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2015/0165 (NLE)

Proposal for a

COUNCIL REGULATION

amending Regulation (EC) No 866/2004 on a regime under Article 2 of Protocol 10 to the Act of Accession as regards goods covered by quality schemes for agricultural products and foodstuffs

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

Council Regulation (EC) No 866/2004 ("the Green Line Regulation") lays down special rules concerning goods, services and persons crossing the line between the areas of the Republic of Cyprus in which the Government of the Republic of Cyprus does not exercise effective control and those areas of the Republic of Cyprus in which the Government of the Republic of Cyprus exercises effective control.

Regulation (EU) No 1151/2012 of the European Parliament and of the Council lays down a regime on quality schemes for agricultural products and foodstuffs, from which the covered products may benefit when placed in the EU market.

The present amendment establishes the manner in which, pending the reunification of Cyprus, the control mechanism regarding goods covered by Regulation (EU) No 1151/2012 for which the geographical scope includes areas of the Republic of Cyprus where the Government of the Republic of Cyprus does not exercise effective control would be applied in the said areas.

At this stage, the present amendment will only cover Halloumi/Hellim for which the Commission has received an application for the registration as a Protected Designation of Origin. For this purpose, the present amendment takes into account and it is based on the Common Understanding on a temporary solution for Halloumi/Hellim, to be implemented pending the reunification of Cyprus, reached under the guidance of President Juncker during his visit to Cyprus last 16 July 2015[1]. However, the present amendment will equally apply to other possible future applications for the registration of names under Regulation (EU) No 1151/2012 for which the geographical scope includes areas of the Republic of Cyprus where the Government of the Republic of Cyprus does not exercise effective control.

2. RESULTS OF CONSULTATIONS WITH THE INTERESTED PARTIES AND IMPACT ASSESSMENTS

The Commission has consulted with the Government of the Republic of Cyprus and has received input from numerous stakeholders.

3. LEGAL ELEMENTS OF THE PROPOSAL

The Regulation lies down that, with regard to goods covered by a name registered under Regulation (EU) No 1151/2012 of the European Parliament and of the Council laying down a regime on quality schemes for agricultural products and foodstuffs, and for which the geographical scope includes areas of the Republic of Cyprus where the Government of the Republic of Cyprus does not exercise effective control, a control body pursuant to Article 39(1) of that Regulation for the purpose of carrying out those tasks in the areas of the Republic of Cyprus where the Government of the Republic of Cyprus does not exercise effective control shall perform the tasks foreseen in this Article.

[1] http://europa.eu/rapid/press-release_MEX-15-5402_en.htm

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THE COUNCIL OF THE EUROPEAN UNION,

Having regard to Protocol No 10 on Cyprus[2] to the 2003 Act of Accession, and in particular Article 2 thereof,

Having regard to the proposal from the European Commission,

Acting in accordance with a special legislative procedure,

Whereas:

(1) Council Regulation (EC) No 866/2004[3] lays down special rules concerning goods, services and persons crossing the line between the areas of the Republic of Cyprus in which the Government of the Republic of Cyprus does not exercise effective control and those areas of the Republic of Cyprus in which the Government of the Republic of Cyprus exercises effective control.

(2) Regulation (EU) No 1151/2012 of the European Parliament and of the Council[4] lays down a regime on quality schemes for agricultural products and foodstuffs, from which the covered products may benefit when placed in the EU market.

(3) Article 3 of Protocol No 10 on Cyprus states that nothing in it shall preclude measures with a view to promoting the economic development of those areas.

(4) Pending the reunification of Cyprus, the manner in which the control mechanism regarding goods covered by Regulation (EU) No 1151/2012 for which the geographical scope includes areas of the Republic of Cyprus where the Government of the Republic of Cyprus does not exercise effective control would be applied in the said areas, needs to be established.

(5) A Common Understanding on a temporary solution for a possible Protected Designation of Origin for the cheese Halloumi/Hellim, to be implemented pending the reunification of Cyprus, has been reached under the guidance of President Juncker on 16 July 2015. This Regulation is without prejudice to the prerogatives of the Commission under Regulation (EU) No 1151/2012, including the scrutiny of the application for any registration.

(6) In line with this Common Understanding, the Commission will ensure the full respect of the relevant EU law, as foreseen by the EU Treaties.

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2 OJ L 236, 23.9.2003, p. 955.
3 OJ L 161, 30.4.2004, p. 128.
4 OJ L 343, 14.12.2012, p. 1.

(7) This Regulation is without prejudice to a possible future Commission Decision lifting the prohibition of the movement of concerned animal products, to be taken pursuant to Article 4(9) of Regulation (EC) No 866/2004.

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EC) 866/2004 is amended as follows:

In Article 4, the following paragraph shall be inserted:

'4a. With regard to goods covered by a name registered under Regulation (EU) No 1151/2012 of the European Parliament and of the Council laying down a regime on quality schemes for agricultural products and foodstuffs, and for which the geographical scope includes areas of the Republic of Cyprus where the Government of the Republic of Cyprus does not exercise effective control, the official controls provided for in Article 36 of that Regulation shall be performed in the areas of the Republic of Cyprus where the Government of the Republic of Cyprus does not exercise effective control by a control body designated pursuant to Article 39(1) of that Regulation.

In addition to the reports made to the competent authorities of the Republic of Cyprus pursuant to Article 5(2)(e) of Regulation (EC) No 882/2004 of the European Parliament and of the Council of 29 April 2004 on official controls performed to ensure the verification of compliance with feed and food law, animal health and animal welfare rules, the body referred to in the first subparagraph shall report every six months to the European Commission on the implementation of its tasks under this Regulation.'.

Article 2

This Regulation shall enter into force on the twentieth day following that of 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,

For the Council
The President