

Common Organisations of Markets in Agricultural Products of the European Union Implementing Act

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Text in Bulgarian: Закон за прилагане на Общите организации на пазарите на земеделски продукти на Европейския съюз

PART ONE

GENERAL DISPOSITIONS

Chapter One

GENERAL PROVISIONS

Article 1. This Act shall regulate:

1. the procedure for application of the market measures, included in the Common Organisations of Markets (COM) in agricultural products of the European Union;
2. the state aid measures that are part of the Common Agricultural Policy (CAP) of the European Union;
3. the functions of the authorities and organisations that are competent to implement the measures referred to in items 1 and 2, as far as these have not been laid down in European Union law.

Article 2. (1) The authorities entrusted with implementation of the measures referred to in Article 1, shall act as administrative authorities.

(2) For the purpose of the individual administrative acts issued in pursuance of CAP of the European Union, the Administrative Procedure Code shall apply, as long as this Act does not provide for any special rules.

Chapter Two

PROVISION OF MARKET INFORMATION

Article 3. (1) The Minister of Agriculture and Forestry shall organise and control the collection and processing of market information that is to be sent to the European Commission for implementation of the measures included in COM pursuant to European Union law.

(2) The Ministry of Agriculture and Forestry shall communicate the market information referred to in paragraph (1) to the relevant structure of the European Commission within the timelines and in the manner laid down in European Union law.

(3) The Minister of Agriculture and Forestry may delegate the collection, processing and/or sending of market information to the European Commission to another government organisation or to delegate the performance of these activities to other parties in accordance with the procedure laid down in the Public Procurement Act .

Article 4. (1) Government authorities and organisations, natural and legal persons shall be bound to provide, free of charge and in due time, the Ministry of Agriculture and Forestry or the authority, or the person referred to in Article 3, as the case may be, with the market information they collect or have at their disposal.

(2) The data under paragraph (1) shall be used only for the purposes laid down in European Union law, in conformity with the requirements for protection of personal data and official secrets.

Article 5. (1) The Council of Ministers shall, by an order, lay down the terms and procedure for collecting market information.

(2) The Minister of Agriculture and Forestry shall, by an order, designate the markets in respect of which market information is to be collected. The order shall be published in the State Gazette.

Chapter Three

STATE AID

Article 6. The Council of Ministers, acting upon proposal of the Minister of Agriculture and Forestry, shall, with a decision, determine the state aid in the agricultural sector according to the requirements laid down in European Union law in the field of state aid.

Article 7. (1) The Minister of Agriculture and Forestry shall:

1. keep a register of de minimis aid granted in line with the provisions of Commission Regulation (EC) No. 1860/2004 and of aid falling within the scope of group exception on the grounds of Council Regulation (EC) No. 994/98 and the regulations on its implementation in the agricultural sector;
2. inform the European Commission of any existing state aid within the meaning of Annex V to the Treaty Concerning the Accession of the Republic of Bulgaria to the European Union .

(2) The Minister of Agriculture and Forestry shall notify the European Commission of any planned new aid schemes or individual aid, or any considerable modifications to existing state aid, subject to notification according to Article 88, paragraph (3) of the Treaty establishing the European Community.

(3) The State Agriculture Fund shall implement:

1. the allowed state aid referred to in paragraph (1);
 2. aid schemes or individual aid referred to in paragraph (2) that have been authorised by the European Commission.
- (4) The terms and procedure for granting and monitoring the implementation of state aid referred to in paragraph (3) shall be laid down with an ordinance of the Minister of Agriculture and Forestry.

PART TWO

COMMON ORGANISATIONS OF THE MARKETS IN AGRICULTURAL PRODUCTS

Chapter Four

MEASURES COVERING TWO OR MORE ORGANISATIONS OF THE MARKET

Section I

Import and Export of Agricultural Products and Processed Agricultural Products

Article 8. (1) A standing interdepartmental advisory committee on the import and export of agricultural products related to the implementation of the European Union CAP shall be established with the Minister of Agriculture and Forestry. The membership of the Committee shall include representatives of the Ministry of Agriculture and Forestry, the Ministry of Economy and Energy, the Ministry of Finance, and also representatives of the Customs Agency and the Payments Agency.

(2) The Committee shall carry out continuous analysis of the activities in the Republic of Bulgaria on application of import and export in respect of agricultural products and shall draft proposals for legislative amendments.

Article 9. (1) The Minister of Agriculture and Forestry shall grant licences for import of agricultural products according to Commission Regulation (EC) No. 1291/2000 and the regulations on its implementation, as well as to the ordinance provided for in Article 15.

(2) The Payments Agency shall grant licences and certificates related to the export of agricultural products and processed agricultural products in compliance with Commission Regulation (EC) No. 1291/2000 and Commission Regulation (EC) No. 1043/2005, and the regulations on their implementation, as well as with the ordinance provided for in Article 15.

(3) The Payments Agency shall pay export refunds on agricultural products and processed agricultural products in accordance with Commission Regulation (EC) No. 800/99 and Commission Regulation (EC) No. 1043/2005, and the regulations on their implementation, as well as with the ordinance provided for in Article 15.

Article 10. The competent authorities referred to in Article 9 shall issue extracts of licences or certificates, as well as replacement licences, certificates or extracts, and also copies of licences, certificates or extracts in compliance with Commission Regulation (EC) No. 1291/2000 and the regulations on its implementation.

Article 11. In the case of export of agricultural products listed in Annex 2 of Regulation (EC) No. 1043/2005, the exporter shall produce to the Payments Agency a description of quantities of agricultural products actually used, signed by the manufacturer of the product concerned, on which refunds are to be paid. The description shall be produced together with the application for payment of export refunds.

Article 12. (1) The Payments Agency shall keep a register of the descriptions of constant quantities of agricultural products actually used on which export refunds are to be paid under the terms and the procedure provided for in Article 11, paragraphs (3) and (4) of Regulation (EC) No. 1043/2005.

(2) Any manufacturer of processed agricultural products listed in Annex 2 of Regulation (EC) No. 1043/2005 may lodge an application for registration pursuant to paragraph (1) with the Payments Agency. The application shall contain particulars of the manufacturer's legal status, such as trade or court registration, name (trade name), seat of business, address (registered address), subjects and address of the manufacturing undertaking. The application shall be accompanied by a description of quantities of agricultural products actually used on which export refunds are to be paid.

(3) Descriptions of constant quantities of agricultural products actually used on which export refunds are to be paid and listed in the register provided for in paragraph (1) shall be given an individual registration number.

(4) The registration shall be valid for a period of one year. Upon expiration of this period the manufacturer may lodge a new application for registration in conformity with the procedure laid down in paragraph (2).

(5) The Payments Agency Executive Director shall either refuse or suspend a registration, where, after on-site checks have been performed, it has been found that the particulars of the manufacturer are not accurate or that the descriptions of quantities of agricultural products actually used do not correspond to the actual products used in the manufacturing of that product.

(6) The exporter of a processed agricultural product, in respect of which descriptions of constant quantities of agricultural products actually used have been registered and on which export refunds are to be paid, shall not present the description of the quantities of agricultural products actually used referred to in Article 11 where the product is to be exported. In the customs declaration and in the application for the payment of export refund the exporter shall specify the individual registration number of the description of constant quantities of agricultural products actually used on which export refunds are to be paid.

Article 13. When checking the conformity of exported agricultural products and processed agricultural products with the quantity and quality requirements, the Customs Agency shall carry out laboratory analysis of the samples taken during export and shall send the results of such analysis to the Payments Agency.

Article 14. (1) The Ministry of Agriculture and Forestry, the Ministry of Finance, and the Payments Agency shall circulate the necessary information concerning the import and export of agricultural products and processed agricultural products, including information representing official secret according to the Customs Act .

(2) The terms, procedure, and timelines for provision of the information referred to in paragraph (1) shall be laid down in memoranda of understanding.

Article 15. The Council of Ministers, acting upon proposal of the Minister of Agriculture and Forestry and in conformity with European Union law, shall lay down in ordinances the terms and procedure for:

1. granting licences and certificates for import and export of agricultural products and processed agricultural products;
2. payment of refunds on export of agricultural products and processed agricultural products;
3. exercising controls on the import and export of agricultural products and processed agricultural products for compliance with the licences and certificates under item 1 and the payment of refunds under item 2.

Section II

Quality Policy

Article 16. (1) The Minister of Agriculture and Forestry shall implement a quality policy in accordance with Council Regulation (EEC) No. 2092/91 and Council Regulations (EC) No. 509/2006 and No. 510/2006, and the regulations on their implementation.

(2) The quality policy shall cover the rules for:

1. organic production of agricultural products and foodstuffs within the meaning of Council Regulation (EEC) No. 2092/91;
2. protection of geographical indications on agricultural products and foodstuffs within the meaning of Regulation (EC) No. 510/2006;
3. recognition of the traditional specific character of agricultural products and foodstuffs within the meaning of Council Regulation (EEC) No. 509/2006;

(3) The Ministry of Agriculture and Forestry shall establish and maintain an information registers of:

1. the producers, processors and traders in agricultural products and foodstuffs produced in an organic manner;
2. the manufacturers of agricultural products and foodstuffs with geographical indications;
3. the manufacturers of agricultural products and foodstuffs with traditional specific character;
4. the persons who carry out controls on the conformity with organic production;
5. the persons who carry out controls on the conformity of products and foodstuffs with geographical indications and with traditional specific character.

(4) The activity of the Minister of Agriculture and Forestry shall be supported by a standing interdepartmental advisory committee on organic agriculture and a standing interdepartmental committee on geographical indications and foodstuffs with traditional specific character. The membership and functions of the committees shall be laid down in the ordinances provided for in Article 17.

Article 17. (1) The Minister of Agriculture and Forestry shall issue ordinances on the implementation of rules for organic production of agricultural products and foodstuffs and on keeping the registers provided for in items 1 and 4 of Article 16, paragraph (3).

(2) The Minister of Agriculture and Forestry shall, by an order, lay down the terms and procedure for:

1. drafting and making requests to the European Commission for listing, amending or deleting a record into the European Register of Protected Designations of Origin and Protected Geographical Indications and any other requests concerning this Register;
2. drafting and making requests to the European Commission for entering, amending or deleting an entry into the European Register of the Traditional Specialities Guaranteed;
3. granting authorisation to and supervision on control bodies;
4. exercising control on the conformity of agricultural products and foodstuffs with geographical indications and with traditional specific character with their specification;
5. keeping the registers under items 2, 3, and 5 of Article 16, paragraph (3).

Article 18. (1) Controls on compliance with the rules of organic production and controls on the conformity of agricultural products and foodstuffs with traditional specific character, or with protected geographical indication, with the specification of the product or the foodstuff concerned shall be carried out by control bodies. These control bodies shall be local or foreign persons, traders either within the meaning of the Commerce Act, or of the legislation of a EU member state, or a contracting party to the Agreement on the European Economic Area, which have been authorised by the Minister of Agriculture and Forestry.

(2) The Minister of Agriculture and Forestry or persons authorised by him shall perform supervision on these control bodies.

(3) The controls referred to in paragraph (1) shall be carried out on the basis of a contract between the manufacturer of the agricultural product or foodstuff and the control body. Within one month of concluding the contract with the control body, the importers and manufacturers of agricultural products and foodstuffs shall provide the Ministry of Agriculture and Forestry with written information on their activities.

(4) On the basis of the contract referred to in paragraph (3), the control body may give directions to the manufacturer

of the agricultural product or foodstuff.

Article 19. (1) For the purpose of receiving authorisation under Article 18, paragraph (1), local persons and the persons established within a European Union member state or a contracting party to the Agreement on the European Economic Area shall lodge an application with the Ministry of Agriculture and Forestry. The application shall contain particulars of the person's legal status, such as trade or court registration, individual identification code or code under the BULSTAT register, name (trade name), seat of business, address (registered address) within the Republic of Bulgaria and subjects.

(2) The following shall be attached to the application referred to in paragraph (1):

1. an up-to-date certificate of entry into the trade register or another register according to the legislation of the relevant European Union member state or of a contracting party to the Agreement on the European Economic Area;

2. an accreditation certificate issued by the Bulgarian Accreditation Service Executive Agency, or by the respective accreditation authority of the European Union member state, or of the contracting party to the Agreement on the European Economic Area where the person is established, whereby compliance with the requirements of standard EN 45 011, ISO/IEC Guide 65 respectively, is certified;

3. a dossier.

(3) The dossier under item 3 of paragraph (2) shall contain:

1. a procedure for exercising controls, containing a detailed description of the safeguard and control measures that the control body undertakes to implement in exercising these controls, as well as guarantees for the objectivity thereof;

2. a copy of a contract with a laboratory/laboratories that will carry out analyses;

3. the measures that the control body applies in the case where violations have been found;

4. particulars of the technical equipment that the control body has at its disposal;

5. particulars of the number of staff of the control body and of their qualification and experience in control activities.

(4) Any documents that have been issued in a foreign language shall be accompanied by a certified translation into the Bulgarian language.

Article 20. (1) For the purpose of receiving authorisation under Article 18, paragraph (1), any foreign persons established outside the European Union and the European Economic Area shall lodge an application with the Ministry of Agriculture and Forestry. The application shall be filed through a branch registered according to the procedure laid down in Article 17a of the Commerce Act .

(2) The application shall contain particulars of the foreign person's legal status, namely legal form, name (trade name), seat of business, address (registered address), subjects and administrative, court, or any other registration, if the law applicable in the relevant country requires such registration, particulars of the registration of the branch and its address within the country.

(3) The following shall be attached to the application under paragraph (1):

1. a copy of the act for administrative, court or any other registration of the foreign person, if the law applicable in the relevant country requires such registration;

2. a copy of the registration certificate of a branch of the foreign person - trader within the country;

3. a copy of the accreditation certificate whereby compliance with standard EN 45 011, ISO/IEC Guide 65 as the case may be, is verified, issued by an accreditation authority of a country that has signed the International Recognition Agreement with the International Accreditation Forum;

4. a dossier.

(4) The dossier referred to in item 4 of paragraph (3) shall contain:

1. a procedure for exercising controls, containing a detailed description of the safeguard and control measures that the control body undertakes to implement in exercising these controls, as well as guarantees for the objectivity thereof;

2. a copy of a contract with a laboratory/laboratories that will carry out analyses;

3. the measures that the control body applies in the case where violations have been found;

4. particulars of the technical equipment that the control body has at its disposal;

5. particulars of the number of staff of the control body and of their qualification and experience in control activities.

(5) Any documents that have been issued in a foreign language shall be accompanied by a certified translation into the Bulgarian language.

Article 21. (1) The Minister of Agriculture and Forestry shall authorise officials to carry out checks on the conformity of the documentation presented by the applicant under Article 19 or Article 20 with the factual conditions for exercising controls.

(2) Where during the check deficiencies and/or inaccuracies have found, the officials referred to in paragraph (1) shall, within 7 days, notify the applicant in writing and give him directions for their elimination.

(3) Within two months of receipt of the application, the Minister of Agriculture and Forestry shall either grant an authorisation, or make a reasoned refusal. In the cases falling under paragraph (2), the period shall not run until the inaccuracies or deficiencies have been eliminated.

(4) The authorisation shall be granted for a period ending upon expiration of the validity term of the accreditation certificate.

(5) The Minister of Agriculture and Forestry shall publish the authorisations granted in the State Gazette.

Article 22. (1) Control bodies shall wind up control activities upon expiration of the validity term of the authorisation.

(2) The Minister of Agriculture and Forestry shall suspend the authorisation upon request of the control body.

(3) The Minister of Agriculture and Forestry shall withdraw the authorisation, where:

1. it has been found that inaccurate data have been presented when the application and documents have been lodged;

2. the control body does not satisfy the requirements laid down in Article 19 or Article 20;

3. on the basis of the supervision carried out, it has been found that controls are not objective or effective;

4. it has been found that the control body repeatedly fails to comply with the terms and procedure for controls;

5. the control body fails to fulfil the obligations under Article 23.

(4) Any enacted orders of the Minister of Agriculture and Forestry for suspension or withdrawal of the authorisation shall be published in the State Gazette.

Article 23. Control bodies shall be bound:

1. to comply with Regulation (EEC) No. 2092/91, Regulations (EC) No. 509/2006 and No. 510/2006 and the procedures laid down in items 1 and 3 of Article 19, paragraph (3) and items 1 and 4 of Article 20, paragraph (4);

2. to co-operate and provide the information requested to the supervising authority referred to in Article 18, paragraph (2);

3. to give the supervising authority referred to in Article 18, paragraph (2), access to their offices and other premises for inspection purposes;

4. to present to the Minister of Agriculture and Forestry by 31 January each year a concise annual report for the previous year and a list of the persons subject to their inspection;

5. to notify the Minister of Agriculture and Forestry of any change in the circumstances referred to in Articles 19 and 20 within seven days of the occurrence thereof.

6. not to disclose information they obtain during their inspection activity; the data from the inspections may be provided only to person subject to inspection and to the competent public authorities.

Article 24. (1) Legal protection of the geographical indication or the traditional specific character of an agricultural product or foodstuff shall be provided by listing into the European Register of Protected Designations of Origin and Protected Geographical Indications or into the European Register of the Traditional Specialities Guaranteed.

(2) Each manufacturer of agricultural product or foodstuff complying with the specification and listed in one of the registers referred to in paragraph (1) or the registers under items 2 or 3 of Article 16, paragraph (3) who has concluded a contract for controls under Article 18, paragraph (3) shall be entitled to raise a claim for protection of the geographical indication or the traditional specific character.

Article 25. (1) The use of any symbol, indication and/or name of a geographical indication on agricultural product or foodstuff shall be prohibited, where it:

1. has not been listed in the European Register of Protected Designations of Origin and Protected Geographical Indications;

2. has been listed, but the agricultural product or foodstuff in question does not satisfy the specification entered therein;

3. has been listed, but the agricultural product or foodstuff in question is not subject to the controls referred to in Article 18.

(2) The use of any symbol and indication on agricultural product or foodstuff with traditional specific character shall be prohibited, where it:

1. has not been listed in the European Register of the Traditional Specialities Guaranteed;

2. has been listed, but the agricultural product or foodstuff in question does not satisfy the specification entered therein;

3. has been listed, but the agricultural product or foodstuff in question is not subject to controls as provided for in Article 18.

(3) The labelling as "biologic", "ecologic", "organic", "bio", and "eco", including in any foreign languages, and placing the symbol for organic agriculture on an agricultural product or foodstuff that has not been produced in an organic manner, shall be prohibited.

(4) Controls on the use of indications referred to in paragraphs (2) and (3) shall be exercised by the official control authorities in pursuance of the Foodstuffs Act .

Section III

Intervention Buying-in

Article 26. (1) The Payments Agency shall carry out intervention buying-in of agricultural products in the cases and according to the procedure laid down in Council Regulations (EC) No. 1784/2003, (EC) No. 1785/2003, (EC) No. 1254/1999, (EEC) No. 2759/75, and (EC) No. 1255/1999, and the regulations on their implementation.

(2) The Minister of Agriculture and Forestry shall, by an order, lay down the following:

1. the terms and procedure for lodgement of applications for intervention buying-in of agricultural products, their approval and the format of application documents;
 2. the amount of transportation costs that is paid to the seller in the case of intervention for cereals.
- (3) The Payments Agency shall buy in the products referred to in paragraph (1), where:
1. they satisfy the minimum quality requirements laid down in European Union law;
 2. lots satisfying the minimum quantity requirement laid down in the ordinance under paragraph (2) are offered for buying-in;
 3. they have been produced on the territory of a European Union member state.

Article 27. (1) The Minister of Agriculture and Forestry shall propose for approval by the European Commission intervention centres for intervention for cereals.

(2) The Payments Agency shall conclude contracts with storekeepers for storage of bought in agricultural products in pursuance of the Public Procurement Act .

(3) The Payments Agency shall exercise controls on the accountability of agricultural products bought in and shall control their storage in the intervention warehouses.

Article 28. (1) Each year during the period from 1 November through 31 May, producers of cereals may lodge with the Payments Agency regional units applications for buying in cereals, such as common wheat, durum wheat, barley, maize and sorghum at a price set by the European Commission.

(2) Each year during the period from 1 April through 31 July, producers of paddy rice may lodge with the Payments Agency regional units applications for buying in at a price and within a quantity set by the European Commission.

(3) The Payments Agency shall organise controls on the quality of the lots of cereals and rice offered for buying-in and shall appoint laboratories to check the results of quality grading, where these have been contested, in accordance with Commission Regulation (EC) No. 824/2000.

Article 29. (1) Applications for buying in carcasses, half-carcasses and cuts may be lodged by natural and legal persons possessing their own or having rented slaughterhouses or warehouses registered by the veterinary control authorities according to the procedure laid down in the Foodstuffs Act .

(2) The Payments Agency shall buy in carcasses, half-carcasses and cuts that satisfy the veterinary requirements and have been graded according to their and they have been graded according to the (S)EUROP scale.

Article 30. (1) Applications for buying-in of milk products may be lodged by manufacturers whose undertakings have been approved according to the requirements laid down in Regulation (EC) No. 1255/99 and the regulations on its implementation, as well as by traders in milk products that have been produced in an approved establishment.

(2) The undertakings referred to in paragraph (1) shall be approved by the Payments Agency Executive Director under the terms and according to the procedure laid down in Article 5 of Commission Regulation (EC) No. 2771/1999 and in Article 3 of Commission Regulation (EC) 214/2001 on the basis of an application, conforming to a model approved by the Payments Agency Executive Director, lodged by the manufacturer.

Section IV

Release of Intervention Stocks

Article 31. (1) The Payments Agency shall propose to the European Commission the release of intervention stocks that are stored on the territory of the country according to European Union law.

(2) The Payments Agency, upon receipt of permission by the European Commission, shall commence a tendering procedure for selling the products bought-in in the cases and according to the procedure laid down in European Union law.

(3) The Payments Agency shall implement the acts of the European Commission on the release of intervention stocks as humanitarian aid.

Section V

Distribution of Foodstuffs from Intervention Stocks to Disadvantaged Persons

Article 32. (1) The Payments Agency shall make a request for listing the distribution of foodstuffs from intervention stocks to disadvantaged persons on the territory of the country according to Council Regulation (EC) No. 3730/87 into the annual plan of the European Commission.

(2) The Minister of Labour and Social Policy, the Minister of Health, and the Minister of Agriculture and Forestry shall, by an order conforming to Commission Regulation (EEC) No. 3149/92, lay down the following:

1. the procedure for distributing foodstuffs from intervention stocks to disadvantaged persons;
2. the criteria for choosing charitable non-profit legal persons eligible to distribute foodstuffs from intervention stocks to disadvantaged persons;
3. the criteria for determining the disadvantaged persons eligible to receive such foodstuffs.

(3) The Payments Agency shall:

1. choose the undertakings for processing, packaging and/or supply of foodstuffs according to Article 6 of Regulation (EEC) No. 3149/92 and shall organise the controls thereof;

2. make payments relating to the supply and distribution of foodstuffs;
3. carry out checks on the supply and distribution of foodstuffs;
4. inform the European Commission of the implementation of the plan for distribution of foodstuffs according to Article 2 of Regulation (EEC) No. 3730/87.

(4) Any persons who process, package and/or supply foodstuffs to non-profit legal persons shall be bound:

1. to comply with the rules and formulae for processing, packaging and supply of foodstuffs;
2. to maintain accounts of the activities under item 1;
3. to give the competent authorities access to carry out checks on the activities under item 1.

(5) Non-profit legal persons taking part in the distribution of foodstuffs shall be bound:

1. to maintain accounts of the distribution of foodstuffs performed in accordance with European Union law;
2. to give the competent authorities access to carry out checks on the distribution of foodstuffs.

(6) The Minister of Labour and Social Policy, the Minister of Health, and the Minister of Agriculture and Forestry shall, by the ordinance provided for in paragraph (2), lay down the terms and procedure for:

1. non-profit legal persons to state the needs of foodstuffs;
2. processing, packaging and supply of the foodstuffs;
3. distribution of the foodstuffs.

Section VI

Private Storage

Article 33. (1) The Payments Agency shall enter into contracts for private storage of agricultural products under the terms and in the cases provided for in Council Regulations (EC) No. 1254/1999, (EC) No. 2529/2001, (EEC) No. 2759/75, (EC) No. 1255/1999, and the regulations on their implementation.

(2) Only products produced in undertakings approved according to Article 30 shall be covered by contracts for private storage of milk products.

(3) The procedure for private storage of agricultural products shall be laid down in an ordinance of the Minister of Agriculture and Forestry.

Article 34. The Payments Agency shall organise checks on the conformity of agricultural products to be subject to private storage with the requirements towards their quality and composition, as well as the conformity of storage facilities, according to Council Regulations (EC) No. 1254/1999, (EC) No. 2529/2001, (EEC) No. 2759/75, (EC) No. 1255/1999, and the regulations on their implementation.

Section VII

Promotion of Agricultural Products and Foodstuffs

Article 35. The Council of Ministers shall, by an order, lay down the terms and procedure for:

1. making proposals for promotion programmes;
2. preliminary choice of promotion programmes;
3. concluding contracts for implementation and financial aid for promotion programmes;
4. controls on the implementation of approved promotion programmes.

Article 36. (1) Associations of producers and/or traders may propose programmes for promotion of agricultural products or foodstuffs that are to be co-financed by the European agricultural funds. The promotion programmes shall be presented to the Ministry of Agriculture and Forestry.

(2) A standing advisory committee for choosing promotion programmes shall be established with the Minister of Agriculture and Forestry. The committee shall include representatives of the Ministry of Economy and Energy appointed by the Minister of Economy and Energy, representatives of the Ministry of Health appointed by the Minister of Health, representatives of the Payments Agency appointed by its Executive Director, and representatives of the Ministry of Agriculture and Forestry. The membership of the committee shall be appointed by an order of the Minister of Agriculture and Forestry.

(3) The Minister of Agriculture and Forestry shall issue Rules of Procedure for the committee under paragraph (2).

(4) The Minister of Agriculture and Forestry shall endorse the promotion programmes and communicate these to the European Commission for approval.

Article 37. (1) The Payments Agency shall conclude contracts for financial support of the promotion programmes approved by the European Commission.

(2) The Payments Agency shall control the implementation of the promotion programmes and pay the financial aid as stipulated in Council Regulations (EC) No. 2702/99 and (EC) No. 2826/2000, and the regulations on their implementation.

(3) The European Agricultural Guidance and Guarantee Fund shall fund not more than 50 per cent of the implementation costs of any approved promotion programme. The organisation, which has proposed the promotion programme, shall provide the remaining part of its financing. Part of the financing provided by the organisation, which has proposed the promotion programme, may be borne by the budget of the Ministry of Agriculture and Forestry and the State Agriculture Fund.

Section VIII

Other Market Measures

Article 38. The Payments Agency shall implement other market measures in respect of agricultural products under the terms and in the cases provided for in European Union law.

Article 39. The Minister of Agriculture and Forestry shall, by ordinances, lay down the terms and procedure for implementation of other market measures in respect of agricultural products according to European Union law.

Chapter Five

ORGANISATIONS OF THE MARKET IN CERTAIN AGRICULTURAL PRODUCTS

Section I

Fruit and Vegetables

Article 40. The Minister of Agriculture and Forestry shall exercise control on the conformity of the declared quality of fresh fruit and vegetables with the quality standards laid down in Article 2 of Council Regulation (EC) No. 2200/96 and the regulations on its implementation.

(2) Traders in fresh fruit and vegetables shall display, offer for sale, deliver or market in any other manner, whether at their expense or not, fresh fruit and vegetables labelled in conformity with the quality standards laid down in law.

(3) Traders in fresh fruit and vegetables shall be bound:

1. to give the inspection authority access to the premises where production, storage, marketing, import and export of fresh fruit and vegetables take place, as well as to the means of transport used to carry fruit and vegetables to be offered for sale on the market;

2. to provide the inspection authority with information and all documents necessary for evaluating the conformity of lots subject to inspection.

(4) Where the indicated quality grade of fresh fruit and vegetables conforms to the requirements laid down in the regulations, the inspection authority shall issue a certificate of conformity. Where the indicated quality grade of fresh fruit and vegetables does not conform to the requirements laid down in the regulations establishing quality standards, the inspection authority shall issue a written statement of findings and shall not allow the goods to be imported, exported or put for sale on the internal market. The sale of lots of fresh fruit and vegetables in respect of which a written statement of findings has been issued shall be prohibited.

(5) The Minister of Agriculture and Forestry shall, by an order, lay down the procedure for:

1. carrying out controls on the conformity of fresh fruit and vegetables with quality standards;

2. establishing and maintaining a database of the traders in fresh fruit and vegetables.

Article 41. (1) The Ministry of Agriculture and Forestry shall establish and maintain a register of the traders in fresh fruit and vegetables and shall carry out risk analysis for the purpose of exercising controls on the conformity with quality standards.

(2) In order to be entered in the register provided for in paragraph (1) the traders in fresh fruit and vegetables shall provide to the inspection authorities, if they so request, the following particulars:

1. trade name, seat of business and registered address;

2. personal identification number, in the case of natural persons, or the individual number of a national of a European Union member state or of a contracting party to the Agreement on the European Economic Area, individual identification code or a code under the BULSTAT register, in the case of other legal persons;

3. the types of fruit and vegetables they trade in;

4. region or regions, as the case may be, where they offer fruit and vegetables for sale on market;

5. position within the marketing chain, such as producer, packager, wholesaler, retailer, importer, exporter, or processor, as the case may be;

6. average annual volume of the marketed production.

Article 42. (1) The customs authorities shall accept the declaration on the export of fresh fruit and vegetables, where:

1. the lot is accompanied by a certificate of conformity with quality standards issued by the inspection authority, or

2. they have been informed in writing by the inspection authority that a certificate of conformity with quality standards has been issued in respect of the lot concerned or that the issuance thereof is not required.

(2) The customs authorities shall clear the lots of fresh fruit and vegetables declared under import regime, where:

1. the lot is accompanied by a certificate of conformity with quality standards issued by the inspection authority, or

2. they have been informed in writing by the inspection authority that a certificate of conformity with quality standards has been issued in respect of the lot.

(3) The customs authorities shall provide the Ministry of Agriculture and Forestry with all the information necessary to carry out the checks for conformity with quality standards.

(4) Any persons who exports or imports fresh fruit and vegetables, including such products intended for processing, shall be bound to notify in writing the inspection authority at least two days before the export or imports takes place for the purpose of carrying out a check on the conformity with quality standards.

Article 43. (1) The Minister of Agriculture and Forestry shall, by an order, grant or withdraw recognition of organisations of producers of fresh fruit and vegetables according to Articles 11 and 12 of Regulation (EC) No. 2200/96 and the regulations on its implementation.

(2) The Ministry of Agriculture and Forestry shall inform the European Commission of any recognised organisations of producers of fresh fruit and vegetables and of their activities according to the requirements laid down in Article 44 of Regulation (EC) No. 2200/96 and the regulations on its implementation.

(3) The Minister of Agriculture and Forestry shall issue an ordinance on:

1. the conditions to be laid down by the member states and the procedure for granting recognition to producer organisations and for provisional recognition of producer groups;
2. the contents and the procedure for implementation of the plan of action with a view to meet the requirements for attaining recognition by provisionally recognised producer groups;
3. the conditions for non-producers to become members of producer organisations;
4. the terms and procedure for granting recognition to associations of organisations of producers of fresh fruit and vegetables.

Article 44. (1) The Payments Agency shall approve the operational programmes of organisations of producers of fresh fruit and vegetables recognised in pursuance of Regulation (EC) No. 2200/96 for the purpose of support and shall make payments according to this Regulation and the regulations on its implementation.

(2) The Minister of Agriculture and Forestry shall, by the ordinance provided for in Article 43, paragraph (3), lay down the following:

1. the terms and procedure for approval and modification of approved operational programmes;
2. the activities and costs that can be included in the operational programmes of recognised producer organisations.

Article 45. (1) Producer organisations shall notify in writing the Payments Agency of any operation on withdrawal from the market of fresh fruit and vegetables within three days of its performance.

(2) The notification under paragraph (1) shall contain the type, quantity and quality grade of the fresh fruit and vegetables withdrawn, their intended use and the place where the withdrawal from the market takes place.

(3) Within the period set in paragraph (1), the Payments Agency shall:

1. check the information provided for in paragraph (2) and upon completion of this check it shall either allow the withdrawal operation, or refuse permission, or
2. without performing such a check, it shall notify in writing the producer organisation that it allows the operation.

(4) Producer organisations shall present to the Payments Agency a certificate of conformity issued in respect of the products withdrawn by the authority referred to in Article 40, paragraph (4).

(5) The Payments Agency shall pay compensation for the fresh fruit and vegetables withdrawn from the market according to Regulation (EC) No. 2200/96 and the regulations on its implementation.

Article 46. (1) Any fresh fruit and vegetables withdrawn from the market may be:

1. distributed to charitable organisations, foundations, schools, penal institutions, or medical establishments upon receipt of a positive opinion by the relevant Regional Inspectorate for Public Health Protection and Control;
2. used for animal feeding;
3. composted;
4. destroyed.

(2) The Council of Ministers shall, by an ordinance, lay down the following:

1. the terms and procedure for distribution of fresh fruit and vegetables withdrawn from the market;
2. the procedure for determining the beneficiaries of such fruit and vegetables and for granting permission for composting or destroying;
3. the methods of destruction of fresh fruit and vegetables withdrawn from the market in conformity with the requirements for environmental protection.

Article 47. (1) The Payments Agency shall pay aid to producer organisations that supply tomatoes and peaches for processing according to Council Regulation (EC) No. 2201/96 and the regulations on its implementation.

(2) The processing of peaches and tomatoes referred to in paragraph (1) shall be carried out in undertakings registered in pursuance of the Foodstuffs Act .

(3) The Minister of Agriculture and Forestry shall approve these undertakings and shall publish the list provided for in Article 5 of Commission Regulation (EC) No. 1535/2003 and shall grade the products referred to in Article 31 of this Regulation according to their quality.

(4) Producer organisations shall supply tomatoes and peaches referred to in paragraph (1) to the processing undertakings referred to in paragraph (2) accompanied by a certificate of conformity issued in pursuance of the procedure laid down in Article 40, paragraph (4).

(5) The Council of Ministers shall, by the ordinance provided for in Article 46, paragraph (2), lay down the following:

1. the terms and procedure for approving the processing undertakings referred to in paragraph (2);

2. the requirements towards the contracts between producer organisations and processing undertakings for supply of tomatoes and peaches.

Section II

Cow's Milk

Article 48. (1) The National Reference Quantity and the National Milk Reserve shall be managed by the Ministry of Agriculture and Forestry.

(2) A register of cow's milk producers shall be established and maintained by the Ministry of Agriculture and Forestry.

Article 49. (1) Cow's milk shall be bought by purchasers, either natural or legal persons, who are traders within the meaning of the Commerce Act or under the legislation of a European Union member state, or of a contracting party to the Agreement on the European Economic Area, whose establishments have been registered in pursuance of the procedure laid down in Article 12 of the Foodstuffs Act and approved by the Minister of Agriculture and Forestry.

(2) Purchasers shall lodge with the Ministry of Agriculture and Forestry an application for approval conforming to a model endorsed by the Minister of Agriculture and Forestry. This application shall be lodged within 30 days of the registration under Article 12 of the Foodstuffs Act .

(3) The following shall be attached to the application provided for in paragraph (2):

1. an up-to-date certificate of entry into the trade register or into other register according to the legislation of the European Union member state or of a contracting party to the Agreement on the European Economic Area issued one month prior to lodgement of the application;

2. a certificate under Article 87, paragraph (6) of the Tax and Social-Insurance Procedure Code for the presence or lack of liabilities;

3. a bank bond to the benefit of the Payments Agency in amount set by the Executive Director;

4. a list of the names and personal identification numbers, or the personal number of a national of a European Union member state or of a contracting party to the Agreement on the European Economic Area, of the persons carrying out registration of daily deliveries of cow's milk;

5. a declaration by the applicant that during the preceding year he has not been sanctioned with an enacted penal decree in respect of the collection and processing of cow's milk;

6. a declaration by the applicant that he is in possession of a personal computer, printer, electronic mailbox, and software for registration, as per producer, of the quantities of cow's milks purchased daily.

(4) The application shall specify the registration certificate number of all stationary and mobile establishments for purchasing and transporting cow's milk according to the Veterinary Practices Act , as well as the registered address within the country where the purchaser keeps the commercial, accounting, and technological documentation on the purchasing and transportation of cow's milk.

Article 50. (1) Within one month of receipt of the application, the Minister of Agriculture and Forestry shall, by an order, either grant or refuse to grant approval.

(2) The Minister of Agriculture and Forestry shall refuse to grant approval where:

1. the documents referred to in Article 49 have not been presented;

2. there are inconsistencies between the documents presented and the factual conditions for purchasing and transporting of cow's milk.

(3) In the case of refusal under paragraph (2), the purchaser may lodge a new application for approval not earlier than 6 months of issuance of the order.

(4) The rights and obligations ensuing from the approval granted may not be transferred or assigned.

(5) In the case of variation to the circumstances under Article 49, the approved purchaser shall be bound, within 7 days, to lodge with the Ministry of Agriculture and Forestry an application accompanied by documents certifying such a variation.

Article 51. The approved purchasers shall be bound:

1. to purchase the quantity of cow's milk delivered by the producer with whom they have concluded a delivery contract;

2. to issue a written document in respect of every delivery by each producer, containing the quantity of cow's milk, its fat content and price;

3. to lodge declarations according to the ordinance provided for in Article 55, paragraph (1);

4. to register, as per producer, the quantities of cow's milk purchased daily;

5. to have at their disposal appropriate premises, personal computer, printer, electronic mailbox, and software for registration of purchased quantities of cow's milk;

6. to maintain up-to-date commercial, accounting, and technological documentation on the purchasing, transportation and processing of cow's milk and on the storage of cow's milk products;

7. to give the authorised officials access to the premises, software, and the documentation and co-operate with them for inspection purposes;

8. to inform each cow's milk producer with whom they have concluded a delivery contract, at the end of each quarter, of the remainder of his individual reference quantity of milk;

9. to issue in respect of each producer, upon termination of the delivery contract, a certificate for the total amount of cow's milk purchased as of the beginning of the reference period;

10. renew the bank bond to the benefit of the Payments Agency upon expiration of its term.

Article 52. (1) Approval of purchasers shall be terminated:

1. upon request by the approved purchaser;

2. in the case of the purchaser's reorganisation, winding up or bankruptcy;

3. in the case of the purchaser's death, where he is a natural person;

4. where the purchaser has been deleted from the register provided for in Article 12 of the Foodstuffs Act .

(2) Approval of purchasers shall be withdrawn, where:

1. they have failed to fulfil an obligation under Article 51 or an obligation provided for in European Union law, or in the ordinances under Article 55;

2. it has been granted on the basis of inaccurate data.

(3) The Minister of Agriculture and Forestry shall issue an order for termination or withdrawal of the approval within 14 days of receipt of an application for termination or documents certifying the circumstances as stipulated in items 2 and 3 of paragraph (1), or of ascertaining the circumstances under paragraph (2).

(4) In the case of withdrawal of the approval the purchaser may lodge a new application for approval not earlier than 6 months of issuance of the order provided for in paragraph (3).

Article 53. The Ministry of Agriculture and Forestry shall establish and maintain a public electronic register of approved purchasers that is to be published on the Internet site of the Ministry of Agriculture and Forestry.

Article 54. (1) The Payments Agency shall determine a levy to be paid to the budget in the case of overrun of the national reference quantity according to the rules laid down in Council Regulation (EC) No. 1788/2003 and Commission Regulation (EC) No. 595/2004.

(2) The levy to be paid to the budget in the case of overrun of the national reference quantity shall be public receivables within the meaning of item 1 of Article 162, paragraph (2) of the Tax and Social-Insurance Procedure Code .

Article 55. (1) The Minister of Agriculture and Forestry shall, by an order, lay down the procedure for:

1. managing the National Milk Reserve;

2. keeping the register of cow's milk producers;

3. dividing, transferring and converting individual reference quantities;

4. granting approval to purchasers, as well as the procedure for issuing a bank bond and the term thereof;

5. purchasing cow's milk;

6. filing declarations by approved purchasers and cow's milk producers.

(2) The Council of Ministers, acting upon proposal by the Minister of Agriculture and Forestry, shall adopt an ordinance on:

1. the payment of the levy provided for in Article 54, paragraph (2) by approved purchasers and by cow's milk producers, who have been granted an individual reference quantity for direct sales, to the Payments Agency;

2. the payment of the levy provided for in Article 54, paragraph (2) by cow's milk producers, who have been granted an individual reference quantity for deliveries, to the approved purchasers;

3. dividing the excess of the levy after payment of the liability of the country to the European Agricultural Guidance and Guarantee Fund for the purpose of securing or financing the insufficient amount for meeting this obligation.

Section III

Wine and Spirituous Beverages

Article 56. The Payments Agency shall support the market measures in the vine-growing and wine sector according to European Union law.

Article 57. (1) Market measures for the development of the vine-growing and wine sector, in respect of which support is to be provided, shall be:

1. restructuring and conversion measures:

a) restructuring or varietal conversion;

b) relocation of vineyards;

c) improvement of vineyard management techniques;

2. the use of concentrated grape must and rectified grape must for enrichment of the alcoholic strength of grape must and new wine still in fermentation;

3. the production of grape juice or other foodstuffs made from grape juice by using grapes, grape must and concentrated grape must;

4. private storage of table wine, grape must, concentrated grape must and rectified grape must;

5. distillation.

- a) compulsory distillation of by-products of wine-making;
- b) voluntary distillation of table wines;
- c) crisis distillation of table and quality wines;
- d) fortification of wine with grape must for distillation.

(2) Relocation of exhausted vineyards shall not be a restructuring within the meaning of item 1 of paragraph (1).

Article 58. (1) Only producers who have been registered in pursuance of the Wine and Spirit Drinks Act shall be eligible for support under Article 57, paragraph (1).

(2) Producers who carry out renewal of vineyards and filling up empty spots - replanting the plot with the existing variety while keeping the existing agricultural technique at the vine-growing holding, shall not be granted support under item 1 of Article 57, paragraph (1).

(3) Support under item 3 of Article 57, paragraph (1) may be granted to producers, where they use raw materials originating in the Republic of Bulgaria and/or other European Union member state.

PART THREE

CONTROLS AND SANCTIONS

Chapter Six

CONTROLS AND IMPLEMENTATION OF THE MARKET MEASURES AND STATE AID MEASURES

Article 59. (1) The authorities and organisations competent to implement market measures and state aid measures shall carry out inspections according to Article 37, paragraphs (3) and (4) of the Agricultural Producers Support Act on:

- 1. the persons taking part in such measures;
- 2. third parties that do not directly take part in these measures, but have relationships with the persons referred to in item 1 on the occasion of their participation therein.

(2) The persons referred to in paragraph (1) shall be bound to co-operate with the inspectors and with the representatives of the European Commission in accordance with Article 26b, paragraph (1) of the Agricultural Producers Support Act .

(3) Any government and municipal authorities and organisations shall be bound to co-operate with the inspectors and with the representatives of the European Commission and to provide them with the information and the documents concerning the subject of inspection.

Article 60. (1) A specialised department shall be established with the Payments Agency according to Council Regulation (EEC) No. 4045/98.

(2) The Payments Agency Executive Director shall report the results of such inspections in pursuance of Regulation (EEC) No. 4045/98 to the Minister of Agriculture and Forestry.

Chapter Seven

COLLECTION OF RECEIVABLES ON MARKET MEASURES AND STATE AID MEASURES

Article 61. (1) Amounts paid on the basis of any repealed administrative act or of any terminated, invalid or voidable contract shall be receivables within the meaning of Article 27, paragraph (4) of the Agricultural Producers Support Act .

(2) The receivables under paragraph (1) shall be due as of the date of:

- 1. notification of the person, taking part in the market measure or in the state aid measure, by the competent authority of the revocation of the administrative act or of the termination of the contract.
- 2. the court decision ascertaining the invalidity of the contract or rendering the contract voidable.

Article 62. The interest laid down in law shall be due for state receivables on market measures and on state aid measures.

Chapter Eight

ADMINISTRATIVE AND PENAL PROVISION

Article 63. (1) Any person who does not provide the market information required under Article 4, paragraph (1) shall be punished with a fee or with a pecuniary sanction in amount from BGN 100 to BGN 1,000.

(2) Any person who repeats a violation referred to in paragraph (1) shall be punished with a fee or a pecuniary sanction in amount from BGN 1,000 to BGN 10,000.

Article 64. (1) Any person who exercises supervision without being authorised in pursuance of Article 18, paragraph (2) shall be punished with a pecuniary sanction in amount from BGN 5,000 to BGN 10,000.

(2) Any person who does not provide the information required under Article 18, paragraph (3) shall be punished with a fee or with a pecuniary sanction in amount from BGN 500 to BGN 5,000.

(3) Any person who fails to comply with a mandatory direction provided for in Article 1, paragraph (4) shall be punished with a fee or with a pecuniary sanction in amount from BGN 1,000 to BGN 10,000.

Article 65.(1) Any person who violates the provisions of Article 25, paragraph (3) shall be sanctioned with a fee in amount from BGN 1,000 to BGN 5,000.

(2) Where the violation under paragraph (1) has been committed by a legal person or a sole trader, a pecuniary

sanction in amount from BGN 5,000 to BGN 10,000 shall be imposed.

(3) The acts ascertaining any violation under paragraphs (1) and (2) shall be drawn up by the state control inspectors according to Article 28 of the Foodstuffs Act . The penal decrees shall be issued by the head of the relevant competent authority depending on the subordination of the official who has found the violation.

Article 66. (1) Any natural person who offers for sale on the market a lot of fruit and vegetables in respect of which a written statement of findings has been drawn up shall be sanctioned with a fee from BGN 3,000 to BGN 5,000.

(2) Where the violation under paragraph (1) has been committed by a legal person or a sole trader, a pecuniary sanction in amount from BGN 5,000 to BGN 7,000 shall be imposed.

Article 67. (1) Any natural person who violates the provisions of Article 40, paragraph (2) shall be sanctioned with a fee in amount from BGN 600 to BGN 2,000.

(2) Where the violation under paragraph (1) has been committed by a legal person or a sole trader, a pecuniary sanction in amount from BGN 2,000 to BGN 5,000 shall be imposed.

Article 68. (1) Any natural person who fails to fulfil an obligation provided for in Article 40, paragraph (3) shall be sanctioned with a fee in amount from BGN 1,000 to BGN 3,000.

(2) Where the violation under paragraph (1) has been committed by a legal person or a sole trader, a pecuniary sanction in amount from BGN 3,000 to BGN 5,000 shall be imposed.

Article 69. (1) Any approved purchaser who does not file an annual declaration of the cow's milk purchased under Article 8, paragraph (2) of Commission Regulation (EC) No. 595/2004 before 15 May shall be punished with a pecuniary sanction in amount from BGN 300 to BGN 10,000

(2) Any cow's milk producer who has been granted an individual reference quantity for direct sales, who does not file an annual declaration of the cow's milk sold, as provided for in Article 11, paragraph (2) of Regulation (EC) No. 595/2004, before 15 May, shall be sanctioned with a fee in amount from BGN 200 to BGN 2,000.

(3) Where the violations under paragraph (2) have been committed by a legal person or a sole trader, a pecuniary sanction in amount from BGN 300 to BGN 10,000 shall be imposed.

Article 70. (1) Any approved purchaser who declares inaccurate data shall be punished with a pecuniary sanction in amount from BGN 300 to BGN 10,000

(2) Any cow's milk producer who has been granted an individual reference quantity for direct sales, who declares inaccurate data, shall be sanctioned with a fee in amount from BGN 200 to BGN 2,000.

(3) Where the violation under paragraph (2) has been committed by a legal person or a sole trader, a pecuniary sanction in amount from BGN 300 to BGN 10,000 shall be imposed.

Article 71. Any person who purchases cow's milk without the approval of the Minister of Agriculture and Forestry provided for in Article 49, paragraph (1) shall be punished with a pecuniary sanction in amount of BGN 25 for every 100 kg cow's milk purchased, but not less than BGN 1,000.

Article 72. (1) Any cow's milk producer who delivers cow's milk to a purchaser who has not been granted approval in pursuance of this Act shall be sanctioned with a fee in amount from BGN 200 to BGN 2,000

(2) Where the violation under paragraph (1) has been committed by a legal person or a sole trader, a pecuniary sanction in amount from BGN 300 to BGN 10,000 shall be imposed.

Article 73. (1) Any person who fails to fulfil or violates any obligation provided for in this Act or in any Regulation of the European Union, laying down the implementation of market measures included in COM, shall be sanctioned with a fee in amount from BGN 300 to BGN 3,000.

(2) Where the violation under paragraph (1) has been committed by a legal person or a sole trader, a pecuniary sanction in amount from BGN 1,000 to BGN 10,000 shall be imposed.

(3) The Minister of Agriculture and Forestry shall, by ordinances, determine the corpus delicti of the specific violations under paragraph (1) according to Article 2, paragraph (2) of the Administrative Violations and Sanctions Act .

Article 74. (1) The acts ascertaining any violations under Articles 63 , 64 , 66 - 68, 71, and 73 shall be drawn up by officials authorised by the Minister of Agriculture and Forestry, and the penal decrees shall be issued by the Minister of Agriculture and Forestry or by officials authorised by him.

(2) The acts ascertaining any violations under Article 69 - 72 shall be drawn up by officials authorised by the Executive Director of the State Agriculture Fund, and the penal decrees shall be issued by the Executive Director of the State Agriculture Fund or by officials authorised by him.

(3) Drawing up of acts, issuing, appeal and enforcement of penal decrees shall be carried out in pursuance of the Administrative Violations and Sanctions Act .

SUPPLEMENTARY PROVISIONS

§ 1. Within the meaning of this Act:

1. "Organic production of agricultural products and foodstuffs" shall mean the production of agricultural products and foodstuffs conforming to the requirements laid down in Council Regulation (EEC) No. 2092/91.

2. "Export refunds on agricultural products and processed agricultural products" shall mean payments of a certain

subsidy to the exporter of the product for the purpose of compensating the differences between their prices on the world markets and the internal market of the European Union.

3. "Geographical indications" shall mean a designation of origin and geographical indication within the meaning of Article 2 of Council Regulation (EC) No. 510/2006.

4. "Direct sale" shall mean any transfer, whether free of charge or not, of cow's milk directly from the producer to the end user, as well as any transfer, whether free of charge or not, of cow's milk products directly from the producer to any person other than members of the producer's household.

5. "Delivery" shall mean any delivery of unprocessed cow's milk, produced in the producer's holding, to an approved purchaser ;

6. "Agricultural products" shall mean the products of horticulture, animal husbandry and fisheries, as well as products resulting from primary processing directly related to such products, listed in Annex I of the Treaty Establishing the European Community.

7. "Intervention buying-in" shall mean any measure financed by the European Agricultural Guidance and Guarantee Fund that represents a purchase of agricultural products of a certain quality and in certain quantities at fixed prices with the purpose of stabilising the markets in agricultural products and guaranteeing the incomes of producers.

8. "Reference period" shall mean the period from 1 April of the current calendar year through 31 March of the next calendar year.

9. "Composting" shall mean any exothermic and thermophilic process of biological decomposition of biodegradable waste in the presence of oxygen and under controlled conditions under the activity of micro- and macro-organisms for the purpose of producing compost.

10. "Controls on conformity with quality standards" shall mean any factual and legal actions undertaken by authorised persons for the purpose of checking whether the stated quality conforms to the quality standards for fruit and vegetables.

11. "End user" shall mean any persons who is not an approved purchaser, as well as a spouse or a person living in factual conjugal cohabitation with the cow's milk producer, his child or relative living with him.

12. "National Milk Reserve" shall mean a portion of the National Reference Quantity of Milk and shall be used for re-allocation of individual reference quantities and restructuring the production of cow's milk.

13. "National Reference Quantity" shall mean any guaranteed total quantity of cow's milk allocated to the country for one reference period and consisting of the national reference quantity for direct sales and the national reference for deliveries.

14. "Operational programmes" shall mean programmes whereby organisations of producers of fresh fruit and vegetables apply for co-financing of investments relating to their activity from the Agricultural Guidance and Guarantee Fund.

15. "Market information" shall mean any information on the quantity, quality, packaging, and/or the prices of marketed, imported, and/or exported agricultural and processed products.

16. "Improvement of vineyard management techniques" shall include increasing the number of vines per hectare; alteration of placement; the use of inclined terrains, including the construction of terraces, ameliorative facilities, fencing against wild animals, consolidation of vine-growing holdings, etc.

17. "Processed agricultural products" shall mean processed agricultural products not listed in Annex I of the Treaty Establishing the European Community according to Commission Regulation (EC) No. 1043/2005.

18. "Quality grade" shall mean the characteristics of the product that determine its quality (first, second, extra, etc.) and have been laid down in the European Union standards.

19. "Disadvantaged persons" shall mean natural persons, families and/or separate groups whose incomes are below the minimum set for the country.

20. "Trader in fresh fruit and/or vegetables" shall mean any natural or legal person who displays, offers for sale, delivers or markets in any other manner, whether at his expense or not, fresh fruit and vegetables.

TRANSITIONAL AND FINAL PROVISIONS

§ 2. The Ministry of Agriculture and Forestry shall exercise controls on the conformity of agricultural products and foodstuffs with traditional specific character or protected geographical indication under Article 18 until control bodies have been granted authorisations according to the procedure laid down in Articles 19 and 20.

§ 3. (1) In the case of amending or repealing any regulation referred to in this Act, the provisions of this Act shall apply according to the regulation or the regulations that amend or replace it.

(2) Where regulations on the implementation of any regulation referred to in this Act have been adopted, the latter shall be applied according to these implementing regulations.

§ 4. (1) The ordinances issued on the basis of the provisions repealed by § 8, item 1 of § 9, and item 2 of § 10, as well as the ordinance provided for in Article 7e and 7g of the Agricultural Producers Support Act repealed by item 1 of § 5, shall remain in force until the relevant ordinances provided for in this Act have been adopted.

(2) Any approvals and authorisations granted on the basis of the provisions repealed by item 1 of § 5, § 8, and item 1

of § 9 shall remain in force until expiration of their term of validity.

§ 5. The following amendments and supplements shall be made to the Agricultural Producers Support Act (promulgated, SG No. 58/1998, amended, SG No. 79 and No. 153/1998, SG No. 12, No. 26, No. 86, and No. 113/1999, SG No. 24/2000, SG No. 34 and No. 41/2001, SG No. 46 and No. 96/2002, SG No. 18/2004, SG No. 14 and No. 105/2005, SG No. 18, No. 30, No. 34, and No. 59/2006):

1. Articles 7a - 7l are hereby repealed.

2. Paragraph (5) of Article 10f is hereby repealed.

3. The wording "according to the approved programme on the report adopted by the Council of Ministers" in item 1 of Article 11, paragraph (2) shall be deleted.

4. Articles 12a - 12c are hereby repealed.

5. A new paragraph (4) shall be inserted in Article 27 :

"(4) The receivables of the Payments Agency arising on the basis of an administrative act shall be public receivables and shall be collected in pursuance of the Tax and Social-Insurance Procedure Code . The receivables of the Payments Agency arising on the basis of a contract shall be private receivables and shall be collected by the State Receivables Agency."

6. Items 40 - 45 of § 1 are hereby repealed.

7. The wording "item 4 of Article 7g, paragraph (3)" in § 32 of the Act Amending and Supplementing the Agricultural Producers Support Act shall be deleted.

§ 6. The following amendments and supplements shall be made to the Foodstuffs Act (promulgated, SG No. 90/1999; amended, SG No. 102/2003, SG No. 70/2004, SG No. 87, No. 99, and No. 105/2005, SG No. 30, No. 31, No. 34, No. 51, and No. 55/2006):

1. Articles 6b - 6s are hereby repealed.

2. A new Article 14a shall be inserted:

"Article 14a. Where the national registers provided for in Article 14 are used to allocate tariff or production quotas, the regional services referred to in Article 14, paragraph (1) shall enter in them particulars of the production capacity of production undertakings".

3. Articles 38a and 38b are hereby repealed.

4. Articles 38d and 38e are hereby repealed.

5. In the transitional and final provisions to the Act Amending and Supplementing the Foodstuffs Act (SG No. 31/2006):

a) paragraph 87 is hereby repealed;

b) the wording "§ 15 concerning Article 6k, paragraph (6) and Article 6o" in item 2 of § 96 shall be deleted.

§ 7. (Effective 28.11.2006) The following amendments and supplements shall be made to the Surplus Stocks of Agricultural and Sugar Products Act (SG No. 88/2006):

1. the wording "including the information representing official secret under the Customs Act" shall be inserted after the wording "export" in item 1 of Article 5, paragraph (1) .

2. the wording "including the information representing official secret under the Customs Act" shall be inserted after the wording "export" in item 1 of Article 12, paragraph (1) .

3. In the Final Provisions:

a) the title shall be amended as follows "Transitional and Final Provisions";

b) a new § 3a shall be inserted:

"§ 3a. (1) The importers of agricultural and sugar products, excluding importers who carry out import on the basis of licences issued in accordance with the procedure laid down in Articles 10b - 10e of the Agricultural Producers Support Act, shall provide a bank bond to the benefit of the Ministry of Agriculture and Forestry conforming to a model, as provided for in Annex 6, on the import of agricultural and sugar products carried out before 31 December 2006.

(2) The Minister of Agriculture and Forestry shall, by an order, specify the agricultural and sugar products in respect of which a bank bond shall be required where they have been placed under import regime or under regime of active improvement under the system for refund of goods. The order shall be published in the state Gazette.

(3) The Customs Agency shall clear the goods listed in the order provided for in paragraph (2) upon production of a bank bond.

(4) The bank bond shall be released on 1 January 2008 provided that the producer has no overstocks found.

(5) The bank bond shall secure the levy under Article 20 due for any overstocks found.

(6) The amount of the bank bond shall be set according to the procedure laid down in Article 20, paragraphs (2) or (3)."

c) Paragraph 5 is hereby repealed ;

d) a new Annex 6 shall be inserted:

"Annex 6

to § 3a, paragraph (1)

Bank Bond Payable upon Request

From guarantor-bank

(bank's name)

Court registration

License granted by BNB

Seat of business and registered address

.....

Representative

(according to the up-to-date status certificate attached to this bank bond)

With the present bank bond we hereby undertake an unavoidable and unconditional commitment to pay without delay to the Ministry of Agriculture and Forestry every amount up to BGN (amount in digits) BGN (amount in words), calculated according to § 3a, paragraph (5) of the Agricultural and Sugar Products Overstocks Act, as follows:

invoice value:

customs value:

customs duty calculated on the basis of the Customs Tariff of the European Union, including the operational additional duties:

customs duty calculated on the basis of the Customs Tariff of the Republic of Bulgaria:

.....

difference between duty rates:

20 % increase:

bank bond amount,

upon receipt of a written request for payment and a written confirmation that:

.....

(importer's name/trade name and PIN/BULSTAT)

has an overstock of agricultural and/or sugar products ascertained through an act of public receivable on the basis of the Agricultural and Sugar Products Overstocks Act.

This bond shall be valid until 31 December 2009 inclusive.

The present bank bond shall be subject to Bulgarian legislation. All disputes arising from or in relation to this bond, shall be settled by the competent court in Sofia.

Enclosed herein are:

1. An up-to-date status certificate

2. An invoice

Date.....

Signature and stamp

of the guarantor-bank:

I hereby accept the bank bond:

Date

Signature:

(Minister of the Agriculture and Forestry or a person
authorised by him)

§ 8. Article 12a of the Plant Protection Act (promulgated, SG No. 91/1997, amended, SG No. 90/1999, SG No. 96/2001, SG No. 18/2004, SG Nos. 26, 30, and 31/2006) is hereby repealed.

§ 9. The following amendments and supplements shall be made to the Animal Husbandry Act (promulgated, SG No. 65/2000, amended, SG No. 18/2004, SG No. 87 and No. 105/2005, SG No. 30 and No. 34/2006):

1. Articles 14 - 14f are hereby repealed.

2. In Article 38e :

a) the wording "Classificators" in paragraph (1) shall be replaced by the wording "Slaughterhouses";

b) paragraph (2) is hereby repealed.

3. Articles 51a and 51b are hereby repealed.

§ 10. The followings amendments and supplements shall be made to the Marks and Geographical Indications Act (promulgated, SG No. 81/1999; emended SG No. 82/1999; amended SG No. 28, No. 43, No. 94, and No. 105/2005, SG No. 30 and No. 73/2006):

1. A new Article 57a shall be inserted:

"Ex officio Deletion

Article 57a. (1) The registration of a geographical indication of agricultural product of foodstuffs shall be deleted ex officio where the geographical indication of the agricultural products or foodstuff concerned has been entered into the European Register of Protected Designations of Origin and Protected Geographical Indications.

(2) The Ministry of Agriculture and Forestry shall notify the Patent Office of the entry of the geographical indication of agricultural product or foodstuff into the European Register of Protected Designations of Origin and Protected Geographical Indications. Deletion shall be effected within one month of such notification.

2. Paragraph 45 of the Transitional and Final Provisions of the Act Amending and Supplementing the Marks and Geographical Indications Act (SG No. 43/2005) is hereby repealed.

§ 11. A new Article 4a shall be inserted in the Fisheries and Aquaculture Act (promulgated, SG No. 41/2001; amended, SG No. 88, No. 92, and No. 105/2005, SG No. 30, No. 65, and No. 82/2006):

"Article 4a. (1) The Council of Ministers, acting upon proposal of the Minister of Agriculture and Forestry, shall, by a decision, specify the state aid in the fisheries sector according to the requirements laid down in European Union law in the field of state aid.

(2) The Minister of Agriculture and Forestry shall inform the European Commission of any proposed new aid schemes or individual aid, or any substantial modifications to existing state aid subject to notification according to Article 88, paragraph (2) of the Treaty Establishing the European Community.

(3) The Minister of Agriculture and Forestry shall keep a register of state aid authorised by the European Commission and a register of de minimis aid granted in conformity with the provisions of Commission Regulation (EC) No. 1860/2004.

(4) The State Agriculture Fund shall implement the aid schemes or individual aid and de minimis aid approved by the European Commission.

(5) The terms and the procedure for implementation and supervision of state aid shall be laid down in an ordinance of the Minister of Agriculture and Forestry.

§ 12. This Act shall enter into force as of 1 January 2007, with the exception of § 7, which shall enter into force from the date of its publication in the State Gazette.

This Act has been adopted by the 40th National Assembly on 15 November 2006 and has been affixed with the official seal of the National Assembly.