

ANNOUNCEMENT

Commission Implementing Regulation authorising agreements and decisions on market stabilisation measures in the wine sector

The European Commission adopted an additional package of exceptional measures to support the wine sector, following the coronavirus crisis and its consequences on the sector. In particular, given that the wine sector is among the hardest hit agri-food sectors, due to rapid changes in demand and the closure of restaurants and bars across the EU, the European Commission published on 7.7.2020 the latest package of exceptional measures to further support this sector. These measures complement the package of measures adopted by [Regulation \(EU\) 2020/592](#) on 30.4.2020, aiming at supporting the wine sector through the flexibility provided under market support programmes. Furthermore, by the latest [Regulation \(EU\) 2020/975](#) of 6.7.2020 new exceptional measures were adopted including **temporary derogation from the European Union's competition rules**. In particular, in accordance with Article 222 of the Common Organisation of the Markets in Agricultural Products Regulation (EU 1308/2013), the Commission is empowered to adopt implementing acts to the effect that Article 101(1) TFEU is not applicable to agreements and decisions of recognised producer organisations and their associations in situations of severe market imbalances provided that such agreements and decisions do not undermine the proper functioning of the internal market, and that they strictly aim at stabilising the sector concerned.

In particular, Implementing Regulation (EU) 2020/975 provides that agreements and decisions of farmers, farmers' associations, associations of such associations, recognised producer organisations, associations of recognised producer organisations and recognised interbranch organisations may not be prohibited under Article 101(1) TFEU for the wine sector. The exceptional treatment of such agreements allows operators to self-organise and implement market intervention measures aiming at stabilising their sector, in the context of the internal market functioning, **for a maximum period of 6 months**.

Specifically, in order to help growers of wine grapes and producers of wine find a balance in this period of severe market imbalance, it is appropriate to allow for agreements and decisions of these operators on the production of wine grapes and wine, on a temporary basis for a period of 6 months. Such agreements and decisions could include:

- transformation and processing (e.g. processing wine for other purposes such as distillation of wine into alcohol)

- storage (e.g. creating and finding storage capacities for the increased volume of wine to be stored)
- joint promotion (e.g. promoting the consumption of wine)
- quality requirements (e.g. agreeing on quality requirements that would restrict the marketing of wines to those respecting such requirements) and
- temporary planning of production (e.g. planning measures to reduce volumes for future harvest)

The starting date of the six-month period is 8.7.2020.

It is noted that the authorisation is to be given if the said agreements and decisions do not impair the functioning of the internal market and strictly aim at stabilising the sector. The Hellenic Competition Commission (HCC) will examine such agreements and decisions by analogy in the light of both Article 1 of Law 3959/2011 and Article 101 TFEU.

These specific implementing acts exclude agreements and decisions that directly or indirectly lead to market sharing, discrimination based on nationality or price fixing. Such agreements and decisions shall be assessed in the light of Article 1(1) of Law 3959/2011 and of Article 101 (1) TFEU and in the event all four cumulative conditions of paragraph 3 of the same article are not met, they shall be prohibited according to the established EU legislation and case law. Prohibited practices may (indicatively) refer to direct or indirect fixing of purchase or selling prices or of any other trading conditions, through illegal agreements. The HCC, in the context of its powers, will examine as an immediate priority any such case which may be brought to its attention and it will impose severe sanctions on undertakings – associations of undertakings adopting any such anti-competitive practices.

According to the above Implementing Regulation, information should be provided by any interested party to the competent authorities of the Member State, **including the competent competition authorities**.

In view of the above, we hereby **inform the interested parties** [indicatively, farmers, farmers' associations (agricultural cooperatives), associations of such associations (associations of agricultural cooperatives), recognised producer organisations, associations of recognised producer organisations, recognized interbranch organisations] that **they are under the obligation**, in the context of the above Regulations, to submit to the Directorate-General for Competition of the HCC, notably to the following e-mail addresses: food@epant.gr and protokolo@epant.gr

- **within 5 days** from their conclusion, any agreement and decision, as well as information on a) the estimated production volume of wine grapes covered by the specific agreement or decision and b) the envisaged period covered by any such agreement or decision.
- **no later than 25 days after the end of the six-month period** referred to above, information concerning the actual production volume of wine grapes covered by the agreement or decision.

The HCC remains at your disposal to answer questions and provide clarifications (210 8809247, 210 8809343 and 210 8809219), as our common goal is to deal with the crisis affecting the above sectors avoiding any medium - and/or long-term irreversible effects on the competitive food market structure, whilst ensuring the proper functioning of the distribution chain in the primary sector.