Commission Implementing Regulation (EU) 2020/600 of 30 April 2020 derogating from Implementing Regulation (EU) 2017/892, Implementing Regulation (EU) 2016/1150, Implementing Regulation (EU) No 615/2014, Implementing Regulation (EU) 2015/1368 and Implementing Regulation (EU) 2017/39 as regards certain measures to address the crisis caused by the COVID-19 pandemic

COMMISSION IMPLEMENTING REGULATION (EU) 2020/600

of 30 April 2020

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THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013 establishing a common organisation of the markets in agricultural products and repealing Council Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/2001 and (EC) No 1234/2007[(1)], and in particular Articles 25, 31, Article 38, Article 54 and Article 57 thereof,

Whereas:

(1) Due to the current pandemic of COVID-19 and the resulting extensive movement restrictions, exceptional difficulties have been encountered by farmers, wine growers, olive oil producers and beekeepers in all Member States. Logistical problems and shortage of workforce have made them vulnerable to the economic disruption caused by the pandemic. In particular, they experience financial difficulties and cash-flow problems. In view of the unprecedented nature of those combined circumstances, it is necessary to alleviate those difficulties by derogating from certain provisions of different Implementing Regulations applicable in the area of the common agricultural policy.

(2) Pursuant to Article 9(1) of Commission Implementing Regulation (EU) 2017/892[(2)] an application for aid, or for the balance thereof, is to be submitted by producer organisations, to the competent authority of the Member State for each operational programme for which aid is requested by 15 February of the year following the year for which the aid is requested. Pursuant to Article 9(3) of that Regulation, the aid applications may cover expenditure programmed but not incurred if certain elements are proved. Those elements include that the operations concerned could not be carried out by 31 December of the year of the implementation of the operational programme, for reasons beyond control of the producer organisation concerned and that those operations can be carried out by 30 April of the year following the year for which the aid is requested. In view of the COVID-19 pandemic, it is necessary to derogate

from Article 9(3)(b) of Implementing Regulation (EU) 2017/892 and provide that the aid applications to be submitted by 15 February 2021 may cover expenditure for operations programmed for the year 2020 but not carried out by 31 December 2020, if those operations can be carried out by 15 August 2021. For the same reason, it is also necessary to derogate from Article 9(3)(b) of Implementing Regulation (EU) 2017/892 and provide that the aid applications submitted by 15 February 2020 may cover expenditure for operations programmed for the year 2019 but not carried out by 31 December 2019, if those operations can be carried out by 15 August 2020.

(3) The measures taken by governments over the last months to address the crisis due to the pandemic of COVID-19, especially the closure of hotels, bars and restaurants, the limitation of circulation of people and goods to the essential, the closure of certain borders within the Union, are having a negative impact on the Union wine sector. It is estimated that the closure of hotels, bars and restaurants directly affects 30 % of the volumes of wine consumed in the Union, corresponding to 50 % of the value of wine consumed in the Union. Furthermore, the labour shortage and the logistical difficulties caused by the pandemic are putting pressure on wine growers and the whole wine sector. Wine growers are facing increasing problems for the upcoming harvest: low prices, reduced consumption, transport and sales difficulties.

(4) In addition, the Union wine market has been already subject to aggravating conditions throughout 2019 and wine stocks are at their highest level since 2009. This development is due primarily to a combination of the record harvest in 2018 and general decreasing wine consumption in the Union. Furthermore, the imposition by the United States of America, the Union's main wine export market, of additional import tariffs on Union wines has impacted exports. The pandemic of COVID-19 has delivered a further blow to a fragile sector that is no more able to market or distribute its products effectively, due mostly to the closure of major export markets and to the measures taken to ensure a proper confinement and lockdown in particular the interruption of all catering activities and the impossibility to supply usual customers. All this is leading to losses of income for all actors of the wine sector. The uncertainty regarding the length of the measures taken to address the pandemic and their impact on prices, consumption patterns and incomes are putting further pressure on the Union wine sector.

(5) Against this background, it is therefore necessary to take urgent measures to address the situation by allowing further flexibility in the implementation of certain support measures under Article 43 of Regulation (EU) No 1308/2013 by derogating from several provisions of Commission Implementing Regulation (EU) 2016/1150[(3)].

(6) Article 2(1) of Commission Implementing Regulation (EU) 2016/1150 provides that changes in respect of applicable support programmes, as referred to in Article 41(5) of Regulation (EU) No 1308/2013, shall not be submitted more than twice per financial year. In order to enable Member States to quickly adapt their national support programmes for reasons related to the crisis due to the COVID-19 pandemic, it is appropriate to allow that such changes may be submitted more than twice per financial year as long as those changes are submitted before 15 October 2020. Member States should be able to react quickly to the exceptional circumstances related to the crisis due

to the COVID-19 pandemic and submit changes to their programme as early and as often as is considered necessary. Such flexibility would allow Member States to optimise the measures already in place, increase the number of interventions and make adjustments more frequently taking account of the market situation. Furthermore, it would make it possible also for Member States that wish to include further measures in their national support programme to do so immediately upon entry into force of this Regulation rather than having to wait for the next deadline for amendments. With this improved flexibility, more opportunities would be available to operators including newcomers, to submit applications for support. This is intended to provide relief to the wine sector and ensure the flexibility necessary in the face of the consequences resulting from the crisis due to the COVID-19 pandemic.

(7) Therefore, it is necessary to derogate temporarily from Article 2(1) of Implementing Regulation (EU) 2016/1150 to allow changes to the national support programmes whenever necessary also in relation to the measures referred to in Article 45(1)(a) and Articles 46 to 52 of Regulation (EU) No 1308/2013. As regards the promotion measure referred to in Article 45(1)(b) of Regulation (EU) No 1308/2013, Commission Implementing Regulation (EU) 2020/133[(4)] allows Member States to introduce changes to their national support programmes whenever necessary.

(8) In view of the crisis resulting from the COVID-19 pandemic and the resulting lack of human resources, it is materially impossible for producers to carry out the planned operations in relation to green harvesting. It is therefore appropriate to postpone for the year 2020 the deadline for the submission of applications for support for green harvesting as well as the deadline for carrying out such operations as set out respectively in points (b) and (d) of Article 8 of Implementing Regulation (EU) 2016/1150. This should provide producers with additional time to plan and to find the necessary labour force to carry out such operations.

(9) In addition, with regard to the crisis due to the COVID-19 pandemic and the resulting growing wine surpluses on the market, it appears obsolete to request from Member States to provide a specific justification for the application of green harvesting. Therefore, it is appropriate to derogate from point (c) of Article 8 of Implementing Regulation (EU) 2016/1150 and suspend temporarily for the year 2020 the requirement that Member States establish an expected market situation justifying the application of green harvesting to restore market balance and prevent crisis.

(10) Article 29 of Regulation (EU) No 1308/2013 lays down rules on three-year work programmes drawn up by producer organisations to support the olive oil and table olives sector. The ongoing crisis related to the COVID-19 pandemic represents an exceptional and unprecedented challenge for the capacity of beneficiaries to perform the activities planned during the second and third implementation years of the three-year programmes to support the olive oil and table olives sector. Consequently, flexibility is exceptionally provided to beneficiaries by allowing, under certain conditions, the amendment of these activities. It is therefore necessary to derogate from certain provisions of Commission Implementing Regulation (EU) No 615/2014[(5)] to allow this flexibility, which however shall have no impact on the deadline for the payment of the EU financing.

Changes to legislation: *There are currently no known outstanding effects for the Commission Implementing Regulation (EU) 2020/600. (See end of Document for details)*

(11) Rules on the apiculture programmes are laid down in Commission Implementing Regulation (EU) 2015/1368[6] with regard to aid in the sector. Pursuant to Article 2 of that Regulation, the apiculture year is the period of 12 consecutive months, running from 1 August until 31 July. Consequently, the 2020 apiculture year runs from 1 August 2019 until 31 July 2020. In accordance with Article 3 of that Regulation, each Member State is to notify its proposal for a single apiculture programme for its entire territory. Pursuant to Article 6 of that Regulation, Member States may amend measures in their apiculture programmes during the apiculture year. The overall ceiling on planned annual expenditure should however not be exceeded. Implementing Regulation (EU) 2015/1368 should be amended to allow Member States to carry out measures planned for the apiculture year 2020, even after 31 July 2020. This amendment should not have any impact on the payment period. In accordance with Article 55(1) of Regulation (EU) No 1308/2013, the apiculture programmes are to be developed in cooperation with representative organisations in the beekeeping field. Before requesting any amendments to the apiculture programmes, Member States should consult the concerned organisations.

(12) Article 1(2) of Commission Implementing Regulation (EU) 2017/39[7] lays down the definition of 'school year' for the purposes of the aid scheme referred to under Article 23 of Regulation (EU) No 1308/2013 (the 'school scheme'). The measures put in place by Member States to address the COVID-19 pandemic, which include the temporary closure of educational establishments, have disrupted the implementation of the school scheme in the 2019/2020 school year. Those measures have temporarily prevented the distribution of fruit, vegetables and milk in the educational establishments and the carrying out of accompanying educational measures and publicity, monitoring and evaluation activities. It is therefore appropriate to provide for a derogation from Article 1(2) of Implementing Regulation (EU) 2017/39 extending the duration of the 2019/2020 school year, so that Member States may continue carrying out the activities envisaged for that school year until 30 September 2020.

(13) Article 4(3), (4) and (5) and Article 5(3) of Implementing Regulation (EU) 2017/39 lay down the period that aid applications for the supply and distribution of products and for the accompanying educational measures may cover, and the time limit for the submission of aid applications and for the payment of the aid under the school scheme. In view of the extension of the duration of the 2019/2020 school year, a derogation from Article 4(3), (4) and (5) and Article 5(3) of Implementing Regulation (EU) 2017/39 should be provided for with regard to the aid applications for the school scheme activities taking place after 31 July 2020, so that they may cover periods of less than two weeks and to lay down the time limits for the submission of aid applications and for the payment of the aid.

(14) Article 7(3) of Implementing Regulation (EU) 2017/39 sets out the rules for the reallocation of unrequested Union aid amongst the Member States participating in the school scheme that have notified their willingness to use more than their indicative allocation. The amount of indicative allocation that may be reallocated to another Member State is to be based on the level of use of the definitive allocation of Union

***Changes to legislation:** There are currently no known outstanding effects for the Commission Implementing Regulation (EU) 2020/600. (See end of Document for details)*

aid in the previous school year by that Member State. The confinement rules put in place by the Member States to address the COVID-19 pandemic, which include the temporary closure of educational establishments, might lead to a lower use of Union aid in 2019/2020 school year. It is therefore appropriate to provide for a derogation from Article 7(3) of Implementing Regulation (EU) 2017/39, in order not to take into account the level of use of Union aid in the 2019/2020 school year for the reallocation of unrequested Union aid amongst the Member States participating in the school scheme in the 2021/2022 school year.

(15) In view of the necessity to take immediate action, this Regulation should enter into force on the day of its publication in the *Official Journal of the European Union*.

(16) The measures provided for in this Regulation are in accordance with the opinion of the Committee for the Common Organisation of the Agricultural Markets,

HAS ADOPTED THIS REGULATION:

TITLE I

FRUIT AND VEGETABLES

Article 1

Derogations from Implementing Regulation (EU) 2017/892

1 By way of derogation from point (b) of Article 9(3), aid applications submitted by 15 February 2020 may cover expenditure for operations programmed for the year 2019 but not carried out by 31 December 2019 if those operations can be carried out by 15 August 2020.

2 By way of derogation from point (b) of Article 9(3), the aid applications to be submitted by 15 February 2021 may cover expenditure for operations programmed for the year 2020 but not carried out by 31 December 2020 if these operations can be carried out by 15 August 2021.

TITLE II

WINE

Article 2

Derogations from Implementing Regulation (EU) 2016/1150

[F1 1 By way of derogation from Article 2(1) of Implementing Regulation (EU) 2016/1150, Member States may introduce, in relation to the measures referred to in Articles 45(1)(a) and 46 to 52 of Regulation (EU) No 1308/2013, whenever necessary during the financial years 2020 and 2021 but not later than 15 October 2021, changes to their national support programmes in the wine sector as referred to in Article 41(5) of Regulation (EU) No 1308/2013.**]**

[F1 2 By way of derogation from Article 8 of Implementing Regulation (EU) 2016/1150, during the financial years 2020 and 2021, Member States may:**]**