

## COMMISSION REGULATION (EC) No 43/2003

of 23 December 2002

## laying down detailed rules for applying Council Regulations (EC) No 1452/2001, (EC) No 1453/2001 and (EC) No 1454/2001 as regards aid for the local production of crop products in the outermost regions of the European Union

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 1452/2001 of 28 June 2001 introducing specific measures for certain agricultural products for the French overseas departments, amending Directive 72/462/EEC and repealing Regulations (EEC) No 525/77 and (EEC) No 3763/91 (Poseidom) <sup>(1)</sup>, and in particular Article 5(2), Article 12(4), Article 13(4), Article 15(7) and Article 18 thereof,

Having regard to Council Regulation (EC) No 1453/2001 of 28 June 2001 introducing specific measures for certain agricultural products for the Azores and Madeira and repealing Regulation (EEC) No 1600/92 (Poseima) <sup>(2)</sup>, and in particular Article 5(3), Article 6(5), Article 7(2), Article 9(3), Article 16(2), Article 19, Article 20(7), Article 21(3), the third paragraph of Article 27, Article 28(3), Article 30(5) and Article 31 thereof,

Having regard to Council Regulation (EC) No 1454/2001 of 28 June 2001 introducing specific measures for certain agricultural products for the Canary Islands and repealing Regulation (EEC) No 1601/92 (Poseican) <sup>(3)</sup>, as last amended by Commission Regulation (EC) No 1922/2002 <sup>(4)</sup>, and in particular Article 9(2), Article 10(5), Article 11(2), Article 13 and Article 14(3) thereof,

Having regard to Council Regulation (EC) No 2200/96 of 28 October 1996 on the common organisation of the market in fruit and vegetables <sup>(5)</sup>, as last amended by Regulation (EC) No 1881/2002 <sup>(6)</sup>, and in particular Article 11(2)(a) and Article 48 thereof,

Whereas:

(1) In the interests of legislative simplification, the provisions adopted by Regulations (EEC) No

980/92 <sup>(7)</sup>, (EEC) No 2165/92 <sup>(8)</sup>, (EEC) No 2311/92 <sup>(9)</sup>, (EEC) No 3491/92 <sup>(10)</sup>, (EEC) No 3518/92 <sup>(11)</sup>, (EC) No 1524/98 <sup>(12)</sup>, (EC) No 2477/2001 <sup>(13)</sup>, (EC) No 396/2002 <sup>(14)</sup>, (EC) No 738/2002 <sup>(15)</sup>, (EC) No 1410/2002 <sup>(16)</sup> and (EC) No 1491/2002 <sup>(17)</sup> should be incorporated into this Regulation, those Regulations should be repealed and detailed rules should be adopted for the area aid granted to growers of vines used to produce quality wines psr, potatoes for human consumption, sugar cane and wicker in Madeira and to growers of sugarbeet, seed potatoes, chicory and tea in the Azores as provided for in Regulation (EC) No 1453/2001, to growers of potatoes for human consumption under Regulation (EC) No 1454/2001 and to aid for local marketing of bananas

<sup>(7)</sup> Commission Regulation (EEC) No 980/92 of 21 April 1992 laying down detailed rules for applying the aid scheme for the marketing of rice produced in French Guiana, Martinique and Guadeloupe (OJ L 104, 22.4.1992, p. 31); Regulation as last amended by Regulation (EC) No 625/98 (OJ L 85, 20.3.1998, p. 6).

<sup>(8)</sup> Commission Regulation (EEC) No 2165/92 of 30 July 1992 laying down detailed rules for the application of the specific measures for Madeira and the Azores as regards potatoes and endives (OJ L 217, 31.7.1992, p. 29); Regulation as last amended by Regulation (EC) No 1984/96 (OJ L 264, 17.10.1996, p. 12).

<sup>(9)</sup> Commission Regulation (EEC) No 2311/92 of 31 July 1992 laying down detailed rules for the application of specific measures adopted in respect of fruit, vegetables, plants and flowers for the benefit of the Azores and Madeira (OJ L 222, 7.8.1992, p. 24); Regulation as last amended by Regulation (EC) No 1445/93 (OJ L 142, 12.6.1993, p. 27).

<sup>(10)</sup> Commission Regulation (EEC) No 3491/92 of 2 December 1992 concerning the grant in the Azores of flat-rate aid for the production of sugarbeet and special aid for the processing of sugarbeet into white sugar (OJ L 353, 3.12.1992, p. 21); Regulation as last amended by Regulation (EC) No 1713/93 (OJ L 159, 1.7.1993, p. 94).

<sup>(11)</sup> Commission Regulation (EEC) No 3518/92 of 4 December 1992 laying down detailed rules for the application of the specific measures for the Azores as regards pineapple production (OJ L 355, 5.12.1992, p. 21); Regulation as last amended by Regulation (EC) No 1445/93.

<sup>(12)</sup> Commission Regulation (EC) No 1524/98 of 16 July 1998 laying down detailed rules for the application of the specific measures adopted in respect of fruit and vegetables, plants and flowers for the benefit of the French overseas departments (OJ L 201, 17.7.1998, p. 29); Regulation as last amended by Regulation (EC) No 21/2002 (OJ L 8, 11.1.2002, p. 15).

<sup>(13)</sup> Commission Regulation (EC) No 2477/2001 of 17 December 2001 on aid for the transport of sugar cane in the French overseas departments (OJ L 334, 18.12.2001, p. 5).

<sup>(14)</sup> Commission Regulation (EC) No 396/2002 of 1 March 2002 laying down detailed rules for the application of the specific measures adopted in respect of fruit, vegetables, plants and flowers for the benefit of the Canary Islands (OJ L 61, 2.3.2002, p. 4).

<sup>(15)</sup> Commission Regulation (EC) No 738/2002 of 29 April 2002 concerning aid for the processing of sugar cane into sucrose syrup or agricultural rum in the French overseas departments (OJ L 113, 30.4.2002, p. 13).

<sup>(16)</sup> Commission Regulation (EC) No 1410/2002 of 1 August 2002 concerning aid for the processing of sugar cane into sugar syrup or agricultural rum on Madeira (OJ L 205, 2.8.2002, p. 24).

<sup>(17)</sup> Commission Regulation (EC) No 1491/2002 of 20 August 2002 laying down detailed rules for the application of the specific measures for wine in the outermost regions introduced by Council Regulations (EC) No 1453/2001 and (EC) No 1454/2001 (OJ L 224, 21.8.2002, p. 49); Regulation as last amended by Regulation (EC) No 1796/2002 (OJ L 272, 10.10.2002, p. 19).

<sup>(1)</sup> OJ L 198, 21.7.2001, p. 11.

<sup>(2)</sup> OJ L 198, 21.7.2001, p. 26.

<sup>(3)</sup> OJ L 198, 21.7.2001, p. 45.

<sup>(4)</sup> OJ L 293, 29.10.2002, p. 11.

<sup>(5)</sup> OJ L 297, 21.11.1996, p. 1.

<sup>(6)</sup> OJ L 285, 23.10.2002, p. 13.

produced in French Guiana and Réunion. Detailed rules for granting this aid should be laid down to reflect the distinctive cultural and climatic features of the outermost regions.

- (2) In view of the specific features of producing quality wines psr, specific rules should be laid down for the per-hectare aid in that sector.
- (3) Article 27 of Regulation (EEC) No 1453/2001 provides for aid to be granted for the production of up to 2 000 tonnes of fresh pineapples per year. Detailed rules should be laid down for applying that aid scheme.
- (4) As regards the aid for the production of green vanilla and the aid for the production of essential geranium and vetiver oils, these schemes can be applied satisfactorily within the existing market structures if arrangements are introduced for approving processors of dried vanilla or vanilla extracts and local bodies engaged in collecting and marketing the essential oils, which undertake in particular to pay the aid in full to the beneficiary producers and meet the control requirements. The quantities fixed in Article 12(2) and (3) of Regulation (EC) No 1452/2001 are ceilings which, according to the estimates communicated by the French authorities, are not expected to be reached in the medium term.
- (5) Article 16 of Regulation (EC) No 1452/2001 provides for aid for the transport of cane from the fields where it is harvested to the reception centres. The aid is to be determined on the basis of distance and other objective criteria relating to transport and may not exceed half the transport costs per tonne fixed on a flat-rate basis by the French authorities in each department. The aid is to apply to cane intended for processing into both sugar and rum.
- (6) Transport costs vary considerably in the French overseas departments. Maximum flat-rate aid amounts should therefore be fixed which comply with an average amount of aid for each department and which do not exceed half the transport costs per tonne, up to maximum amounts fixed on a flat-rate basis. The French authorities are to determine the unit amounts granted to producers in the light of objective criteria established by them. Such amounts may vary in particular according to the tonnage transported.
- (7) Aid applications must be supported by evidence of transport. Given the specific features of the scheme, France

should be allowed to adopt all additional measures necessary for the purposes of applying it.

- (8) Under Article 13 of Regulation (EC) No 1452/2001, firstly a list should be drawn up of products eligible for the aid, within the limits of annual quantities established for each category and in line with the scope for the development of local production and processing, and the aid amounts fixed and, secondly, special detailed rules should be adopted to ensure that the system is monitored and that the conditions for granting the aid are met, in particular as regards contracts and the minimum price guaranteed to producers. To that end certain provisions of Commission Regulation (EC) No 449/2001 of 2 March 2001 laying down detailed rules for the application of Council Regulation (EC) No 2201/96 as regards the system of production aid for products processed from fruit and vegetables<sup>(1)</sup>, as last amended by Regulation (EC) No 1426/2002<sup>(2)</sup>, should be incorporated into this Regulation.
- (9) Article 17 of Regulation (EC) No 1452/2001 and Article 18 of Regulation (EC) No 1453/2001 provide for Community aid to be granted for the direct processing of sugar cane produced in the French overseas departments and Madeira into sugar syrup, sucrose syrup or agricultural rum.
- (10) This aid is paid on condition that the sugar-cane producers are paid a minimum price, up to maximum annual quantities fixed in the abovementioned Articles. The aid is calculated so that the ratio between the two aid amounts takes account of the quantities of raw material used. In the interests of clarity the amounts for rum should be expressed as pure alcohol.
- (11) A minimum price should be fixed for sugar cane intended for the manufacture of sugar syrup or rum which takes account of the consultations held by the competent authorities with sugar-cane producers and the businesses processing the cane into syrup and rum.
- (12) Article 20 of Regulation (EC) No 1453/2001 provides for aid to be granted to purchase rectified concentrated musts and wine alcohol for the preparation of Madeira liqueur wine. The maximum volume of the above products to be brought to Madeira should be fixed having regard to the methods traditionally used to produce Madeira wine. The amount of the aid should be fixed taking account of the costs of supply to Madeira

<sup>(1)</sup> OJ L 64, 6.3.2001, p. 16.

<sup>(2)</sup> OJ L 206, 3.8.2002, p. 4.

- resulting from its geographical situation and the price of products in the Community and on the world market. Experience has shown that aid of EUR 12,08/hectolitre is sufficient to compensate for these additional costs.
- (13) Under Articles 20 and 31 of Regulation (EC) No 1453/2001 aid may be granted for the ageing of Madeira liqueur wines and Azores 'verdelho' wine. The detailed rules for granting that aid should be laid down taking account of the specific features of the products concerned.
- (14) Article 12 of Regulation (EC) No 1452/2001, Article 5 of Regulation (EC) No 1453/2001 and Article 9 of Regulation (EC) No 1454/2001 provide for the grant of aid for the marketing of the products referred to in those Articles on the local markets of the outermost regions. The aid must be fixed on a flat-rate basis in the light of the average value of each of the products to be determined, within the limits of annual quantities established for each product category. So that this provision can be implemented, a list should be drawn up of the products eligible for the aid based on the supply requirements of the regional markets, the product categories should be established on the basis of the average value of the products covered, a maximum quantity should be fixed for all the outermost regions and detailed rules should be laid down for granting the aid.
- (15) Specific rules should be laid down for monitoring the quantities fixed and ensuring that the conditions set for granting the aid are met. To that end, the local marketing scheme can be administered satisfactorily if arrangements are introduced for approving operators in the distribution and catering sectors, local authority facilities and food processing who undertake to meet certain requirements.
- (16) Under Article 20 of Regulation (EC) No 1453/2001, aid may be granted for the shipment of Madeira wine and marketing it on the Community market. The transitional period during which the aid is to be granted should be fixed and the detailed rules for granting it should be laid down. In view of the scheme's objectives, the aid should be granted for a long enough period to permit commercial outlets and production to be consolidated.
- (17) For the purposes of granting the different aid amounts, a distinction should be made between the producer organisations referred to in Regulation (EC) No 2200/96 and other producers.
- (18) As regards the aid for marketing in the rest of the Community under annual contracts as referred to in Articles 5 and 15 of Regulation (EC) No 1452/2001, Article 6 of Regulation (EC) No 1453/2001 and Article 10 of Regulation (EC) No 1454/2001, it is necessary to define the nature of the annual contract and specify the base to be used for calculating the amount of aid, fixed at 10 % of the value of the production marketed, free at destination, and 13 % where Article 15(4) of Regulation (EC) No 1452/2001, Article 6(4) of Regulation (EC) No 1453/2001 and Article 10(4) of Regulation (EC) No 1454/2001 are applied, respectively. Lastly, arrangements should be made for allocating the quantities qualifying for aid where the limits are overrun.
- (19) Commission Regulation (EC) No 412/97 of 3 March 1997 laying down detailed rules for the application of Council Regulation (EC) No 2200/96 as regards the recognition of producer organisations<sup>(1)</sup>, as last amended by Regulation (EC) No 1120/2001<sup>(2)</sup>, fixes the minimum number of producers and minimum volume of marketable production required for creation of a producer organisation. In the case of France, no distinctions are provided for to take account of the specific production conditions in the French overseas departments. Such a distinction should however be made so that different production situations can be duly taken into account. To that end, the table in the Annex to Regulation (EC) No 412/97 should be amended to include the French overseas departments in the category of regions for which specific conditions are laid down.
- (20) General provisions applicable to these measures as a whole, especially those concerning aid applications, notification, monitoring and the consequences of undue payments, should be set out in a separate title.
- (21) The coverage of aid applications and the documents to be attached with a view to assessing their justification should be specified for each aid scheme.
- (22) Where aid applications contain obvious errors, they should be adjustable at any time.
- (23) The deadlines for submitting and amending aid applications must be complied with to enable the national authorities to programme and subsequently carry out effective checks on the correctness of the aid applications. Time limits should therefore be fixed beyond which late submissions can no longer be accepted. Moreover, a reduction should be applied to encourage growers to respect the time limits.

<sup>(1)</sup> OJ L 62, 4.3.1997, p. 16.

<sup>(2)</sup> OJ L 153, 8.6.2001, p. 10.

- (24) Growers should be allowed to withdraw their aid applications or parts thereof at any time provided that the competent authority has not yet informed the grower of any errors contained in the aid application or announced an on-the-spot check which reveals errors in the part concerned by the withdrawal.
- (25) Compliance with the rules on aid schemes managed under the integrated administration and control system should be effectively monitored. To this end, and to achieve a harmonised level of monitoring in all Member States, the criteria and technical procedures for carrying out administrative and on-the-spot checks should be set out in detail. Where appropriate, the Member States should strive to combine the various checks under this Regulation with those provided for under other Community provisions.
- (26) The minimum number of growers to undergo on-the-spot checks under the various aid schemes should be determined.
- (27) The sample for the minimum rate of on-the-spot checks should be drawn partly on the basis of a risk analysis and partly at random. The main factors to be taken into consideration for the risk analysis should be specified.
- (28) Where significant irregularities are found, the level of the on-the-spot checks should be increased during the current and the following year in order to attain an acceptable level of assurance that the aid applications concerned are correct.
- (29) For on-the-spot checks to be effective, it is important that the inspectors be informed of the reasons why the growers concerned have been selected for an on-the-spot check. The Member States should keep records of such information.
- (30) In order to enable the national authorities and any competent Community authority to follow up on-the-spot checks carried out, the details of checks should be recorded in an inspection report. Growers or their representatives should be given the opportunity to sign the report. However, in the case of remote-sensing checks, the Member States should be allowed to provide for this right only in cases where the check reveals irregularities. Moreover, irrespective of the kind of on-the-spot check carried out, the grower should receive a copy of the report if irregularities are found.
- (31) To protect the Community's financial interests effectively, adequate measures should be adopted to combat irregularities and fraud.
- (32) Reductions and exclusions should be determined having regard to the principle of proportionality and the special problems arising in cases of *force majeure*, exceptional circumstances and natural disasters. Such reductions and exclusions should be graded according to the gravity of the irregularity committed and should go as far as the total exclusion from one or several aid schemes for a specified period.
- (33) As a general rule, reductions and exclusions should not be applied where growers have submitted factually correct information or can show otherwise that they are not at fault.
- (34) Growers who notify the competent national authorities at any time of incorrect aid applications should not be subject to reductions or exclusions irrespective of the reason for the incorrectness, provided the grower concerned has not been informed of the competent authority's intention to carry out an on-the-spot check and provided the authority has not already informed the grower of any irregularity in the application. The same should apply to incorrect data contained in the computerised database.
- (35) Where various reductions are to be applied to the same grower, they should be applied independently from each other and individually. Moreover, the reductions and exclusions provided for under this Regulation should be applied without prejudice to additional penalties under any other provisions of Community or national law.
- (36) The administration of small amounts is a burdensome task for the competent authorities of the Member States. They should therefore be authorised not to pay amounts of aid that are below a certain minimum limit and not to request reimbursement of incorrectly paid amounts when the sums involved are negligible.
- (37) Growers who are unable to fulfil the obligations provided for under the sectoral rules as a consequence of *force majeure* or exceptional circumstances should not lose their entitlement to the aid. It should be specified which cases, in particular, may be recognised by the competent authorities as cases of exceptional circumstances.
- (38) In order to ensure uniform application of the principle of good faith throughout the Community, where unduly paid amounts are recovered, the conditions under which that principle may be invoked should be laid down without prejudice to the treatment of the expenditure concerned in the context of the clearance of accounts under Council Regulation (EC) No 1258/1999 of 17 May 1999 on the financing of the common agricultural policy <sup>(1)</sup>.

<sup>(1)</sup> OJ L 160, 26.6.1999, p. 103.

- (39) As a general rule, the Member States should take any further measures necessary to ensure that this Regulation is properly implemented.
- (40) Where appropriate, the Commission should be informed of any measures taken by the Member States to implement the aid schemes provided for in this Regulation. In order to enable the Commission to monitor effectively, the Member States should regularly send it certain statistics on the aid schemes.
- (41) To ensure the application of the new area aid schemes introduced by the Council in certain sectors, the aid schemes referred to in Article 1(b), (c), (f) and (g) and the aid for local marketing of bananas other than plantains produced in French Guiana and Réunion should apply from 1 January 2002.
- (42) To enable operators to complete the performance of annual contracts they have already concluded, the provision governing the marketing periods or years should not be applied to current contracts.
- (43) The measures provided for in this Regulation are in accordance with the opinion of the joint Management Committee for Cereals, Fresh Fruit and Vegetables, Processed Fruit and Vegetables, Wine, Hops, Live Plants, and Sugar,

HAS ADOPTED THIS REGULATION:

#### TITLE I

#### AREA AID

#### CHAPTER I

#### *General arrangements*

#### Article 1

#### Scope

This chapter lays down detailed rules for applying the following aid schemes:

- (a) area aid for the cultivation of potatoes for human consumption as provided for in Article 16 of Regulation (EC) No 1453/2001;
- (b) area aid for the cultivation of sugar cane as provided for in Article 17 of Regulation (EC) No 1453/2001;
- (c) area aid for the cultivation of wicker as provided for in Article 21 of Regulation (EC) No 1453/2001;

- (d) area aid for the cultivation of sugarbeet as provided for in Article 28 of Regulation (EC) No 1453/2001;
- (e) aid per hectare for the cultivation of seed potatoes as provided for in Article 30(1) of Regulation (EC) No 1453/2001;
- (f) area aid for the cultivation of chicory as provided for in Article 30(2) of Regulation (EC) No 1453/2001;
- (g) area aid for the cultivation of tea as provided for in Article 30(4) of Regulation (EC) No 1453/2001;
- (h) area aid for the cultivation of potatoes for human consumption as provided for in Article 14 of Regulation (EC) No 1454/2001.

#### Article 2

#### Entitlement to aid

1. The aid referred to in Article 1 shall be paid each calendar year for areas:

- (a) which have been planted and for which all normal cultivation work has been carried out;
- (b) for which an aid application has been lodged in accordance with Article 54.

In addition, for the aid referred to in Article 1(d):

- prior to harvesting, sugarbeet producers shall make a declaration to the competent authorities of the areas sown,
- the areas eligible for aid shall be at least 0,3 hectare for each producer,
- the production of beet per hectare may not be less than 25 tonnes,
- the beet must be delivered for processing before the aid is paid,
- processors must inform the competent authorities of the quantity of beet delivered by each producer.

2. The aid referred to in Article 1(h) may be paid twice a year for two harvests on the same land.

#### Article 3

#### Reductions

1. Where the area covered by aid applications exceeds the maximum area fixed, the aid shall be granted to applicant producers in proportion to the areas stated in their applications.

In order to check that the maximum area referred to in Article 14 of Regulation (EC) No 1454/2001 has been complied with where cultivation aid is granted twice in a given year for the same area, that area shall be multiplied by two.

2. Areas sown to both a perennial and a seasonal crop at the same time may qualify for aid as referred to in Article 1 provided the seasonal crop can be cultivated in conditions comparable to those of areas dedicated to perennial crops.

For the purposes of calculating the area eligible for the aid, only the area used for the seasonal crop shall be taken into account.

#### CHAPTER II

### Quality wines psr of Madeira, the Azores and the Canary Islands

#### Article 4

#### Entitlement to aid

1. The aid provided for in Article 9 of Regulation (EC) No 1453/2001 and in Article 13 of Regulation (EC) No 1454/2001 shall be granted only to areas which:

- have been entirely cultivated and harvested and on which all normal cultivation work has been carried out, and
- the produce from which is covered by harvest declarations as provided for in Commission Regulation (EC) No 1282/2001<sup>(1)</sup>.

2. For the purposes of determining the producers to whom the aid is to be paid:

- the transitional period referred to in Article 9(2) of Regulation (EC) No 1453/2001 and Article 13(2) of Regulation (EC) No 1454/2001 for payment to individual producers shall expire on 31 July 2007,
- producer organisations shall be those referred to in Article 39 of Council Regulation (EC) No 1493/1999 on the common organisation of the market in wine<sup>(2)</sup>. The Member States concerned shall lay down the criteria which producer groups must meet to qualify for the aid and shall notify the Commission thereof.

#### Article 5

#### Aid applications

1. Applications for area aid shall be submitted by the person concerned to the competent authority during the period determined by the latter and not later than 15 May each year for the following wine year.

2. Aid applications shall contain at least the following:

- (a) the surname, forename and address of the wine-grower, or wine-growing group or organisation;
- (b) the areas cultivated for the production of quality wines psr, in hectares and ares with the land register reference for those areas or information recognised as equivalent by the body responsible for checking the areas;

(c) the grape variety used;

(d) an estimate of the production that may be harvested.

#### Article 6

#### Payment of the aid

After having established the actual harvest and yield for the areas concerned, the Member State shall pay the aid by 1 April of the wine year for which the aid is granted.

#### TITLE II

#### PRODUCTION AID

#### CHAPTER I

#### Pineapples

#### Article 7

#### Scope

This chapter lays down detailed rules for applying the production aid scheme for pineapples provided for in Article 27 of Regulation (EEC) No 1453/2001.

#### Article 8

#### Prior declaration

Producers wishing to benefit from the production aid scheme for pineapples referred to in Article 7 shall make a declaration to the competent authority designated by Portugal before a date to be determined by that authority. The date set shall allow time for the necessary on-the-spot checks.

Declarations shall include at least the following information:

- the references and areas of the parcels, in hectares and ares, identified in accordance with Articles 4 and 5 of Council Regulation (EEC) No 3508/92<sup>(3)</sup>, on which the pineapples are to be grown, and
- an estimate of the quantities to be produced.

#### Article 9

#### Aid applications

Producers shall submit their aid applications during the following months:

- January for production harvested in July to December of the previous year,
- July for production harvested from January to June of the current year.

<sup>(1)</sup> OJ L 176, 29.6.2001, p. 14.

<sup>(2)</sup> OJ L 179, 14.7.1999, p. 1.

<sup>(3)</sup> OJ L 355, 5.12.1992, p. 1.

*Article 10***Payment of the aid**

The competent authorities shall take the measures necessary to ensure that the annual quantities for which the aid is granted do not exceed the volume fixed in Article 27 of Regulation (EC) No 1453/2001.

## CHAPTER II

**Vanilla and essential oils***Article 11***Scope**

This chapter lays down detailed rules for applying the following aid schemes:

- (a) production aid for green vanilla falling within CN code ex 0905 00 00 intended for the production of dried (black) vanilla or vanilla extracts as provided for in Article 12(2) of Regulation (EC) No 1452/2001;
- (b) production aid for essential oils of geranium and vetiver falling within CN codes 3301 21 and 3301 26 as provided for in Article 12(3) of Regulation (EC) No 1452/2001.

*Article 12***Procedures and technical characteristics**

The competent authorities shall specify the manufacturing procedures and define the technical characteristics of green vanilla and essential oils of geranium and vetiver qualifying for the aid.

*Article 13***Processors and local collection and marketing bodies**

1. The aid referred to in Article 11(a) shall be paid to producers through processors approved by the competent authorities.

The aid referred to in Article 11(b) shall be paid to producers via local collection and marketing bodies approved by the competent authorities.

2. The competent authorities shall grant approval to processors and bodies as referred to in paragraph 1 established in the production region and possessing plant and equipment suitable for the preparation of dried (black) vanilla or vanilla extracts, or for the collection and marketing of essential oils, and which fulfil the obligations set out in Article 14.

*Article 14***Obligations of processors and collection and marketing bodies**

Approved processors and collection and marketing bodies shall undertake, in particular:

- to pay producers the full amount of the aid referred to in Article 12(2) and (3) of Regulation (EC) No 1452/2001 under supply contracts not later than one month from the date of payment of the aid by the competent authority,
- to keep separate accounts for transactions connected with the application of this Regulation,
- to allow any checks or inspections required by the competent authorities and to notify all information relating to the application of this Regulation.

*Article 15***Reduction coefficient**

Where the quantities covered by aid applications exceed the permitted annual quantities, the competent authorities shall set a reduction coefficient to be applied to all applications.

*Article 16***Payment of the aid**

The national authorities shall make payment of the aid conditional upon the presentation of delivery notes jointly signed by the producer and the approved processors or collection and marketing bodies, as the case may be.

## CHAPTER III

**Transport of sugar cane in the French overseas departments***Article 17*

1. Aid as provided for in Article 16 of Regulation (EC) No 1452/2001 for the transport of sugar cane from the edge of the field where it is harvested to the reception centres shall be paid on the terms set out in this chapter to producers delivering their cane directly to reception centres.

2. To be eligible for transport aid, the cane must be intended for the production of sugar or rum.

3. The aid shall be paid for the transport of cane of sound and fair merchantable quality.

4. 'Reception centre' means the weighing centre or the factory itself, where delivery is direct to the latter, be it a sugar refinery or a distillery.

*Article 18*

1. The transport costs to producers shall be determined on the basis of the distance between the edge of the field and the reception centre and other objective criteria, including conditions of access to the field and the existence of natural handicaps.

2. Without prejudice to paragraph 3, the unit amount of aid fixed for producers shall not exceed:

- (a) half the transport costs per tonne fixed on a flat-rate basis in accordance with paragraph 1;
- (b) the maximum amounts below for each department:
  - EUR 5,49/tonne for Réunion,
  - EUR 5,34/tonne for Guadeloupe,
  - EUR 3,96/tonne for Martinique,
  - EUR 3,81/tonne for French Guiana.

3. The aid for cane transport shall be determined by the French authorities in accordance with the following average unit amount for each department, depending on the quantities involved:

- EUR 3,2/tonne for Réunion,
- EUR 2,5/tonne for Guadeloupe,
- EUR 2,0/tonne for Martinique,
- EUR 2,0/tonne for French Guiana.

## TITLE III

**PROCESSING AID**

## CHAPTER I

***Fruit and vegetables****Article 19***Scope**

The aid provided for in Article 13 of Regulation (EC) No 1452/2001 shall be paid to processors approved by France under the terms set out in this chapter.

*Article 20***Entitlement to aid**

1. The aid shall be paid for processing the fruit and vegetables, harvested in the French overseas departments, listed in column II of part A of Annex I for which processors have paid a price at least equal to the minimum price under processing contracts covering the manufacture of one of the products listed in part B of Annex I.

2. The aid shall be paid up to the annual quantities fixed in column III of part A of Annex I for each of the three product categories A, B and C.

3. The amounts of aid applicable to each product category shall be as set out in column IV of part A of Annex I.

*Article 21***Approval of processors**

1. Processors wishing to qualify for the aid shall submit an application for approval to the office designated by the competent authorities, by a date to be set by those authorities, giving all the information required by France for administering and monitoring the aid scheme.

2. The competent authorities shall grant approval, upon application, to processors or legally constituted associations or groups of processors which, in particular:

- (a) possess equipment suitable for processing fruit and vegetables; and
- (b) undertake in writing:
  - to keep separate accounts relating to performance of the contracts referred to in Article 22, and
  - to provide the competent authorities, at the request of the latter, with all supporting documentation relating to performance of the contracts and fulfilment of the commitments entered into under this Regulation.

*Article 22***Processing contracts**

1. The contracts referred to in Article 13(1) of Regulation (EC) No 1452/2001, hereinafter called 'processing contracts', shall be concluded in writing before the beginning of each marketing year. They shall take one of the following forms:

- (a) a contract between an individual producer or a producer organisation recognised under Regulation (EC) No 2200/96, on the one hand, and a processor or an association or group of processors approved by the national authorities, on the other;
- (b) an undertaking to deliver supplies, where the producer organisation referred to in (a) acts as processor.

2. Contracts shall each cover a calendar year and the same two contracting parties may not conclude more than one contract per year between themselves.

3. Processing contracts shall specify, in particular:

- (a) the business names of the parties to the contract;
- (b) a precise description of the product(s) covered by the contract;
- (c) the quantities of raw materials to be supplied;
- (d) the timetable for deliveries to the processor;
- (e) the price to be paid for the raw materials, excluding in particular costs connected with packing, transport and the payment of fiscal charges, which shall, where applicable, be indicated separately. The price shall not be lower than the minimum price referred to in the second subparagraph of Article 13(1) of Regulation (EC) No 1452/2002;
- (f) the finished products to be produced.



4. On terms laid down for each product by the competent authorities, the contracting parties may decide, by means of a written amendment, to increase the quantities originally stipulated in the contract by no more than 30 %.

5. Where producer organisations also act as processors, the processing contracts covering their own production shall be deemed to have been concluded after the following particulars have been forwarded to the competent authority within the time limit laid down in paragraph 6:

- (a) the total area on which the raw material is grown, together with land register reference numbers or a reference recognised as equivalent by the inspection body;
- (b) an estimate of the total harvest;
- (c) the quantity intended for processing;
- (d) the forecast processing schedule.

6. The processor or association of processors shall forward a copy of each processing contract and any amendments thereto to the competent authorities within the deadline fixed by those authorities.

#### Article 23

##### Payment of the minimum price

1. Without prejudice to cases covered by Article 22(1)(b), processors shall pay the price of the raw materials to the producer organisation or individual producer exclusively by bank or post office transfer order.

Producer organisations shall pay producers the full amount referred to in the first subparagraph within 15 working days of receipt, by bank or post office transfer order. In cases as referred to in Article 22(1)(b), payment may be made by opening a credit. France shall adopt the measures necessary to check compliance with this paragraph and shall provide in particular for penalties to be imposed on the administrators of the producer organisation according to the seriousness of any failure to comply.

2. France may adopt additional provisions relating to processing contracts, covering in particular time limits, terms and methods of payment of the minimum price and damages payable by processors, producer organisations or producers where they do not fulfil their obligations under contracts.

#### Article 24

##### Quality of products

Without prejudice to any minimum quality criteria laid down or to be laid down in accordance with the procedure provided for in Article 46 of Regulation (EC) No 2200/96, raw materials delivered to processors under processing contracts shall be of sound and fair merchantable quality and suitable for processing.

#### Article 25

##### Aid applications

1. Processors shall submit two aid applications for each marketing year to the body designated by France:

- (a) the first relating to products processed from 1 January to 31 May;
- (b) the second relating to products processed from 1 June to 31 December.

2. Aid applications shall indicate in particular the net weight of the raw materials used and of the finished products obtained, described in accordance with parts A and B of Annex I respectively. They shall be accompanied by copies of the transfer orders provided for in the first subparagraph of Article 23(1). In the case of undertakings to deliver supplies, such copies may be replaced by a declaration by the producer to the effect that the processor has paid a price at least equal to the minimum price. Such copies or declarations shall quote the references of the relevant contracts.

#### Article 26

##### Reduction coefficient

1. Where the information referred to in Article 22(6) indicates that the quantity set for a category of products shown in column III of part A of Annex I is likely to be exceeded, the competent authorities shall set a provisional reduction coefficient to be applied to all aid applications for that category submitted under Article 25(1)(a). The coefficient, which shall be the ratio between the quantities referred to in column III of part A of Annex I and those set by contract plus any additional quantities agreed, shall be calculated not later than 31 March.

2. Where paragraph 1 is applied, at the end of the marketing year the competent authorities shall establish the definitive reduction coefficient to be applied to all aid applications for the category of products concerned submitted under Article 25(1)(a) and (b).

#### Article 27

##### Record keeping

1. Processors shall keep records showing at least the following:

- (a) consignments of raw materials purchased and entering their premises each day which are covered by processing contracts or amendments thereto, together with the numbers of any receipts issued for such consignments;
- (b) the weight of each consignment brought into their premises and the name and address of the other party to the contract;

- (c) the quantities of finished products obtained each day from processing the raw materials on which the aid is payable;
- (d) the quantities and prices of products leaving the processor's premises, consignment by consignment, with details of the consignee. Such data may be recorded by reference to supporting documents, provided the latter contain the above particulars.
2. Processors shall retain proof of payment for all raw materials purchased under processing contracts or amendments thereto.
3. Processors shall undergo any inspections or checks deemed necessary and shall keep such additional records as the competent authorities require to conduct any checks that they deem necessary. Where an inspection or check cannot be conducted for reasons attributable to the processor, despite the latter having been formally notified thereof, no aid shall be paid for the marketing years concerned.

## CHAPTER II

### Sugar

#### Section I

#### Sugar cane

##### Article 28

##### Scope

This chapter lays down detailed rules for applying the following aid schemes:

- (a) Community aid for the direct processing of sugar cane into sucrose syrup or agricultural rum as provided for in Article 17 of Regulation (EC) No 1452/2001;
- (b) aid for the direct processing of sugar cane into sugar syrup or agricultural rum as provided for in Article 18 of Regulation (EC) No 1453/2001.

##### Article 29

##### Payment of the aid

1. The aid referred to in Article 28 shall be paid, as the case may be:
- (a) to any sucrose syrup manufacturer or distiller:
- whose plant is located in one of the French overseas departments, and
  - who produces directly from cane harvested in the same French overseas department:
    - (i) sucrose syrup of less than 75 % purity used in the manufacture of aperitifs; or
    - (ii) agricultural rum as defined in Article 1(4)(a)(2) of Council Regulation (EEC) No 1576/89 <sup>(1)</sup>;
- (b) to any sugar syrup manufacturer or distiller whose facilities are located on the territory of Madeira and who directly processes cane harvested on Madeira.

2. Aid shall be paid out each year for the quantities of sugar cane processed directly into sugar syrup, sucrose syrup or agricultural rum for which the syrup manufacturer or distiller shows proof that the sugar-cane producers concerned have been paid the minimum price referred to in Article 30.

3. The amount of the processing aid is hereby fixed as follows:

- (a) for the aid referred to in Article 28(a),
- at EUR 9,0 per 100 kilograms of sugar expressed as white sugar, for sucrose syrup,
  - at EUR 64,22 per hectolitre of pure alcohol produced, for agricultural rum;
- (b) for the aid referred to in Article 28(b),
- at EUR 53 per 100 kilograms of sugar expressed as white sugar, for sugar syrup,
  - at EUR 90 per hectolitre of pure alcohol produced, for agricultural rum.

##### Article 30

##### Minimum price for sugar cane

1. The minimum prices referred to in the second subparagraph of Article 17(1) of Regulation (EC) No 1452/2001 and in the second subparagraph of Article 18(1) of Regulation (EC) No 1453/2001 are hereby fixed as follows:

- Réunion: EUR 51,01 per tonne of cane,
- Martinique: EUR 45,16 per tonne of cane,
- Guadeloupe and French Guiana: EUR 55,95 per tonne of cane,
- Madeira: EUR 78,9 per tonne of cane.

The minimum price shall apply to cane of sound and fair merchantable quality and of standard sugar content. The delivery stage of the sugar cane shall be free at factory gate.

2. The standard sugar content and the scale of increases and reductions to be applied to the minimum price when the sugar content of the cane differs from the standard sugar content shall be adopted by the competent authority on the proposal of a joint committee of distillers or syrup manufacturers and the sugar-cane producers.

##### Article 31

##### Minimum price

1. Proof that the minimum price has been paid to the sugar-cane producer shall be established by a certificate drawn up on normal paper by the syrup manufacturer or distiller. The certificate shall show:

- (a) the name of the syrup manufacturer or distiller;
- (b) the name of the sugar-cane producer;

<sup>(1)</sup> OJ L 160, 12.6.1989, p. 1.

- (c) the total quantities of sugar cane for which the minimum price fixed for the calendar year concerned has been paid and which have been delivered to the syrup factory or distillery by the producer concerned during that calendar year;
- (d) the quantity of product for which the minimum price has been paid.
2. The certificate shall be signed by the sugar-cane producer and the syrup manufacturer or distiller.
3. The manufacturer or distiller shall keep the original of the certificate. A copy shall be given to the sugar-cane producer.

*Article 32*

**Reduction coefficient**

1. When the sum of the quantities covered by aid applications in a given calendar year is greater than the annual quantities referred to in Article 17(2) of Regulation (EC) No 1452/2001 and in Article 18(2) of Regulation (EC) No 1453/2001, a standard reduction coefficient shall be applied to each application for the product concerned.

However, France may allocate the quantity of rum referred to in paragraph 1 by department on the basis of the average quantity of agricultural rum sold by each department in the years 1997 to 2001. If the quantities covered by aid applications exceed the overall quantities, the reduction coefficients may be differentiated by department.

2. Aid applications shall be submitted to the competent authorities designated by France or Portugal, as the case may be.

Section II

**Beet sugar**

*Article 33*

This chapter lays down detailed rules for applying the aid for the processing into white sugar of sugarbeet harvested in the Azores provided for in Article 28(2) of Regulation (EC) No 1453/2001.

*Article 34*

1. Processing undertakings shall submit their applications in writing to the competent authorities. Applications shall indicate the quantity of white sugar produced from sugarbeet harvested in the Azores and shall be accompanied by:
- (a) proof of purchase of the sugarbeet from each producer who has delivered the sugarbeet that has been processed; and
- (b) a written undertaking not to refine raw sugar during the period when sugarbeet is being processed into white sugar.

2. The aid referred to in paragraph 1 shall be paid only after it has been established that white sugar has been produced from the sugarbeet harvested in the Azores.

*Article 35*

Portugal shall take all the measures necessary to ensure that the aid is granted only up to the maximum referred to in Article 28 of Regulation (EC) No 1453/2001.

CHAPTER III

**Wine**

Section I

**Aid for the purchase of rectified concentrated musts and wine alcohol in Madeira**

*Article 36*

1. Producers established in the Madeira island group wishing to qualify for aid for the purchase of rectified concentrated musts for use in wine-making to sweeten Madeira liqueur wines, or aid for the purchase of wine alcohol, under Article 20(2) and (3) of Regulation (EC) No 1453/2001, shall submit to the competent body, by a date specified by the latter, which may not be later than 31 October, an application containing at least the following:

- a copy of the contract for the purchase of rectified concentrated musts or wine alcohol elsewhere in the Community,
- the quantity of rectified concentrated musts or wine alcohol for which aid is requested, expressed in hectolitres and in % vol,
- the date of taking over of the musts or wine alcohol,
- the date set for the start of the operations to prepare liqueur wines, and the place at which these operations are to be carried out.

2. The aid is hereby fixed at EUR 12,08 per hectolitre.

3. The aid shall be paid for the purchase of a maximum quantity of 3 600 hectolitres of rectified concentrated musts and a maximum quantity of 8 000 hectolitres of wine alcohol in each marketing year.

*Article 37*

1. The competent body shall take all necessary steps to verify the accuracy of the applications and check that the rectified concentrated musts and the wine alcohol covered by the aid applications are actually used in the proper way.
2. The competent body shall pay the aid to the producer before the end of the wine year concerned, without prejudice to any delays caused by further checks.

## Section II

**Aid for the ageing of Madeira liqueur wines and Azores wine**

## Article 38

1. Aid for the ageing of Madeira liqueur wines and Azores 'verdelho' wine, as provided for in Article 20(5) and Article 31 of Regulation (EC) No 1453/2001, shall be paid for all quantities of wine placed in storage for the purpose of ageing on the same date and aged for an uninterrupted period of at least five years in the case of Madeira and three years in the case of the Azores.

2. Aid for the ageing of Madeira liqueur wine and Azores wine shall be granted to producers in those regions who submit an application to the competent body during the first two months of each year.

3. The aid shall be granted by priority for wine from the most recent harvest. Applications for wines produced during previous marketing years shall be accepted where the maximum quantities laid down in Regulation (EC) No 1453/2001 are not reached, with priority being given to the youngest wines.

4. Where the overall quantity covered by applications exceeds the maximum quantities laid down in Regulation (EC) No 1453/2001, a reduction coefficient shall be applied. The total quantity of product for which a producer submits an aid application may not exceed that covered for the marketing year in question by a production declaration as provided for in Regulation (EC) No 1282/2001.

5. The Portuguese authorities shall make known to the Commission:

- the overall quantities for which contracts have been concluded each year,
- the detailed rules for applying this paragraph.

6. Operators wishing to qualify for the aid scheme shall conclude with the competent body an ageing contract for no less than five years in the case of Madeira and three years in the case of the Azores.

7. Contracts shall be concluded on the basis of an aid application submitted once only at the start of the period referred to above. Applications shall contain at least the following:

- (a) the name and address of the applicant producer;
- (b) the number of batches covered by the ageing contract and precise particulars of each batch (in particular the tank number, the quantity stored, and the exact location);
- (c) for each batch, the harvest year, the technical characteristics of the liqueur wine concerned and, in particular, its total alcoholic strength, actual alcoholic strength, sugar content, total acidity and volatile acidity;
- (d) for each batch, the type of container;

(e) for each batch, the first and last day of the storage period.

8. Correct performance of the ageing contract shall confer entitlement to payment of the overall amount of the aid determined when the contract is signed. In Madeira, one third of the aid shall be paid in the first, third and fifth years of storage. In the Azores, one third of the aid shall be paid in each storage year.

9. Acceptance of the contract shall be subject to the lodging of a performance guarantee corresponding to 40 % of the overall amount of the aid covering the contract period. The guarantee shall be lodged in accordance with Commission Regulation (EEC) No 2220/85 of 22 July 1985 laying down common detailed rules for the application of the system of securities for agricultural products <sup>(1)</sup>.

10. The competent body shall ensure that the terms of the ageing contract are observed by checking the producers' records and carrying out on-the-spot inspections.

11. Performance guarantees shall be released when it is established that the contract has been properly performed.

12. Where the competent body finds that the liqueur wine covered by a contract is unsuitable for offering for sale or using for direct human consumption, it shall terminate the contract. Except in cases of *force majeure*, termination of the contract shall entail the recovery of aid amounts paid and forfeiture of the performance guarantee. The circumstances of *force majeure* relied upon shall be notified to the competent body within three working days following the date on which they occur.

## TITLE IV

## CHAPTER I

**Local marketing**

## Article 39

**Scope**

This chapter lays down detailed rules for applying the aid granted for fruit, vegetables, flowers and live plants harvested or produced locally and intended to supply the markets of the respective production regions, as provided for in Article 12(1) of Regulation (EC) No 1452/2001, Article 5(1) of Regulation (EC) No 1453/2001 and Article 9(1) of Regulation (EC) No 1454/2001.

## Article 40

**Entitlement to aid**

1. The lists of the products qualifying for the aid referred to in Article 39, classified by category, shall be as fixed in column II of Annexes II, III, IV and V for the French overseas departments, the Azores, Madeira and the Canary Islands, respectively.

<sup>(1)</sup> OJ L 205, 3.8.1985, p. 5.

2. The products shall be covered by supply contracts as referred to in Article 41 and comply with the standards established in accordance with Title I of Regulation (EC) No 2200/96 as regards fruit and vegetables or, where no such standards have been adopted, the quality specifications contained in the contracts.

3. The aid shall be granted up to the annual quantities for each product category set out in column III of Annexes II, III, IV and V.

4. The aid amounts applicable for each product category shall be as fixed in columns IV and V of Annexes II, III, IV and V. The amounts shown in column V shall apply to producer organisations recognised in accordance with Articles 11 and 14 of Regulation (EC) No 2200/96. The amounts shown in column IV shall apply to other producers.

5. Where the supply requirements of the French overseas departments for one or more products so require, the competent authorities shall grant the aid for the supply to a department other than the department in which the product is harvested.

#### Article 41

##### Supply contracts

1. Supply contracts shall be concluded between individual producers, producer groups or producer organisations on the one hand and approved operators as referred to in Article 42 on the other hand.

Contracts shall include in particular:

- (a) the business names of the parties to the contract;
- (b) a precise description of the products covered;
- (c) the total quantity to be supplied and the forecast delivery schedule;
- (d) the references and areas of the parcels on which the products are grown and the names and addresses of each grower concerned;
- (e) the duration of the undertaking;
- (f) the packaging and presentation method and information relating to transport (conditions and costs);
- (g) the exact delivery stage.

2. Contractors may increase the quantity initially specified in the contract by no more than 30 %, by means of an amendment in writing to the contract.

3. Contracts and amendments thereto shall be signed before the start of the deliveries concerned and before a deadline set by the competent authorities, which may differ for each product.

4. The competent authorities may adopt additional provisions concerning contracts, in particular regarding compensation in the event of failure to observe contractual obligations or to fix a minimum quantity for each contract. Where adminis-

tration of the aid scheme so requires, the competent authorities may specify marketing periods or years other than those referred to in Article 53 for each product.

#### Article 42

##### Approved operators

1. Economic operators in the wholesale or retail food trade or in catering, local authorities and, in the Azores, Madeira and the Canary Islands, food processors, wishing to participate in the aid scheme shall submit applications for approval to the body designated by the competent authorities before a date set by the latter. That body shall lay down the conditions for approval and shall publish each year a list of approved operators, not less than one month before the deadline for the signing of contracts.

2. The approved operators shall give an undertaking to:

- (a) market or, in the case of the Azores, Madeira and the Canary Islands, process the products covered by the supply contracts exclusively in the production region;
- (b) keep separate accounts covering the performance of the supply contracts;
- (c) provide the competent authorities, at the request of the latter, with all supporting documentation concerning the performance of the contracts and fulfilment of the undertakings made under this Regulation.

#### Article 43

##### Declarations

Individual producers, producer groups and producer organisations wishing to qualify under the aid scheme shall send a declaration together with a copy of the contract referred to in Article 41 to the department designated by the competent authorities before a date set by the latter.

#### Article 44

##### Reduction coefficient

1. Where the documents referred to in Article 43 indicate that the quantities provided for in Article 40(3) are likely to be exceeded, the competent authorities shall fix a provisional reduction coefficient to be applied to all aid applications concerning the category concerned and shall inform the interested parties thereof. The coefficient, which shall be the ratio between the quantities shown in column III of Annexes II, III, IV and V and the quantities covered by the contracts and any amending clauses, shall be set before any decision is taken to grant the aid and at the latest one month after the deadline referred to in Article 41(3).

2. Where paragraph 1 is applied, at the end of the marketing year the competent authorities shall establish the definitive reduction coefficient to be applied to all aid applications covering the product category concerned submitted during the marketing year.

## CHAPTER II

**Marketing outside the production region**

## Section I

**Rice, fruit, vegetables, plants and flowers and potatoes**

## Article 45

**Scope**

This section lays down detailed rules for applying the following aid schemes:

- (a) the aid referred to in Article 5 of Regulation (EC) No 1452/2001;
- (b) the aid referred to in Article 15 of Regulation (EC) No 1452/2001;
- (c) the aid referred to in Article 6 of Regulation (EC) No 1453/2001;
- (d) the aid referred to in Article 30(3) of Regulation (EC) No 1453/2001;
- (e) the aid referred to in Article 10 of Regulation (EC) No 1454/2001.

## Article 46

**Annual contracts**

1. 'Annual contract' shall mean a contract by which an operator, either a natural person or a legal entity established elsewhere in the Community, outside the outermost region of production, undertakes, before the beginning of the marketing period for the product or products concerned, to purchase all or part of the production of an individual producer, a member of a producer group or a producer organisation in the outermost regions, with a view to marketing it outside the production region.

2. Operators who intend to submit an application for aid shall send the annual contract to the competent French, Portuguese or Spanish authorities, as the case may be, before the start of the marketing period for the product or products concerned.

Contracts shall include at least the following information:

- (a) the business names of the contracting parties and their places of establishment;
- (b) a precise description of the products covered;
- (c) the total quantity to be supplied and the forecast delivery schedule;
- (d) the references and areas of the parcels on which the products are grown and the names and addresses of each grower concerned;
- (e) the duration of the undertaking;
- (f) the packaging and presentation method and information relating to transport (conditions and costs);

- (g) the exact delivery stage.

Contractors may increase the quantity initially specified in the contract by no more than 30 %, by means of an amendment in writing to the contract.

3. The competent authorities shall assess the contracts for compliance with the relevant provisions referred to in Article 45 and with this section. They shall verify that the contracts contain all the information specified in paragraph 2. They shall inform the operator whether Article 48 is likely to be applied.

4. For the purpose of calculating the aid, the value of marketed production, delivered to destination zone, shall be evaluated on the basis of the annual contract, the particular transport documents and any other supporting documents submitted to justify the application for payment. The value of the marketed production to be taken into account shall be that of a delivery to the first port or airport of unloading. The competent authorities may request any information or additional supporting documentation appropriate for calculating the aid.

5. Applications for aid shall be submitted by the buyer or, in cases as referred to in Article 6 of Regulation (EC) No 1453/2001, by the seller who has signed an undertaking to market the product. Where administration of the aid scheme so requires, the competent authorities may specify marketing periods or years other than those referred to in Article 53 for each product.

## Article 47

**Marketing flowers and plants produced in the Azores and Madeira**

1. For the purposes of Article 6 of Regulation (EC) No 1453/2001 as regards marketing flowers and plants produced in the Azores and Madeira elsewhere in the Community, individual producers, producer groups and producer organisations as referred to in Articles 11, 13 and 14 of Regulation (EC) No 2200/96 wishing to participate in the aid scheme shall submit their applications to the body designated by the competent Portuguese authorities before a date to be determined by the latter.

That body shall lay down the conditions for approval and shall publish each year a list of approved individual producers, producer groups or producer organisations, at least one month before the beginning of the marketing period.

2. Individual producers, producer groups and producer organisations as referred to above wishing to qualify under the aid scheme shall send a declaration to the office designated by the competent authorities before the beginning of the marketing period of the products concerned, undertaking in particular:

- (a) to market the flowers and plants only elsewhere in the Community;
- (b) to notify the names of the contracting firms or intermediaries and their place of establishment;

- (c) to indicate, in particular:
- the plants and flowers to be marketed,
  - the references and areas of the parcels, identified in accordance with Articles 4 and 5 of Regulation (EEC) No 3508/92, on which the products concerned are grown and, in the case of producer organisations, the names and addresses of each grower concerned; the parcel references need not be notified in the case of dried flowers falling within CN code 0603 90 00;
- (d) to indicate the packaging and presentation method and information relating to transport (conditions and costs) and the exact delivery stage;
- (e) to keep separate accounts covering the conduct of the sales referred to in this Article;
- (f) to provide the competent Portuguese authorities, at the request of the latter, with all supporting documentation concerning the conduct of the sales referred to in this article and fulfilment of the undertakings made under this Regulation.

3. For the purpose of calculating the aid, the value of marketed production, delivered to destination zone, shall be evaluated on the basis of the particular transport documents and any other supporting documents submitted to justify the application for payment. The value of the marketed production to be taken into account shall be that of a delivery to the first port or airport of unloading. The competent authorities may request any information or additional supporting documentation appropriate for calculating the aid.

4. Aid applications shall be submitted by individual producers, producer groups or producer organisations as referred to in Articles 11, 13 and 14 of Regulation (EC) No 2200/96 who have undertaken to market the product. Where administration of the aid scheme so requires, the competent authorities may specify marketing periods or years other than those referred to in Article 53 for each product.

#### Article 48

#### Reduction coefficient

1. Where the quantities covered by aid applications for a given product exceed the volume laid down in Article 15(1) of Regulation (EC) No 1452/2001 or, in the case of melons falling within CN code ex 0807 10 90 and pineapples falling within CN code 0804 30 00, the limit laid down in paragraph 6 of that Article or the limits laid down in Article 10(2) of Regulation (EC) No 1454/2001, the competent authorities shall determine a standard percentage reduction to be applied to all aid applications.

2. For rice from French Guiana:

- (a) if necessary, the competent French authorities shall fix a standard reduction coefficient to be applied to the applications concerned to ensure that the quantity for which aid is granted each year, expressed in terms of milled rice equivalent, does not exceed 12 000 tonnes for all quantities covered by applications and, within that ceiling, that the quantities disposed of elsewhere in the Community outside Guadeloupe and Martinique do not exceed 4 000 tonnes;

- (b) the standard reduction coefficient shall be calculated as follows:

- (i) where the total quantity covered by aid applications is less than 12 000 tonnes but the quantity of rice disposed of or marketed elsewhere in the Community outside Guadeloupe and Martinique exceeds the maximum volume of 4 000 tonnes, the coefficient *i* obtained from the following formula shall be applied to the latter quantities only:

$$i = \frac{4\,000}{x}$$

where:

*x* = the quantity of rice from French Guiana actually disposed of and marketed elsewhere in the Community outside Martinique and Guadeloupe;

- (ii) where the total quantity covered by aid applications exceeds 12 000 tonnes but the quantity of rice disposed of or marketed elsewhere in the Community outside Guadeloupe and Martinique is less the maximum volume of 4 000 tonnes, the coefficient *j* obtained from the following formula shall be applied to all quantities:

$$j = \frac{12\,000}{y}$$

where:

*y* = the total quantity of rice from French Guiana covered by aid applications;

- (iii) where the total quantity covered by aid applications exceeds 12 000 tonnes and the quantity of rice disposed of or marketed elsewhere in the Community outside Guadeloupe and Martinique exceeds the maximum volume of 4 000 tonnes, the coefficient *z* obtained from the following formula shall be applied:

$$z = \frac{12\,000}{(i \times x) + k}$$

where:

*x* = the quantity of rice from French Guiana actually disposed of and marketed elsewhere in the Community outside Martinique and Guadeloupe;

*i* = the reduction coefficient to be applied to aid applications for the quantity of rice from French Guiana actually disposed of and marketed elsewhere in the Community other than in Martinique and Guadeloupe referred to at (i),

*k* = the quantity of rice from French Guiana actually disposed of and marketed in Martinique and Guadeloupe.

The competent French authorities shall immediately notify the Commission when this paragraph is applied, and of the quantities involved;

- (c) aid shall be paid for quantities actually disposed of and marketed under an annual contract or contracts in accordance with the applicable provisions;
- (d) for the purposes of this Article, the coefficient for the processing of:
- paddy rice into wholly-milled rice is fixed at 0,45,
  - husked rice into wholly-milled rice is fixed at 0,69,
  - semi-milled rice into wholly-milled rice is fixed at 0,93.

#### Article 49

### Joint ventures

The increase in aid provided for in Article 15(4) of Regulation (EC) No 1452/2001, Article 6(4) of Regulation (EC) No 1453/2001 and Article 10(4) of Regulation (EC) No 1454/2001 shall be paid on presentation of proof of the commitments entered into by the partners for a period of not less than three years to pool the knowledge and know-how required to achieve the objective of the joint venture. These commitments shall include a clause prohibiting cancellation of the contract before the end of the aforementioned three-year period.

Where the aforementioned commitments are broken, the operator may not submit an application for aid for the marketing year concerned.

#### Article 50

### Reconsignment and re-export of rice

1. Products receiving aid under Article 5 of Regulation (EC) No 1452/2001 may not be exported; in addition, products disposed of and marketed in Guadeloupe and Martinique may not be reconsigned to the rest of the Community.

Products disposed of and marketed elsewhere in the Community on which the aid referred to in the first subparagraph has been paid may not be reconsigned to Guadeloupe, Martinique or French Guiana.

2. The competent authorities shall take all the necessary monitoring measures to ensure compliance with paragraph 1. Such measures shall include, in particular, unannounced physical checks. The Member State concerned shall notify the Commission of the measures taken to this effect.

## Section II

### Madeira wine

#### Article 51

1. The aid referred to in Article 20(6) of Regulation (EC) No 1453/2001 shall be granted up to and including the end of the 2005/06 wine year.

2. Where the aid is applied for in respect of containers of less than one litre, a reduction coefficient shall be applied to take account of the volume of the bottle.

3. The aid shall be paid to shippers who submit an application to the competent body for each lot for the period laid down by that body.

4. Applications shall contain at least the following:

- a copy of section 3 of the accompanying administrative document (AAD), duly completed, with particulars of the consignor and the consignee (name, address, country), the volume of wine dispatched in litre equivalent, the customs code description, the stamp of the Madeira Wine Institute certifying the product and the stamp of the Madeira customs authorities certifying that the product has left the territory,
- a copy of the invoice from the carrier/shipping agent showing the final destination or the marine bill of lading,
- a copy of the invoice to the buyer showing the volume in litre equivalent, which must correspond to that shown on the AAD.

## TITLE V

### STUDIES

#### Article 52

1. The contract to carry out the studies referred to in Article 7 of Regulation (EC) No 1453/2001 and in Article 11 of Regulation (EC) No 1454/2001 shall be awarded by invitation to tender on the responsibility of the competent authorities.

2. The draft invitation to tender, including the specifications, shall be sent to the Commission by the competent authorities. The Commission shall make known its observations, if any, within a period of one month following the date of receipt of the draft.

3. The competent authorities shall forward the final study to the Commission, which shall make any comments known within 45 days following receipt of the study.

4. The Community's financial contribution shall be paid subject to:

- compliance with Article 7 of Regulation (EC) No 1453/2001 or Article 11 of Regulation (EC) No 1454/2001, the specifications and any observations made,
- payment of the contribution from the Spanish or Portuguese public authorities.



## TITLE VI

## GENERAL AND FINAL PROVISIONS

## CHAPTER I

**Aid applications**

## Article 53

**Marketing years**

Marketing years shall run from 1 January to 31 December, except for wine.

## Article 54

**Submission of applications and payment of aid**

1. Without prejudice to Articles 5, 25, 34 and 36, aid applications shall be submitted to the office designated by the competent authorities of the Member State in accordance with the models established by the latter and within the periods they have laid down. For the aid covered by Title I, those periods shall be fixed so as to allow time for the necessary on-the-spot checks.

2. Each aid application shall include at least the following information:

- (a) the surname, forenames and address of the applicant;
- (b) for the aid covered by Title I, the areas cultivated in hectares and in ares, identified in accordance with Articles 4 and 5 of Regulation (EEC) No 3508/92;
- (c) for the aid covered by Chapter I of Title II, the quantity of pineapples harvested and the quantity covered by the aid application;
- (d) for the aid covered by Chapter III of Title II, applications shall be accompanied by cane delivery notes drawn up by the competent bodies or the processing enterprises designated by France for each department;
- (e) for the aid covered by Chapter II of Title II, Chapter I of Title III and Chapters I and II of Title IV, applications shall be accompanied by grouped or individual invoices and all other supporting documents relating to the operations carried out, in particular the references of delivery contracts, processing contracts or annual contracts.

3. Without prejudice to Articles 6 and 9, after verifying the aid applications and the relevant supporting documents, the competent authorities shall pay the aid calculated in accordance with this Regulation within three months following the end of the period for lodging applications.

Where more than one harvest is possible during the course of a calendar year in the context of the crops covered by Chapter I of Title I, the deadline fixed in the first subparagraph shall start to run from the end of the period for submitting aid applications for the last harvest of the year concerned.

4. The Member States may adopt additional rules regarding how producer organisations are to pay the aid covered by Title IV to their members.

## Article 55

**Correction of obvious errors**

An aid application may be adjusted at any time after its submission, in cases of where the competent authority recognises an obvious error.

## Article 56

**Late submission**

Except in cases of *force majeure* and exceptional circumstances within the meaning of Article 65, submission of an aid application after the time limit laid down in accordance with Article 54(1) shall lead to a 1 % reduction per working day in the amounts to which the grower would have been entitled if the aid application had been lodged within the time limit. If the delay amounts to more than 25 calendar days, the application shall be considered inadmissible.

## Article 57

**Withdrawal of aid applications**

1. An aid application may be totally or partially withdrawn at any time. However, where the competent authority has already informed the grower of irregularities in the aid application or has given notice to the grower of its intention to carry out an on-the-spot check, and where this check reveals irregularities, withdrawals shall not be authorised in respect of the parts of the aid application affected by the irregularities.

2. Withdrawals under paragraph 1 shall return the claimant to the situation prior to submitting the aid application or part of the aid application in question.

## CHAPTER II

**Checks**

## Article 58

1. Verifications shall be carried out by means of administrative and on-the-spot checks. Administrative checks shall be exhaustive and shall include cross-checks wherever appropriate with, *inter alia*, data from the integrated administration and control system. Based on a risk analysis, the national authorities shall perform on-the-spot checks by sampling at least 10 % of aid applications.

In all appropriate cases, Member States shall make use of the integrated administration and control system established by Regulation (EEC) No 3508/92.

2. For the aid covered by section I of Chapter II of Title III, checks shall also cover the quantity of cane delivered and compliance with the minimum price.

#### Article 59

### General principles

1. On-the-spot checks shall be unannounced. However, provided that the purpose of the check is not compromised, advance notice limited to the strict minimum necessary may be given. Such notice shall not exceed 48 hours, except in duly justified cases.

2. Where applicable, the on-the-spot checks provided for in this Regulation shall be carried out at the same time as any other checks provided for in Community rules.

3. The application or applications concerned shall be rejected if growers or their representatives prevent an on-the-spot check from being carried out.

#### Article 60

### Selection of applications to be checked on the spot

1. Growers shall be selected to undergo on-the-spot checks by the competent authority on the basis of a risk analysis and the representativeness of the aid applications submitted. The risk analysis shall take account of:

- (a) the amount of aid involved;
- (b) the number of agricultural parcels, the area covered by the application or the quantity produced, transported, processed or marketed;
- (c) changes from the previous year;
- (d) the findings of checks made in past years;
- (e) other parameters to be determined by the Member States.

To provide the element of representativeness, the Member States shall randomly select between 20 % and 25 % of the minimum number of growers to be subject to on-the-spot checks.

2. The competent authority shall keep records of the reasons for the selection of each grower for an on-the-spot check. The inspector performing the on-the-spot check shall be informed of these reasons before starting it.

#### Article 61

### Inspection report

1. Every on-the-spot check shall be the subject of an inspection report relating the details of the checks carried out. Reports shall indicate in particular:

- (a) the aid schemes and applications checked;
- (b) the persons present;
- (c) the agricultural parcels checked, the agricultural parcels measured, the results of the measurements per measured parcel and the measuring methods used;
- (d) the quantities produced, transported, processed or marketed covered by the check, the findings and the methods used;
- (e) whether advance notice was given to the grower of the visit and, if so, how much;
- (f) any further inspection measures carried out.

2. Growers or their representatives shall be given the opportunity to sign the report to attest their presence at the check and to add observations. Where irregularities are found the grower shall receive a copy of the control report.

Where the on-the-spot check is carried out by remote sensing, the Member States may decide not to give the growers or their representatives the opportunity to sign the control report if no irregularities are revealed during the check by remote-sensing.

#### CHAPTER III

### Consequences of undue payments

#### Article 62

### Recovery of undue payments

1. If undue payment is made, the grower shall repay the amount in question plus interest calculated in accordance with paragraph 3.

2. The Member States may decide to recover an undue payment by deducting that amount from any advances or payments made to the grower under other aid schemes following the date of the decision to recover. However, the grower may repay the amount without waiting for the deduction.

3. Interest shall be calculated for the period elapsing between the notification of the repayment obligation to the grower and either repayment or deduction. The rate of interest applicable shall be calculated according to the provisions of national law but shall not be lower than the interest rate applicable for the recovery of amounts under the national provisions.

4. Where the undue payment has been made because of a false declaration, false documents or serious negligence on the part of the beneficiary, a penalty shall be imposed equal to the amount unduly paid, with interest calculated in accordance with paragraph 3.

5. The repayment obligation referred to in paragraph 1 shall not apply if the payment was made by error of the competent authority itself or of another authority and if the error could not reasonably have been detected by the grower.

However, where the error relates to factual elements relevant for the calculation of the payment concerned, the first subparagraph shall apply only if the decision to recover was not communicated within 12 months of the payment.

6. The repayment obligation referred to in paragraph 1 shall not apply if more than 10 years elapse between the date of the payment of the aid and the date on which the beneficiary is first notified by the competent authority that the payment made was undue.

However, the period referred to in the first sentence shall be limited to four years if the beneficiary has acted in good faith.

7. Amounts to be recovered as a consequence of reductions and exclusions applied under this title shall be subject to a period of limitations of four years.

8. Paragraphs 5 and 6 shall not apply in the case of advances.

9. The Member States may decide not to recover amounts of EUR 100 or less, not including interest, per grower and per premium period, provided that their national law provides for non-recovery in such cases.

10. The aid recovered shall be paid to the paying agencies or departments and deducted by them from the expenditure financed by the European Agricultural Guidance and Guarantee Fund.

#### Article 63

#### **Reductions and exclusions in cases of overdeclaration for area aid**

1. In the case of aid covered by Title I, where the area declared for a group of crops exceeds the area recorded during the check, the aid shall be calculated on the basis of the area recorded, minus twice the difference found, where this is more than 3 % or two hectares but not more than 20 % of the area determined.

Where the difference found is more than 20 % of the area recorded, no area aid shall be granted for the group of crops concerned.

2. If, in respect of the overall area determined covered by an aid application under the aid schemes covered by Title I, the declared area exceeds the area found by more than 30 %, the aid which the grower could claim under those aid schemes shall be refused for the calendar year concerned.

If the difference is more than 50 %, the grower shall also be penalised by an amount equal to the amount refused under the first subparagraph. That amount shall be withheld from aid payments under any of the aid schemes covered by this Regulation or to which the grower is entitled under applications lodged during the three calendar years following the year of the finding.

#### Article 64

#### **Exemptions from the application of reductions and exclusions**

1. The reductions and exclusions provided for in this title shall not apply where growers have submitted factually correct information or can show otherwise that they are not at fault.

2. The reductions and exclusions provided for in this title shall not apply to those parts of an aid application which the grower informs the competent authority in writing are incorrect or have become incorrect since it was lodged, provided that the competent authority has not already informed the grower of its intention to carry out an on-the-spot check or of any irregularity in the application.

On the basis of the information given by the grower as referred to in the first subparagraph, the aid application shall be adjusted to reflect the actual situation.

#### Article 65

#### **Force majeure and exceptional circumstances**

1. Growers shall notify the competent authority in writing of cases of *force majeure* or exceptional circumstances, with relevant evidence to the satisfaction of that authority, within 10 working days of the date on which they are first in a position to do so.

2. The competent authority may recognise exceptional circumstances in cases such as, for example:

- (a) the death of the grower;
- (b) long-term occupational incapacity of the grower;
- (c) a severe natural disaster substantially affecting the holding's agricultural land.

#### Article 66

#### **Withdrawal of approval**

The national authorities shall withdraw approval as referred to in Article 42 where the commitments to which such approval is subject are not fulfilled. They may suspend the payment of aid for one or more marketing years depending on the seriousness of the irregularities uncovered.

## CHAPTER IV

**General provisions**

## Article 67

**Additional national measures**

The Member States shall adopt all additional measures needed to apply this Regulation, in particular regarding the checks on quantities of cane delivered for the purposes of the aid covered by Chapter III of Title II.

## Article 68

**Notifications**

1. The Member States concerned shall notify the Commission not later than:

- (a) 30 April, of the areas covered by applications for aid under Chapter II of Title I for the current marketing year and for which the aid has actually been paid;
- (b) 31 May:
  - of the areas covered by applications for aid under Chapter I of Title I for the previous marketing year for which the aid has actually been paid,
  - the quantities covered by contracts for the current marketing year, broken down by category or product;
- (c) 30 June, a report on the implementation of the measures covered by this Regulation in the preceding marketing year showing in particular:
  - the quantities for which the aid and increased aid covered by Title III has been paid, broken down by product set out in part A of Annex II, III or IV,
  - the quantities qualifying for the aid covered by Title IV, broken down by product, and their average value within the meaning of Article 40(4);
- (d) for the aid covered by section II of chapter II of Title III, within 45 working days following the end of each marketing year, Portugal shall notify the Commission:
  - of the areas and the overall amount for which the flat-rate aid per hectare has been requested and paid,
  - of the quantities of white sugar produced and the overall amount of the special processing aid paid;
- (e) for the aid covered by section I of Chapter II of Title III, within 45 days of the end following the end of each calendar year, France and Portugal shall notify the Commission:
  - of the total quantities of sugar syrup, sucrose syrup and agricultural rum covered by aid applications, expressed as white sugar or hectolitres of pure alcohol,

- of the refineries and distilleries in receipt of aid,
- of the aid received and the quantity of sugar syrup, sucrose syrup or agricultural rum produced by each refinery or distillery.

2. Before the beginning of each marketing year, France shall notify the minimum prices referred to in Title II, fixed in accordance with Article 13 of Regulation (EC) No 1452/2001 for each category of products set out in Annex I and shall specify in its implementation report:

- the quantities of green vanilla and essential oil of geranium and vetiver qualifying for the aid covered by Chapter II of Title II,
- the quantities of raw materials qualifying for the aid covered by Chapter I of Title III, broken down by product as set out in part A of Annex I, and the quantities, expressed in net weight, of finished products broken down in accordance with part B of Annex I.

3. Portugal shall notify the Commission before 1 November each year of the quantities of pineapples harvested for which aid has been paid.

4. The Member States shall inform the Commission immediately of cases which they recognise as *force majeure* or exceptional circumstances justifying continued entitlement to the aid.

5. For the aid covered by Chapter III of Title II, France shall notify the Commission:

- (a) within four months following the entry into force of this Regulation:
  - of the criteria for determining the unit amounts granted to producers,
  - of the additional measures adopted under Article 67;
- (b) in the annual report provided for in Article 27 of Regulation (EC) No 1452/2001, for each department:
  - of the total quantities of cane, expressed in tonnes, covered by aid applications,
  - of the total amount of the aid and the variation in the amounts of aid per tonne transported,
  - of any changes to the criteria and additional measures referred to in point (a).

## Article 69

**Producer organisations in the French overseas departments**

Annex I to Regulation (EC) No 412/97 is hereby replaced by Annex VI to this Regulation

## CHAPTER V

**Final provisions**

## Article 70

**Repeal**

Regulations (EEC) No 980/92, (EEC) No 2165/92, (EEC) No 2311/92, (EEC) No 3491/92, (EEC) No 3518/92, (EC) No 1524/98, (EC) No 2477/2001, (EC) No 396/2002, (EC) No 738/2002, (EC) No 1410/2002 and (EC) No 1491/2002 are hereby repealed.

## Article 71

**Entry into force and application**

This Regulation shall enter into force on the third day following its publication in the *Official Journal of the European Communities*.

It shall apply from 1 January 2002, except for the aid referred to in Article 1(b), (c), (f) and (g) and the aid for bananas other than plantains produced in French Guiana and Réunion granted under Chapter I of Title IV, which shall apply from 1 January 2002.

Article 53 shall not apply to annual contracts concluded before the entry into force of this Regulation under Article 15 of Regulation (EC) No 1452/2001, Article 6 of Regulation (EC) No 1453/2001 or Article 10 of Regulation (EC) No 1454/2001.

For 2003, for the purposes of determining the amount of aid to be granted under Article 12(1) of Regulation (EC) No 1452/2001, Article 5(1) of Regulation (EC) No 1453/2001 and Article 9(1) of Regulation (EC) No 1454/2001, the beneficiary's status shall be assessed at the time the aid application is lodged.

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

Done at Brussels, 23 December 2002.

For the Commission

Franz FISCHLER

Member of the Commission

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## ANNEX I

## FRENCH OVERSEAS DEPARTMENTS

## Part A

Products referred to in Article 13 of Regulation (EC) No 1452/2001

Maximum quantities per marketing year as referred to in Article 13(2) of Regulation (EC) No 1452/2001

Amounts of aid as referred to in Article 13(2) of Regulation (EC) No 1452/2001

Column I	Column II		Column III	Column IV
Product categories	CN code	Product	Quantities (tonnes)	Aid (EUR/tonne)
A	ex 0703 10	Onions for rougail and achards	8 320	216
	ex 0706 10 00	Carrots for rougail and achards		
	ex 0709 90 90	Chayotes, breadfruit		
	0803 00 11	Plantains (all French overseas departments)		
	0803 00 19	Bananas other than plantains (French Guiana and Réunion)		
	0804 30 00	Pineapples (except Martinique)		
	0810 10	Strawberries		
	ex 0810 90 95	Strawberry guavas		
ex 0810 90 95	Ambarellas			
B	ex 0704 90	Cabbage for rougail and achards	1 550	354
	ex 0709 90 90	Turban squash		
	0714 10	Manioc		
	0714 20 10	Sweet potatoes		
	ex 0714 90	Dachines		
	ex 0805 20	Tangor mandarins		
	0805 50 90	Limes		
	0807 20 00	Pawpaws		
	ex 0810 90 30	Jackfruit, lychees, rambutans		
	ex 0810 90 40	Carambolas		
	ex 0810 90 95	Antilles apricots, Surinam cherries, soursops		
ex 0804 50 00	Guavas			
C	0703 20 00	Garlic for rougail and achards	560	412
	0709 60 99	Peppers		
	0708 20 00	Beans for rougail and achards		
	ex 0714 90	Yams		
	ex 0804 50 00	Mangoes		
	ex 0805 90 00	Combava		
ex 0810 90 40	Passion fruit, maracujas and granadillas			

## Part B

Products as referred to in Article 13(2)

CN code	Product
ex 0710	Vegetables, frozen, uncooked
ex 0712	Dried vegetables
ex 0714	Dried vegetables
2001	Fruit and vegetables preserved in vinegar or acetic acid
2004 90 98	Frozen vegetables
ex 2005 90	Vegetable preserves and vegetables, vacuum sterilised
ex 2006 00	Fruit preserved in sugar
2007	Jams, fruit jellies, marmalades, fruit or nut puree and paste
ex 2008	Fruit pulps
2009	Fruit juices
2008 20	Pineapples (except in Martinique)

## ANNEX II

## FRENCH OVERSEAS DEPARTMENTS

Products as referred to in Article 12(1) of Regulation (EC) No 1452/2001

Maximum quantities as referred to in Article 12(1) of Regulation (EC) No 1452/2001 per period from 1 January to 31 December

## FRUIT AND VEGETABLES

Column I	Column II		Column III	Column IV	Column V
Product categories	CN code	Product	Quantities (tonnes)	Aid (EUR/tonnes)	
A	0701 90	Potatoes	7 800	80 <sup>(1)</sup>	160
	ex 0706 10	Carrots			
	ex 0707 00 05	Cucumbers			
	0709 90 90	Chayotes, breadfruit			
	0803 00 11	Plantains (all French overseas departments)			
	0803 00 19	Bananas other than plantains (French Guiana and Réunion)			
	0804 30 00	Pineapples			
	0807 11 00	Water melons			
B	0702 00 00	Tomatoes	13 000	120 <sup>(2)</sup>	241
	ex 0703 10	Onions			
	ex 0704	Cabbage			
	ex 0705	Lettuce			
	0709 90 10	Salad vegetables other than lettuce and chicory			
	0709 30 00	Aubergines			
	0714 20 10	Sweet potatoes			
	0709 90 70	Courgettes			
	ex 0714 90 11	Dasheens, taro			
	ex 0709 60 10	Sweet peppers			
	ex 0709 60 99	Other peppers			
	ex 0709 90 90	Turban squash			
	0804 40 00	Avocados			
	ex 0804 50 00	Mangoes			
	ex 0805	Citrus fruit (oranges, mandarins, lemons and limes, grapefruit and pomelos)			
	0807 19 00	Melons			
	0807 20 00	Papayas			
ex 0810 90 30	Lychees, rambutans				
ex 0810 90 85	Strawberry guavas				
C	0703 20 00	Garlic	700	158 <sup>(3)</sup>	315
	0708 20	Green beans			
	0810 10	Strawberries			
	ex 0810 90 40	Passion fruit, maracuja, granadilla			
	0809 30	Peaches			
	ex 0714 90	Yams			
	0709 90 90	Gombo			
	ex 0910 10	Ginger			
	ex 0910 30 00	Turmeric (curcuma)			



- (<sup>1</sup>) However, the aid shall be:  
 — EUR 120/tonne for 2003,  
 — EUR 96/tonne for 2004.
- (<sup>2</sup>) However, the aid shall be:  
 — EUR 180/tonne for 2003  
 — EUR 145/tonne for 2004.
- (<sup>3</sup>) However, the aid shall be:  
 — EUR 236/EUR/tonne for 2003,  
 — EUR 189/tonne for 2004.

## FRESH CUT FLOWERS

Column I	Column II		Column III	Column IV	Column V
Product categories	CN code	Product	Quantities (units)	Aid (EUR/1 000 units)	
A	ex 0603 10 80	Tropical flowers (standard anthurium, alpinas, heliconias, porcelain rose, strelitzias)	2 640 000	150	157
	ex 0604 99 90	Foliage (arecas, cariotas)			
	0602 90 91	Flowering plants with buds or flowers			
C	ex 0603 10 80	Tropical flowers (hybrid anthurium, Canna indica)	2 500 000	300	315
	ex 0603 10 30	Orchids			
	0603 10 10	Roses			
	ex 0604 99 90	Foliage (dracaena, alocasia)			
	0602 90 91	Flowering plants (geranium, pelargonium, begonia, ...)			

## ANNEX III

## AZORES

Products as referred to in Article 5 of Regulation (EC) No 1453/2001

Maximum quantities as referred to in the fourth subparagraph of Article 5(1) of Regulation (EC) No 1453/2001 per period from 1 January to 31 December

## FRUIT AND VEGETABLES

Column I	Column II		Column III	Column IV	Column V
Product categories	CN code	Product	Quantities (tonnes)	Aid (EUR/tonne)	
A	0709 90 90	Other fruit and vegetables not mentioned elsewhere	60 000	100	200
	0701 90	Other potatoes			
	0703 10 19	Shallots			
	0704 10 00	Cauliflowers and headed broccoli			
	0704 90 90	Other cauliflowers not mentioned elsewhere			
	0704 90 10	Red cabbages			
	0704 10	Cauliflowers			
	0704 90 90	Chinese cabbages			
	0709 70 00	Spinach			
	0708 90 00	Other leguminous vegetables			
	0706 10 00	Turnips			
	0713 33	Kidney beans			
	0804 40 00	Avocados			
	0803 00	Bananas			
	0804 50 00	Guavas			
	0805 10	Oranges			
	0805 20	Mandarins/tangerines			
0805 50	Lemons				
B	0703 90 00	Leeks	10 000	150	300
	0709 40 00	Celery			
	0705	Lettuces and chicory			
	0709 90 20	Chard			
	0706 90 90	Beetroot			
	0714 20	Sweet potatoes			
	0714 90 90	Other potatoes			
	0706 90 90	Radishes			
	0707 00 05	Cucumbers			
	0709 90 60	Sweetcorn			
	0709 60	Peppers			
	0709	Other vegetables			

Column I	Column II		Column III	Column IV	Column V
Product categories	CN code	Product	Quantities (tonnes)	Aid (EUR/tonne)	
C	0709 90	Other	7 000	200	400
	0703 20 00	Garlic			
	0709 90 90	Other			
	0708 10 00	Peas			
	0708 20 00	Green beans			
	0709 90 90	Other			
	0709	Other vegetables not mentioned elsewhere			
	0810	Other fresh fruit			
	0808 10	Apples			
	0810	Kiwi			
	0805 20	Clementines			
	0805 30 90	Limes			
	0807 19 00	Other melons			
	0810	Maracujas			
	0810	Strawberries			
	0810	Other fresh fruit			
	0807 20 00	Papayas			
0806 10 10	Table grapes				
0802 40 00	Chestnuts				

Column I	Column II		Column III	Column IV	Column V
Product categories	CN code	Product	Quantities (tonnes)	Aid (EUR/tonne)	
A	0902	Orange pekoe tea	10	1 480	2 960
B	0902	Pekoe tea	10	1 090	2 180
C	0902	Broken leaf tea	5	440	880
A	0904	Peppers	20	230	460
A	0409 00	Honey	110	250	500

## LIVE PLANTS AND FLOWERS

Column I	Column II		Column III	Column IV	Column V
Product categories	CN code	Product	Quantities (tonnes)	Aid (EUR/tonne)	

## Category A: Bulbs and rhizomes

A1	0601 10	Bulbs and rhizomes with a value of EUR 0,10 to EUR 0,15 each	100 000	0,010	0,015
A2	0601 10	Bulbs and rhizomes with a value of EUR 0,16 to EUR 0,30 each	100 000	0,015	0,020

Column I	Column II		Column III	Column IV	Column V
Product categories	CN code	Product	Quantities (tonnes)	Aid (EUR/tonne)	
<b>Category B: Live flowers, cuttings and grafts</b>					
B1	0602	Live flowers, cuttings and grafts with a value of EUR 1 to EUR 3 each	46 000	0,20	0,25
B2	0602	Live flowers, cuttings and grafts with a value of EUR 3,01 to EUR 5 each	10 000	0,40	0,45
B3	0602	Live flowers, cuttings and grafts with a value of EUR 5,01 to EUR 10 each	1 000	0,70	0,75
B4	0602	Live flowers, cuttings and grafts with a value of EUR 10,01 to EUR 20 each	1 000	1,5	1,75
<b>Category C: Fresh flowers</b>					
C1	0603 10	Fresh flowers with a value of EUR 0,20 to EUR 0,40 each	65 000	0,030	0,035
C2	0603 10	Fresh flowers with a value of EUR 0,41 to EUR 0,70 each	30 000	0,055	0,060
C3	0603 10	Fresh flowers with a value of EUR 0,71 to EUR 1,5 each	25 000	0,22	0,30
C4	0603 10	Fresh flowers with a value greater than EUR 1,5 each	20 000	0,50	0,55
<b>Category D: Foliage, leaves and branches, fresh and dried</b>					
D1	0604	Foliage, leaves and branches, fresh and dried, with a value of EUR 0,05 to EUR 0,15 each	725 000	0,10	0,15
D2	0604	Foliage, leaves and branches, fresh and dried, with a value of EUR 0,16 to EUR 0,30 each	25 000	0,22	0,25
D3	0604	Foliage, leaves and branches, fresh and dried, with a value of EUR 0,31 to EUR 0,50 each	10 000	0,40	0,45
D4	0604	Foliage, leaves and branches, fresh and dried, with a value greater than EUR 0,51 each	10 000	0,50	0,55

## ANNEX IV

## MADEIRA

Products as referred to in Article 5 of Regulation (EC) No 1453/2001

Maximum quantities as referred to in the fourth subparagraph of Article 5(1) of Regulation (EC) No 1453/2001 per period from 1 January to 31 December

## FRUIT AND VEGETABLES

Column I	Column II		Column III	Column IV	Column V
Product categories	CN code	Product	Quantities (tonnes)	Aid (EUR/tonne)	
A	ex 0703 10 19	Other onions	1 500	100	200
	ex 0706 10 00	Carrots			
	ex 0706 10 00	Turnips			
	ex 0706 90 90	Other			
	ex 0714 20	Sweet potatoes			
	ex 0714 90 90	Yam			
	0807 11	Water melons			
B	ex 0703 90 00	Leeks	1 000	125	250
	ex 0704 90 90	Other cabbages			
	ex 0706 90 90	Beetroot			
	ex 0708 90 00	Broad beans			
	0709 90 60	Sweetcorn			
	0709	Other vegetables not mentioned elsewhere			
	0805 10	Oranges			
	0805 50 10	Lemons			
	0808 10	Apples			
	0808 20 50	Pears			
	ex 0809 30	Peaches			
	0809 40 05	Plums			
	0810	Other non tropical fruit not mentioned elsewhere			
C	0702 00 00	Tomatoes	750	150	300
	0704 10 00	Cauliflowers and broccoli			
	ex 0705	Lettuces			
	0707 00 05	Cucumbers			
	0708 10 00	Peas			
	0709 90 10	Salad vegetables			
	0709 90 70	Courgettes			
	ex 0709 90 90	Other fruit and vegetables			
	ex 0802 40 00	Chestnuts			
	0804 30 00	Pineapples			
	ex 0804 40 00	Avocados			
	ex 0804 50 00	Guavas			
	ex 0805 20 50	Mandarins			
	0809 10 00	Apricots			
0810 50 00	Kiwi				

Column I	Column II		Column III	Column IV	Column V
Product categories	CN code	Product	Quantities (tonnes)	Aid (EUR/tonne)	
D	0703 20 00	Garlic	250	150	300
	0708 20 00	Beans			
	ex 0709 60 10	Sweet peppers			
	ex 0709 90 90	Other fruit and vegetables not mentioned elsewhere			
	0802 31 00	Walnuts in shell			
	ex 0804 50 00	Mangoes			
	0805 20 70	Tangerines			
	0806 10 10	Fresh table grapes			
	0807 20 00	Papayas			
	0809 20 95	Cherries			
	0810 10 00	Strawberries			
	ex 0810 90 40	Passion fruit			
	ex 0810 90 95	Other tropical fruit			
E	0701 90	Potatoes	10 000	80	240

## FRESH CUT FLOWERS

Column I	Column II		Column III	Column IV	Column V
Product categories	CN code	Product	Quantities (units)	Aid (EUR/1 000 units)	
A	0603 10 10	Roses	500 000	100	200
	0603 10 20	Carnations			
		Gladioli			
	0603 10 40	Chrysanthemums			
		Other (fresh)			
	0603 10 50	Other (not fresh)			
	0603 10 80				
	0603 90 00				
B	ex 0603 10 80	Heliconias	400 000	120	240
C	0603 10 80	Proteas	150 000	120	240
D	0603 10 30	Orchids	650 000	140	280
	0603 10 80	Anthuriums			
E	0603 10 80	Strelitzias	400 000	140	280

## ANNEX V

## CANARY ISLANDS

Products as referred to in Article 9 of Regulation (EC) No 1454/2001

Maximum quantities as referred to in the fourth subparagraph of Article 9(1) of Regulation (EC) No 1454/2001 per period from 1 January to 31 December

Amounts of aid as referred to in Article 9(1) of Regulation (EC) No 1454/2001

## FRUIT AND VEGETABLES

Column I	Column II		Column III	Column IV	Column V
Product categories	CN code	Product	Quantities (tonnes)	Aid (EUR/tonne)	
A	ex 0703 10	Onions	16 320	40	120
	0704 90	Cabbage			
	0709 90 60	Sweetcorn			
	ex 0709 90 90	Pumpkins			
	ex 0709	Other vegetables not mentioned elsewhere			
	0805 40 00	Grapefruit			
	0805 50 10	Lemons			
	0807 11 00	Water melons			
	ex 0807 19 00	Melons			
B	0703 20 00	Garlic	32 830	90	180
	ex 0703 90 00	Leeks			
	0704 10 00	Cauliflowers			
	0705	Lettuces and chicory			
	ex 0706 10 00	Carrots			
	0707 00 05	Cucumbers			
	0709 30 00	Aubergines			
	0709 40 00	Celery			
	ex 0709 60 10	Peppers			
	0709 90 20	Chard (silver beet) and cardoons			
	0709 90 70	Courgettes			
	0714 20	Sweet potatoes			
	0805 10	Oranges			
	ex 0805 20	Mandarins			
	0806 10 10	Table grapes			
	0808 10	Apples			
	0808 20	Pears			
	0809 10 00	Apricots			
	0809 30	Peaches and nectarines			
	0809 40 05	Plums			
ex 0810 90 95	Other non-tropical fruit not mentioned elsewhere				

Column I	Column II		Column III	Column IV	Column V
Product categories	CN code	Product	Quantities (tonnes)	Aid (EUR/tonne)	
C	0708 20 00	Green beans	14 550	120	210
	ex 0709 70 00	Spinach			
	ex 0709 90	Cress			
	ex 0802	Almonds			
	0804 20 10	Fresh figs			
	0804 30 00	Pineapples			
	0804 40 00	Avocados			
	ex 0804 50 00	Mangoes			
	0807 20 00	Papayas			
	0810 10 00	Strawberries			
	ex 0810 90 95	Barbary figs and other tropical fruits not mentioned elsewhere			
D	0701 90	Potatoes harvested from 1 April to 31 December	30 000	60	150

## FLOWERS AND LIVE PLANTS

Column I	Column II		Column III	Column IV	Column V
Product categories	CN code	Product	Quantities (units)	Aid (EUR/1 000 units)	
<b>Category A: Cuttings</b>					
A	0602 90 45	Cuttings	24 000 000	10	11
<b>Category B: Flowers</b>					
B 1	ex 0603 10	Flowers with a value of EUR 0,07 to EUR 0,15 each	8 000 000	18	19
B 2	ex 0603 10	Flowers with a value of EUR 0,16 to EUR 0,45 each	6 000 000	40	44
B 3	ex 0603 10	Flowers with a value of EUR 0,46 to EUR 1,20 each	1 090 000	60	66
<b>Category C: Plants</b>					
C 1	ex 0602 90	Plants with a value of EUR 0,15 to EUR 0,45 each	2 500 000	45	48
C 2	ex 0602 90	Plants with a value of EUR 0,46 to EUR 1,50 each	1 000 000	222	240
C 3	ex 0602 90	Plants with a value of EUR 1,51 to EUR 3,00 each	750 000	456	480
C 4	ex 0602 90	Plants with a value of EUR 3,01 and above each	500 000	601	637



## ANNEX VI

## RECOGNITION CRITERIA FOR PRODUCER ORGANISATIONS OTHER THAN FOR CITRUS FRUITS

Member States or specific regions	Producer organisations Article 11(1)(a) categories (i) to (iv)		Producer organisations Article 11(1)(a) categories (vi) and (vii) and Article 11(3)	
	Minimum number of producers	Minimum volume (EUR million)	Minimum number of producers	Minimum volume (EUR million)
Belgium, Germany, Spain (except Balearic Islands and Canaries), France (except overseas departments), Greece <sup>(1)</sup> , Italy, Netherlands, Austria, United Kingdom (except Northern Ireland)	40 or 15 or 5	1,5 2,5 3	5	0,25
Denmark, Ireland, Northern Ireland, Greece <sup>(2)</sup> , Balearic and Canary Islands, Portugal (except Madeira and Azores)	15 or 5	0,5 1		
Finland, Sweden, Greece ( <i>Nomoi</i> (regions) other than under <sup>(1)</sup> and <sup>(2)</sup> )	10 or 5	0,25 0,5		
Greece (islands), Luxembourg, Madeira and Azores, French overseas departments	5	0,1	5	0,1

<sup>(1)</sup> *Nomoi*: Imathias, Pellas, Artas, Argolidas, Korinthias, Viotias, Serron, Kavallas.

<sup>(2)</sup> *Nomoi*: Larisas, Magnisias, Karditsas, Evrou, Thessaloniki, Prevezas, Kilkis, Pierias, Lakonias, Kastorias.