

Common organisation of agricultural markets

CMO: incorporation of the wine sector into the single CMO Regulation

2008/0156(CNS) - 25/05/2009 - Final act

PURPOSE: to incorporate the wine sector, in full, into Regulation (EC) No 1234/2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (single CMO Regulation).

LEGISLATIVE ACT: Council Regulation (EC) No 491/2009 amending Regulation (EC) No 1234/2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation).

CONTENT: in view of simplifying the regulatory environment of the common agricultural policy (CAP), [Regulation \(EC\) No 1234/2007](#) (Single CMO Regulation) repealed, and replaced by **one single legal act**, all the regulations which the Council had adopted since the introduction of the CAP in the framework of the establishment of common organisations of the markets for agricultural products or groups of products. As highlighted in the Single CMO Regulation, that act of simplification was not meant to call into question policy decisions that had been taken over the years in the CAP. It therefore did not envisage providing for any new instruments or measures. The Single CMO Regulation thus reflects the policy decisions taken up to the moment when its text was proposed by the Commission.

In parallel to the negotiations and adoption of the Single CMO Regulation, the Council also started to negotiate a policy reform in the wine sector which has now been finalised by the adoption of Council Regulation (EC) No 479/2008. Only those provisions of the wine sector which were not subject to any policy reforms were initially incorporated into the Single CMO Regulation. These substantive provisions which were subject to policy amendments were to be incorporated into the Single CMO Regulation once they had been enacted. Since such substantive provisions have now been enacted, **the wine sector should now be fully incorporated into the Single CMO Regulation.**

The incorporation of these provisions into the Single CMO Regulation should follow the same approach as that taken for the adoption of the Single CMO Regulation, namely by not calling into question the policy decisions taken when those provisions were adopted by the Council or the motivation for those policy decisions as expressed in the relevant recitals of the respective Regulations. The Single CMO Regulation should therefore be amended accordingly.

The Single CMO Regulation incorporated the provisions concerning the **applicability of competition rules** under the Treaty in respect of the sectors it covered. Such provisions had, until then, been incorporated in Council Regulation (EC) No 1184/2006 applying certain rules of competition to the production of, and trade in, agricultural products. The Single CMO Regulation therefore adapted the scope of Regulation (EC) No 1184/2006. Due to the full incorporation of the wine sector into the Single CMO Regulation, and the extension of the competition rules contained therein to that sector, provision should be made to exclude the wine sector from the scope of Regulation (EC) No 1184/2006.

It is appropriate to clarify that any element of State aid that may be included in the national support programmes referred to in this Regulation is to be assessed in the light of the Community's substantive rules on State aid. Since the procedure laid down by this Regulation for the approval of those support programmes enables the Commission to ensure that the Community's substantive rules on State aid, and

in particular those contained in the "Community guidelines for State aid in the agriculture and forestry sector 2007 to 2013" are respected, no further notification should be required. Moreover, in the interests of legal certainty, it is appropriate to recall that the repeal of Regulation (EC) No 479/2008 does not affect the validity of any legal acts adopted on the basis of that repealed act.

ENTRY INTO FORCE: 24/06/2009.

APPLICATION: in order not to interfere with the ongoing 2008/2009 marketing year for wine, the proposed amendments should apply as of the start of the next marketing year for wine – i.e. as of **1 August 2009**.