COMMISSION REGULATION (EC) No 2182/2005

of 22 December 2005

amending Regulation (EC) No 1973/2004 laying down detailed rules for the application of Council Regulation (EC) No 1782/2003 as regards the support schemes provided for in Titles IV and IVa of that Regulation and the use of land set aside for the production of raw materials

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 1782/2003 of 29 September 2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers and amending Regulations (EEC) No 2019/93, (EC) No 1452/2001, (EC) No 1453/2001, (EC) No 1454/2001, (EC) No 1868/94, (EC) No 1251/1999, (EC) No 1254/1999, (EC) No 1673/2000, (EEC) No 2358/71 and (EC) No 2529/2001 (¹), and in particular Articles 145 and 155 thereof,

Whereas:

- (1) Article 99(3) of Regulation (EC) No 1782/2003 provides that the amount of seed aid claimed shall not exceed a ceiling fixed by the Commission. When the total amount of aid claimed exceeds the fixed ceiling, the aid per farmer should be reduced proportionally.
- (2) Chapter 10 of Commission Regulation (EC) No 1973/2004 (2) provides for the conditions for receiving seed aid. Article 49 of that Regulation provides that seed aid is to be granted only on the condition that the seed has been marketed for sowing by the recipient by 15 June of the year following the harvest of the latest.
- (3) The need of applying an eventual reduction coefficient in the same year implies a serious difficulty for the implementation of the new scheme In order to avoid the application of such reduction coefficient the only alternative would be to grant all the payments principally when all the seed is marketed, i.e. when the total quantity of seed is known. However, this would significantly delay the date of payment to the farmers and eventually cause financial problems for them. In order to avoid this situation a system of advances for seed aid should be introduced.

- (4) Regulation (EC) No 1782/2003 as amended by Council Regulation (EC) No 864/2004 (3) defines the rules for the coupled support for cotton, olive oil and raw tobacco.
- (5) In particular, Chapter 10a of Title IV of Regulation (EC) No 1782/2003 provides for the possibility of direct aid being granted for the production of cotton. It is therefore necessary to lay down detailed rules with regard to the granting of that aid.
- (6) Article10b(1) of Regulation (EC) No 1782/2003 states that, in order to be eligible for the aid per hectare, the farmer must sow the area under cotton with authorised varieties and grow the cotton on land authorised by the Member States. The authorisation criteria must therefore be specified for both the varieties and lands suitable for cotton production.
- (7) In order to receive the aid per hectare for cotton, farmers must sow authorised lands. A criterion defining 'sowing' must be established. The Member States' fixing of the minimum planting density on these lands based on soil and climate conditions and specific regional features must be an objective criterion for establishing whether sowing has been conducted properly or not.
- (8) Exceeding the national base areas laid down for cotton in Article 110c(1) of Regulation (EC) No 1782/2003 shall result in a reduction of the amount of aid to be paid for each eligible hectare. In the case of Greece, however, the subdivision of the national area into sub-areas to which different aid rates apply means that the method for calculating the reduced amount should be specified.
- (9) The Member States must authorise inter-branch cottonproducing organisations on the basis of objective criteria relating to their scale, duties and internal organisation. The scale of an inter-branch organisation must be fixed, taking into account the requirement on the member ginning undertaking to be able to take delivery of sufficient quantities of unginned cotton. As the main purpose of the inter-branch organisation is to improve the quality of the cotton to be delivered, it must take appropriate measures along these lines for the benefit of its members.

⁽¹⁾ OJ L 270, 21.10.2003, p. 1. Regulation as last amended by Commission Regulation (EC) No 118/2005 (OJ L 24, 27.1.2005, p. 15).

⁽²⁾ OJ L 345, 20.11.2004, p. 1. Regulation as last amended by Regulation (EC) No 1044/2005 (OJ L 172, 5.7.2005, p. 76).

⁽³⁾ OJ L 161, 30.4.2004, p. 48, as corrected by OJ L 206, 9.6.2004, p. 20.

- (10) In order to avoid complications in managing the aid scheme, a producer may not be a member of more than one inter-branch organisation. For that same reason, where a producer belonging to an inter-branch organisation undertakes to supply the cotton he has produced, he can supply it only to the ginning undertaking belonging to that same organisation.
- (11) In accordance with Article 110e of Regulation (EC) No 1782/2003, the inter-branch organisations may decide to differentiate the aid to which their members are entitled. The differentiation scale must comply with criteria relating in particular to the quality of the cotton to be delivered, but excluding criteria involving increased production. To this end, the inter-branch organisations must establish parcel categories based in particular on criteria relating to the quality of the cotton produced thereon.
- (12) In order to establish the amount of aid to be paid to producers belonging to inter-branch cotton producing organisations, the scale must provide for a method of distributing the overall amount of differentiated aid among the various parcel categories, the procedures for evaluating and classifying each parcel into one of those categories, calculation of the amount of aid per eligible hectare based on the available budget for each category and the total number of hectares within each category.
- (13) In order to classify the parcels in one of the categories established by the scale the cotton delivered may be analysed in the presence of all the parties concerned.
- (14) As the member-producer is not obliged to deliver his cotton, he must be entitled at least to the non-differentiated part of the aid where the cotton is not delivered. The differential scale must make provision for this by fixing the minimum amount of aid per eligible hectare where delivery does not take place.
- (15) In order to apply the scale, and with a view to simplification, all the parcels belonging to a single producer may be considered as being of the same parcel category producing the same quality cotton.
- (16) Once it has received the inter-branch organisation's notification of the aid amounts payable to its producers, the paying agency must undertake the necessary checks and pay out the aid.
- (17) The scale must be approved by the Member State. In order to inform the member producers in good time, a deadline should be introduced by which the Member State must decide whether or not to approve the interbranch organisation's scale, as well as any amendments subsequently made to it. As the inter-branch organisation

- is not required to adopt a differentiation scale, it can decide to suspend application of the scale and inform the Member State thereof.
- (18) The cotton aid scheme requires Member States to send their producers certain information on cotton growing, such as authorised varieties, the objective criteria for authorising land and the minimum plant density. In order to inform the farmers in good time, the Member State must send them this information by a specific date.
- (19) As the Commission is responsible for monitoring the proper application of the provisions on applying for the specific cotton aid, the Member States should provide it in good time with that same information and with information on the inter-branch organisations.
- (20) The introduction of the cotton aid scheme provided for in Regulation (EC) No 1782/2003 makes Commission Regulation (EC) No 1591/2001 of 2 August 2001 laying down detailed rules for applying the cotton aid scheme (¹) superfluous. That Regulation should therefore be repealed.
- (21) Chapter 10b of Title IV of Regulation (EC) No 1782/2003 provides for the possibility of direct aid being granted for olive groves. It is therefore necessary to lay down detailed rules with regard to the granting of the aid.
- (22) Article 110i of Regulation (EC) No 1782/2003 requires the Member States to identify up to five categories of olive grove and fixes an aid per olive GIS-hectare for each of those categories. To this end, the Commission must establish a common framework of social and environmental criteria, linked to the features of olive-growing landscapes and social traditions.
- (23) In order to improve the controls, the information on the categories of olive grove each farmer cultivates should be recorded in the geographical information system for olive cultivation. Provision should also be made to adjust the categories once a year, to take account of any changes in environmental or social conditions.
- (24) The aid for olive groves is granted per olive GIS-hectare. As a result, the area eligible for aid must be calculated for each farmer using a common method where the unit of area is expressed as olive GIS-ha. In order to facilitate administrative procedures, provision should be made for derogating measures both as regards the parcels with a minimum size to be determined by the Member States and the olive-growing parcels located within an administrative unit where the Member State has established an alternative system to the olive GIS.

⁽¹) OJ L 210, 3.8.2001, p. 10. Regulation as amended by Regulation (EC) No 1486/2002 (OJ L 223, 20.8.2002, p. 3).

- (25) For the purpose of paying the olive GIS-ha and in order to inform the farmers in good time, the Member States must first establish at the start of each year an indicative amount of aid per olive GIS-ha for each olive grove category. This indicative amount must be calculated on the basis of the data available on the number of farmers and areas qualifying for the aid for olive groves; the Member State will then fix the final aid amount using more accurate data.
- (26) One of the eligibility criteria established for the olive grove aid states that the number of olive trees in the grove must not differ by more than 10 % from the number recorded on 1 January 2005. In order to check compliance with this provision, the Member States must establish beforehand the information needed to identify the parcel concerned. In the case of France and Portugal, establishing the information on the parcels concerned must be postponed to a later date in order to take account of the areas planted with olive trees under the programmes approved under Article 4 of Council Regulation (EC) No 1638/98 of 20 July 1998 amending Regulation No 136/66/EEC on the establishment of a common organisation of the market in oils and fats (¹).
- (27) In order to allow the Commission to check the correct application of the finalised provisions for paying olive grove aid, the Member States should regularly transmit information on the areas under olive trees qualifying for the aid and on the level of aid to be granted for each olive grove category.
- (28) Chapter 10c of Title IV of Regulation (EC) No 1782/2003 provides for the possibility of direct aid being granted for the production of tobacco. It is therefore necessary to lay down detailed rules with regard to the granting of the aid.
- (29) For reasons of clarity, it is appropriate to provide for certain definitions.
- (30) Tobacco varieties should be classified in groups according to the curing method and production costs, taking account of the descriptions used in international trade.
- (31) Given their role as contracting partner, approval of first processing undertakings authorised to sign cultivation contracts is required. Such approval should be withdrawn where the rules are not observed and the special conditions governing the processing of tobacco should be laid down by the Member States.
- (¹) OJ L 210, 28.7.1998, p. 32. Regulation as last amended by Regulation (EC) No 865/2004 (OJ L 161, 30.4.2004, p. 97, as corrected by OJ L 206, 9.6.2004, p. 37).

- (32) In accordance with Article 110k of Regulation (EC) No 1782/2003 the recognised production areas should be fixed for each group of varieties of tobacco on the basis of the traditional production areas for the purposes of granting the aid. Member States should be permitted to limit production areas in order, in particular, to improve quality.
- (33) In order to make controls possible and to manage the payment of the aid efficiently, tobacco should be produced under cultivation contracts concluded between farmers and first processors. The main elements which have to figure in the cultivation contract for each harvest should be specified. Final dates for the conclusion and registration of contracts should be fixed sufficiently early, so as to guarantee, from the very beginning of the year of harvest, both stable outlets to farmers for the coming harvest and regular supplies to processors.
- (34) When a cultivation contract is concluded with a producer association, the essential details of each individual farmer should be notified to permit effective controls. In order to prevent distortion of competition and monitoring difficulties, producer associations should be debarred from engaging in first processing. In order to respect market structures, it should be laid down that a farmer may be a member of one producer association only.
- (35) Raw tobacco eligible for the aid should be of sound, fair and merchantable quality and free of certain characteristics which prevent normal marketing.
- (36) Given the particularities of the aid scheme, provision should be made for any disputes to be resolved through joint committees.
- (37) In order to be able to manage the financial envelope for raw tobacco appropriately, the Member States should fix an indicative aid amount by variety or variety groups early in the harvest year and a final aid amount after all deliveries have been made. The final aid amount should not exceed the premium level of 2005.
- (38) To encourage improvement of the quality and value of tobacco production, Member States should be allowed to differentiate the aid amount fixed for each variety or variety group in relation to the quality of the tobacco delivered.

- (39) Aid should be paid for the quantity of leaf tobacco delivered by farmers to first processors, provided that the minimum quality requirements are fulfilled. The aid should be adjusted where the moisture content of tobacco delivered differs from the moisture content fixed for each group of varieties on the basis of reasonable quality requirements. In order to simplify checks on delivery, sampling levels and frequency together with the method for calculating the adjusted weight for determining the moisture content should be fixed.
- (40) The period of delivery of the tobacco to processors should be limited in order to prevent fraudulent carry-over from one harvest to another. In several Member States checks are carried out at the place to which tobacco is delivered rather than that where it is processed. The places to which tobacco must be delivered and the checks to be carried out should be specified; Member States should approve such purchasing centres.
- (41) The conditions governing the payment of aid should be laid down in order to prevent fraud. However, it is the responsibility of the Member States to determine further management and control arrangements.
- (42) Aid may be paid only after a check on deliveries of all tobacco produced in a Member State, to guarantee that the operations concerned have actually been carried out. However, the payment of advances to producers of 50 % of the indicative aid amount due should be provided for on condition that an adequate security is lodged.
- (43) For administrative reasons, aid should, in each Member State, be granted only in respect of products produced on the territory of that Member State. Provisions are needed to take account of cases where tobacco is processed in Member States other than the Member State in which it has been produced. In such cases the quantity of raw tobacco in question should be taken over in the Member State where it was produced, for the benefit of producers in that Member State.
- As a result of the tobacco policy reform, the buy-back (44)programme for tobacco quotas will cease to apply. However, those producers who participated in the programme in 2002 and 2003 will continue to receive payments of the buy-back price until 2007 and 2008, respectively. At present, the buy-back price is fixed as a percentage of the tobacco premium in a given harvest year. The current tobacco premium system will no longer exist as from 1 January 2006, wherefore it is necessary to establish, as a transitional measure, a new basis for calculating the future quota buy-back price. Premium levels for raw tobacco have not changed during the harvest years 2002 to 2005. In the interest of continuity it is therefore appropriate to apply the premium level of 2005 as a basis for calculating the buy-back price.

- (45) Commission Regulation (EC) No 2848/98 of 22 December 1998 laying down detailed rules for the application of Council Regulation (EEC) No 2075/92 as regards the premium scheme, production quotas and the specific aid to be granted to producer groups in the raw tobacco sector (¹) may be repealed, following the abolition of the guarantee threshold and the premium system provided for in Council Regulation (EEC) No 2075/92 (²). The provisions of Commission Regulation (EEC) No 85/93 of 19 January 1993 concerning control agencies in the tobacco sector (³) have become obsolete and may therefore be repealed.
- (46) Regulation (EC) No 1973/2004 should therefore be amended accordingly.
- (47) The measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Direct Payments,

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EC) No 1973/2004 is amended as follows:

- 1. In Article 1(1), the following points are added:
 - '(q) crop specific payment for cotton provided for in Chapter 10a of Title IV of that Regulation;
 - (r) aid for olive groves provided for in Chapter 10b of Title IV of that Regulation;
 - (s) tobacco aid provided for in Chapter 10c of Title IV of that Regulation.'
- 2. In the first paragraph of Article 3, point (a) is replaced by the following:
 - '(a) by 15 September of the year concerned at the latest: the available data on the areas, or the quantities in the case of the dairy premium, additional payment, seeds and tobacco, provided for in Articles 95, 96, 99 and 110k of Regulation (EC) No 1782/2003, for which the aid has been claimed for that calendar year, where the case may be subdivided by sub-base area;'

OJ L 358, 31.12.1998, p. 17. Regulation as last amended by Regulation (EC) No 1809/2004 (OJ L 318, 19.10.2004, p. 18).

⁽²⁾ OJ L 215, 30.7.1992, p. 70. Regulation as last amended by Regulation (EC) No 1679/2005 (OJ L 279, 15.10.2005, p. 1).

⁽³⁾ OJ L 12, 20.1.1993, p. 9.

- 3. In Article 21, paragraph 1 is replaced by the following:
 - 1. Without prejudice to Article 28 of Regulation (EC) No 1782/2003, the aid for potato starch shall be paid, by the Member State on whose territory is situated the holding delivering the potatoes for the manufacturing of the potato starch, per farmer once all his quantities for the marketing year have been delivered to the starch-producing undertaking within four months from the date on which the proof referred to in Article 20 of this Regulation has been provided and the conditions referred to in Article 19 of this Regulation have been respected.'
- 4. The following Article 49a is inserted:

'Article 49a

Advance payments

Member Sates may grant advance payments to seed growers as from 1 December of the marketing year. Such payment shall be proportional to the quantity of seeds already marketed for sowing within the meaning of Article 49 provided that all the conditions of Chapter 10 are complied with.'

5. The following Chapter 17a is inserted:

'CHAPITRE 17a

CROP-SPECIFIC PAYMENTS FOR COTTON

Article 171a

Authorisation of agricultural land for cotton production

The Member States shall establish objective criteria on the basis of which land is authorised for the crop-specific payment for cotton provided for in Article 110a of Regulation (EC) No 1782/2003.

These criteria shall be based on one or more of the following:

- (a) the agricultural economy of those regions where cotton is a major crop;
- (b) the soil and climate in the areas in question;
- (c) the management of irrigation water;
- (d) rotation systems and cultivation methods likely to respect the environment.

Article 171aa

Authorisation of varieties for sowing

The Member States shall authorise the varieties registered in the Community catalogue that are adapted to market needs.

Article 171ab

Eligibility requirements

Sowing the areas referred to in Article 110b(1) of Regulation (EC) No 1782/2003 shall be done by achieving a minimum plant density, to be fixed by the Member State on the basis of the soil and weather conditions and specific regional characteristics, where appropriate.

Article 171ac

Agronomic practices

The Member States shall be authorised to establish specific rules on the agronomic practices needed to maintain the crops under normal growing conditions, with the exception of harvesting operations.

Article 171ad

Calculating the amount of aid per eligible hectare

- 1. Notwithstanding Article 171ag of this Regulation, in the case of Spain and Portugal, if the area under cotton eligible for the aid payment exceeds the national base area fixed in Article 110c(1) of Regulation (EC) No 1782/2003, the amount of aid laid down in paragraph 2 of that Article shall be multiplied by a reduction coefficient, obtained by dividing the base area by the eligible area.
- 2. Notwithstanding Article 171ag of this Regulation, in the case of Greece, if the area under cotton eligible for the aid payment exceeds 300 000 hectares, the amount of aid payable per hectare shall be obtained by multiplying EUR 594 by 300 000 hectares, adding an additional amount multiplied by the area exceeding 300 000 and then dividing that sum by the total area eligible.

The additional amount referred to in the first paragraph shall be:

- EUR 342,85 if the eligible area exceeds 300 000 but is equal to or less than 370 000 hectares,
- EUR 342,85 multiplied by a reduction coefficient equal to 70 000 divided by the number of eligible hectares exceeding 300 000, if the eligible area exceeds 370 000 hectares.

Article 171ae

Authorisation of inter-branch organisations

Before 31 December each year, Member States shall authorise for the following year any inter-branch cotton-producing organisation that applies to plant cotton and which:

- (a) covers a total area of at least 10 000 ha as established by the Member State and meeting the authorisation criteria laid down in Article 171a, and which includes at least one ginning undertaking;
- (b) conducts clearly identified measure geared in particular towards:
 - improving the commercial value of the unginned cotton produced,
 - improving the quality of unginned cotton meeting the ginner's needs,
 - using environmentally-sensitive production methods;
- (c) has adopted internal operating rules, in particular on:
 - membership conditions and fees, in accordance with national and Community rules and regulations,
 - where appropriate, a scale differentiating the aid by parcel category, established in particular on the basis of the quality of the unginned cotton to be supplied.

For 2006, however, Member States shall authorise the interbranch cotton-producing organisations by 28 February 2006.

Article 171af

The producers' obligations

- 1. A producer shall not be a member of more than one inter-branch organisation.
- 2. A producer who is a member of an inter-branch organisation shall deliver his cotton to a ginner belonging to that same organisation.
- 3. The participation of producers in an approved interbranch organisation must be the result of voluntary membership.

Article 171ag

Aid differentiation

- 1. By including the increase provided for in Article 110f(2) of Regulation (EC) No 1782/2003, the scale referred to in Article 110e of that Regulation (hereinafter the scale) shall establish:
- (a) the aid amounts per eligible hectare that a member producer is eligible to receive based on the classification of his parcels in the established categories referred to in paragraph 2;
- (b) the method for each parcel category, in accordance with paragraph 2, of allocating the entire sum reserved for differentiating the aid.

For the purposes of applying point (a) the basic amount shall be at least equal to the non-differentiated part of the eligible aid per hectare laid down in Article 110c(2) of Regulation (EC) No 1782/2003, adapted, if appropriate, in accordance with paragraph 3 of that Article.

The calculation referred to in point (a) shall also apply in cases where no cotton is delivered to the ginner. In that case the minimum aid per eligible hectare that the member producer is to receive shall be at least equal to the non-differentiated part of the aid per eligible hectare laid down in Article 110c(2) of Regulation (EC) No 1782/2003, adapted, if appropriate, in accordance with paragraph 3 of that Article.

- 2. The parcels shall be classified into several categories, established by the inter-branch organisations on the basis of at least one of the following quality criteria:
- (a) length of the cotton fibre produced;
- (b) the cotton's moisture content;
- (c) the cotton's average impurity content.

The scale shall lay down the procedures for evaluating each parcel against the criteria and for classifying it in one of the established categories.

In no case shall the scale include criteria associated with an increase in production or the cotton's placement on the market.

In order to apply the scale, all the parcels belonging to a single producer may be considered as being of the same average parcel category and producing the same quality cotton.

- 3. If necessary, in order to classify unginned cotton within the scale by parcel category, it shall be analysed on the basis of representative samples upon its delivery to the ginning undertaking, in the presence of all the parties concerned.
- 4. The inter-branch organisation shall notify the paying agency of the amount to be paid to each of its producers, based on the application of the scale. The paying agency shall make payment once it has checked the conformity and eligibility of the aid amounts in question.

Article 171ah

Approval and amendment of the scale

1. The scale shall be notified for the first time to the Member State in question, with a view to its approval by 28 February 2006 for the 2006 sowing season.

The Member State may decide to approve or reject the scale within one month of its transmission.

2. Before 31 January, approved inter-branch organisations shall notify the Member State concerned of amendments made to the scale for sowings in the current year.

The amendments made to the scale shall be deemed approved, unless the Member State receives objections within one month of the date laid down the first paragraph.

Should the amendments made to the scale not be approved, the aid payable shall be that calculated on the basis of the scale actually approved, with no account being taken of the unapproved amendments.

3. If the inter-branch organisation decides to suspend application of the scale, it shall inform the Member State accordingly. The suspension shall take effect for the following year's sowing season.

Article 171ai

Communications to the producers and Commission

- 1. Before January 31 of the year in question, Member States shall notify cotton growers and the Commission of:
- (a) the approved varieties; however, varieties approved in accordance with Article 171aa after that date must be notified to the growers before 15 March in the same year;
- (b) the criteria for approving land;
- (c) the minimum cotton plant density referred to in Article 171ab;

- (d) the required agronomic practices.
- 2. Where approval for a variety is withdrawn, the Member States shall inform the growers no later than 31 January for the purposes of the following year's sowing season.
- 3. The Member States shall send the Commission the following information:
- (a) no later than 30 April of the year concerned, the names
 of the approved inter-branch organisations and their
 main features as regards their land area, production
 potential, number of growers, number of ginners and
 ginning potential;
- (b) no later than 15 September of the year concerned, the area planted to cotton for which applications for the crop-specific cotton payment have been lodged;
- (c) no later than 31 July of the following year, the final data corresponding to the areas or quantities planted for which the specific cotton aid has actually been paid for the year concerned, after, where applicable, the deduction of the reductions in area provided for in Part II, Title IV, Chapter 1 of Regulation (EC) No 796/2004.'
- 6. The following Chapter 17b is inserted:

'CHAPTER 17b

AID FOR OLIVE GROVES

Article 171b

Categories of olive groves

- 1. The Member States shall identify the olive groves eligible for the aid laid down in Article 110g of Regulation (EC) No 1782/2003 and shall classify them in a maximum of five categories on the basis of criteria chosen from among the following:
- (a) environmental criteria:
 - (i) difficulty of access to the parcels;
 - (ii) risk of physical degradation of the land;
 - (iii) olive groves with special features: old trees, cultural value or value for the landscape, sloping land, traditional or rare varieties, or situated in protected natural areas;

- (b) social criteria:
 - (i) areas with a heavy economic dependence on olivegrowing;
 - (ii) areas with a tradition of olive cultivation;
 - (iii) areas with negative economic indicators;
 - (iv) holdings at risk of abandoning olive groves;
 - (v) the size of olive groves on a holding;
 - (vi) areas with special features such a PDO or PGI production, organic or integrated farming.
- 2. Member States shall determine, for each farmer concerned, which of the categories listed in paragraph 1 each olive-growing parcel eligible for aid belongs to. This information shall be recorded in the olive GIS.
- 3. Member States may adjust the categories of olive groves identified under paragraph 1 once a year.

Where the adjustment of categories results in a reclassification of the olive groves, the new classification shall apply from the year following that in which the adjustment takes place.

Article 171ba

Calculation of areas

1. The Member States shall calculate for each producer the area eligible for the aid using the common methodology set out in Annex XXIV.

The areas shall be declared in olive GIS-ha to two decimal places.

- 2. Notwithstanding paragraph 1, the common methodology set out in Annex XXIV shall not apply when:
- (a) the olive-growing parcel is of a minimum size, to be determined by the Member State but not exceeding 0,1 hectare;

(b) the olive-growing parcel is located in an administrative unit that does not appear in the olive-GIS's graphical reference database.

In this case, the Member State shall determine the olivegrowing area on the basis of objective criteria and in a manner ensuring equal treatment of farmers.

Article 171bb

Amount of aid

- 1. The Member States shall establish before 31 January each year the indicative amount of aid per olive GIS-ha for each category of olive grove.
- 2. The Member States shall fix, before 31 October of the year in question, the amount of aid per olive GIS-ha for each category of olive grove.

This amount shall be calculated by multiplying the indicative amount referred to in paragraph 1 by a coefficient which corresponds to the maximum amount of aid laid down in Article 110i(3) of Regulation (EC) No 1782/2003, taking into account, where applicable, the reduction provided for in paragraph 4 of that Article, divided by the sum of the amounts produced by multiplying the indicative aid amount referred to in paragraph 1 of this Article, laid down for each category, by the corresponding area.

3. Member States may apply paragraphs 1 and 2 on a regional basis.

Article 171bc

Establishing the basic data

- 1. For the purpose of applying Article 110h(c) of Regulation (EC) No 1782/2003, the Member States shall use data from the olive GIS and of farmers' declarations to establish on 1 January 2005 the following information for each olivegrowing parcel: number and location of eligible olive trees, number and location of ineligible olive trees, the olivegrowing area and eligible area of the olive-growing parcel as well as the relevant category referred to in Article 171b.
- 2. In the case of areas planted with olive trees under new plantation programmes in France and Portugal, approved by the Commission under Article 4 of Council Regulation (EC) No 1638/98 (*), and recorded in the olive GIS before 1 January 2007, the Member States shall establish the information referred to in paragraph 1, as at 1 January 2006 for parcels planted in 2005 and as at 1 January 2007 for parcels planted in 2006. This information shall be notified to farmers in the 2007 single application at the latest.

EN

Article 171bd

Communications

Member States shall communicate to the Commission each year:

- (a) not later than 15 September: information on the olivegrowing areas for which aid has been applied for in the current year, by category;
- (b) not later than 31 October:
 - (i) information on the areas referred to in point (a) considered eligible for aid, taking into account the reductions or corrections provided for in Article 51 of Regulation (EC) No 796/2004;
 - (ii) the amount of aid to be granted for each category of olive groves;
- (c) not later than 31 July: the final data on the olivegrowing areas for which aid was actually paid in the previous year, by category.
- (*) OJ L 210, 28.7.1998, p. 32. Regulation repealed by Regulation (EC) No 865/2004 (OJ L 161, 30.4.2004, p. 97, as corrected by OJ L 206, 9.6.2004, p. 37).'
- 7. The following Chapter 17c is inserted:

'CHAPTER 17c

TOBACCO AID

Article 171c

Definitions

For the purposes of this Chapter:

- (a) "delivery" means any operation taking place on a given day which involves a farmer or a producer association handing over raw tobacco to a processing undertaking under a cultivation contract:
- (b) "control certificate" means the document issued by the competent control body certifying that the quantity of tobacco concerned has been taken over by the first processor, that this quantity has been delivered under a registered contract and that the operations have been carried out in accordance with Articles 171cj and 171ck of this Regulation;
- (c) "first processor" means any approved natural or legal person who carries out first processing of raw tobacco

by operation, in his own name and on his own account, of one or more first tobacco processing establishments suitably equipped for that purpose;

- (d) "first processing" means the processing of raw tobacco delivered by a farmer into a stable, storable product put up in uniform bales or packages of a quality meeting final user (manufacturer) requirements;
- (e) "producer association" means an association representing farmers producing tobacco.

Article 171ca

Raw tobacco variety groups

Raw tobacco varieties shall be classified in the following groups:

- (a) flue-cured: tobacco dried in ovens with controlled air circulation, temperature and humidity;
- (b) light air-cured: tobacco dried in the air under cover;
- (c) dark air-cured: tobacco dried in the air under cover, fermented before being marketed;
- (d) fire-cured: tobacco dried by fire;
- (e) sun-cured: tobacco dried in the sun;
- (f) Basmas (sun-cured);
- (g) Katerini (sun-cured);
- (h) Kaba-Koulak (classic) and similar (sun-cured).

The varieties in each group are listed in Annex XXV.

Article 171cb

First processors

1. Member States shall approve first processors established on their territory and shall establish the appropriate conditions for such approval.

An approved first processor is authorised to sign cultivation contracts, provided it sells at least 60 % of its marketed tobacco of Community origin to tobacco manufacturing undertakings either directly, or indirectly without further processing.

2. Approval shall be withdrawn by the Member State if the processor, deliberately or through serious negligence, fails to comply with the provisions concerning raw tobacco at Community or at national level.

Article 171cc

Production areas

For each group of varieties, the production areas referred to in Article 110k(a) of Regulation (EC) No 1782/2003 shall be those laid down in Annex XXVI to this Regulation.

Member States may specify more restricted production areas, especially in the interests of quality. Restricted production areas may not exceed the area of the administrative unit or, in France, the canton.

Article 171cd

Cultivation contracts

- 1. Cultivation contracts referred to in Article 110k(c) of Regulation (EC) No 1782/2003 shall be concluded between a first processor, on the one hand, and a farmer or a producer association representing him on the other hand, provided that the producer association is recognised by the Member State concerned.
- 2. Cultivation contracts shall be concluded by variety or group of varieties. They shall commit the first processor to taking delivery of the quantity of leaf tobacco provided for in the contract and the farmer or the producer association representing him to deliver that quantity to the first processor, to the extent that their actual production so allows.
- 3. For each harvest, cultivation contracts shall include at least the following details:
- (a) the names and addresses of the parties to the contract;
- (b) the variety and group of varieties of tobacco covered by the contract;
- (c) the maximum quantity to be delivered;
- (d) the exact location where the tobacco is produced: the production area as referred to in Article 171cc, province,

- municipality, identification of the parcel under the integrated control system;
- (e) the area of the parcel concerned, excluding service roads and enclosures;
- (f) the purchase price according to quality grade, excluding the aid, any service charges and taxes;
- (g) the minimum quality requirements agreed per quality grade, with a minimum of three grades per position on the stalk, and an undertaking by the farmer to deliver to the processor raw tobacco by quality grade meeting at least those quality requirements;
- (h) a commitment by the first processor to pay the farmer the purchase price according to quality grade;
- (i) the time-limit for payment of the purchase price, which may not exceed 30 days from the date of delivery;
- (j) an undertaking by the farmer to replant the tobacco on the parcel concerned by 20 June of the harvest year.
- 4. If replanting is delayed beyond the date of 20 June, the farmer shall inform the processor and the competent authority of the Member State thereof by registered letter before that date, giving the reason for the delay and giving details of any change of parcel.
- 5. The parties to a cultivation contract may, by means of a written amendment, increase the quantities initially specified in the contract. The amendment shall be submitted for registration to the competent authority not later than the 40th day following the deadline for concluding cultivation contracts referred to in Article 171ce(1).

Article 171ce

Conclusion and registration of contracts

- 1. Cultivation contracts shall be concluded, except in cases of *force majeure*, by 30 April of the harvest year. Member States may fix an earlier date.
- 2. Except in cases of *force majeure*, cultivation contracts once concluded shall be submitted for registration to the competent body no later than 15 days after the deadline for concluding them referred to in paragraph 1.

The competent body shall be that of the Member State in which processing is to take place.

Where processing is to take place in a Member State other than that in which the tobacco was grown, the competent body of the Member State in which processing is to take place shall immediately send a copy of the registered contract to the competent body of the producer Member State. If that body does not itself carry out checks on the aid system, it shall send a copy of the registered contract to the competent control body.

3. If the deadline for the conclusion of contracts referred to in paragraph 1 or for the submission of cultivation contracts provided for in paragraph 2 is exceeded by a maximum of 15 days, the aid to be paid shall be reduced by 20 %.

Article 171cf

Contracts with a producer association

1. Where a cultivation contract is concluded between a first processor and a producer association, it shall be accompanied by a list containing the names of the farmers concerned and their respective maximum quantity to be delivered, exact parcel location and the area of the parcels concerned, as referred to Article 171cd(3)(c), (d) and (e).

That list shall be submitted for registration to the competent body no later than 15 May of the harvest year.

- 2. Producer associations referred to in paragraph 1 may not carry out first processing of tobacco.
- 3. Farmers producing tobacco may not belong to more than one producer association.

Article 171cg

Minimum quality requirements

Tobacco delivered to processors shall be of sound, fair and merchantable quality and free from any of the characteristics listed in Annex XXVII. Stricter quality requirements may be established by the Member State or may be agreed on by contracting parties.

Article 171ch

Disputes

The Member States may provide that disputes concerning the quality of tobacco delivered to the first processor shall be submitted to an arbitration body. The Member States shall

lay down the rules governing the membership and the decision-making procedures of such bodies. Arbitration bodies must include one or more representatives of producers and processors, in equal numbers.

Article 171ci

Aid level

In application of Article 110k(d) of Regulation (EC) No 1782/2003, Member States shall fix the indicative aid amount per kg by tobacco variety or group of varieties before 15 March of the harvest year. Member States may differentiate the aid level depending on the quality of the tobacco delivered. For each variety or group of varieties, the aid level shall not exceed the premium amount by group of varieties fixed for the 2005 harvest by Council Regulation (EC) No 546/2002 (*).

The Member States shall fix the final aid amount per kg by tobacco variety or group of varieties within 15 working days following the day on which all tobacco for the harvest concerned has been delivered. If the total amount of aid applied for in a Member State exceeds the national ceiling established in Article 110l of Regulation (EC) No 1782/2003, as adjusted in accordance with Article 110m of that Regulation, the Member State shall proceed to a linear reduction of the amounts paid to each farmer.

Article 171cj

Calculation of the aid payment

- 1. The aid to be paid to farmers shall be calculated on the basis of the weight of leaf tobacco of the variety or group of varieties concerned corresponding to the minimum quality required and taken over by the first processor.
- 2. Where the moisture content differs from the level laid down in Annex XXVIII for the variety concerned, the weight shall be adjusted for each percentage point of difference, within the tolerances laid down in that Annex.
- 3. The methods for determining moisture content, sampling levels and frequency and the method for calculating the adjusted weight shall be as set out in Annex XXIX.

Article 171ck

Delivery

1. Except in cases of *force majeure*, farmers shall deliver their entire production to the first processor by 30 April of the year following the year of harvest, failing which they shall lose their entitlement to the aid. Member States may fix an earlier date.

- 2. The delivery shall be made either directly to the place where the tobacco will be processed or, if the Member State so authorises, to an approved purchasing centre. The competent control body shall approve such purchasing centres, which shall have the appropriate facilities, weighing scales and premises.
- 3. If the unprocessed tobacco has not been delivered to the places referred to in paragraph 2, or the transporter conveying distinct quantities of tobacco from the purchasing centre to the processing plant does not have authorisation to effect transport, the first processing undertaking which received the tobacco concerned shall pay the Member State a sum of money equal to the aid for the quantity of tobacco in question. This amount shall be booked to the European Agricultural Guidance and Guarantee Fund (EAGGF).

Article 171cl

Payment

The Member State's competent body shall pay the aid to the farmer on the basis of a control certificate issued by the competent control body certifying that the tobacco has been delivered.

Article 171cm

Advances

- 1. By way of derogation from Article 10(1) of Regulation (EC) No 796/2004, Member States may apply a system of advances on tobacco aid for farmers.
- 2. Farmers' applications for an advance may be submitted after 16 September of the year of the harvest. They shall be accompanied by the following documents, save where a Member State provides otherwise on the grounds that they are already in its possession:
- (a) a copy of the cultivation contract or its registration number:
- (b) a written declaration from the farmer concerned specifying the quantities of tobacco he is in a position to deliver during the current harvest.
- 3. Payment of the advance, the maximum amount of which shall be equal to 50 % of the aid amount payable, based on the indicative aid level fixed in accordance with Article 171ci shall be subject to the lodging of a security equal to the amount of the advance plus 15 % of the amount of the advance.

The security shall be released when the total aid amount has been paid in accordance with Article 19 of Regulation (EEC) No 2220/85.

4. The advance shall be paid from 16 October of the year of the harvest and within 30 days of submission of the application referred to in paragraph 2 and of proof that the security referred to in paragraph 3 has been lodged.

The advance paid shall be deducted from the amount of the tobacco aid payable under Article 171cl .

5. Member States shall determine any further conditions governing the grant of advances, and in particular the final date for lodging applications. Farmers may not lodge an application for an advance once they have begun making deliveries.

Article 171cn

Cross-border processing

- 1. Aid shall be paid or advanced by the Member State in which the tobacco was produced.
- 2. Where tobacco is processed in a Member State other than that in which it was produced, the processing Member State shall, after carrying out the necessary checks, provide the producer Member State with all the information needed to enable it to pay the aid or release the security.

Article 171co

Notifications to the Commission

- 1. Each Member State concerned shall notify the Commission by 31 January of each harvest year at the latest of:
- (a) the names and addresses of the bodies responsible for the registration of cultivation contracts;
- (b) the names and addresses of the approved first-processing undertakings.

The Commission shall publish the list of the bodies responsible for the registration of cultivation contracts and of approved first-processing undertakings in the 'C' series of the Official Journal of the European Union.

2. Each Member State concerned shall immediately notify the Commission of the national measures taken to apply this Chapter.

Article 171cp

Transitional measure

Without prejudice to any future amendments, producers whose tobacco production quotas were bought back during the 2002 and 2003 harvests in accordance with Article 14 of Regulation (EEC) No 2075/92 shall be entitled as from 1 January 2006, for the remainder of the five harvest years following the year in which their quota is bought back, to receive an amount equal to a percentage of the premium granted in respect of the 2005 harvest, as shown in the tables in Annex XXX. These amounts shall be paid before 31 May each year.

- (*) OJ L 84, 28.3.2002, p. 4.'
- 8. Article 172 is amended as followed:
 - (a) The following paragraphs 3a and 3b are inserted:
 - '3a. Regulation (EC) No 1591/2001 is hereby repealed. However, it shall continue to apply to the 2005/06 marketing year.

- 3b. Regulations (EEC) No 85/93 and (EC) No 2848/98 are repealed with effect from 1 January 2006. However they shall continue to apply in respect of the 2005 harvest.'
- (b) Paragraph 4 is replaced by the following:
 - '4. References to the repealed acts shall be construed as references to this Regulation except for Regulation (EEC) No 85/93.'
- 9. The text in the Annex to this Regulation is added as Annexes XXIV to XXX.

Article 2

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

It shall apply from 1 January 2006 with the exception of Article 1(4) which shall apply from 1 January 2005.

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

Done at Brussels, 22 December 2005.

For the Commission

Mariann FISCHER BOEL

Member of the Commission

ANNEX

'ANNEX XXIV

Common methodology for the calculation of the olive area in olive GIS-ha

The common methodology is based on an algorithm (1) which derives the olive area from the position of olive trees using GIS-based automatic processing.

1. DEFINITIONS

For the purposes of this Annex:

- (a) "olive-growing parcel" means a continuous tract of land covered by eligible olive trees in production each of which is less than a specified maximum distance from another eligible olive tree;
- (b) "eligible olive tree" means an olive tree planted before 1 May 1998, or 31 December 2001 in the case of Cyprus and Malta, or a replacement olive tree or any olive tree planted under a programme approved by the Commission under Article 4 of Regulation (EC) No 1638/98 the existence of which is recorded in the geographical information system;
- (c) "scattered eligible olive tree" means an olive tree in production which does not fulfil the conditions necessary to constitute a group of trees on an olive-growing parcel;
- (d) "eligible olive tree in production" means a living eligible olive tree of a species classed as domestic, permanently established, irrespective of age or condition, possibly possessing several trunks separated from one another at the base by less than two metres.

2. STAGES OF THE ALGORITHM FOR THE AID FOR OLIVE GROVES

Stage 1: Neighbourhood analysis

The neighbourhood analysis parameter (P1) defines a maximum distance of proximity between eligible olive trees, stating whether they are scattered or belong to the same olive-growing parcel. P1 is the radius that originates from an eligible olive tree and defines a circle in which other eligible olive trees must fall to be considered as belonging to the same "olive-growing perimeter".

P1 is set at 20 metres, which corresponds to an agronomic maximum value in most regions. In certain extensively cultivated regions, to be identified by the Member States, where average planting distances are more than 20 metres, the Member State may decide to fix P1 as twice the regional average planting distance. In this case, the Member State must keep the documents justifying the application of this exception.

Eligible olive trees belonging to olive groves with planting distances greater than P1 are regarded as eligible scattered olive trees.

A first pass of the P1 parameter determines the proximity of eligible olive trees. A buffer is placed around all points (the olive tree barycentres), the polygons created as a result are merged, and a search on polygon size then determines the scattered eligible olive trees.

Stage 2: Attribution of a standard area to the scattered eligible olive trees

After applying P1, eligible olive trees are divided into two classes:

- eligible olive trees belonging to an olive-growing perimeter,
- scattered eligible olive trees.

⁽¹⁾ A method called OLIAREA, developed by the Joint Research Centre of the European Commission.

The area attributed to a scattered eligible olive tree, P2, is set at 100 m^2 , i.e. as a circle with radius of 5,64 m centred on the scattered eligible olive tree.

Stage 3: Application of the internal buffer P3

An area must be attributed to the olive-growing perimeter and a polygon, the shape of which represents the olive grove, must be determined.

First, a network of lines is created linking all the eligible olive trees in the group whose distance from one tree to another is less than the distance P1.

Then an area defined as an "internal buffer" is superimposed on each of these lines. The internal buffer is defined as the set of points whose distance from the network of lines is less than or equal to a value defined as the "width of internal buffer". In order to avoid the formation of islands which would be classified as "non-olive grove" within a regularly planted olive grove, the width of the internal buffer must be one half the distance P1.

The combination of all internal buffers constitutes a preliminary approximation of the area to be attributed to the group of olive trees, i.e. the area of the olive grove.

Stage 4: Application of the external buffer P4

The final area of the olive grove and the final shape of the polygon that represents that area, are attributed by using a second buffer called the "external buffer".

An "external buffer" is applied externally to the network of lines that link all the eligible olive trees bordering the olive grove. The external buffer is the set of points whose distance from a bordering line of the network is less than or equal to the value defined as the "width of external buffer". The external buffer is applied only to the outer side of each line bordering the network, while the internal buffer continues to be applied to the inner side.

The "external" buffer is defined as half of the mean planting distance of the olive-growing parcel (δ), with a minimum threshold of 2,5 m.

The mean planting distance among eligible olive trees is calculated using the following formula:

Mean planting distance $\delta = \sqrt{\frac{A}{N}}$

where A = the area of the group of olive trees and N = the number of olive trees.

The mean planting distance will be calculated by means of successive iterations:

- the first mean planting distance δ_1 will be calculated using the area (A₁) obtained applying only P3 (internal buffer),
- a new area A^2 will be then calculated using as external buffer $\delta_2 = \delta_1/2$,
- A_n will be obtained in this way, when the difference between A_{n-1} and A_n is no longer considered significant.

P4 thus becomes:

P4 = max [2,5 m;
$$1/2 \delta_n$$
]

where
$$\delta_n = \sqrt{\frac{A}{N}}$$

Stage 5: Determination of the surface area

— Stage 5a: Determination of the Voronoi polygon

The external and internal buffers (P3 and P4) are combined to produce the final result. The output is a graphic layer, from which the olive-growing perimeter and the olive-growing area must be recorded in the olive GIS database

Optionally, it may be converted to Voronoi polygons which attribute an area to each eligible olive tree. A Voronoi polygon is defined as "a polygon whose interior consists of all points in the plane which are closer to a particular lattice point than to any other".

- Stage 5b: Exclusion of areas falling outside the boundaries of the reference parcel

First the olive-growing perimeters must be superimposed on the reference parcel boundaries.

After that, the parts of olive-growing perimeters falling outside the reference parcel boundaries must be eliminated.

— Stage 5c: Incorporation of islands smaller than 100 m²

A tolerance must be applied by means of a threshold on the size of "islands" (i.e. parts of the parcel which are not covered by eligible olive trees, once the method has been applied), in order to avoid the formation of insignificant "islands". All "islands" under 100 m² may be incorporated. The "islands" to be considered are both:

- the "internal islands" (within the olive-growing perimeter generated by OLIAREA) resulting from the application of the P1 and P3 parameters,
- the "external islands" (inside the reference parcel but outside the olive-growing parcel) resulting from the application of P4 and the intersection between reference parcels and the olive-growing perimeters.

Stage 6: Exclusion of ineligible olive trees

Where ineligible olive trees are also present on the olive-growing parcel, the area obtained after stage 5 must be multiplied by the number of eligible olive trees and divided by the total number of olive trees on the olive-growing parcel. The area calculated in this way constitutes the olive-growing area eligible for the aid for olive groves.

3. STAGES OF THE ALGORITHM FOR THE SINGLE PAYMENT SCHEME

To determine the number of hectares to be taken into account for the purposes of Article 43(1) of and Annex VII(H) to Regulation (EC) No 1782/2003 (determination of the payment entitlements), stages 1 to 5 of the above algorithm shall apply, and stage 6 shall not apply. The area of the scattered olive trees referred to in stage 2 may not be considered, however.

In this case, at the end of stage 5, the Member States may decide to incorporate into the olive-growing area islands of agricultural land greater than 100 m^2 which have not produced any entitlement, during the reference period, to the direct payments listed in Annex VI to Regulation (EC) No 1782/2003, with the exclusion of areas under permanent crops and forests. If they decide to do this, this provision shall apply to all farmers in the Member State.

The Member States must keep a record of this derogation and of the checks carried out in the olive GIS.

The same approach shall apply when calculating the number of eligible hectares under Article 44 of Regulation (EC) No 1782/2003 (Use of payment entitlements).

4. IMPLEMENTATION

The Member States shall implement this algorithm as a functionality of their olive GIS, adapted to their own system environment. The results of each stage of the algorithm must be recorded for each olive-growing parcel in the olive GIS.

ANNEX XXV

CLASSIFICATION OF TOBACCO VARIETIES

as referred to in Article 171ca

I. FLUE-CURED

Wisła Virginia Virginia D and hybrids thereof Wilia Waleria Bright Wiślica Watra Virginia SCR IUN Wanda Wiktoria Weneda Wenus Wiecha Wika DH 16 Wala DH 17

II. LIGHT AIR-CURED

Burley Tennessee 90
Badischer Burley and hybrids thereof Baca
Maryland Bocheński
Bursan Bonus
Bachus NC 3

Bożek Tennessee 86

Boruta

III. DARK AIR-CURED

Badischer Geudertheimer, Pereg, Korso Goyano

Paraguay and hybrids thereof Hybrids of Geudertheimer

Dragon Vert and hybrids thereof Beneventano

Philippin Brasile Selvaggio and similar varieties

Petit Grammont (Flobecq) Fermented Burley

Semois Havanna

Appelterre Prezydent

Nijkerk Mieszko

Misionero and hybrids thereof Milenium

Rio Grande and hybrids thereof Małopolanin

Forchheimer Havanna IIc Makar

Nostrano del Brenta Mega

Resistente 142

IV. FIRE-CURED

Kentucky and hybrids

Moro di Cori Salento Kosmos

V. SUN-CURED

Xanthi-Yaka

Perustitza

Samsun

Erzegovina and similar varieties

Myrodata Smyrnis, Trapezous and Phi I

Kaba Koulak (non-classic)

Tsebelia

Mavra

VI. BASMAS

VII. KATERINI AND SIMILAR VARIETIES

VIII. KABA KOULAK (CLASSIC)

Elassona

Myrodata Agrinion

Zichnomyrodata

ANNEX XXVI

RECOGNISED PRODUCTION AREAS

as referred to in Article 171cc

Group of varieties in accordance with Annex I	Member State	Production areas
I. Flue-cured	Germany	Schleswig-Holstein, Lower Saxony, Bavaria, Rheinland-Pfalz, Baden-Würt- temberg, Hessen, Saarland, Bran- denburg, Mecklemburg-Pomerania, Saxony, Saxony-Anhalt, Thuringia
	Greece	
	France	Aquitaine, Midi-Pyrénées, Auvergne, Limousin, Champagne-Ardenne, Alsace, Lorraine, Rhône-Alpes, Franche-Comté, Provence-Alpes-Côte d'Azur, Pays-de-la-Loire, Centre, Poitou-Charentes, Brittany, Languedoc-Roussillon, Normandy, Burgundy, Nord-pas-de-Calais, Picardy, Île-de-France
	Italy	Friuli, Veneto, Lombardy, Piedmont, Tuscany, Marche, Umbria, Lazio, Abruzzi, Molise, Campania, Basilicata, Calabria
	Spain	Extremadura, Andalusia, Castile-Leon, Castile-La Mancha
	Portugal	Beiras, Ribatejo Oeste, Alentejo, Autonomous Region of the Azores
	Austria	
II. Light air-cured	Belgium	
	Germany	Rheinland-Pfalz, Baden-Württemberg, Hessen, Saarland, Bavaria, Bran- denburg, Mecklenburg-Pomerania, Saxony, Saxony-Anhalt, Thuringia
	Greece	
	France	Aquitaine, Midi-Pyrénées, Languedoc-Roussillon, Auvergne, Limousin, Poitou-Charentes, Brittany, Pays-de-la-Loire, Centre, Rhône-Alpes, Provence-Alpes-Côte d'Azur, Franche-Comté, Alsace, Lorraine, Champagne-Ardenne, Picardy, Nord-Pas-de-Calais, Upper Normandy, Lower Normandy, Burgundy, Réunion, Île-de-France
	Italy	Veneto, Lombardy, Piedmont, Umbria, Emilia-Romagna, Lazio, Abruzzi, Molise, Campania, Basilicata, , Sicily, Friuli, Tuscany, Marche
	Spain	Extremadura, Andalusia, Castile-Leon, Castile-La Mancha
	Portugal	Beiras, Ribatejo Oeste, Entre Douro e Minho, Trás-os-Montes, Autonomous
		Region of the Azores

G	roup of varieties in accordance with Annex I	Member State	Production areas
III.	Dark air-cured	Belgium	
		Germany	Rheinland-Pfalz, Baden-Württemberg, Hessen, Saarland, Bavaria, Bran- denburg, Mecklenburg-Pomerania, Saxony, Saxony-Anhalt, Thuringia
		France	Aquitaine, Midi-Pyrénées, Languedoc-Roussillon, Auvergne, Limousin, Poitou-Charentes, Brittany, Pays-de-la-Loire, Centre, Rhône-Alpes, Provence-Alpes-Côte d'Azur, Franche-Comté, Alsace, Lorraine, Champagne-Ardenne, Picardy, Nord-Pas-de-Calais, Upper Normandy, Lower Normandy, Burgundy, Réunion
		Italy	Friuli, Trentino, Veneto, Tuscany, Lazio, Molise, Campania, Sicily
		Spain	Extremadura, Andalusia, Castile-Leon, Castile-La Mancha, Valencia (Autonomous Community), Navarre, Rioja, Catalonia, Madrid, Galicia, Asturia, Cantabria, area of Compezo in the Basque Country, La Palma (Canary Islands)
		Austria	
IV.	Fire-cured	Italy	Veneto, Tuscany, Umbria, Lazio, Campania, Marche
		Spain	Extremadura, Andalusia
V.	Sun-cured	Greece	
		Italy	Lazio, Abruzzi, Molise, Campania, Basilicata,, Sicily
VI.	Basmas	Greece	
VII.	Katerini and similar varieties	Greece	
		Italy	Lazio, Abruzzi, Campania, Basilicata
VIII.	Kaba Koulak (classic)	Greece	
	Elassona, Myrodata Agrinion, Zichnomyrodata		

ANNEX XXVII

MINIMUM QUALITY REQUIREMENTS

as referred to in Article 171cg

Tobacco eligible for the premium referred to in Article 171ci must be of sound and fair merchantable quality having regard to the typical characteristics of the variety concerned and must not contain any of the following:

- (a) pieces of leaf;
- (b) leaf badly worn by hail;
- (c) leaf with serious damage on more than one third of the surface;
- (d) leaf diseased or attacked by insects on more than 25 % of the surface;
- (e) leaves marked by pesticides;
- (f) leaf which is unripe or distinctly green in colour;
- (g) leaf damaged by frost;
- (h) leaf attacked by mould or rot;
- (i) leaf with uncured veins, moist or attacked by rot or with pulpy or prominent stems;
- (j) leaf from suckers or side-shoots;
- (k) leaf having an unusual odour for the variety in question;
- (l) leaf with soil still adhering;
- (m) leaf with a moisture content exceeding the tolerances laid down in Annex XXVIII.

ANNEX XXVIII

MOISTURE CONTENT as referred to in Article 171cj

	Group of varieties	Moisture content (%)	Tolerances (%)
I.	Flue-cured	16	4
II.	Light air-cured		
	Germany, France, Belgium, Austria, Portugal — Autonomous Region of the Azores	22	4
	Other Member States and other recognised production areas in Portugal	20	6
III.	Dark air-cured		
	Belgium, Germany, France, Austria		
	Other Member States	26	4
IV.	Fire-cured	22	6
V.	Sun-cured	22	4
VI.	Basmas	16	4
VII.	Katerini	16	4
VIII.	Kaba Koulak (classic)		
	Elassona, Myrodata	16	4
	Agrinion, Zichnomyrodata	16	4

ANNEX XXIX

COMMUNITY METHODS FOR THE DETERMINATION OF THE MOISTURE CONTENT OF RAW TOBACCO

as referred to in Article 171cj

I. METHODS TO BE USED

A. Beaudesson method

1. Apparatus

Beaudesson EM10 drying oven

A warm air electric dryer in which the air is passed over the sample to be dried by forced convection by means of a special ventilation fan. The moisture content is determined by weighing before and after drying, the balance being calibrated in such a way that the reading given by the 10 g quantity used corresponds directly to the moisture content value in %.

2. Procedure

A 10 g quantity is weighted out in a pan with a perforated base and then put into the drying column, where it is supported by a spiral ring. The oven is turned on for five minutes, during which time the warm air causes the sample to dry at a temperature of about $100\,^{\circ}$ C.

At the end of five minutes, an automatic timer stops the process. The temperature of the air at the end of the drying process is recorded from a built-in thermometer. The sample is weighed and its moisture content is read directly and corrected if necessary by the addition or subtraction of a 10th of a percentage according to the temperature reading, using the scale provided with the apparatus.

B. Brabender method

1. Apparatus

Brabender oven

An electric dryer consisting of a thermostated cylindrical chamber, ventilated by forced convection, into which are simultaneously placed 10 metal pans, each containing 10 g of tobacco. These pans are put onto a table, which can be rotated by means of a central handwheel into 10 different positions, allowing each of the pans, after drying, to be placed in a position where it can be weighed within the apparatus: a system of levers allows each of the pans in turn to be placed on the arm of a built-in balance, without having to remove the samples from the chamber. The balance has an optical read-out scale, and gives a direct reading for the moisture content.

A second balance is attached to the apparatus, being used only to weigh out the initial quantities.

2. Procedure

The thermostat is set at 110 °C.

The chamber is set to preheat: minimum period 15 minutes.

10 quantities of 10 g are weighed out.

The oven is filled.

The samples are dried for 50 minutes.

Weights for determination of the gross moisture content are read.

C. Other methods

Member States may use other methods of measurement, based in particular on the determination of the electrical resistance or dielectric properties of the batch concerned, on condition that the results are calibrated on the basis of an examination of a representative sample using one of the methods referred to in A and B.

II. SAMPLING

The following is the procedure to be followed for the sampling of leaf tobacco for determination of its moisture content using one of the methods referred to in I.A and B:

1. Selection of samples

Select from each bale a number of leaves proportional to its weight. The number of leaves selected should be sufficient to be properly representative of the bale as a whole.

The sample must include equal quantities of leaf from the outside of the bale, leaf from the centre and leaf from a position intermediate to these.

2. Homogenisation

All the leaves selected are mixed together in a plastic bag and several kilograms of them are chopped up (cutting width 0,4 to 2 mm).

3. Sub-sampling

After chopping, mix the chopped leaves thoroughly and withdraw a representative sample.

4. Measurement

Measurement must be carried out on the whole of this reduced sample and precautions should be taken to ensure

- no variations in moisture content occur (air- and water-tight bag or container),
- the homogeneity of the sample is not affected by settling of waste.

III. SAMPLING LEVELS AND FREQUENCY AND THE METHOD FOR CALCULATING THE ADJUSTED WEIGHT

the number of samples to be taken to determine the moisture content of the raw tobacco must be equal to at least three per delivery for each group of varieties. Farmers and first processors may request on delivery for the number of samples taken to be increased,

the weight of the tobacco delivered per group of varieties in the course of the same day is to be adjusted according to the average moisture content measured. If the average moisture content is less than one point higher or lower than the reference moisture content, the weight of the tobacco eligible for the premium is not to be adjusted,

the adjusted weight is: the total net weight of the tobacco delivered per group of varieties in the course of the same day \times (100 – average moisture content)/(100 – reference moisture content for the variety in question). The average moisture content must be a whole number given by rounding down for decimals between 0,01 and 0,49 and rounding up for decimals between 0,50 and 0,99.

ANNEX XXX

QUOTA BUY-BACKS FOR THE 2002 AND 2003 HARVESTS

as referred to in Article 171cp

Producers with a production quota of less than 10 tonnes						
Group of varieties	Year					
	1 st	2 nd	3 rd	4 th	5 th	
Group I quotas	25 %	25 %	25 %	15 %	10 %	
Group II quotas	25 %	25 %	25 %	15 %	10 %	
Group III quotas						
— 2002 harvest	40 %	40 %	25 %	25 %	20 %	
— 2003 harvest	75 %	75 %	50 %	25 %	25 %	
Group IV quotas	25 %	25 %	25 %	15 %	10 %	
Group V quotas	100 %	100 %	75 %	50 %	50 %	
Group VI quotas	25 %	25 %	25 %	15 %	10 %	
Group VII quotas	25 %	25 %	25 %	15 %	10 %	
Group VIII quotas	25 %	25 %	25 %	15 %	10 %	

		Year				
Group of varieties	1 st	2 nd	3 rd	4 th	5 th	
Group I quotas	25 %	25 %	20 %	10 %	10 %	
Group II quotas	25 %	25 %	20 %	10 %	10 %	
Group III quotas						
— 2002 harvest	35 %	35 %	20 %	20 %	20 %	
— 2003 harvest	75 %	50 %	40 %	20 %	20 %	
Group IV quotas	25 %	25 %	20 %	10 %	10 %	
Group V quotas	90 %	90 %	50 %	50 %	50 %	
Group VI quotas	25 %	25 %	20 %	10 %	10 %	
Group VII quotas	25 %	25 %	20 %	10 %	10 %	
Group VIII quotas	25 %	25 %	20 %	10 %	10 %	

Producers with a production quota of 40 tonnes or more

1 st 20 % 20 %	2 nd	3 rd	4 th	5 th
	20 %	20.0/		
20.0/		20 %	10 %	10 %
20 %	20 %	20 %	10 %	10 %
30 %	30 %	20 %	15 %	15 %
65 %	65 %	20 %	20 %	20 %
20 %	20 %	20 %	10 %	10 %
75 %	75 %	40 %	40 %	40 %
20 %	20 %	20 %	10 %	10 %
20 %	20 %	20 %	10 %	10 %
20 %	20 %	20 %	10 %	10 %'
	65 % 20 % 75 % 20 % 20 %	65 % 65 % 20 % 75 % 75 % 20 % 20 % 20 % 20 % 20 % 20 %	65 % 65 % 20 % 20 % 75 % 75 % 40 % 20 % 20 % 20 % 20 % 20 % 20 % 20	65 % 65 % 20 % 20 % 20 % 20 % 20 % 10 % 75 % 75 % 40 % 40 % 20 % 20 % 20 % 10 % 20 % 20 % 20 % 10 %