Regulation (EU) No 229/2013 of the European Parliament and of the Council of 13 March 2013 laying down specific measures for agriculture in favour of the smaller Aegean islands and repealing Council Regulation (EC) No 1405/2006

REGULATION (EU) No 229/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

of 13 March 2013

laying down specific measures for agriculture in favour of the smaller Aegean islands and repealing Council Regulation (EC) No 1405/2006

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular the first paragraph of Article 42 and Article 43(2) thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee[(1)],

Acting in accordance with the ordinary legislative procedure[(2)],

Whereas:

(1) Specific measures in the agricultural sector to remedy the difficulties caused by the particular geographical situation of the smaller Aegean islands have been established by Council Regulation (EC) No 1405/2006[(3)]. Those measures have been implemented by means of a support programme, which constitutes an essential tool for supplying those islands with agricultural products and for supporting local agricultural production. In view of the need to update the current measures, including as a result of the entry into force of the Treaty of Lisbon, it is necessary to repeal Regulation (EC) No 1405/2006 and replace it with a new regulation.

(2) The fundamental objectives which the scheme promoting the smaller Aegean islands will help to achieve need to be specified.

(3) It is also necessary to specify the content of the support programme for the smaller Aegean islands (‘support programme’), which, in accordance with the principle of subsidiarity, should be established by Greece at the most appropriate geographical level and submitted by Greece to the Commission for approval.

(4) In order to more effectively achieve the objectives of the scheme promoting the smaller Aegean islands, the support programme should include measures which ensure the supply of agricultural products and the preservation and development of local agricultural production. The level of programming needs to be harmonised and the policy of partnership between the Commission and Greece needs to become

systematic. The Commission should adopt procedures and indicators to ensure the smooth implementation and adequate monitoring of the programme.

(5) In keeping with the principle of subsidiarity and in order to ensure flexibility, the two principles which form the basis of the programming approach adopted for the scheme promoting the smaller Aegean islands, the authorities appointed by Greece may propose amendments to the programme to bring it into line with the reality of the situation on those islands. To that end, more significant involvement on the part of the competent local and regional authorities and other stakeholders should be encouraged. Also in keeping with this approach, the procedure for amending the programme should be adapted to reflect the level of relevance of each type of amendment.

(6) The particular geographical situation of some of the smaller Aegean islands imposes additional transport costs in supplying products which are essential for human consumption, for processing or as agricultural inputs. In addition, other objective factors arising as a result of insularity and distance from markets impose further constraints on economic operators and producers in those Aegean islands that severely handicap their activities. In certain cases, operators and producers suffer from ‘double insularity’, consisting of the fact that supplies are brought by way of other islands. Those handicaps can be alleviated by lowering the price of those essential products. It is therefore appropriate to introduce specific supply arrangements to guarantee supply to the smaller Aegean islands and compensate for the additional costs arising from their insularity, small size and distance from markets.

(7) The problems experienced by the smaller Aegean islands are accentuated by the islands' small size. In order to guarantee the effectiveness of the measures envisaged, such measures should apply to all Aegean islands except Crete and Evia.

(8) In order to achieve the goal of lowering prices in the smaller Aegean islands, mitigating the additional costs of their insularity, small size and distance from markets while maintaining the competitiveness of Union products, aid should be granted for the supply of Union products to the smaller Aegean islands. Such aid should take account of the additional cost of transport to the smaller Aegean islands and, in the case of agricultural inputs and products intended for processing, the additional costs of insularity, small size and distance from markets.

(9) In order to avoid speculation which would be harmful to end-users in the smaller Aegean islands, it is important to specify that the specific supply arrangements may only apply to products of sound, fair and marketable quality.

(10) Since the quantities covered by the specific supply arrangements are limited to the supply requirements of the smaller Aegean islands, those arrangements should not impair the proper functioning of the internal market. Nor should the economic advantages of the specific supply arrangements lead to diversions of trade in the products concerned. The dispatch or export of those products from the smaller Aegean islands should therefore be prohibited. However, dispatch or exportation of those products should be authorised where the advantage resulting from the specific supply arrangements is reimbursed.

(11) With regard to processed products, trade between the smaller Aegean islands should be authorised and transport costs in respect of those products should be reduced, in order to allow commerce between those islands. Account should also be taken of trade flows within the context of regional commerce and traditional exports and dispatching with the rest of the Union or third countries and exports of processed products corresponding to traditional trade for all those regions should be authorised.

(12) In order to achieve the objectives of the specific supply arrangements, the economic advantages of those arrangements should be reflected in production costs and should reduce prices up to the end-user stage. They should therefore be granted only on condition that they are actually passed on, and appropriate checks should be carried out.

(13) Rules should be established concerning the operation of the scheme, particularly those relating to the creation of a register of operators and a system of certificates, based on the certificates referred to in Article 161 of Council Regulation (EC) No 1234/2007 of 22 October 2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation)[(4)].

(14) Union policy to assist local production in the smaller Aegean islands, as established by Regulation (EC) No 1405/2006, has involved a multitude of products and measures for their production, marketing or processing. Those measures have proved effective and have ensured that agricultural activities have been maintained and developed. The Union should continue to support that production, which is a key factor in the environmental, social and economic equilibrium of the smaller Aegean islands. Experience has shown that, as in the case of rural development policy, closer partnership with the local authorities can help to address in a more targeted way the particular issues affecting the islands concerned. Support for local production should thus continue to be granted through the support programme, established for the first time by Regulation (EC) No 1405/2006. In that regard, emphasis should be placed on preserving the traditional agricultural heritage and the traditional characteristics of production methods and of local and organic products.

(15) The minimum elements which should be provided under the support programme in order to establish the measures supporting local agricultural production, specifically the description of the location, of the strategy proposed, of the objectives and of the measures, should be established. The principles underlying the consistency of those measures with other Union policies should also be stated, in order to avoid any incompatibility and overlapping of aid.

(16) For the purposes of applying this Regulation, it should also be possible for the support programme to contain measures for financing studies, demonstration projects, training and technical assistance.

(17) Farmers on the smaller Aegean islands should be encouraged to supply quality products, and the marketing of such products should be assisted.

(18) A derogation may be granted from the Commission's consistent policy of not authorising State operating aid for the production, processing, marketing and transportation of agricultural products listed in Annex I to the Treaty on the Functioning

of the European Union ('the Treaty') in order to mitigate the specific constraints on farming in the smaller Aegean islands as a result of their insularity, small size, mountainous terrain and climate, their economic dependency on a small number of products and their distance from markets.

(19) Implementation of this Regulation should not jeopardise the level of special support from which the smaller Aegean islands have benefited up to now. In order to be able to carry out the appropriate measures, Greece should continue to have at its disposal sums equivalent to the Union support already granted under Regulation (EC) No 1405/2006.

(20) Since 2007, requirements in essential products have increased in the smaller Aegean islands as a result of an increasing livestock population and demographic pressure. The proportion of the budget which Greece should be able to use for the specific supply arrangements for the smaller Aegean islands should therefore be increased.

(21) In order to allow Greece to evaluate all the elements concerning the implementation of the support programme for the previous year and make it possible to submit to the Commission a complete annual evaluation report, the submission date of that report should be postponed from 30 June to 30 September of the year following the reference year.

(22) The Commission should be required to submit to the European Parliament and to the Council, by 31 December 2016 at the latest and thereafter every five years, a general report on the impact of measures taken to implement this Regulation accompanied, where appropriate, by suitable recommendations.

(23) In order to ensure the proper functioning of the regime introduced by this Regulation, the power to adopt acts in accordance with Article 290 of the Treaty should be delegated to the Commission, in respect of supplementing or modifying certain non-essential elements of this Regulation. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level. The Commission, when preparing and drawing up delegated acts, should ensure a simultaneous, timely and appropriate transmission of relevant documents to the European Parliament and to the Council.

(24) In order to ensure uniform conditions for the implementation of the programme in the smaller Aegean islands in relation to other similar schemes and to avoid unfair competition or discrimination between operators, implementing powers should be conferred on the Commission. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by the Member States of the Commission's exercise of implementing powers[(5)].

(25) In order to allow for the prompt application of the measures envisaged, this Regulation should enter into force on the day following that of its publication in the *Official Journal of the European Union*,

HAVE ADOPTED THIS REGULATION:

***Changes to legislation:** There are currently no known outstanding effects for the Regulation (EU) No 229/2013 of the European Parliament and of the Council. (See end of Document for details)*

CHAPTER I

SUBJECT MATTER AND OBJECTIVES

Article 1

Subject matter

1 This Regulation lays down specific measures for agriculture to mitigate the difficulties caused by the insularity, small size and distance from markets of the smaller Aegean islands ('the smaller islands').

2 For the purposes of this Regulation 'the smaller islands' means any islands in the Aegean Sea except the islands of Crete and Evia.

Article 2

Objectives

1 The specific measures provided for in Article 1 shall help to meet the following objectives:

a guaranteed supply to the smaller islands of products essential for human consumption or for processing and as agricultural inputs by mitigating the additional costs incurred due to their insularity, small size and distance from markets;

b the preservation and development of agricultural activities in the smaller islands, including the production, processing, marketing and transport of local raw and processed products.

2 The objectives set out in paragraph 1 shall be implemented by means of the measures referred to in Chapters III, IV and V.

CHAPTER II

SUPPORT PROGRAMME

Article 3

Establishing the support programme

1 The measures provided for in Article 1 shall be defined by a support programme comprising:

a specific supply arrangements as provided for in Chapter III; and

b specific measures to assist local agricultural production as provided for in Chapter IV.

2 The support programme shall be established at the geographical level which Greece deems to be the most appropriate. It shall be prepared by the competent local and regional authorities designated by Greece, which shall submit it to the Commission for approval in accordance with Article 6 after the competent authorities and organisations at the appropriate regional level have been consulted.