Commission Implementing Regulation (EU) No 614/2014 of 6 June 2014 amending Regulation (EC) No 555/2008 as regards the application of certain support measures in the wine sector

COMMISSION IMPLEMENTING REGULATION (EU) No 614/2014

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amending Regulation (EC) No 555/2008 as regards the application of certain support measures in the wine sector

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 points (a), (b), (c), (e) and (f) of Article 54 thereof,

Whereas:

(1) Regulation (EU) No 1308/2013 has repealed and replaced Council Regulation (EC) No 1234/2007[(2)] and contains, in Section 4 of Chapter II of Title I of Part II, rules on national support programmes in the wine sector. While most of the rules laid down in that Section ensure the continuation of the rules applicable to the national support programmes in the wine sector under Regulation (EC) No 1234/2007, some new rules are also included. Those rules introduce new elements, namely a sub-measure of the measure of promotion, concerning promotion of wine in Member States, a measure of innovation in the wine sector as well as an extension of the measure on restructuring and conversion of vineyards to cover replanting of vineyards following mandatory grubbing-up for health or phytosanitary reasons. Rules for the implementation of those elements should be laid down.

(2) Commission Regulation (EC) No 555/2008[(3)] lays down rules as regards national support programmes in the wine sector provided for in Regulation (EC) No 1234/2007. In order to implement the new rules laid down in Regulation (EU) No 1308/2013, the appropriate provisions should be introduced in Regulation (EC) No 555/2008.

(3) Article 3(2) of Regulation (EC) No 555/2008 should allow Member States to modify their operational programmes and align them with the new elements introduced by Regulation (EU) No 1308/2013. For this purpose, Member States should be allowed to modify their operational programmes an additional time after 30 June 2014, taking into consideration the dates of adoption of the Commission Delegated Regulation (EU) No 612/2014[(4)] and of this Regulation.

(4) Rules should be laid down concerning the selection of information projects and regarding the preference to be granted, when selecting the projects on the internal

market. The selection procedure for promotion of wines in the Member States should be coherent with the procedure for promotion of wines on third-country markets as laid down in Article 5 of Regulation (EC) No 555/2008, but it should also take into account the particular objectives and geographical scope of this sub-measure.

(5) Article 19 of Regulation (EC) No 555/2008 provides for the financial management of the investments measure. Those rules should also apply to the measure of innovation in the wine sector. In particular, to allow for a better use of the funds, it should be possible to pay the support after the execution of only certain of the operations foreseen in the application concerned while making sure that all the remaining operations will be completed. Moreover, it is appropriate to fix the maximum ceiling for advance payments similar to the one established for investments.

(6) Article 37b of Regulation (EC) No 555/2008 requests that the beneficiaries provide information related to the advances granted in accordance with certain provisions of that Regulation. This obligation should also apply to the measure of innovation introduced by Regulation (EU) No 1308/2013.

(7) Annexes I to VIII, Annex VIIIa and VIIIc to Regulation (EC) No 555/2008 set out the forms to be filled in by the Member States concerning the national support programmes, in particular, for the purposes of the submission of the support programmes, their revision and the corresponding financial planning as well as for the submission of reports and evaluations. Those Annexes should be amended in order to reflect the introduction, in Section 4 of Chapter II of Title I of Part II of Regulation (EU) No 1308/2013, of new provisions concerning the content, evaluation, cost and control.

(8) Regulation (EC) No 555/2008 should be amended accordingly.

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

HAS ADOPTED THIS REGULATION:

Article 1

Amendment of Regulation (EC) No 555/2008

Regulation (EC) No 555/2008 is amended as follows:

(1) in Article 3, paragraph 2 is replaced by the following:

2. Modifications in respect of support programmes shall not be submitted more than twice per financial year, by 1 March and 30 June, except in cases of emergency measures due to natural disasters.

The modified programmes shall be submitted to the Commission with, where appropriate:

a updated versions of the support programme in the form set out in Annex I and of the financial table in the form set out in Annex IV;

b the reasons for the proposed changes.

By way of derogation from the first subparagraph, the deadlines set out in that subparagraph do not apply in 2014 where the modifications of the programme follow the new rules introduced by Regulation (EU) No 1308/2013 of the European Parliament and the Council[(5)].;

(2) in subsection 2 of Section 1 of Chapter II of Title II the following Article is added:

Article 5fa

Selection procedure

1 Member States shall lay down the application procedure, which shall in particular provide rules on:

a verification of compliance with the requirements and criteria set out in Articles 5b and 5c;

b deadlines for the presentation of application and for the examination of the suitability of each proposed action;

c conclusion of contracts including possible standard forms, provision of securities and arrangements for the payment of advances;

d evaluating any given supported action including the appropriate indicators.

2 Member States shall select the application in particular on the basis of the following criteria:

a consistency between the strategies proposed and the objectives set;

b the quality of the proposed measures;

c their likely impact and success in raising consumers awareness about the Union system of protected designation of origin and protected geographical indications or about responsible consumption of wine and the risk associated with alcohol consumption;

d assurances that any operator involved is effective and has access to the required technical capacity and that the cost of the measure which he plans to carry out himself is not in excess of the normal market rates.

3 Having examined the applications, Member States shall select those offering the best value for money.

Preference shall be given to operations:

a concerning several Member States;

b concerning several administrative or wine regions;

c concerning several protected designations of origin or protected geographical indications.

4 Two or more Member States may decide to select a joint promotion operation. They shall undertake to contribute to the financing and agree on administrative collaboration procedures to facilitate the monitoring, implementation and checking of the joint promotion operation.

5 Where Member States grant national aids for promotion, they shall communicate them in the relevant part of Annexes I, V, VII, VIII and VIIIc to this Regulation.;

(3) in Section 6a, the following Article is added:

Article 20c

Financial management

1 Support shall be paid once it is ascertained that either a single operation or all the operations covered by the support application, according to the choice made by the Member State for the management of the measure, have been implemented and controlled on the spot.

Where support is normally payable only after implementation of all the operations, by way of derogation from the first subparagraph, support shall be paid for single operations implemented if the remaining operations could not be carried out due to *force majeure* or exceptional circumstances as referred to in Article 2 of Regulation (EU) No 1306/2013 of the European Parliament and the Council[(6)].

If checks show that an overall operation covered by the support application has not been fully implemented for reasons other than *force majeure* or exceptional circumstances as referred to in Article 2 of Regulation (EU) No 1306/2013 and where support has been paid after single operations which are part of the overall operation covered by the support application, Member States shall decide to recover the aid paid.

2 Beneficiaries of support for innovation may request the payment of an advance from the competent paying agencies if this option is included in the national support programme.

The amount of the advances shall not exceed 20 % of the public aid related to the investment in innovation, and its payment shall be subject to the establishment of a bank guarantee or an equivalent guarantee corresponding to 110 % of the amount of the advance. However, in the case of investments in innovation for which the individual decision to grant support is taken in the financial years 2014 or 2015, the amount of the advances may be increased up to 50 % of the public aid related to that investment. For the purposes of Commission Implementing Regulation (EU) No 282/2012[(7)] the obligation shall be to spend the total amount advanced in the implementation of the operation concerned two years after its payment.

The guarantee shall be released when the competent paying agency establishes that the amount of actual expenditure corresponding to the public aid related to the innovation exceeds the amount of the advance.;

(4) Article 37b is amended as follows:

(a) paragraph 1 is replaced by the following:

1. Where advances are granted in accordance with Articles 5(7), 5e, 9(2), 19(2), 20a(4) and 24(3), beneficiaries are requested to provide for each project annually to the paying agencies the following information:

a costs statements justifying by measure the use of the advances until 15 October, and;

b a confirmation by measure of the balance of unused advances remaining on 15 October.

Member States shall define in their national rules the date of transmission of this information in order for it to be included in the current annual accounts of

the paying agencies referred to in Article 6 of Regulation (EC) No 885/2006 within the deadline laid down in Article 7(2) of that Regulation.;

(b) paragraph 3 is replaced by the following:

3. For the purposes of Article 18(2) of Implementing Regulation (EU) No 282/2012, the evidence of final entitlement to be produced shall be the last costs statement and a confirmation of the balance referred to in paragraph 1.

Concerning advances under Articles 9(2), 19(2) and 20a(4)of this Regulation, the last costs statement and confirmation of the balancee referred to in paragraphs 1 and 2 shall be provided by the end of the second financial year after their payment.;

(5) in Article 77, paragraph 5 is replaced by the following:

5. Article 24(1), (2), (3) and (6) and Article 26(1) and (2) of Commission Regulation (EC) No 65/2011[(8)] shall apply *mutatis mutandis* to the measures provided for in Articles 50 and 51 of Regulation (EU) No 1308/2013.;

(6) Annexes I to VIIIa and Annex VIIIc are amended in accordance with the Annex to this Regulation.

Article 2

Entry into force

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

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

Done at Brussels, 6 June 2014.

For the Commission

The President

José Manuel BARROSO