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COMMISSION DELEGATED REGULATION (EU) No 611/2014

of 11 March 2014

supplementing Regulation (EU) No 1308/2013 of the European Parliament and of the Council as regards the support programmes for the olive-oil and table-olives sector

(OJ L 168, 7.6.2014, p. 55)

Corrected by:

►**C1** Corrigendum, OJ L 309, 30.10.2014, p. 37 (611/2014)

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supplementing Regulation (EU) No 1308/2013 of the European Parliament and of the Council as regards the support programmes for the olive-oil and table-olives 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 Article 30 thereof,

Whereas:

(1) Article 29 of Regulation (EU) No 1308/2013 lays down rules relating to the work programmes to support the olive-oil and table-olives sector. Those rules should be supplemented in order to guarantee that Union aid is utilised efficiently and effectively. The new rules should replace those laid down by Commission Regulation (EC) No 867/2008 ([2]), which should be repealed as a result.

(2) So that the work programmes can be implemented effectively, it should be laid down that Union funding will be allocated in proportion to their duration, while ensuring that the annual expenditure for implementing approved work programmes does not exceed the amount laid down in Article 29(2) of Regulation (EU) No 1308/2013.

(3) In order to ensure the overall consistency of the activities of recognised producer organisations, recognised associations of producer organisations and recognised interbranch organisations (hereinafter 'the recipient organisations'), the types of measure eligible for Union funding and the types of activity not eligible should be specified. The procedure for submitting the work programmes and the criteria for selecting them should also be specified. The Member States concerned should be allowed to lay down additional eligibility requirements so that the measures can be better adapted to national conditions in the olive sector.

(4) In the light of experience, the Union funding thresholds should be set at least for the areas of improving the environmental impact of olive cultivation, improving the competitiveness of olive cultivation through modernisation and traceability, certification and

([1]) OJ L 347, 20.12.2013, p. 671.

([2]) Commission Regulation (EC) No 867/2008 of 3 September 2008 laying down detailed rules for the application of Council Regulation (EC) No 1234/2007 as regards operators' organisations in the olive sector, their work programmes and the financing thereof (OJ L 237, 4.9.2008, p. 5).

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protection of the quality of olive oil and table olives by means of, in particular, quality control of the olive oils sold to end consumers, so as to ensure that at least a minimum number of measures are implemented in sensitive priority areas.

(5) In order to ensure that the work programmes are implemented in accordance with Article 29 of Regulation (EU) No 1308/2013 and that the system of support for the recipient organisations is subject to effective administrative management, procedures should be laid down for processing approval applications and selecting and approving work programmes.

(6) Article 231 of Regulation (EU) No 1308/2013 stipulates that all multiannual programmes adopted before 1 January 2014 must continue to be governed by the relevant provisions of Council Regulation (EC) No 1234/2007 ([1]) until those programmes come to an end. It should therefore be laid down that Regulation (EC) No 867/2008 will continue to apply to the work programmes which are ongoing when this Regulation enters into force,

HAS ADOPTED THIS REGULATION:

Article 1

Scope

This Regulation lays down rules supplementing Regulation (EU) No 1308/2013 as regards the measures eligible for Union funding, the minimum allocation by the Member States of Union funding to specific areas and the criteria and procedures for approving work programmes in the olive-oil and table-olives sector.

Article 2

Union funding

The Member States shall ensure that the Union funding provided for in Article 29 of Regulation (EU) No 1308/2013 is allocated in proportion to the work programmes' duration provided for in that Article, while ensuring that the annual expenditure on implementing the approved work programmes does not exceed the amount stipulated in paragraph 2 of that Article.

Article 3

Measures eligible for Union funding

1. The measures eligible for the Union funding provided for in Article 29(1) of Regulation (EU) No 1308/2013 shall be the following:

(a) in the area of market follow-up and management in the olive-oil and table-olives sector:

([1]) 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) (OJ L 299, 16.11.2007, p. 1).

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(i) collecting data on the sector and the market, in accordance with the specifications relating to method, geographical representativeness and accuracy laid down by the competent national authority;

(ii) carrying out studies on subjects related to the other measures provided for in the work programmes of the recipient organisations concerned;

(b) in the area of improving the environmental impact of olive cultivation:

(i) collective operations to maintain olive groves which are of high environmental value and risk being abandoned, in accordance with the requirements laid down on the basis of objective criteria by the competent national authority, in particular as regards the regional areas which may be eligible and the area and minimum number of olive producers who must be involved in order to make the operations in question effective;

(ii) developing good agricultural practices for olive cultivation, based on environmental criteria adapted to local conditions, as well as disseminating those practices among olive growers and following up their practical application;

(iii) practical demonstrations of alternatives to chemical products for combating olive fly, as well as seasonal measures to monitor its development;

(iv) practical demonstrations of olive cultivation techniques aimed at protecting the environment and maintaining the landscape, such as organic farming, low-input farming, protecting the soils by limiting erosion, and integrated farming;

(v) measures to protect rustic and endangered varieties;

(c) in the area of improving the competitiveness of olive cultivation through modernisation:

(i) improving irrigation systems and cultivation techniques;

(ii) replacing unproductive olive trees by new olive trees;

(iii) training producers in new cultivation techniques;

(iv) training and communication measures;

(d) in the area of improving the production quality of olive oil and table olives:

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(i) improving conditions for growing, harvesting, delivering and storing olives prior to processing, in accordance with the technical specifications laid down by the competent national authority;

(ii) varietal improvement of olive groves on individual holdings, provided that they contribute to the objectives of the work programmes;

(iii) improving conditions for storing olive oil and table olives, use of the residues from olive-oil and table-olive production and improving conditions for bottling olive oil;

(iv) technical assistance for production, the olive-processing industry, businesses producing table olives, mills and packaging relating to aspects linked to product quality;

(v) setting up and improving laboratories for the analysis of virgin olive oils;

(vi) training panels of tasters to carry out organoleptic assessments of virgin olive oils and table olives;

(e) in the area of traceability, certification and protection of the quality of olive oil and table olives by means of, in particular, quality control of the olive oils sold to end consumers:

(i) setting up and managing systems which make it possible to trace products from the olive grower through to packaging and labelling, in accordance with the specifications laid down by the competent national authority;

(ii) setting up and managing quality certification systems, based on a system of risk analysis and checks on critical points, the specification for which satisfies the technical criteria adopted by the competent national authority;

(iii) setting up and managing systems to monitor compliance with standards regarding the authenticity, quality and marketing of the olive oil and table olives placed on the market, in accordance with the technical specifications laid down by the competent national authority;

(f) in the area of disseminating information on the measures carried out by recipient organisations to improve the quality of olive oil and table olives:

(i) disseminating information on the measures carried out by recipient organisations in the areas referred to in points (a) to (e);

(ii) setting up and maintaining a website on the measures carried out by recipient organisations in the areas referred to in points (a) to (e).

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2. As regards the measures provided for in paragraph 1 points (c)(ii) and (d)(ii), Member States shall ensure that appropriate steps are taken to recover the investment or its residual value if the member who owns the specific holding leaves the producer organisation.

3. Member States may adopt additional conditions specifying the eligible measures, provided that these do not render their presentation or implementation impossible.

4. Outsourcing the measures of a producer organisation or an association of producer organisations in accordance with Article 155 of Regulation (EU) No 1308/2013 may be authorised for the measures referred to in paragraph 1 points (b), (c) and (d), subject to the following conditions:

(a) the conclusion of a written contract between the producer organisation or the association of producer organisations and another entity for carrying out the measure concerned. The producer organisation or the association of producer organisations shall nevertheless remain responsible for the carrying-out of that measure, as well as for the overall managerial control and general supervision of the said written contract;

(b) in order to enable effective managerial control and supervision, the contract referred to at point (a):

(i) shall allow the producer organisation or the association of producer organisations to issue binding instructions and shall contain provisions allowing the organisation or association to terminate the contract if the service provider does not comply with the terms and conditions of the said contract;

(ii) shall lay down detailed terms and conditions, including the declaration requirements and the time limits which enable the producer organisation or the association of producer organisations to evaluate and properly monitor the outsourced measures.

Article 4

Activities and costs not eligible for Union funding

1. The following activities shall not be eligible for Union funding under Article 29 of Regulation (EU) No 1308/2013:

(a) activities which are receiving Union funding other than that provided for in Article 29 of Regulation (EU) No 1308/2013;

(b) activities aimed directly at increasing production and enhancing storage or processing capacity;

(c) activities related to the purchase or storage of olive oil or table olives or having an impact on their prices;

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(d) activities related to the commercial promotion of olive oil or table olives;

(e) activities related to scientific research, except for the dissemination of research results to olive businesses;

(f) activities that could distort competition in the other economic activities of the recipient organisations;

(g) activities related to combating olive fly, except for the measures provided for in Article 3(1) point (b)(iii).

2. In order to ensure compliance with the rule laid down in paragraph 1 point (a), recipient organisations shall undertake in writing, on their own behalf and that of their members, to forgo any funding under another Union support scheme for measures which are in fact funded under Article 29 of Regulation (EU) No 1308/2013.

3. In carrying out the measures referred to in Article 3, costs arising from the following shall not be eligible for Union funding:

(a) repayments of loans, in particular in the form of annual instalments, taken out for a measure carried out in full or in part before the beginning of the work programme;

(b) payments to recipient organisations participating in meetings and training programmes to compensate for loss of income;

(c) expenditure on administrative and staff costs borne by Member States and organisations receiving EAGF support under Regulation (EU) No 1306/2013 of the European Parliament and of the Council ([1]);

(d) the purchase of land which has not been built on;

(e) the purchase of second-hand equipment;

(f) expenditure related to leasing contracts, including taxes, interest and insurance costs;

(g) rental where this is preferred to purchase and the operating costs of the assets rented.

4. Member States may lay down further conditions specifying the ineligible activities and costs referred to in paragraphs 1 and 3.

([1]) Regulation (EU) No 1306/2013 of the European Parliament and of the Council of 17 December 2013 on the financing, management and monitoring of the common agricultural policy and repealing Council Regulations (EEC) No 352/78, (EC) No 165/94, (EC) No 2799/98, (EC) No 814/2000, (EC) No 1290/2005 and (EC) No 485/2008 (OJ L 347, 20.12.2013, p. 549).

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Article 5

Allocation of Union funding

1. In each Member State at least 20 % of the Union funding available under Article 29 of Regulation (EU) No 1308/2013 shall be allocated to the area referred to in Article 3(1)(b), at least 15 % of the said Union funding shall be allocated to the area referred to in Article 3(1)(c) and at least 10 % of the said Union funding shall be allocated to the area referred to in Article 3(1)(e).

2. If the minimum percentage laid down in paragraph 1 is not fully used up in the areas referred to therein, the amounts not used up may not be allocated to other areas but shall be returned to the Union budget.

Article 6

Selection and eligibility criteria for work programmes

1. Member States shall select the work programmes referred to in Article 29(1) of Regulation (EU) No 1308/2013 on the basis of the following criteria:

(a) the overall quality of the programme and its consistency with the guiding principles and priorities of the olive sector in the regional area concerned, as laid down by the Member State;

(b) the financial credibility and the sufficiency of the financial resources of the recipient organisations for implementing the proposed measures;

(c) the size of the regional area concerned by the work programme;

(d) the diversity of the economic conditions in the regional area concerned which have been taken into account by the work programme;

(e) the existence of several areas and the size of the financial contribution from the recipient organisations;

(f) the quantitative and qualitative efficiency indicators enabling evaluation during implementation and *ex-post* evaluation of the programme drawn up by the Member State;

(g) the evaluation of programmes which may have been carried out previously by the recipient organisations within the framework of Commission Regulation (EC) No 1334/2002 ([1]), Commission Regulation (EC) No 2080/2005 ([2]) or Regulation (EC) No 867/2008.

Member States shall take account of the distribution of applications among the different types of recipient organisations in each regional area.

([1]) Commission Regulation (EC) No 1334/2002 of 23 July 2002 laying down detailed rules for the application of Council Regulation (EC) No 1638/98 as regards the work programmes of operators organisations in the olive sector for the marketing years 2004/2005 (OJ L 195, 24.7.2002, p. 16).

([2]) Commission Regulation (EC) No 2080/2005 of 19 December 2005 laying down detailed rules for the application of Council Regulation (EC) No 865/2004 as regards operators' organisations in the olive sector, their work programmes and the financing thereof (OJ L 333, 20.12.2005, p. 8).

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2. Member States shall reject work programmes which are incomplete or contain inaccurate information or include any of the ineligible activities specified in Article 4.

Article 7

Start and approval of work programmes

1. The first three-year work programme period referred to in Article 29(1) of Regulation (EU) No 1308/2013 shall start on 1 April 2015. The following periods shall start every three years on 1 April.

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2. Each recipient organisation recognised under Regulation (EU) No 1308/2013 may submit an approval application for one single work programme by a date to be laid down by the Member State but no later than 15 February of each year.

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3. The approval application shall contain the following information:

(a) details of the recipient organisation concerned;

(b) information relating to the selection criteria laid down in Article 6(1);

(c) a description of and the justification and implementation timetable for each proposed measure;

(d) the expenditure plan, broken down by measure and area as referred to in Article 3(1), with details for each 12-month period from the date of approval of the work programme, distinguishing between the overheads, which must not exceed 5 % of the total, and the other main types of costs;

(e) the funding plan for each area referred to in Article 3(1), with details for each 12-month period at most from the date of approval of the work programme, indicating in particular the Union funding applied for and, where applicable, the financial contributions from recipient organisations and the contribution from the Member State;

(f) a description of the quantitative and qualitative efficiency indicators enabling evaluation during implementation and *ex-post* evaluation of the programme on the basis of the general principles laid down by the Member State;

(g) proof that a security has been provided in accordance with Commission Implementing Regulation (EU) No 282/2012 ([1]);

(h) an application for an advance;

(i) the declaration stipulated in Article 4(2);

([1]) Commission Implementing Regulation (EU) No 282/2012 of 28 March 2012 laying down common detailed rules for the application of the system of securities for agricultural products (OJ L 92, 30.3.2012, p. 4).

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(j) for recipient organisations, details of the recipient organisations responsible for actually carrying out the subcontracted activities contained in their programmes;

(k) a declaration that the measures provided for in the recipient organisations' programmes do not form the subject of another application for Union funding under this Regulation.

4. Final approval of a work programme may be subject to the incorporation of amendments deemed necessary by the Member State. In that case, the recipient organisation concerned shall communicate its agreement within 15 days of the amendments being notified.

Member States shall ensure that the Union funding is allocated within each category of recipients, taking into account the value of the olive oil produced or marketed by the members of the recipient organisations.

No later than 15 March each year, each Member State shall inform the recipient organisations of the work programmes which have been approved and, where applicable, of the work programmes to which it is granting the corresponding national funding.

If a proposed work programme is not selected, the Member State shall immediately release the security referred to in paragraph 3 point (g).

Article 8

Repeal

Regulation (EC) No 867/2008 is hereby repealed. It shall, however, continue to apply to work programmes which are ongoing when this Regulation enters into force.

Article 9

Entry into force

This Regulation shall enter into force on the seventh 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.