

COUNCIL REGULATION (EC) No 1184/2006**of 24 July 2006****applying certain rules of competition to the production of, and trade in, agricultural products****(Codified version)**

THE COUNCIL OF THE EUROPEAN UNION,

excludes competition or jeopardises attainment of the objectives of Article 33 of the Treaty.

Having regard to the Treaty establishing the European Community, and in particular Articles 36 and 37 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament ⁽¹⁾.

(5) In order both to avoid compromising the development of a common agricultural policy and to ensure certainty in the law and non-discriminatory treatment of the undertakings concerned, the Commission should have sole power, subject to review by the Court of Justice, to determine whether the conditions provided for in the two preceding recitals are fulfilled as regards the agreements, decisions and practices referred to in Article 81 of the Treaty.

Whereas:

(6) In order to implement, as part of the development of the common agricultural policy, the rules on aid for production of, or trade in, agricultural products, the Commission should be in a position to draw up a list of existing, new or proposed types of aid, to make appropriate observations to the Member States and to propose suitable measures to them,

(1) The content of Council Regulation No 26 of 4 April 1962 applying certain rules of competition to production of and trade in agricultural products ⁽²⁾ has been amended ⁽³⁾. In the interests of clarity and rationality the said Regulation should be codified.

HAS ADOPTED THIS REGULATION:

(2) By virtue of Article 36 of the Treaty one of the matters to be decided under the common agricultural policy is whether the rules on competition laid down in the Treaty are to apply to the production of, and trade in, agricultural products. Accordingly, the provisions of this Regulation should be supplemented in the light of developments in that policy.

Article 1

Articles 81 to 86 of the Treaty and provisions made for their implementation shall, subject to Article 2 of this Regulation, apply to all agreements, decisions and practices referred to in Articles 81(1) and 82 of the Treaty which relate to production of, or trade in, the products listed in Annex I to the Treaty.

(3) The rules on competition relating to the agreements, decisions and practices referred to in Article 81 of the Treaty and to the abuse of dominant positions are to be applied to the production of, and trade in, agricultural products, in so far as their application does not impede the functioning of national organisations of agricultural markets or jeopardise attainment of the objectives of the common agricultural policy.

Article 2

1. Article 81(1) of the Treaty shall not apply to such of the agreements, decisions and practices referred to in Article 1 of this Regulation as form an integral part of a national market organisation or are necessary for attainment of the objectives set out in Article 33 of the Treaty

(4) Special attention is warranted in the case of farmers' organisations the particular objective of which is the joint production or marketing of agricultural products or the use of joint facilities, unless such joint action

In particular, it shall not apply to agreements, decisions and practices of farmers, farmers' associations, or associations of such associations belonging to a single Member State which concern the production or sale of agricultural products or the use of joint facilities for the storage, treatment or processing of agricultural products, and under which there is no obligation to charge identical prices, unless the Commission finds that competition is thereby excluded or that the objectives of Article 33 of the Treaty are jeopardised.

⁽¹⁾ Opinion of the European Parliament of 27 April 2006 (not yet published in the Official Journal).

⁽²⁾ OJ 30, 20.4.1962, p. 993/62. Regulation as amended by Regulation No 49 (OJ 53, 1.7.1962, p. 1571/62).

⁽³⁾ See Annex I.

2. After consulting the Member States and hearing the undertakings or associations of undertakings concerned and any other natural or legal person that it considers should be heard, the Commission shall have sole power, subject to review by the Court of Justice, to determine, by decision which shall be published, which agreements, decisions and practices fulfil the conditions specified in paragraph 1.

The Commission shall so determine either on its own initiative or at the request of a competent authority of a Member State or of an interested undertaking or association of undertakings.

3. The publication shall state the names of the parties and the main content of the decision. It shall have regard to the legitimate interest of undertakings in the protection of their business secrets.

Article 3

The provisions of Article 88(1) and of the first sentence of Article 88(3) of the Treaty shall apply to aid granted for production of, or trade in, the products listed in Annex I to the Treaty.

Article 4

Regulation No 26 shall be repealed.

References to the repealed Regulation shall be construed as references to this Regulation and shall be read in accordance with the correlation table in Annex II.

Article 5

This Regulation shall enter into force on the 20th day following its publication in the *Official Journal of the European Union*.

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

Done at Brussels, 24 July 2006.

For the Council

The President

M. PEKKARINEN

ANNEX I

Repealed Regulation with its amendment

Council Regulation No 26

(OJ 30, 20.4.1962, p. 993/62)

Council Regulation No 49

(OJ 53, 1.7.1962, p. 1571/62)
Only Article 1(1)(g)

ANNEX II

Correlation table

Regulation No 26	This Regulation
Article 1	Article 1
Article 2(1)	Article 2(1)
Article 2(2)	Article 2(2), first subparagraph
Article 2(3)	Article 2(2), second subparagraph
Article 2(4)	Article 2(3)
Article 3	—
Article 4	Article 3
—	Article 4
Article 5	Article 5
—	Annex I
—	Annex II