Basic information

2010/0370(COD) COD - Ordinary legislative procedure (ex-codecision procedure) Regulation	Procedure completed
Specific measures for agriculture in the smaller Aegean islands Repealing Regulation (EC) No 1405/2006 2006/0093(CNS) Amended by 2018/0218(COD) Amended by 2019/0254(COD) **Subject** 3.10.02 Processed products, agri-foodstuffs 3.10.14 Support for producers and premiums 4.70.06 Outlying and outermost regions, overseas countries and territories **Geographical area** Greece	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
AGRI Agriculture and Rural Development	PAPASTAMKOS Georgios (PPE)	26/01/2011
	Shadow rapporteur DANELLIS Spyros (S&D) PAULSEN Marit (ALDE) NICHOLSON James (ECR) RUBIKS Alfreds (GUE/NGL)	

Committee for opinion	Rapporteur for opinion	Appointed
JURI Legal Affairs	The committee decided not to give an opinion.	

Council of the European Union

Council configuration	Meetings	Date
Agriculture and Fisheries	3225	2013-02-25

European Commission

Commission DG	Commissioner
Regional and Urban Policy	CIOLOŞ Dacian

Key events

Date	Event	Reference	Summary
17/12/2010	Legislative proposal published	COM(2010)0767	Summary
18/01/2011	Committee referral announced in Parliament, 1st reading		
26/09/2011	Vote in committee, 1st reading		
03/10/2011	Committee report tabled for plenary, 1st reading	A7-0319/2011	Summary
04/02/2013	Debate in Parliament		
05/02/2013	Decision by Parliament, 1st reading	T7-0034/2013	Summary
05/02/2013	Results of vote in Parliament		
25/02/2013	Act adopted by Council after Parliament's 1st reading		
13/03/2013	Final act signed		
13/03/2013	End of procedure in Parliament		
20/03/2013	Final act published in Official Journal		

Technical information

Procedure reference	2010/0370(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Regulation
Amendments and repeals	Repealing Regulation (EC) No 1405/2006 2006/0093(CNS) Amended by 2018/0218(COD) Amended by 2019/0254(COD)
Legal basis	Treaty on the Functioning of the European Union TFEU 042-p1 Treaty on the Functioning of the European Union TFEU 043-p2
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	AGRI/7/04948

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE467.027	09/06/2011	
Amendments tabled in committee		PE469.817	13/07/2011	
Committee report tabled for plenary, 1st reading/single reading		A7-0319/2011	03/10/2011	Summary

Text adopted by Parliament, 1st reading/single reading		T7-0034/2013	05/02/2013	Summary

Council of the EU

Document type	Reference	Date	Summary
Draft final act	00068/2012/LEX	13/03/2013	

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2010)0767	17/12/2010	Summary
Commission response to text adopted in plenary	SP(2013)239	04/04/2013	
Follow-up document	COM(2016)0796	15/12/2016	Summary
Follow-up document	COM(2021)0763	07/12/2021	

National parliaments

Document type	Parliament /Chamber	Reference	Date	Summary
Contribution	PT_PARLIAMENT	COM(2010)0767	14/02/2011	
Contribution	RO_SENATE	COM(2010)0767	16/02/2011	
Contribution	IT_SENATE	COM(2010)0767	15/03/2011	

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES0535/2011	15/03/2011	

Additional information

Source	Document	Date
National parliaments	IPEX	
European Commission	EUR-Lex	

Final act

Regulation 2013/0229
OJ L 078 20.03.2013, p. 0041 Summary

Delegated acts	
Reference	Subject
2013/2939(DEA)	Examination of delegated act

Specific measures for agriculture in the smaller Aegean islands

2010/0370(COD) - 15/12/2016 - Follow-up document

In accordance with Council Regulation (EU) No 229/2013, the Commission presented a report on the implementation of the scheme of specific measures in agriculture for the smaller Aegean islands (SAI).

The smaller Aegean islands benefit from a specific support scheme, which helps to promote local production and ensure the supply of essential products. The programme covers all the islands of the Aegean Sea, with the exception of Evia and Crete.

The objectives of the PIME scheme are to **develop local agricultural production and the supply of agricultural products** through measures related to the production, processing and marketing of local agricultural products. To this end, the programme includes two types of support: specific supply arrangements (SSA) and support for local production (SLP), both financed by the European Agricultural Guarantee Fund (EAGF).

The purpose of this report is to assess the implementation of the SAI scheme between 2006 and 2014.

Positive verdict: the report concludes that the smaller Aegean islands regime has **operated smoothly** since the introduction of the programming approach. The Commission considers that it has been implemented effectively and that it satisfies the needs of the smaller Aegean islands satisfactorily.

The Commission considers **positive the overall results** stemming from the scheme between 2006 and 2014 in terms of its ability to meet the challenges of agriculture and the geographical situation specific to the smaller Aegean islands (remoteness and insularity, small holdings, steep and mountainous landscape, unfavourable climatic phenomena).

Support for local production has facilitated the maintenance of agricultural production activities, and the specific supply regime has reduced the difference in prices of products supported in the smaller Aegean islands in relation to the mainland.

Programme implementation: on the basis of the annual performance reports provided by Greece, the total implementation rate is **relatively high** over the period 2007-2014, ranging from 85% to 94%.

Between 2007 and 2014, Greece spent between EUR 15.4 million and EUR 17.8 million per year under the SLP. 61% of all funds allocated to the SLP during the period 2007-2014 were used for **olive trees**. The other assisted sectors were **wine** (11% of the funds), **traditional cheese production** (9% of the funds), **beekeeping** (7% of the funds) and **mastic** (6% of funds).

The total annual budget of the SSAs was set at EUR 5.47 million and the total annual expenditure was between EUR 4.8 million and EUR 5.3 million. Almost 95% of the aid for SSA is used for animal feed and about 5% for flour.

The financial envelope allocated to the scheme has made it possible to achieve the general objectives of the scheme. The Commission therefore **recommends retaining the current basic Regulation**.

Contribution to the objectives of the CAP: the smaller Aegean islands scheme, which is an aid that is additional to direct payments, is compatible with the objectives of the CAP.

The Commission considers that, without the specific regime for the smaller Aegean islands and the support limited to the CAP rules as agreed in the 2013 reform (direct payments), the situation would lead to the abandonment of production with negative effects on employment, the environment or the territorial dimension of the smaller Aegean islands.

Points to improve: the evaluation of the scheme shows that there is no need to amend Council Regulation (EU) No 229/2013. However, the Implementing Regulation (Regulation (EU) No 181/2014) should be amended in order to improve the quality of the programme reports by integrating the performance indicators into the analysis.

The Greek authorities need to **improve the design of the programme** taking into account the general objectives of the CAP and ensuring consistency with the strategy for the agricultural sector in the region.

Specific measures for agriculture in the smaller Aegean islands

2010/0370(COD) - 05/02/2013 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 600 votes to 38, with 50 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council laying down specific measures for agriculture in favour of the smaller Aegean islands.

Parliament adopted its position at first reading following the ordinary legislative procedure. The amendments adopted in plenary are the result of a compromise reached between the European Parliament and the Council. They amend the Commission's proposal as follows:

Objectives: the amended text stipulates that the specific measures aim to preserve and develop agricultural activities in the smaller islands, including the **production**, processing, marketing and transport of **local raw and processed products.**

The resolution insists that emphasis should be placed on preserving the traditional agricultural heritage and the traditional characteristics of production methods and of local and organic products.

Impact of advantage: benefiting from the specific supply arrangements resulting from the awarding of aid shall be subject to the condition that the impact of the economic advantage is passed on up to the end user. An amendment stipulates that the advantage shall be equal to the amount of the aid. The competent authority may require a security to be lodged equal to the amount of the advantage.

Export to third countries and dispatch to the rest of the Union: processing operations which may give rise to traditional trade exports or traditional dispatches shall fulfil, mutatis mutandis, the processing conditions applicable under customs control provided for in the relevant Union legislation, with the exception of all usual forms of handling.

Control and penalties: except in cases of force majeure or exceptional climatic conditions, if an operator fails to comply with the commitments made as regards the provisions concerning certificates, the competent authority, without prejudice to any penalties applicable under national law, shall: (a) recover the advantage granted to the operator; (b) temporarily suspend or revoke the operator's registration, depending on the seriousness of the non-compliance.

Delegated and implementing acts: a number of technical amendments which concern the wording of the provisions enable the Commission to adopt delegated acts under Article 290 TFEU or implementing acts under Article 291 TFEU. The power to adopt delegated acts shall be conferred on the Commission for a period of five years from the entry into force of the Regulation.

Report: by 31 December 2016, and thereafter every five years, the Commission shall submit a general report showing the impact of the action taken under this Regulation, accompanied, if applicable, by appropriate proposals.

Specific measures for agriculture in the smaller Aegean islands

2010/0370(COD) - 13/03/2013 - Final act

PURPOSE: to adopt measures in favour of agriculture in the smaller Aegean islands.

LEGISLATIVE ACT: Regulation (EU) No 229/2013 of the European Parliament and of the Council laying down specific measures for agriculture in favour of the smaller Aegean islands and repealing Council Regulation (EC) No 1405/2006.

CONTENT: The Regulation lays down specific measures for agriculture to **mitigate the difficulties caused by the insularity, small size and distance from markets of the smaller Aegean islands.**

This new Regulation forms part of the EU legislation to be aligned with the Treaty of Lisbon regarding **delegated and implementing acts** (Articles 290 and 291 of the TFEU).

At the same time, given that Council Regulation (EC) n° 1405/2006 had been amended several times since their adoption, this exercise constituted an opportunity to recast the regulation better to reflect the current state schemes.

Objectives: the specific measures shall help to meet the following objectives:

- guaranteed supply to the smaller islands of products essential for human consumption or for processing and as agricultural inputs by mitigating the additional costs incurred due to their insularity, small size and distance from markets;
- the preservation and development of agricultural activities in the smaller islands, including the production, processing, marketing and transport of local raw and processed products.

The support programme: this will comprise: (a) **specific supply arrangements**; (b) **specific measures to assist local agricultural production**. The programme shall be established at the geographical level which Greece deems to be the most appropriate and submitted by Greece to the Commission for approval.

Impact of advantage: benefiting from the specific supply arrangements resulting from the awarding of aid shall be subject to the condition that the impact of the economic advantage is passed on up to **the end-user** who, as appropriate, may be the consumer in the case of products meant for direct consumption, the end processor or packager in the case of products meant for the processing or packaging industries, or farmers in the case of products used for animal feed or as agricultural inputs.

The advantage shall be equal to the amount of the aid. The competent authority may require a security to be lodged equal to the amount of the advantage

Export to third countries and dispatch to the rest of the Union: the Commission shall adopt implementing acts establishing the requirements in accordance with which products covered by the specific supply arrangements may be exported to third countries or dispatched to the rest of the Union.

Processing operations which may give rise to traditional trade exports or traditional dispatches shall fulfil, *mutatis mutandis*, the processing conditions applicable under customs control provided for in the relevant Union legislation, with the exception of all usual forms of handling.

Controls and penalties: the agricultural products which are the subject of the specific supply arrangements shall be subject to administrative checks at the time that they enter the smaller islands as well as when they are exported or dispatched.

Except in cases of force majeure or exceptional climatic conditions, if an operator fails to comply with the commitments regarding certificates, the competent authority shall: (a) recover the advantage granted to the operator; (b) temporarily suspend or revoke the operator's registration, depending on the seriousness of the non-compliance.

Financial resources: the Union shall finance the measures on specific supply arrangements and measures to assist local agricultural products up to a maximum annual amount of **EUR 23.93 million.**

The amount allocated annually to finance the specific supply arrangements shall not exceed EUR 7.11 million.

Report: by 31 December 2016, and thereafter every five years, the Commission shall submit a general report showing the impact of the action taken under the Regulation, accompanied, if applicable, by appropriate proposals.

ENTRY INTO FORCE: 21/03/2013.

DELEGATED ACTS: the Commission is empowered to adopt delegated acts in order to ensure the proper functioning of the regime introduced by the Regulation. The power to adopt delegated acts is conferred on the Commission **for a period of five years from 21 March 2013** (which may be tacitly extended for the same period). The European Parliament or the Council may object to the delegated act within a period of **two months** of notification of that act (which be extended by two months.) If the European Parliament or Council objects, the delegated act shall not enter into force.

Specific measures for agriculture in the smaller Aegean islands

2010/0370(COD) - 17/12/2010 - Legislative proposal

PURPOSE: to recast Regulation (EC) No 1405/2006 of the Council laying down specific measures in favour of agriculture in the smaller Aegean islands.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

LEGAL BASE: first subparagraph of Article 42 and Article 43(2) of the Treaty on the Functioning of the European Union (TFEU).

IMPACT ASSESSMENT: no impact assessment was carried out.

CONTENT: in view of the new amendments which have become necessary and following the entry into force of the Lisbon Treaty, it is necessary to repeal Regulation (EC) No 1405/2006 and replace it with a new text.

1. Alignment with the Treaty on the Functioning of the European Union (TFEU): the harmonisation of Regulation (EC) No 1405/2006 with the new rules contained in the Treaty is based on classifying into delegated powers (Article 290 of the TFEU) and implementing powers (Article 291 of the TFEU) of the provisions adopted by the Commission pursuant to that Regulation (Regulation (EC) No 1914/2006 laying down certain detailed rules for applying Council Regulation (EC) No 1405/2006).

Following this exercise, a draft proposal recasting Regulation (EC) No 1405/2006 has been drafted. Under this draft, the Legislator reserves the right to issue decisions concerning the essential elements of a specific scheme for certain agricultural products in the smaller Aegean islands, in order to remedy the difficulties caused by their isolation, remoteness, insularity, small size, mountainous terrain and climate and their economic dependency on a small number of products.

The general guidelines for this scheme and the general principles which underpin it are determined by the Legislator. As such, the objectives of the measures introduced by this specific scheme and the principles regarding programming, compatibility and consistency with other EU policies are defined by the Legislator. The Legislator also establishes the principles for a certification scheme and the application of penalties, reductions and exclusions.

- **In accordance with Article 290 of the TFEU**: the Commission may adopt, by means of a **delegated act**, the conditions for operators being registered in the register of certificates and can, if necessary (given the economic situation), require the lodging of a security for the issuing of certificates. The Legislator can also delegate to the Commission the power to adopt measures relating to the establishment of the procedure for approving amendments to the programme, conditions for processing, the conditions on establishing aid amounts and penalties.

- **In accordance with Article 291 of the TFEU**: the Legislator may grant the Commission the power to **implement**, specifically with regard to the uniform conditions relating to the introduction of the system of certificates and the commitment of operators concerning the specific supply arrangements, the uniform conditions for implementing the programme and a general framework of checks which Greece must perform.

2. Substantive amendments: in view of the fact that since it was adopted, Council Regulation (EC) No 1405/2006 has been the subject of several amendments, it is proposed that it be recast in the interests of clarity.

Furthermore, changes in Community legislation and the practical implementation of this Regulation that have occurred since it was adopted also make it necessary to amend certain of its provisions and to restructure the legislative text so that it reflects more effectively the reality of this scheme.

This new regulation is **more explicit in setting out the scheme's main objectives**, the implementation of which the specific measures for agriculture in the smaller Aegean islands should contribute to.

Its new structure highlights the **central role played by the support programme**, which has now been defined for the smaller Aegean islands at the most appropriate level and coordinated by Greece. This programme relates to the two fundamental elements of the specific supply arrangement and of the specific measures to assist local production.

Other minor amendments have been made to the wording of the Regulation, in particular:

- **the procedure for submitting the programme and amendments for approval to the Commission** has been specified to make it more consistent with current practice and in view of the need for greater flexibility and efficiency as regards the process of adapting the programme to meet the actual needs of agriculture and the supply of products essential for the smaller Aegean islands;
- it has been specified that the **specific supply arrangements** should be designed in accordance with local agricultural production, the development of which should not be limited by aid for supply which is too excessive for products which are also produced locally;
- in the interests of sound budgetary management, Greece must indicate in its programme the **list of aid constituting direct payments**;
- it is also helpful to indicate **how the aid amounts for measures to assist local agricultural products are defined**, which was previously not indicated in the basic act;
- the ceiling for financing for the specific supply arrangements has **increased by 20%**, in the light of the information provided by the Court of Auditors concerning the insufficiency of these funds;
- the date for presenting the **annual report** on the implementation of the measures under the support programme during the previous year was postponed for a month in order to provide the Greek authorities with the opportunity of taking account in the report of the final statement of expenditure for the measures to assist local agricultural production.

The Regulation does not affect the sources of financing or the intensity of Community support.

BUDGETARY IMPLICATION: although the proposed amendments to Council Regulation (EC) No 1405/2006 do not modify the maximum annual amount, the maximum amount of the special supply arrangements changes to EUR 6.56 million, which will lead to a different resource allocation. This, in turn, could have an impact on the rate of expenditure. However, this possible impact is not measurable at this stage.

Specific measures for agriculture in the smaller Aegean islands

2010/0370(COD) - 03/10/2011 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Agriculture and Rural Development adopted the report by Georgios PAPASTAMKOS (EPP, EL) on the proposal for a regulation of the European Parliament and of the Council laying down specific measures for agriculture in favour of the smaller Aegean islands.

The committee recommends that the European Parliament's position adopted at first reading, following the ordinary legislative procedure, should amend the Commission's proposal as follows:

Objectives: the specific measures aim to preserve and develop agricultural activities in the smaller islands, including the **production**, processing, marketing and transport of **local raw and processed products.**

Members consider that support should be provided for the transport from smaller Aegean islands of raw and processed agricultural products, which suffer from a dual competitive disadvantage because of the high cost of both raw materials and subsequent transport.

In addition, the support programme shall be established at the geographical level which Greece deems most appropriate **after consultation with the local and regional authorities** and organisations at the appropriate regional level.

The amendments proposed by the Members also aim to:

- allow subsidies to be linked with production in future;
- encourage farmers to supply quality products, making the maximum use of local genetic and propagation material, to apply Community standards for organic farming and to use traditional farming methods;
- stipulate that support measures must ensure production of local agricultural products which, for the most part, are traditional products with protected designation of origin and protected geographical indication;
- place emphasis on the preservation of cultural heritage in the form of physical and traditional characteristics of agricultural production methods.

Financial envelope: Members propose to set the maximum annual amount to **EUR 31.11 million** (that is an increase of EUR 7.18 million compared to the Commission's proposal) to support the cultivation of more products and strengthen the specific supply arrangements (SSA).

It is also proposed to increase the amount allocated annually to fund the specific supply arrangements by 30% (EUR 6.56 million to **EUR 7.11 million**) due to strong demand for this specific measure.

Delegated and implementing acts: a number of technical amendments which concern the wording of the provisions enable the Commission to adopt delegated acts under Article 290 TFEU or implementing acts under Article 291 TFEU. The amendments take account of the wording of 'standard provisions' already agreed by the institutions with a view to uniform application of the term.