



Brussels, **XXX**  
[...](2018) **XXX** draft

Proposal for a

**REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**

**amending Regulation (EU) No 1308/2013 establishing a common organisation of markets in agricultural products, Regulation (EU) No 1151/2012 on quality schemes for agricultural products and foodstuffs, Regulation (EU) No 251/2014 on the definition, description, presentation, labelling and the protection of geographical indications of aromatised wine products**

## **EXPLANATORY MEMORANDUM**

[The standard content of an Explanatory Memorandum should be as follows. In principle it should not exceed 15 pages (in particularly complex cases a longer text may be justified). The language should be clear and simple, ensuring reader-friendliness for non-experts. All of the following elements are mandatory unless otherwise stated].

### **1. CONTEXT OF THE PROPOSAL**

- **Reasons for and objectives of the proposal**

[...]

[Describe the reasons behind the proposal and the problem(s) it is expected to tackle. State if this is an initiative within the Regulatory Fitness Programme (REFIT). State any relevant institutional background of the proposal.]

- **Consistency with existing policy provisions in the policy area**

[...]

[Mention relevant existing policy provisions in the policy area and clarify how the proposal relates to them (e.g. differences, complementarity).]

- **Consistency with other Union policies**

[...]

[Mention links with other key Union policies.]

### **2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY**

- **Legal basis**

Article 43(2) TFEU as regards amendments to Regulation (EU) No 1308/2013 and Article 114 TFEU and first paragraph of Article 118 TFEU as regards amendments to Regulations (EU) No 1151/2012, (EU) 251/2014 and (EU) 2017/625.

- **Subsidiarity (for non-exclusive competence)**

[Explain the Union dimension of the problem. Describe why the objectives cannot be adequately achieved by the Member States (necessity test). Explain why action at Union level would be more effective than action at national level and outline the added value of action at Union level (effectiveness test).]

- **Proportionality**

[...]

[Explain the policy choices of the proposal and why they are considered proportionate (i.e. not going beyond what is necessary to achieve the objectives). Explain why it is considered the most suitable measure for achieving the objective. Where an Impact Assessment accompanies the proposal, reference should be made to the appropriate parts which discuss proportionality.]

- **Choice of the instrument**

Since the original acts are all European Parliament and Council regulations the amendments must be introduced by European Parliament and Council regulation.

### **3. RESULTS OF EX-POST EVALUATIONS, STAKEHOLDER CONSULTATIONS AND IMPACT ASSESSMENTS**

- **Ex-post evaluations/fitness checks of existing legislation**

[...]

[If applicable, summarise results of any ex-post evaluations/fitness checks of existing legislation. Clarify the link to the problems identified in the proposal.]

- **Stakeholder consultations**

[...]

[Describe the consultations carried out, summarise the input received, as well as how this was taken into account in the proposal. Where appropriate, explain where the Commission's views diverge and why.]

- **Collection and use of expertise**

[...]

[Where relevant, a short summary on the external expertise on which the Commission has relied (approach, range, advice received and used, publicly available information).]

- **Impact assessment**

[...]

[For proposals not supported by an Impact Assessment, please explain the reasons why no Impact Assessment was carried out with reference to the accompanying roadmap and the Guidelines on Better Regulation.]

[For proposals supported by an Impact Assessment, please provide links to the summary sheet and to the positive opinion of the Regulatory Scrutiny Board. In the absence of a positive opinion from the Board, please provide justification for proceeding with the initiative.]

[Explain which policy alternatives were examined, compare them and explain why the final proposal was considered to be the best policy choice.]

[Describe the main economic, social and environmental impacts of the preferred option, who would be affected and how. Include quantitative estimates of benefits and costs wherever possible and, if not available, explain why.]

[If the final policy proposal deviates from the options assessed in the impact assessment, clarify the differences in approach and their likely impact.]

- **Regulatory fitness and simplification**

[...]

[For proposals linked to REFIT and aimed at reducing regulatory burdens, provide, wherever possible, quantified estimates of the intended burden reduction.]

[Outline whether the proposal exempts micro-enterprises and the reasons why if it does not do so.]

[Explain how the proposal minimizes compliance costs for SMEs (via lighter regimes, mitigating measures, etc.) and other stakeholders, as well as any positive or negative impact on sectoral EU competitiveness or international trade.]

[Explain how the proposal is consistent with the "Digital Check" and is internet ready and appropriate for both the physical and digital environment (please see Better Regulation guideline and tool on ICT impacts in the Better Regulation Toolbox for more information).]

- **Fundamental rights**

[...]

[If the proposal has consequences for the protection of fundamental rights, explain how fundamental rights obligations have been met.]

#### **4. BUDGETARY IMPLICATIONS**

[...]

[Outline the budgetary implications of the initiative (if any) and, where appropriate, refer to the "financial statement" showing the budgetary implications and the human and administrative resources required.]

#### **5. OTHER ELEMENTS**

- **Implementation plans and monitoring, evaluation and reporting arrangements**

[...]

[Refer to the implementation planning associated with the measure, including the monitoring, evaluation and reporting framework set up to assist with its implementation and application and to report on its performance.]

- **Explanatory documents (for directives)**

Not relevant.

- **Detailed explanation of the specific provisions of the proposal**

[...]

[Provide more information on the specific provisions, for instance by adding a commentary for each chapter or provision. This may be useful for explaining how the proposed text relates to existing texts and for indicating any new ideas. The explanation will be useful for the interpretation of the act once adopted.]

**REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**

**amending Regulation (EU) No 1308/2013 establishing a common organisation of markets in agricultural products, Regulation (EU) No 1151/2012 on quality schemes for agricultural products and foodstuffs, Regulation (EU) No 251/2014 on the definition, description, presentation, labelling and the protection of geographical indications of aromatised wine products**

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 Article 43(2), Article 114 and first paragraph of Article 118 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<sup>1</sup>,

Having regard to the opinion of the Committee of the Regions<sup>2</sup>,

Acting in accordance with the ordinary legislative procedure,

Whereas:

- (1) The Communication from the Commission to the European Parliament, European Council, the European Economic and Social Committee and the Committee of Regions 'The Future of Food and Farming' of 29 November 2017 provides that CAP must continue stepping up its response to future challenges, especially boosting quality of employment, growth and investment, fighting and adapting climate change and bringing research and innovation onto fields and markets. The new CAP should address citizens' concerns regarding sustainable agriculture production.
- (2) [Place holder relevant resolutions of the Council and EP]
- (3) The delivery model for future CAP needs to be changed in that the Union should set the basic policy parameters while Member States should bear greater responsibility and accountability for meeting those objectives. Greater subsidiarity should therefore be ensured to take better into account the local conditions and needs. Member States should be in charge of tailoring their CAP interventions to maximize their contribution to Union CAP objectives and should have greater say in designing the compliance and control framework for beneficiaries.
- (4) To ensure coherence of the future CAP all interventions of the future CAP shall be part of a strategic CAP support plan, including certain sectorial interventions that have previously been set out in Regulation (EU) No 1308/2013.
- (5) Certain definitions concerning sectors falling within the scope of Regulation (EU) No 1308/2013 are set out in its Annex II. Definitions concerning the sugar sector set out in Section B of Part II of Annex II to Regulation (EU) No 1308/2013 should be repealed.

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<sup>1</sup> OJ C [...], [...], p. [...].

<sup>2</sup> OJ C [...], [...], p. [...].

It should be possible to update definitions concerning other sectors in light of new scientific knowledge or market developments. The power to adopt certain acts should therefore be delegated to the Commission to amend definitions concerning all sectors referred to in Annex II to Regulation (EU) No 1308/2013 and consequently, the power delegated to the Commission in Part II of Annex II to amend the definition of inulin syrup should be deleted.

- (6) Part I of Regulation (EU) No 1308/2013 should be simplified and unnecessary and obsolete definitions and empowerments for the Commission to adopt implementing acts should be removed.
- (7) Provisions concerning Aid schemes set out in Section 2 (aid in the olive oil and table olives sector), Section 3 (Aid in the fruit and vegetables sector), Section 4 (support programmes in the wine sector), Section 5 (Aid in the apiculture sector) and section 6 (Aid in the hops sector) in Chapter 2 of Title I of Part II of Regulation (EU) No 1308/2013 should be repealed as the interventions in these sectors will be newly set out in Regulation .../... (*CAP Plan Regulation*).
- (8) The limits of Union aid for the supply of fruit and vegetables and of milk and milk products in educational establishments should be updated.
- (9) In view of the decrease of the actual areas planted with vines in several Member States in the years 2014-2017 and in view of the risk of production potential loss Member States should be able to choose when establishing the area for new planting authorisations referred to in Article 63(1) of Regulation (EU) No 1308/2013 between the existing basis and total area actually planted with vines in their territory on 31 July 2015 increased by an area corresponding to the planting rights under Regulation (EC) No 1234/2007 available for conversion into authorisations in the Member State concerned on 1 January 2016.
- (10) Rules for the classification of wine grape varieties by Member States should be modified to include wine grape varieties *Noah*, *Othello*, *Isabelle*, *Jacquez*, *Clinton* and *Herbemont* that have been previously excluded. To ensure that wine production in the Union may benefit from higher resistance to diseases *Vitis Labrusca* varieties and varieties stemming from crosses between *Vitis vinifera*, *Vitis Labrusca* and other species of the genus *Vitis* should be allowed to be planted for wine production in the Union.
- (11) To enable producers to use vine varieties better adapted to changing climatic conditions it should be possible to obtain products using designations of origin not only from vine varieties belonging to *Vitis vinifera* but also from vine varieties stemming from a cross between *Vitis vinifera* and other species of the genus *Vitis*.
- (12) The definition of designation of origin should to be aligned with the Agreement on Trade-Related Aspects of Intellectual Property Rights ('TRIPS Agreement'), in particular with its Article 22(1).
- (13) To ensure coherent decision-making about applications for protection and about objections submitted in the preliminary national procedure referred to in Article 96 of Regulation (EU) No 1308/2013 the Commission should be timely and regularly informed about any procedures launched before national courts and other bodies concerning an application for protection forwarded by the Member State to the Commission as referred to Article 96(5) of Regulation (EU) No 1308/2013.
- (14) The time period for the objection procedure should be extended to three months to ensure that all interest parties had sufficient time to analyse the application for protection and the possibility to submit statement of objections. To enable each Member State to

effectively coordinate objections stemming from natural or legal persons residing or established in its territory these persons should submit their objections via the authorities of that Member State.

- (15) To increase procedural efficiency the Commission should be able to adopt implementing acts conferring protection without recourse to examination procedure where no objections to the application for protection were submitted. The Commission should also be able to reject objection that it considers inadmissible in the implementing act by which it confers protection.
- (16) Having due regard to the TRIPS Agreement, in particular to Articles 22 and 23 thereof, and to the General Agreement on Tariffs and Trade ('GATT Agreement') including Article V thereof on freedom of transit, which were approved by Council Decision 94/800/EC<sup>3</sup> and aiming to strengthen protection of designations of origin and geographical indications, and to combat counterfeiting more effectively, the protection conferred by Article 103(2) of Regulation (EU) No 1308/2013 should also apply with regard to goods which are in transit in the Union customs territory and to goods which are sold over the internet or by other means of electronic commerce.
- (17) It should be possible to cancel protection of designation of origin or geographical indication which is no longer in use or where the applicant referred to in Article 95 of Regulation (EU) No 1308/2013 no longer wishes to maintain that protection.
- (18) In view of the increasing consumer demand for innovative grapevine products with lower actual alcoholic strength than the minimum actual alcoholic strength set out for grapevine products in Part II of Annex VII Regulation (EU) No 1308/2013 it should be possible to produce such innovative grapevine products also in the Union.
- (19) Definitions of de-alcoholised grapevine products and partially de-alcoholised grapevine products need to be introduced. These definitions should correspond to the definitions set out in the Resolutions of International Organisation of Vine and Wine (OIV), OIV-ECO 433-2013 *Beverage Obtained By Partial Dealcoholisation of Wine* and OIV-ECO 523-2016 *Wine With An Alcohol Content Modified by Dealcoholisation*.
- (20) Provisions on labelling and presentation of products in the wine sector need to be modified to ensure that the labelling and presentation rules also apply to de-alcoholised or partially de-alcoholised grapevine products. Annex VIII to Regulation (EU) No 1308/2013 should be amended to establish the dealcoholisation processes that are permitted in the Union to produce certain de-alcoholised or partially de-alcoholised grapevine products. The Commission should be empowered to adopt delegated acts also concerning the conditions of use of closures in the wine sector.
- (21) The system of production regulation and requirements applying to the sugar sector came to an end by the end of the 2016/2017 marketing year. Article 124 and Articles 127 to 144 became obsolete and should be deleted.
- (22) Certain implementing powers granted to the Commission are no longer necessary to manage licences for imports of agriculture products and as such should be repealed. Measures and rules concerning imports of hemp are no longer necessary and as such should be repealed.

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<sup>3</sup> Council Decision 94/800/EC of 22 December 1994 concerning the conclusion on behalf of the European Community, as regards matters within its competence, of the agreements reached in the Uruguay Round multilateral negotiations (1986-1994) (OJ L 336, 23.12.1994, p. 1).

- (23) Articles 192 and 193 of Regulation (EU) No 1308/2013 should be repealed as such measures are no longer necessary in view of the end of the production regulation in the sugar sector. The Commission should be able to adopt implementing acts suspending import duties for cane and beet molasses to guarantee the supply necessary for Union market.
- (24) In view of the Ministerial Decision of 19 December 2015 on Export Competition (WT/MIN(15)/45, WT/L//980) of the 10<sup>th</sup> Ministerial Conference in Nairobi which commits developed countries that are WTO Members, including the Union, to eliminate their export subsidy entitlements as of the date of that Decision, Union provisions on export refunds for agricultural products set out in Articles 196 to 204 of Regulation (EU) No 1308/2013 should be repealed.
- (25) The WTO Ministerial Decision of 19 December 2015 on export competition sets down rules on export competition measures. In respect of export credits, export credit guarantees and insurance programmes, agricultural exporting state trading enterprises and international food aid, any Member States actions should respect rules laid down in that WTO Ministerial Decision.
- (26) Obsolete reporting obligations of the Commission regarding milk and milk products market, extension of the school scheme scope and on the application of competition rules to the agriculture sector should be repealed. Reporting obligation concerning the apiculture sector should be integrated in Regulation .../... (*CAP Plan Regulation*).
- (27) In view of the repeal of Regulation (EU) No 1306/2013 provisions concerning checks and penalties related to marketing standards and protected designations of origin, geographical indications and traditional terms have to be integrated in Regulation (EU) No 1308/2013.
- (28) In view of the limited number of registrations of geographical indications of aromatised wines under Regulation (EU) No 251/2014, the legal framework for the protection of geographical indications for those products should be simplified. Aromatised wines and other like alcoholic beverages with the exception of those listed in Annex VII to Regulation (EU) No 1308/2013 shall have the same legal regime and procedures as other agriculture products and foodstuffs. The scope of Regulation (EU) No 1151/2012 should be newly extended to cover those products. A smooth transition for the names protected under Regulation No (EU) 251/2014 should be ensured.
- (29) Procedures related to registration of protected designations of origin, protected geographical indications and traditional specialities guaranteed laid down in Regulation (EU) No 1151/2012 should be streamlined and simplified to ensure that new names can be registered within shorter time periods. Opposition procedure should be simplified and aligned with the rules on opposition procedure set out in Regulation (EU) No 1308/2013.
- (30) The possibility for the Commission to grant transitional periods for the use of designations that contain names of traditional specialities guaranteed should be introduced, in line with the conditions for such transitional periods already existing for protected designations of origin and protected geographical indications. The procedure for approval of amendments to product specifications should be simplified, in that a distinction between Union and standard amendments should be introduced. In line with the subsidiarity principle, Member States shall be responsible for approval of standard amendments and the Commission should retain the power to approve Union amendments to product specifications.

- (31) Transitional arrangements should be put in place for applications for protection and for registration of designations of origin, geographical indications of origin and traditional specialties guaranteed submitted before the entry into application of this Regulation.

HAVE ADOPTED THIS REGULATION:

*Article 1*

**Amendments to Regulation (EU) No 1308/2013**

Regulation (EU) No 1308/2013 is amended as follows:

- (1) Article 3 is amended as follows:

- (a) paragraph 2 is deleted;
- (b) paragraph 3 is replaced by the following:

'The definitions set out in [*Horizontal Regulation, CAP Plan Regulation*] shall apply for the purposes of this Regulation, save as otherwise provided for in this Regulation.'

- (c) paragraph 4 is replaced by the following:

'4. In order to take into account the specific characteristics of the different sectors, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 amending the definitions concerning the sectors set out in Annex II to the extent necessary to update the definitions in light of market developments.'

- (2) Article 5 is replaced by the following:

*'Article 5*

**Conversion rates for rice**

The Commission may adopt implementing acts fixing the conversion rates for rice at various stages of processing.

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).'

- (3) Article 6 is deleted.
- (4) In Part II, in Chapter II of Title I, Sections 2 to 6 are deleted.
- (5) Article 23a is amended as follows:

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

'Without prejudice to paragraph 4 of this Article, the aid under the school scheme allocated for the distribution of products, the accompanying educational measures and the related costs referred to in Article 23(1) shall not exceed [XX] million per school year.

Within that overall limit, the aid shall not exceed:

- (a) for school fruit and vegetables: EUR [XX] million per school year;
- (b) for school milk: EUR [XX] million per school year.'
- (b) in third subparagraph of paragraph 2, the last sentence is deleted.
- (c) paragraph 4 is replaced by the following:

'Without exceeding the overall limit of EUR [XX] million laid down in paragraph 1, any Member State may transfer once per school year up to 20% of either one or the other of its indicative allocations.'

(6) In Article 63(1) the first subparagraph is replaced by the following:

'Member States shall make available each year authorisations for new plantings corresponding to either:

(a) 1% of the total area actually planted with vines in their territory, as measured on 31 July of the previous year, or

(b) 1% of an area comprising the area actually planted with vines in their territory, as measured on 31 July 2015, and the area covered by planting rights granted to producers in their territory in accordance with Article 85h, Article 85i or Article 85k of Regulation (EC) No 1234/2007\* and available for conversion into authorisations on 1 January 2016, as referred to in Article 68 of Regulation (EU) No 1308/2013.

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\* Council Regulation (EC) No 1234/2007 of 22 October 2007 establishing a common organisation of agriculture markets and on specific provisions for certain agricultural products (Single CMO Regulation), OJ L 299, 16.11.2007, p. 1-149.'

(7) In Article 81, paragraph 2 is replaced by the following:

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

Member States may classify wine grape varieties meeting the following conditions:

(a) the variety belongs to the species *Vitis vinifera* or *Vitis Labrusca*; or

(b) the variety comes from a cross between species *Vitis vinifera*, *Vitis Labrusca* and other species of the genus *Vitis*.

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

(8) Article 93 is amended as follows:

(a) In paragraph 1, point (a) is replaced by the following:

'(a) 'a designation of origin' is a name which identifies a product referred to in Article 92(1):

(i) whose quality or characteristics are essentially or exclusively due to a particular geographical environment, with its inherent natural factors and where relevant human factors;

(ii) originating in a specific place, region or, in exceptional cases, a country;

(iii) the grapes from which the product is produced come exclusively from that geographical area;

(iv) the production takes place in that geographical area; and

(v) it is obtained from vine varieties belonging to *Vitis vinifera* or a cross between the *Vitis vinifera* species and other species of the genus *Vitis*.'

(b) In paragraph 2, point (c) is replaced by the following:

'(c) fulfil the requirements referred to in points (a)(i) to (v) of paragraph 1; and'

(c) Paragraph 4 is replaced by the following:

'4. Production as referred to in point (a)(iv) and in point (b)(iii) of paragraph 1 shall cover all the operations involved, from the harvesting of the grapes to the completion of the wine-making processes, with the exception of any post-production processes.'

(9) In Article 94(1), the first sentence is replaced by the following:

'1. Applications for protection of names as designations of origin or geographical indications shall include:'

(10) In Article 96, the following paragraph is added:

'6. The Member State shall notify to the Commission without delay information about any procedure initiated before national court or other national body concerning an application for protection that the Member State forwarded to the Commission, as referred to in paragraph 5.'

(11) Article 97 is amended as follows:

(a) Paragraph 2 is replaced by the following:

'2. The Commission shall examine applications for protection that it receives as laid down in Article 96(5). The scrutiny by the Commission shall consist of examination of the application for manifest errors, taking into account the outcome of the preliminary national procedure carried out by Member State concerned as laid down in Article 96.

Commission scrutiny should not exceed a period of six months from the date of receipt of the application as referred to in Article 96(5). Where this period is exceeded the Commission shall indicate in writing to the applicants the reasons for this delay.'

(b) Paragraph 3 is replaced by the following:

'3. Where, based on the scrutiny carried out pursuant to paragraph 2, the Commission considers that the conditions laid down in Articles 93, 100 and 101 of this Regulation are fulfilled, it shall adopt implementing acts concerning the publication, in the *Official Journal of the European Union*, of the single document referred to in point (d) of Article 94(1) and of the reference to the publication of the product specification made in the course of the preliminary national procedure.

Those implementing acts shall be adopted without applying the procedure referred to in Article 229(2) or (3).'

(c) Paragraph 4 is replaced by the following:

'4. Where, based on the scrutiny carried out pursuant to paragraph 2, the Commission considers that the conditions laid down in Articles 93, 100 and 101 of this Regulation are not met it shall adopt implementing acts rejecting the application.

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).'

(12) Article 98 is replaced by the following:

*Article 98*

### **Objection procedure**

Within three months from the date of the publication of the single document referred to in point (d) of Article 94(1) in the *Official Journal of the European Union*, the authorities of a Member State or of a third country, or any natural or legal person having a legitimate interest and resident or established in a third country, may submit a statement of objection to the proposed protection to the Commission. A statement of objection shall be fully substantiated.

Any natural or legal person having a legitimate interest and resident or established in a Member State other than that applying for the protection may submit the statement of objection via the authorities of the Member State in which it is resident or established, within the time limit permitting a statement of objection to be submitted as laid down in the first subparagraph.'

(13) Article 99 is replaced by the following:

*'Article 99*

#### **Decision on protection**

1. If the Commission has received no admissible statement of objection as referred to in Article 98, it shall adopt implementing acts, without applying the procedure referred to in Article 229(2), conferring the protection.

2. If the Commission has received an admissible statement of objection it shall adopt implementing acts, in accordance with the examination procedure referred to in Article 229(2), conferring the protection or rejecting the application.

3. Protection conferred pursuant this Article shall be without prejudice to other specific Union provisions relating to the placing of products on the market and, in particular, to the single common organisation of the markets, and to food labelling.'

(14) In Article 103, the following paragraph is added:

'4. The protection referred to in paragraph 2 shall also apply with regard to goods entering the customs territory of the Union without being released for free circulation there and with regard to goods sold through means of electronic commerce in the European Union.'

(15) Article 106 is replaced by the following:

*'Article 106*

#### **Cancellation**

The Commission may, on its own initiative or at the duly substantiated request of a Member State, a third country, or a natural or legal person having a legitimate interest, adopt implementing acts cancelling the protection of designation of origin or a geographical indication in one of the following cases:

- (a) where compliance with the corresponding product specification is no longer ensured;
- (b) where no product is placed on the market under the designation of origin or geographical indication for at least seven consecutive years; or
- (c) where an applicant satisfying the conditions laid down in Article 95 declares that it is no longer interested in the protection of a designation of origin or a geographical indication.

Those implementing acts shall be adopted in accordance with the procedure referred to in Article 229(2) or (3).

(16) Article 111 is deleted.

(17) In Section 2 of Chapter 1 of Title 2 of Part 2, the following new subsection is added:

*'Subsection 4*

#### **Checks related to designations of origin, geographical indications and traditional terms**

*'Article 116a*

#### **Checks**

1. Member States shall take the necessary steps to stop unlawful use of protected designations of origin, protected geographical indications and protected traditional terms referred to in this Regulation.

2. Member State shall designate the competent authority responsible for carrying out the checks in respect of the obligations laid down in Section II of Chapter I of Title II of Part 2 in accordance with the criteria laid down in Articles 4(2), 4(4), 5(1), 5(4) and 5(5) of Regulation (EU) No 2017/625 and shall ensure that any operator complying with those obligations is entitled to be covered by a system of checks.

3. Within the Union, annual verification of compliance with the product specification, during the production and during or after conditioning of the wine shall be ensured by the competent authority referred to in paragraph 2 or by one or more control bodies within the meaning of point 5 of Article 3 of Regulation (EU) 2017/625 operating as a product certification body in accordance with the criteria laid down in Chapter III of that Regulation.

4. The Commission shall, adopt implementing acts concerning the following:

- (a) the communications to be made by the Member States to the Commission;
- (b) rules on the authority responsible for the verification of compliance with the product specification, including where the geographical area is in a third country;
- (c) the actions to be implemented by the Member States to prevent the unlawful use of protected designations of origin, protected geographical indications and protected traditional terms;
- (d) the checks and verification to be carried out by the Member States, including testing.

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).'

(18) In Article 119(1), the first sentence is replaced by the following:

'1. Labelling and presentation of the products referred to in points 1 to 11, 13, 15 to 16 and 18 to 19 of Part II of Annex VII marketed in the Union or for export shall contain the following compulsory particulars:'

(19) In paragraph 1 of Article 120, the first sentence is replaced by the following:

'Labelling and presentation of the products referred to in points 1 to 11, 13, 15 to 16 and 18 to 19 of Part II of Annex VII may, in particular, contain the following optional particulars:'

(20) Paragraph 1 of Article 122 is amended as follows:

- (a) In point (b), point (ii) is deleted.
- (b) In point (c), the following point is added:

'(iii) terms referring to a holding and the conditions for their use.'

(c) In point (d), the point (i) is replaced by the following:

'(i) the conditions of use of certain bottle shapes and of closures, and a list of certain specific bottle shapes;'

(21) In Section I of Chapter II, subsections 2 and 3 are deleted.

(22) In paragraph 3 of Article 145, the first sentence is replaced by the following:

'3. Member States which provide in their [*CAP Plans*] for restructuring and conversion of vineyards in accordance with Article XX [*CAP Support Plan Regulation*], shall on the basis of

the vineyard register submit to the Commission by [1 March] each year an updated inventory of their production potential.'

(23) Article 189 is deleted.

(24) Article 192 is deleted.

(25) Article 193 is replaced by the following:

*'Article 193*

#### **Suspension of import duties for molasses**

In order to ensure that the Union market is adequately supplied by means of imports from third countries, the Commission may adopt implementing acts suspending import duties in whole or in part for certain quantities of molasses falling within CN Code 1703.

Those implementing acts should be adopted without applying the procedure referred to in Article 229(2) or (3).'

(26) The title of Chapter VI of Part 3 is replaced by the following:

***'Export competition'***

(27) Article 196 is replaced by the following:

*'Article 196*

#### **Export competition**

1. Member State export credits, export credit guarantees and insurance programmes falling within the scope of paragraphs 13 and 14 of WTO Ministerial Decision of 19 December 2015

2. Member State agricultural exporting state trading enterprises falling within the scope of paragraph 19 of the WTO Ministerial Decision of 19 December 2015 on export competition shall be operated in conformity with paragraphs 18 and 20 to 21 of that Decision.

3. The provision of international food aid by Member States shall be in conformity with the disciplines laid down in paragraphs 23 to 32 of the WTO Ministerial Decision of 19 December 2015 on export competition.'

(28) Articles 197 to 204 are deleted.

(29) [PLACE HOLDER – STATE AID RULES]

(30) In Article 225, points (a) to (d) are deleted.

(31) In Part 5, the following new chapter is added:

*'CHAPTER IV*

#### ***Checks and penalties***

*'Article 226a*

#### **Other checks and penalties related to marketing rules**

1. Member States shall take measures to ensure that the products referred to in Article 119(1) which are not labelled in conformity with the provisions of that Regulation are not placed on, or are withdrawn from, the market.

2. Without prejudice to any specific provisions which may be adopted by the Commission, imports into the Union of the products specified in points (a) and (b) of paragraph 1 of Article 189 shall be subject to checks to determine whether the conditions provided for in paragraph 1 of that Article are met.

3. Member States shall carry out checks, based on a risk analysis, in order to verify whether products referred to in Annex I conform to the rules laid down in Section I of Chapter I of Title II of Part II and shall apply administrative penalties as appropriate.

4. Without prejudice to acts regarding the wine sector adopted on the basis of Article [64 *Horizontal Regulation, Article on protection of Union financial interests*], in the event of infringement of Union rules in the wine sector, Member States shall apply proportionate, effective and dissuasive administrative penalties. Such penalties shall not apply in the cases set out in points (a) to (d) of Article 64(2) [*Horizontal Regulation, Article on protection of Union financial interests*] and where the non-compliance is of a minor nature.

5. In order to protect Union funds and the identity, provenance and quality of Union wine, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 relating to:

(a) the establishment of an analytical databank of isotopic data to help detect fraud to be constructed on the basis of samples collected by Member States;

(b) rules on control bodies and the mutual assistance between them;

(c) rules on the common use of the findings of Member States;

6. The Commission may adopt implementing acts laying down all measures necessary for:

(a) the procedures relating to Member States' own databanks and to the analytical databank of isotopic data that will help detect fraud;

(b) the procedures relating to cooperation and assistance between control authorities and bodies;

(c) as regards the obligation referred to in paragraph 3, rules for performing the checks of compliance with marketing standards, rules on the authorities responsible for performing the checks, as well as on the content, the frequency and the marketing stage to which those checks are to apply.

6. The Commission may adopt implementing acts laying down all measures necessary for:

(a) the procedures relating to Member States' own databanks and to the analytical databank of isotopic data that will help detect fraud;

(b) the procedures relating to cooperation and assistance between control authorities and bodies;

(c) as regards the obligation referred to in paragraph 3, rules for performing the checks of compliance with marketing standards, rules on the authorities responsible for performing the checks, as well as on the content, the frequency and the marketing stage to which those checks are to apply.

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).'

(32) Part II of Annex II is amended as follows:

(a) In point 4 of Section A, the second sentence is deleted.

(b) Section B is deleted.

(33) The title of Annex III is replaced by the following:

**'STANDARD QUALITY OF RICE AND SUGAR AS REFERRED TO IN ARTICLE 1a of REGULATION (EU) No 1370/2013'**

(34) In Annex III, in Part B, Section I is deleted.

(35) Annex VI is deleted.

(36) Annex VII is amended as follows:

(a) In Part II the following point is added:

'(18) The term 'de-alcoholised' may be used together with the name of the grapevine products referred to in points 1, 4 to 9, if such product:

(a) is obtained from wine as defined in point 1, sparkling wine as defined in point 4, quality sparkling wine as defined in point 5, quality aromatic sparkling wine as defined in point 6, aerated sparkling wine as defined in point 7, semi-sparkling wine as defined in point 8, or from aerated semi-sparkling wine as defined in point 9;

(b) has undergone a dealcoholisation treatment in accordance with the processes specified in point E of Annex VIII; and

(c) has a total alcoholic strength of no more than 0,5% by volume.'

(b) In Part II the following point is added:

'(19) The term 'partially de-alcoholised' may be used together with the name of the grapevine products referred to in points 1 and 4 to 9, if such product:

(a) is obtained from wine as defined in point 1, sparkling wine as defined in point 4, quality sparkling wine as defined in point 5, quality aromatic sparkling wine as defined in point 6, aerated sparkling wine as defined in point 7, semi-sparkling wine as defined in point 8, or from aerated semi-sparkling wine as defined in point 9;

(b) has undergone a dealcoholisation treatment in accordance with the processes specified in point E of Annex VIII; and

(c) has a total alcoholic strength of more than 0,5% by volume and following the processes specified in point E of Annex VIII its total alcoholic strength is reduced by more than 20% by volume compared to its initial total alcoholic strength.'

(37) In Annex VIII, the following point is added:

**E. Dealcoholisation processes**

The following dealcoholisation processes, whether used each of its own or in combination, shall be allowed to reduce part or almost all the ethanol content in grapevine products referred to in points 1 and 4 to 9 of Part II of Annex VII:

(a) Partial vacuum evaporation;

(b) Membrane techniques;

(c) Distillation.

The dealcoholisation processes shall not result in organoleptic defects of the grapevine product. The elimination of ethanol in grapevine product must not be done in conjunction with the increase of the sugar content in the grape must.'

*Article 2*

**Amendments to Regulation (EU) No 1151/2012**

Regulation (EU) No 1151/2012 is amended as follows:

(1) Article 2 is amended as follows:

(a) Paragraph 2 is replaced by the following:

'This Regulation shall not apply to spirit drinks or grapevine products as defined in Annex VII to Regulation No 1308/2013, with the exception of wine-vinegars.'

(b) Paragraph 3 is replaced by the following:

'This Regulation shall apply without prejudice to other specific Union provisions relating to the placing of products on the market and, in particular, to the single common organisation of the markets, and to food labelling. Registrations made pursuant to Article 52 of this Regulation shall be without prejudice to those rules.'

(2) In paragraph 1 of Article 5, point (b) is replaced by the following:

'(b) whose quality or characteristics are essentially or exclusively due to a particular geographical environment, with its inherent natural factors and where relevant human factors;'

(3) In paragraph 1 of Article 7, point (d) is deleted.

(4) In paragraph 1 of Article 10, the first sentence is replaced by the following:

'1. A reasoned statement of opposition as referred to in Article 51(1) shall be admissible only if it is received by the Commission within the time limit set out in that paragraph and if it:'

(5) In Article 13, the following paragraph is added:

'4. The protection referred to in paragraph 1 shall also apply with regard to goods entering the customs territory of the Union without being released for free circulation there and with regard to goods sold through means of electronic commerce.'

(6) Article 15 is amended as follows:

(a) In paragraph 1, the last subparagraph is replaced by the following:

'Those implementing acts shall be adopted without applying the examination procedure referred to in Article 57(2).'

(b) In paragraph 2, the first sentence is replaced by the following:

'2. Without prejudice to Article 14, the Commission may adopt implementing acts extending the transitional period mentioned in paragraph 1 of this Article in justified cases where it is shown that:'

(7) In Title II, the following new Article is added:

#### *Article 16a*

#### **Existing geographical indications for aromatised wine products**

Names entered in the register provided for in Article 21 of Regulation (EU) No 251/2014 shall automatically be entered in the register referred to in Article 11 of this Regulation. The corresponding specifications shall be deemed to be the specifications referred to in Article 7 of this Regulation.

Chapter III of Regulation (EU) No 251/2014 shall continue to apply to applications for protection of names of aromatised wines as geographical indication pending at the date of application of this Regulation. However, the decision on registration shall be adopted pursuant to Article 52 of this Regulation.'

(8) In paragraph 1 of Article 21, the first sentence is replaced by the following:

'1. A reasoned statement of opposition as referred to in Article 51(1) shall be admissible only if it is received by the Commission before expiry of the time limit and if it:'

(9) In Title III, the following new Article is added:

### **Transitional periods for use of traditional specialties guaranteed**

The Commission may adopt implementing acts granting a transitional period of up to five years to enable products the designation of which consists of or contains a name that contravenes Article 24(1) to continue to use the designation under which it was marketed on condition that an admissible statement of opposition under Article 49(3) or Article 51 shows that such name has been legally used on the Union market for at least five years preceding the date of the publication provided for in point (a) of Article 50(2).

Those implementing acts shall be adopted without applying the examination procedure referred to in Article 57(2).'

(10) In Article 49, the following paragraph is added:

'8. The Member State shall notify to the Commission without delay information about any procedure initiated before national court or other national body concerning an application lodged with the Commission, as referred to in paragraph 4.

(11) Article 50 is amended as follows:

(a) Paragraph 1 is replaced by the following:

'1. The Commission shall examine application for registration that it receives as laid down in Article 49(4). The scrutiny by the Commission shall consist of examination of the application for manifest errors, taking into account the outcome of the scrutiny and opposition procedure carried out by Member State concerned as laid down in Article 49.

The Commission scrutiny should not exceed a period of six months from the date of receipt of the application as referred to in Article 49(4). Where this period is exceeded, the Commission shall indicate in writing to the applicant the reasons for the delay.

The Commission shall, at least each month, make public the list of names for which registration applications have been submitted to it, as well as their date of submission.'

(b) Paragraph 2 is replaced by the following:

'2. Where, based on the scrutiny carried out pursuant to paragraph 1, the Commission considers that the conditions laid down in Articles 5 and 6 of this Regulation are fulfilled as regards registration applications under the scheme set out in Title II, or that the conditions laid down in Article 18(1) and (2) are fulfilled as regards applications under the scheme set out in Title III, it shall publish in the *Official Journal of the European Union*

- (a) for applications under the scheme set out in Title II, the single document and the reference to the publication of the product specification;
- (b) for applications under the scheme set out in Title III, the specification.'

(12) Article 51 is amended as follows:

(a) Paragraph 1 is replaced by the following:

'1. Within three months from the date of publication in the *Official Journal of the European Union*, the authorities of a Member State or of a third country, or a natural or a legal person having a legitimate interest and established in a third country may lodge a reasoned statement of opposition with the Commission.

A natural or a legal person having a legitimate interest, established or resident in a Member State other than that from which the application was submitted, may lodge a reasoned statement

of opposition with the Member State in which it is established within a time limit permitting an opposition to be lodged pursuant to the first subparagraph.'

(b) Paragraph 2 is replaced by the following:

'2. The Commission shall examine the admissibility of the reasoned statement of opposition based in particular on grounds for opposition laid down in Article 10 as regards protected designations of origin and protected geographical indications and based in particular on the grounds for opposition laid down in Article 21 as regards traditional specialties guaranteed.'

(c) In Paragraph 3, the first and second subparagraph is replaced by the following:

'3. If the Commission considers that the reasoned statement of opposition is admissible it shall within five months from the date of publication of the application in the *Official Journal of the European Union* invite the authority or person that lodged the reasoned statement of opposition and the authority or body that lodged the application with the Commission to engage in appropriate consultations for a reasonable period that shall not exceed three months.

The authority or person that lodged the reasoned statement of opposition and the authority or body that lodged the application shall start such appropriate consultations without undue delay. They shall provide each other with the relevant information to assess whether the application for registration complies with the conditions of this Regulation. If no agreement is reached, this information shall be provided to the Commission. '

(d) Paragraph 5 is replaced by the following:

'5. The reasoned statement of opposition and other documents which are sent to the Commission in accordance with paragraphs 1 to 3 shall be in one of the official languages of the Union.'

(13) In Article 52, paragraph 2 is replaced by the following:

'2. If the Commission receives no admissible reasoned statement of opposition under Article 51, it shall adopt implementing acts, without applying the procedure referred to in Article 57(3), registering the name.'

(14) In Article 53, paragraph 2 is replaced by the following:

'2. Amendments to a product specification are classified into two categories as regards their importance: Union amendments, requiring an objection procedure at the Union level and standard amendments to be dealt at Member State or third country level.

Union amendment is an amendment that:

(a) includes a change in the name of the protected designation of origin, protected geographical indication or traditional speciality guaranteed;

(b) risks voiding the links referred to in point (b) of Article 5(1) for protected designations of origin and in and in Article 5(2) for protected geographical indications;

(c) introduces changes to the production method or to the use of raw materials and ingredients that deviate from the traditional practice and uses for traditional specialties guaranteed; or

(d) entails new restrictions on the marketing of the product.

Any other amendments to product specifications are standard amendments. Standard amendment is also a temporary amendment that concerns a temporary change in the product specification resulting from the imposition of obligatory sanitary and phytosanitary measures by the public authorities or a temporary amendment necessary because of natural disaster or adverse weather conditions formally recognised by the competent authorities.

Union amendments shall be approved by the Commission. The approval procedure shall follow, *mutatis mutandis*, the procedure laid down in Article 49 to 52.

Standard amendment shall be approved by the Member State in whose territory the geographical area of the product concerned is located. Third countries approve standard amendments in accordance with the law applicable in the third country concerned.

Amendments shall be scrutinised taking into account other elements of the product specifications. Where appropriate, the Commission or the Member State concerned may invite the applicant to modify other elements of the product specifications.'

(15) In Point I of Annex I, new indents are added as follows:

- aromatised wines as defined in Article 3(2) of Regulation (EU) No 251/2014;
- other alcoholic beverages not specifically listed in Point I.

#### *Article 3*

### **Amendments to Regulation (EU) No 251/2014**

Chapter III is deleted.

#### *Article 4*

### **Transitional provisions**

The rules applicable before the entry into application of this Regulation shall continue to apply to applications for protection of designations of origin or geographical indications received pursuant to Regulation (EU) No 1308/2013 and to applications for registration of protected designations of origin, protected geographical indications or traditional specialities guaranteed received pursuant to Regulation (EU) No 1151/2012.

#### *Article 5*

This Regulation shall enter into force on the [...] 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,

*For the European Parliament*  
*The President*

*For the Council*  
*The President*