

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of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation) (repealed)

PART IV

**COMPETITION RULES**

CHAPTER I

**Rules applying to undertakings**

*Article 175*

**Application of Articles 81 to 86 of the Treaty**

Save as otherwise provided for in this Regulation, Articles 81 to 86 of the Treaty and the implementation provisions thereof shall, subject to Article 176 of this Regulation, apply to all agreements, decisions and practices referred to in Articles 81(1) and 82 of the Treaty which relate to the production of or trade in the products referred to in points (a) to (h), point (k) and points (m) to (u) of Article 1(1) and in Article 1(3) of this Regulation.

*Article 176*

**Exceptions**

1 Article 81(1) of the Treaty shall not apply to the agreements, decisions and practices referred to in Article 175 of this Regulation which are an integral part of a national market organisation or are necessary for the attainment of the objectives set out in Article 33 of the Treaty.

In particular, Article 81(1) of the Treaty 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.

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 appropriate, the Commission shall have sole power, subject to review by the Court of Justice, to determine, by a decision which shall be published, which agreements, decisions and practices fulfil the conditions specified in paragraph 1.

The Commission shall undertake such determination 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 of the decision referred to in the first subparagraph of paragraph 2 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 177*

### **Agreements and concerted practices in the tobacco sector**

1 Article 81(1) of the Treaty shall not apply to the agreements and concerted practices of recognised interbranch organisations in the tobacco sector, intended to implement the aims referred to in Article 123(c) of this Regulation provided that:

- a the agreements and concerted practices have been notified to the Commission;
- b the Commission, acting within three months of receipt of all the details required, has not found that those agreements or concerted practices are incompatible with Community competition rules.

The agreements and concerted practices may not be implemented during that three-month period.

2 Agreements and concerted practices shall be declared contrary to Community competition rules in the following cases where:

- a they may lead to the partitioning of markets in any form within the Community;
- b they may affect the sound operation of the market organisation;
- c they may create distortions of competition which are not essential to achieving the objectives of the common agricultural policy pursued by the interbranch organisation measure;
- d they entail the fixing of prices or quotas, without prejudice to measures taken by interbranch organisations in the application of specific provisions of Community rules;
- e they may create discrimination or eliminate competition in respect of a substantial proportion of the products in question.

3 If, following expiry of the three-month period referred to in point (b) of paragraph 1, the Commission finds that the conditions for applying this Chapter have not been met, it shall without the assistance of the Committee referred to in Article 195(1), take a decision declaring that Article 81(1) of the Treaty applies to the agreement or concerted practice in question.

That decision shall not apply earlier than the date of notification to the interbranch organisation concerned, unless that interbranch organisation has given incorrect information or misused the exemption provided for in paragraph 1.

#### *Article 178*

### **Binding effect of agreements and concerted practices on non-members in the tobacco sector**

1 Interbranch organisations in the tobacco sector may request that certain of their agreements or concerted practices be made binding for a limited period on individuals and groups in the economic sector concerned which are not members of the trade branches which they represent, in the areas in which the branches operate.

In order for their rules to be extended, interbranch organisations shall represent at least two thirds of the production and/or the trade concerned. Where the proposed extension of the rules is of inter-regional scope, the interbranch organisations shall prove they

possess a minimum degree of representativeness, in respect of each of the grouped branches, in each region covered.

2 The rules for which an extension of scope is requested shall have been in force for at least one year and shall relate to one of the following objectives:

- a knowledge of production and the market;
- b definition of minimum qualities;
- c use of cultivation methods compatible with the protection of the environment;
- d definition of minimum standards of packing and presentation;
- e use of certified seed and monitoring of product quality.

3 Extension of the rules shall be subject to approval by the Commission.

#### *Article 179*

#### **Implementing rules in respect of agreements and concerted practices in the tobacco sector**

The Commission shall lay down the detailed rules for the application of Articles 177 and 178 including the rules concerning notifications and publication.