditions laid down in the Greek provisions applicable.

By way of derogation from point (b) "Tokaji eszencia" and "Tokajská esencia" are considered wine.

2. New wine still in fermentation

New wine still in fermentation shall be the product in which the alcoholic fermentation is not yet complete and which is not yet separated from its lees.

3. Liqueur wine

Liqueur wine shall be the product:

- (a) which has an actual alcoholic strength of not less than 15 % vol. and not more than 22 % vol.;
- (b) which has a total alcoholic strength of not less than 17,5 % vol., except for certain liqueur wines with a designation of origin or with a geographical indication

appearing on a list to be drawn up by the Commission in accordance with the procedure referred to in Article 195(4);

- (c) which is obtained from:
- grape must in fermentation,
 - wine,
 - a combination of the above products, or
 - grape must or a mixture thereof with wine in so far as liqueur wines, to be determined by the Commission in accordance with the procedure referred to in Article 195(4), with a protected designation of origin or geographical indication are concerned.
- (d) which has an initial natural alcoholic strength of not less than 12 % vol. excepting certain liqueur wines with a designation of origin or with a protected geographical indication appearing on a list to be drawn up by the Commission in accordance with the procedure referred to in Article 195(4);
- (e) to which has been added:
- (i) individually or in combination:
- neutral alcohol of vine origin, including alcohol produced from the distillation of dried grapes, having an actual alcoholic strength of not less than 96 % vol.,
 - wine or dried grape distillate, having an actual alcoholic strength of not less than 52 % vol. and not more than 86 % vol.;
- (ii) together with one or more of the following products where appropriate:
- concentrated grape must,
 - a combination of one of the products referred to in point (e)(i) with a grape must referred to in the first and fourths indent of point (c);
- (f) to which, by way of derogation from point (e), has been added, in so far as certain liqueur wines with a protected designation of origin or geographical indication are concerned which appear on a list to be drawn up by the Commission in accordance with the procedure referred to in Article 195(4):
- (i) either of products listed in point (e)(i) individually or in combination; or
- (ii) one or more of the following products:
- wine alcohol or dried grape alcohol with an actual alcoholic strength of not less than 95 % vol. and not more than 96 % vol.,
 - spirits distilled from wine or from grape marc, with an actual alcoholic strength of not less than 52 % vol. and not more than 86 % vol.,
 - spirits distilled from dried grapes, with an actual alcoholic strength of not less than 52 % vol. and of less than 94,5 % vol.;
- (iii) and one or more of the following products, where appropriate:
- partially fermented grape must obtained from raisined grapes,

- concentrated grape must obtained by the action of direct heat, complying, with the exception of this operation, with the definition of concentrated grape must,
- concentrated grape must,
- a combination of one of the products listed in point (f)(ii) with a grape must referred to in the first and fourth indents of point (c).

4. Sparkling wine

Sparkling wine shall be the product:

- (a) which is obtained by first or second alcoholic fermentation:
 - from fresh grapes,
 - from grape must,
 - from wine;
- (b) which, when the container is opened, releases carbon dioxide derived exclusively from fermentation;
- (c) which has an excess pressure, due to carbon dioxide in solution, of not less than 3 bar when kept at a temperature of 20 °C in closed containers;
- (d) for which the total alcoholic strength of the *cuvées* intended for their preparation shall not be less than 8,5 % vol..

5. Quality sparkling wine

Quality sparkling wine shall be the product:

- (a) which is obtained by first or second alcoholic fermentation:
 - from fresh grapes,
 - from grape must,
 - from wine;
- (b) which, when the container is opened, releases carbon dioxide derived exclusively from fermentation;
- (c) which has an excess pressure, due to carbon dioxide in solution, of not less than 3,5 bar when kept at a temperature of 20 °C in closed containers;
- (d) for which the total alcoholic strength of the *cuvées* intended for their preparation shall not be less than 9 % vol..

6. Quality aromatic sparkling wine

Quality aromatic sparkling wines shall be the quality sparkling wine:

- (a) which is obtained only by making use, when constituting the *cuvée*, of grape must or grape must in fermentation which are derived from specific wine grape varieties on a list to be drawn up by the Commission in accordance with the procedure referred to in Article 195(4). Quality aromatic sparkling wines traditionally produced using wines when constituting the *cuvée*, shall be determined by the Commission in accordance with the procedure referred to in Article 195(4);
- (b) which has an excess pressure, due to carbon dioxide in solution, of not less than 3 bar when kept at a temperature of 20 °C in closed containers;

- (c) of which the actual alcoholic strength may not be less than 6 % vol.;
- (d) of which the total alcoholic strength may not be less than 10 % vol..

Specific rules concerning other supplementary characteristics or conditions of production and circulation shall be adopted by the Commission in accordance with the procedure referred to in Article 195(4).

7. Aerated sparkling wine

Aerated sparkling wine shall be the product which:

- (a) is obtained from wine without a protected designation of origin or a geographical indication;
- (b) releases, when the container is opened, carbon dioxide derived wholly or partially from an addition of that gas;
- (c) has an excess pressure, due to carbon dioxide in solution, of not less than 3 bar when kept at a temperature of 20 °C in closed containers.

8. Semi-sparkling wine

Semi-sparkling wine shall be the product which:

- (a) is obtained from wine provided that such wine has a total alcoholic strength of not less than 9 % vol.;
- (b) has an actual alcoholic strength of not less than 7 % vol.;
- (c) has an excess pressure, due to endogenous carbon dioxide in solution of not less than 1 bar and not more than 2,5 bar when kept at a temperature of 20 °C in closed containers;
- (d) is put up in containers of 60 litres or less.

9. Aerated semi-sparkling wine

Aerated semi-sparkling wine shall be the product which:

- (a) is obtained from wine;
- (b) has an actual alcoholic strength of not less than 7 % vol. and a total alcoholic strength of not less than 9 % vol.;
- (c) has an excess pressure of not less than 1 bar and not more than 2,5 bar when kept at a temperature of 20 °C in closed containers due to carbon dioxide in solution which has been wholly or partially added;
- (d) is put up in containers of 60 litres or less.

10. Grape must

Grape must shall be the liquid product obtained naturally or by physical processes from fresh grapes. An actual alcoholic strength of the grape must of not more than 1 % vol. is permissible.

11. Partially fermented grape must

Grape must in fermentation shall be the product obtained from the fermentation of grape must which has an actual alcoholic strength of more than 1 % vol. but less than three fifths of its total alcoholic strength by volume.

12. Partially fermented grape must extracted from raisined grapes

Grape must in fermentation extracted from raisined grapes shall be the product obtained from the partial fermentation of grape must obtained from raisined grapes, the total sugar content of which before fermentation is at least 272 grams per litre and the natural and actual alcoholic strength of which shall not be less than 8 % vol. However, certain wines, to be determined by the Commission in accordance with the procedure referred to in Article 195(4), that meet these requirements shall not be considered as grape must in fermentation extracted from raisined grapes.

13. Concentrated grape must

Concentrated grape must shall be uncaramelised grape must which is obtained by partial dehydration of grape must carried out by any authorised method other than by direct heat in such a way that the figure indicated by a refractometer used in accordance with a method to be prescribed in accordance with Article 120g at a temperature of 20 °C is not less than 50,9 %.

An actual alcoholic strength of the concentrated grape must of not more than 1 % vol. is permissible.

14. Rectified concentrated grape must

Rectified concentrated grape must shall be the liquid uncaramelised product which:

- (a) is obtained by partial dehydration of grape must carried out by any authorised method other than direct heat in such a way that the figure indicated by a refractometer used in accordance with a method to be prescribed in accordance with Article 120g at a temperature of 20 °C is not less than 61,7 %;
- (b) has undergone authorised treatment for de-acidification and elimination of constituents other than sugar;
- (c) has the following characteristics:
 - a pH of not more than 5 at 25 °Brix,
 - an optical density at 425 nm for a thickness of 1 cm of not more than 0,100 in grape must concentrated at 25 °Brix,
 - a sucrose content undetectable by a method of analysis to be defined,
 - a Folin-Ciocalteu index of not more than 6,00 at 25 °Brix,
 - a titratable acidity of not more than 15 milliequivalents per kilogram of total sugars,
 - a sulphur dioxide content of not more than 25 milligrams per kilogram of total sugars,
 - a total cation content of not more than 8 milliequivalents per kilogram of total sugars,
 - a conductivity at 25 °Brix and 20 °C of not more than 120 micro-Siemens/cm,
 - a hydroxymethylfurfural content of not more than 25 milligrams per kilogram of total sugars,
 - presence of mesoinositol.

An actual alcoholic strength of the rectified concentrated grape must of not more than 1 % vol. is permissible.

15. Wine from raisined grapes

Wine from raisined grapes shall be the product which:

- (a) is produced without enrichment, from grapes left in the sun or shade for partial dehydration;
- (b) has a total alcoholic strength of at least 16 % vol. and an actual alcoholic strength of at least 9 % vol.;
- (c) has a natural alcoholic strength of at least 16 % vol. (or 272 grams sugar/litre).

16. Wine of overripe grapes

Wine of overripe grapes shall be the product which:

- (a) is produced without enrichment;
- (b) has a natural alcoholic strength of more than 15 % vol.;
- (c) has a total alcoholic strength of not less than 15 % vol. and an actual alcoholic strength of not less than 12 % vol.

Member States may prescribe a period of ageing for this product.

17. Wine vinegar

Wine vinegar shall be vinegar which:

- (a) is obtained exclusively by acetous fermentation of wine;
- (b) has a total acidity of not less than 60 grams per litre expressed as acetic acid.

APPENDIX TO ANNEX XIb
Wine growing zones

The wine-growing zones shall be the following:

1. Wine-growing zone A comprises:
 - (a) in Germany: the areas planted with vines other than those included in wine-growing zone B;
 - (b) in Luxembourg: the Luxembourg wine-growing region;
 - (c) in Belgium, Denmark, Ireland, the Netherlands, Poland, Sweden and the United Kingdom: the wine-growing areas of these countries;
 - (d) in the Czech Republic: the wine growing region of Čechy.
2. Wine-growing zone B comprises:
 - (a) in Germany, the areas planted with vines in the specified region Baden;
 - (b) in France, the areas planted with vines in the departments not mentioned in this Annex and in the following departments:
 - in Alsace: Bas-Rhin, Haut-Rhin,
 - in Lorraine: Meurthe-et-Moselle, Meuse, Moselle, Vosges,
 - in Champagne: Aisne, Aube, Marne, Haute-Marne, Seine-et-Marne,
 - in the Jura: Ain, Doubs, Jura, Haute-Saône,
 - in Savoie: Savoie, Haute-Savoie, Isère (commune de Chapareillan),
 - in the Val de Loire: Cher, Deux-Sèvres, Indre, Indre-et-Loire, Loir-et-Cher, Loire-Atlantique, Loiret, Maine-et-Loire, Sarthe, Vendée, Vienne, and the areas planted with vines in the arrondissement of Cosne-sur-Loire in the department of Nièvre;
 - (c) in Austria, the Austrian wine-growing area;
 - (d) in the Czech Republic, the wine-growing region of Morava and the areas planted with vines not included in paragraph 1(d);
 - (e) in Slovakia, the areas planted with vines in the following regions: Malokarpatská vinohradnícka oblasť, Južnoslovenská vinohradnícka oblasť, Nitrianska vinohradnícka oblasť, Stredoslovenská vinohradnícka oblasť, Východoslovenská vinohradnícka oblasť and the wine growing areas not included in paragraph 3(f);
 - (f) in Slovenia, the areas planted with vines in the following regions:
 - in the Podravje region: Štajerska Slovenija, Prekmurje,
 - in the Posavje region: Bizeljsko Sremič, Dolenjska and Bela krajina, and the areas planted with vines in the regions not included in paragraph 4(d);
 - (g) in Romania, in the area of Podișul Transilvaniei.
3. Wine-growing zone C I comprises:
 - (a) in France, areas planted with vines:

- in the following departments: Allier, Alpes-de-Haute-Provence, Hautes-Alpes, Alpes-Maritimes, Ariège, Aveyron, Cantal, Charente, Charente-Maritime, Corrèze, Côte-d'Or, Dordogne, Haute-Garonne, Gers, Gironde, Isère (with the exception of the commune of Chapareillan), Landes, Loire, Haute-Loire, Lot, Lot-et-Garonne, Lozère, Nièvre (except for the arrondissement of Cosne-sur-Loire), Puy-de-Dôme, Pyrénées-Atlantiques, Hautes-Pyrénées, Rhône, Saône-et-Loire, Tarn, Tarn-et-Garonne, Haute-Vienne, Yonne,
 - in the arrondissements of Valence and Die in the department of Drôme (except for the cantons of Dieulefit, Loriol, Marsanne and Montélimar),
 - in the arrondissement of Tournon, in the cantons of Antraigues, Burzet, Coucouron, Montpezat-sous-Bauzon, Privas, Saint-Etienne de Lugdarès, Saint-Pierreville, Valgorge and la Voulte-sur-Rhône of the department of Ardèche;
- (b) in Italy, areas planted with vines in the Valle d'Aosta region and in the provinces of Sondrio, Bolzano, Trento and Belluno;
- (c) in Spain, areas planted with vines in the provinces of A Coruña, Asturias, Cantabria, Guipúzcoa and Vizcaya;
- (d) in Portugal, areas planted with vines in that part of the region of Norte which corresponds to the designated wine area of "Vinho Verde" as well as the "Concelhos de Bombarral, Lourinhã, Mafra e Torres Vedras" (with the exception of "Freguesias da Carvoeira e Dois Portos"), belonging to the "Região vitícola da Extremadura";
- (e) in Hungary, all areas planted with vines;
- (f) in Slovakia, areas planted with vines in the Tokajská vinohradnícka oblasť;
- (g) in Romania, areas planted with vines not included in paragraphs 2(g) or 4(f).
4. Wine-growing zone C II comprises:
- (a) in France, areas planted with vines:
- in the following departments: Aude, Bouches-du-Rhône, Gard, Hérault, Pyrénées-Orientales (except for the cantons of Olette and Arles-sur-Tech), Vaucluse,
 - in the part of the department of Var bounded in the south by the northern limit of the communes of Evenos, Le Beausset, Solliès-Toucas, Cuers, Puget-Ville, Collobrières, La Garde-Freinet, Plan-de-la-Tour and Sainte-Maxime,
 - in the arrondissement of Nyons and the cantons of Dieulefit, Loriol, Marsanne and Montélimar in the department of Drôme,
 - in those parts of the department of Ardèche not listed in paragraph 3(a);
- (b) in Italy, areas planted with vines in the following regions: Abruzzo, Campania, Emilia-Romagna, Friuli-Venezia Giulia, Lazio, Liguria, Lombardy except for the province of Sondrio, Marche, Molise, Piedmont, Tuscany, Umbria, Veneto except for the province of Belluno, including the islands belonging to those regions, such as Elba and the other islands of the Tuscan archipelago, the Ponziane islands, Capri and Ischia;

- (c) in Spain, areas planted with vines in the following provinces:
 - Lugo, Orense, Pontevedra,
 - Ávila (except for the communes which correspond to the designated wine "comarca" of Cebreros), Burgos, León, Palencia, Salamanca, Segovia, Soria, Valladolid, Zamora,
 - La Rioja,
 - Álava,
 - Navarra,
 - Huesca,
 - Barcelona, Girona, Lleida,
 - in that part of the province of Zaragoza which lies to the north of the river Ebro,
 - in those communes of the province of Tarragona included in the Penedés designation of origin,
 - in that part of the province of Tarragona which corresponds to the designated wine "comarca" of Conca de Barberá;
- (d) in Slovenia, areas planted with vines in the following regions: Brda or Goriška Brda, Vipavska dolina or Vipava, Kras and Slovenska Istra;
- (e) in Bulgaria, areas planted with vines in the following regions: Dunavska Ravnina (Дунавска равнина), Chernomorski Rayon (Черноморски район), Rozova Dolina (Розова долина);
- (f) in Romania, areas planted with vines in the following regions: Dealurile Buzăului, Dealu Mare, Severinului and Plaiurile Drâncei, Colinele Dobrogei, Terasele Dunării, the South wine region including sands and other favourable regions.

5. Wine-growing zone C III (a) comprises:

- (a) in Greece, areas planted with vines in the following nomoi: Florina, Imathia, Kilkis, Grevena, Larisa, Ioannina, Levkas, Akhaia, Messinia, Arkadia, Korinthia, Iraklio, Khandia, Rethimni, Samos, Lasithi and the island of Thira (Santorini);
- (b) in Cyprus, areas planted with vines located at altitudes exceeding 600 metres;
- (c) in Bulgaria, areas planted with vines not included in paragraph 4(e).

6. Wine-growing zone C III (b) comprises:

- (a) in France, areas planted with vines:
 - in the departments of Corsica,
 - in that part of the department of Var situated between the sea and a line bounded by the communes (which are themselves included) of Evenos, Le Beausset, Solliès-Toucas, Cuers, Puget-Ville, Collobrières, La Garde-Freinet, Plan-de-la-Tour and Sainte-Maxime,
 - in the cantons of Olette and Arles-sur-Tech in the department of Pyrénées-Orientales;

- (b) in Italy, areas planted with vines in the following regions: Calabria, Basilicata, Apulia, Sardinia and Sicily, including the islands belonging to those regions, such as Pantelleria and the Lipari, Egadi and Pelagian islands;
- (c) in Greece, areas planted with vines not listed in paragraph 5(a);
- (d) in Spain: areas planted with vines not included in paragraphs 3(c) or 4(c);
- (e) in Portugal, areas planted with vines in the regions not included in paragraph 3(d);
- (f) in Cyprus, areas planted with vines located at altitudes not exceeding 600 metres;
- (g) in Malta, areas planted with vines.

7. The demarcation of the territories covered by the administrative units referred to in this Annex is that resulting from the national provisions in force on 15 December 1981 and, for Spain, from the national provisions in force on 1 March 1986 and, for Portugal, from the national provisions in force on 1 March 1998.”

ANNEX IV

"ANNEX XVa

Enrichment, acidification and de-acidification in certain wine growing zones

A. ENRICHMENT LIMITS

1. Where climatic conditions have made it necessary in certain wine-growing zones of the Community referred to in the Appendix to Annex XIb, the Member States concerned may allow to supplement the natural alcoholic strength by volume of fresh grapes, grape must, grape must in fermentation, new wine still in fermentation and wine obtained from wine grape varieties classifiable according to Article 120a(2).
2. The increase in natural alcoholic strength by volume shall be achieved by means of the oenological practices referred to in point B and shall not exceed the following limits:
 - (a) 3 % vol. in wine-growing zone A referred to in the Appendix to Annex XIb;
 - (b) 2 % vol. in wine-growing zone B referred to in the Appendix to Annex XIb;
 - (c) 1,5 % vol. in wine-growing zones C referred to in the Appendix to Annex XIb.
3. In years when climatic conditions have been exceptionally unfavourable Member States may request that the limit(s) laid down in paragraph 2 be raised by 0,5 %. In response to such a request, the Commission should present the draft legislative measure to the Management Committee foreseen in Article 195(1) as soon as possible. The Commission will endeavour to take a decision within four weeks after the request has been lodged.

B. ENRICHMENT PROCESSES

1. The increase in natural alcoholic strength by volume provided for in point A shall only be effected:
 - (a) in respect of fresh grapes, grape must in fermentation or new wine still in fermentation, by adding sucrose, concentrated grape must or rectified concentrated grape must;
 - (b) in respect of grape must, by adding sucrose, concentrated grape must or rectified concentrated grape must, or by partial concentration including reverse osmosis;
 - (c) in respect of wine, by partial concentration through cooling.
2. The processes referred to in paragraph 1 shall be mutually exclusive where wine or grape must is enriched with concentrated grape must or rectified concentrated grape must and an aid is paid under Article 103y.
3. The addition of sucrose provided for in paragraph 1(a) and (b) may only be performed by dry sugaring and only in the following areas:
 - (a) wine-growing zone A referred to in the Appendix to Annex XIb;
 - (b) wine-growing zone B referred to in the Appendix to Annex XIb;
 - (c) wine-growing zone C referred to in the Appendix to Annex XIb, with the exception of vineyards in Italy, Greece, Spain, Portugal, Cyprus and vineyards in the French departments under jurisdiction of the courts of appeal of:
 - Aix-en-Provence,

- Nîmes,
- Montpellier,
- Toulouse,
- Agen,
- Pau,
- Bordeaux,
- Bastia.

However, enrichment by dry sugaring may be authorised by the national authorities as an exception in the above mentioned French departments. France shall notify the Commission and the other Member States forthwith of any such authorisations.

4. The addition of concentrated grape must or rectified concentrated grape must shall not have the effect of increasing the initial volume of fresh crushed grapes, grape must, grape must in fermentation or new wine still in fermentation by more than 11 % in wine-growing zone A, 8 % in wine-growing zone B and 6,5 % in wine-growing zone C referred to in the Appendix to Annex XIb.
5. The concentration of grape must or of wine subjected to the processes referred to in paragraph 1:
 - (a) shall not have the effect of reducing the initial volume of these products by more than 20 %;
 - (b) shall, notwithstanding point A(2)(c), not increase the natural alcoholic strength of these products by more than 2 % vol.
6. The processes referred to in paragraphs 1 and 5 shall not raise the total alcoholic strength of the fresh grapes, grape must, grape must in fermentation, new wine still in fermentation, or wine:
 - (a) in wine-growing zone A referred to in the Appendix to Annex XIb to more than 11,5 % vol.;
 - (b) in wine-growing zone B referred to in the Appendix to Annex XIb to more than 12 % vol.;
 - (c) in wine-growing zone C I referred to in the Appendix to Annex XIb to more than 12,5 % vol.;
 - (d) in wine-growing zone C II referred to in the Appendix to Annex XIb to more than 13 % vol.; and
 - (e) in wine-growing zone C III referred to in the Appendix to Annex XIb to more than 13,5 % vol.
7. By way of derogation from paragraph 6, Member States may
 - (a) for red wine raise the upper limit of total alcoholic strength of the products referred to in paragraph 6 to 12 % vol. in wine-growing zone A and 12,5 % vol. in wine-growing zone B referred to in the Appendix to Annex XIb;
 - (b) raise the total alcoholic strength by volume of the products referred to in paragraph 6 for the production of wines with a designation of origin to a level to be determined by Member States.

C. ACIDIFICATION AND DE-ACIDIFICATION

1. Fresh grapes, grape must, grape must in fermentation, new wine still in fermentation and wine may be subject to:
 - (a) de-acidification in wine-growing zones A, B and C I referred to in the Appendix to Annex XIb;
 - (b) acidification and de-acidification in wine-growing zones C I, C II and C III (a) referred to in the Appendix to Annex XIb, without prejudice to paragraph 7; or
 - (c) acidification in wine-growing zone C III (b) referred to in the Appendix to Annex XIb.
2. Acidification of the products, other than wine, referred to in paragraph 1 may be carried out only up to a limit of 1,50 g/l expressed as tartaric acid, or 20 milliequivalents per litre.
3. Acidification of wines may be carried out only up to a limit of 2,50 g/l expressed as tartaric acid, or 33,3 milliequivalents per litre.
4. De-acidification of wines may be carried out only up to a limit of 1 g/l expressed as tartaric acid, or 13,3 milliequivalents per litre.
5. Grape must intended for concentration may be partially de-acidified.
6. Notwithstanding paragraph 1, in years when climatic conditions have been exceptional, Member States may authorise acidification of the products referred to in paragraph 1 in wine-growing zones A and B, referred to in the Appendix to Annex XIb, under the conditions referred to in paragraphs 2 and 3.
7. Acidification and enrichment, except by way of derogation to be decided by the Commission in accordance with the procedure referred to in Article 195(4), and acidification and de-acidification of one and the same product shall be mutually exclusive processes.

D. PROCESSES

1. None of the processes referred to in points B and C, with the exception of the acidification and de-acidification of wines, shall be authorised unless carried out, under conditions to be determined by the Commission in accordance with the procedure referred to in Article 195(4), at the time when the fresh grapes, grape must, grape must in fermentation or new wine still in fermentation are being turned into wine or into any other beverage intended for direct human consumption referred to in Article 1(1)(l) other than sparkling wine or aerated sparkling wine in the wine-growing zone where the fresh grapes used were harvested.
2. The concentration of wines shall take place in the wine-growing zone where the fresh grapes used were harvested.
3. Acidification and de-acidification of wines shall take place only in the wine making undertaking and in the wine-growing zone where the grapes used to produce the wine in question were harvested.
4. Each of the processes referred to in paragraphs 1, 2 and 3 shall be notified to the competent authorities. The same shall apply in respect of the quantities of concentrated grape must rectified concentrated grape must or sucrose held in the exercise of their profession by natural or legal persons or groups of persons, in

particular producers, bottlers, processors and merchants to be determined by the Commission in accordance with the procedure referred to in Article 195(4), at the same time and in the same place as fresh grapes, grape must, grape must in fermentation or wine in bulk. The notification of these quantities may, however, be replaced by entry in a goods inwards and stock utilisation register.

5. Each of the processes referred to in points B and C shall be recorded on the accompanying document, as provided for in Article 185c, under cover of which the products having undergone the processes are put into circulation.
6. Those processes, subject to derogations justified by exceptional climatic conditions, shall not be carried out:
 - (a) in wine-growing zone C referred to in the Appendix to Annex XIb after 1 January;
 - (b) in wine-growing zones A and B referred to in the Appendix to Annex XIb after 16 March andthey shall be carried out only for products of the grape harvest immediately preceding those dates.
7. Notwithstanding paragraph 6, concentration by cooling and acidification and de-acidification of wines may be practised throughout the year.

ANNEX XVb
Restrictions

A. GENERAL

1. All authorised oenological practises shall exclude the addition of water, except where required on account of a specific technical necessity.
2. All authorised oenological practises shall exclude the addition of alcohol, except for practices related to obtaining fresh grape must with fermentation arrested by the addition of alcohol, liqueur wine, sparkling wine, wine fortified for distillation and semi-sparkling wine.
3. Wine fortified for distillation shall only be used for distillation.

B. FRESH GRAPES, GRAPE MUST AND GRAPE JUICE

1. Fresh grape must in which fermentation is arrested by the addition of alcohol shall be used only during the stage of preparation of products which do not fall under CN codes 2204 10, 2204 21 and 2204 29. This is without prejudice to any stricter provisions which Member States may apply to the preparation in their territory of products which do not fall under CN codes 2204 10, 2204 21 and 2204 29.
2. Grape juice and concentrated grape juice shall not be made into wine or added to wine. They shall not undergo alcoholic fermentation in the territory of the Community.
3. The provisions of paragraphs 1 and 2 shall not apply to products intended for the production, in the United Kingdom, Ireland and in Poland, of products falling within CN code 2206 00 for which Member States may allow the use of a composite name including the sales designation "wine".
4. Grape must in fermentation extracted from raisined grapes, shall be put on the market only for the manufacture of liqueur wines only in the wine-growing regions where this usage was traditional on 1 January 1985, and for the manufacture of wine of overripe grapes.
5. Unless otherwise decided by the Council in accordance with the international obligations of the Community, fresh grapes, grape must, grape must in fermentation, concentrated grape must, rectified concentrated grape must, grape must with fermentation arrested by the addition of alcohol, grape juice, concentrated grape juice and wine, or mixtures of those products, originating in third countries may not be turned into products referred to in Annex XIb or added to such products in the territory of the Community.

C. BLENDING OF WINES

Unless otherwise decided by the Council in accordance with the international obligations of the Community, coupage of a wine originating in a third country with a Community wine and coupage between wines originating in third countries shall be prohibited in the Community.

D. BY-PRODUCTS

1. Over-pressing of grapes shall be prohibited. Member States shall decide, taking account of local and technical conditions, the minimum quantity of alcohol that shall be contained in the marc and the lees after pressing of the grapes.

The quantity of alcohol contained in those by-products shall be decided by Member States at a level at least equal to 5 % in relation to the volume of alcohol contained in the wine produced.

2. Except for alcohol, spirits and piquette, wine or any other beverage intended for direct human consumption shall not be produced from wine lees or grape marc. The pouring of wine onto lees or grape marc or pressed aszú pulp shall be allowed under conditions to be determined by the Commission in accordance with the procedure referred to in Article 195(4) where this practice is traditionally used for the production of "Tokaji fordítás" and "Tokaji máslás" in Hungary and "Tokajský forditáš" and "Tokajský mášláš" in Slovakia.
3. The pressing of wine lees and the re-fermentation of grape marc for purposes other than distillation or production of piquette is prohibited. Filtering and centrifuging of wine lees shall not be considered as pressing where the products obtained are of sound, genuine and merchantable quality.
4. Piquette, where its production is authorised by the Member State concerned, shall be used only for distillation or for consumption in wine-producers' households.
5. Without prejudice to the possibility for Member States to decide to require disposal of by-products by way of distillation, any natural or legal persons or groups of persons who hold by-products shall be required to dispose of them subject to conditions to be determined by the Commission in accordance with the procedure referred to in Article 195(4)."

ANNEX V

"47. "Regulation (EC) No 479/2008

Regulation (EC) No 479/2008	This Regulation
Article 1	Article 1(1)(l)
Article 2	Article 2 and Part IIIa of Annex III
Article 3	Article 103i
Article 4	Article 103j
Article 5	Article 103k
Article 6	Article 103l
Article 7	Article 103m
Article 8	Article 103n
Article 9	Article 103o
Article 10	Article 103p
Article 11	Article 103q
Article 12	Article 103r
Article 13	Article 103s
Article 14	Article 103t
Article 15	Article 103u
Article 16	Article 103v
Article 17	Article 103w
Article 18	Article 103x
Article 19	Article 103y
Article 20	Article 103z
Article 21(1)	Article 188a(5)
Article 21(2) first subparagraph	Article 188a(6)
Article 21(2) second subparagraph	Article 184 point 5)
Article 22 first paragraph and second paragraph points (a) to (d)	Article 103za
Article 22 second paragraph point (e)	Article 188a(7)
Article 23	Article 190a
Article 24	Article 120a(2) – (6)
Article 25(1)	Article 120a(1)
Article 25 (2) – (4)	Article 113d
Article 26	Article 120b
Article 27	Article 120c
Article 28	Article 120d
Article 29	Article 120e
Article 30	Article 120f
Article 31	Article 120g
Article 32	Article 121 third and fourth paragraphs

Regulation (EC) No 479/2008	This Regulation
Article 33	Article 118a
Article 34	Article 118b
Article 35	Article 118c
Article 36	Article 118d
Article 37	Article 118e
Article 38	Article 118f
Article 39	Article 118g
Article 40	Article 118h
Article 41	Article 118i
Article 42	Article 118j
Article 43	Article 118k
Article 44	Article 118l
Article 45	Article 118m
Article 46	Article 118n
Article 47	Article 118o
Article 48	Article 118p
Article 49	Article 118q
Article 50	Article 118r
Article 51	Article 118s
Article 52	Article 121 first paragraph point (k)
Article 53	Article 118t
Article 54	Article 118u
Article 55	Article 118v
Article 56	Article 121 first paragraph point (l)
Article 57	Article 118w
Article 58	Article 118x
Article 59	Article 118y
Article 60	Article 118z
Article 61	Article 118za
Article 62	Article 118zb
Article 63	Article 121 first paragraph point (m)
Article 64(1)(a) – (c)(i)-(iv)	Article 122 second paragraph
Article 64(1)(c)(v)-(viii)	Article 122 third paragraph
Article 64(1)(d)	Article 122 third paragraph
Article 64(1)(e)	Article 125o(1)(a)
Article 64(2)	Article 125o(2)
Article 65(1)(a)-(c)	Article 123(3)
Article 65(1)(d)	Article 125o(1)(b)
Article 65(2)	Article 125o(2) second subparagraph

Regulation (EC) No 479/2008	This Regulation
Article 66(1)	–
Article 66(2)	Article 125o(3)
Article 67	Article 113c(1) and (2)
Article 68	Article 125o(3)
Article 69	Articles 113c(3) and 125o(3)
Article 70(1)	Article 135
Article 70(2)	Article 128
Article 71	Article 129
Article 72	Article 130 161
Article 73	Articles 131 and 161(2)
Article 74	Articles 132 and 161(2)
Article 75	Articles 133 and 161(2)
Article 76	Article 133a
Article 77	Article 134 and 170
Article 78	Article 159
Article 79	Article 141(1) first subparagraph
Article 80	Articles 160 and 174
Article 81	Article 143
Article 82	Article 158a
Article 83	Article 144
Article 84(a)	Article 158a(4)
Article 84(b) and (c)	Article 148(a) and (b)
Article 85(1) to (3) and (5)	Article 85a
Article 85(4)	Article 188a(1)
Article 86(1) to (4) and (6)	Article 85b
Article 86(5)	Article 188a(2)
Article 87	Article 85c
Article 88	Article 85d
Article 89	Article 85e
Article 90	Article 85g
Article 91	Article 85h
Article 92	Article 85i
Article 93	Article 85j
Article 94	Article 85k
Article 95	Article 85l
Article 96	Article 85m
Article 97	Article 85n
Article 98	Article 85p
Article 99	Article 85o

Regulation (EC) No 479/2008	This Regulation
Article 100	Article 85q
Article 101	Article 85r
Article 102(1) to (4) and (5) first subparagraph	Article 85s
Article 102(5) second subparagraph and (6)	Article 188a(3)
Article 103	Article 85t
Article 104(1) to (7) and (9)	Article 85u
Article 104(8)	Article 188a(4)
Article 105	Article 85v
Article 106	Article 85w
Article 107	Article 85x
Article 108	Article 185a(1) and (2)
Article 109	Article 185a(3)
Article 110	Article 185a(4) second subparagraph
Article 111	Article 185b
Article 112	Article 185c
Article 113(1)	Article 195(2)
Article 113(2)	Article 195(3) and (4)
Article 114	Article 190
Article 115	Article 192
Article 116	Article 194 fourth and fifth paragraphs
Article 117(a)	Article 194 third paragraph
Article 117(b) – (e)	Article 194 first paragraph
Article 118	Article 185d
Article 119	Article 182a(1) – (5)
Article 120	Article 184 point 6)
Article 121(a) and (b)	Article 185a(4) first subparagraph
Article 121(c)	Article 194
Article 121(d) and (e)	Article 185b(4)
Article 121(f)	Article 185c(3)
Article 121(g)	Article 182a(6)
Article 121 – 125	–
Article 126(a)	Article 203b
Article 126(b)	Article 191
Article 127(1)	Article 180 first paragraph
Article 127(2)	Article 180 second paragraph
Article 129(3)	Article 85f

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