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European Union Common Agricultural Policy Implementation Act

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Amended by the following acts

Passed	Published	Entry into force
10.02.2010	RT I 2010, 10, 43	06.03.2010
07.04.2010	RT I 2010, 17, 92	01.05.2010
22.04.2010	RT I 2010, 22, 108	01.01.2011, shall enter into force on the date specified in the decision of the Council of the European Union concerning abrogation of the derogation established with regard to the Republic of Estonia under Article 140(2) of the Treaty on the Functioning of the European Union, Decision No 2010/416/EU (OJ L 196, 28.07.2010, pp 24-26)
26.10.2011	RT I, 17.11.2011, 1	27.11.2011
14.02.2013	RT I, 21.02.2013, 1	28.02.2013
12.06.2013	RT I, 02.07.2013, 1	01.09.2013, osaliselt 01.01.2014
19.06.2013	RT I, 04.07.2013, 2	14.07.2013

Chapter 1 GENERAL PROVISIONS

§ 1. Scope of application of Act

(1) This Act sets out the grounds of and procedure for implementation of the measures of the common agricultural policy of the European Union (hereinafter *common agricultural policy*), the agencies implementing the measures, the grounds of and procedure for granting complementary national direct payments (CNDPs) and transitional national aid, the grounds and extent of exercising state supervision, and the liability for violation of this Act.

[RT I, 21.02.2013, 1 - entry into force 28.02.2013]

(2) The provisions of the Administrative Procedure Act apply to the administrative procedure laid down in the EU legislation, this Act and legislation established on the basis thereof, taking account of the specifics of the EU legislation and this Act.

(3) The Government of the Republic or the Minister of Agriculture may establish, according to their competence, a regulation for implementation of the common agricultural policy in matters which, pursuant to the legislation of the European Union, a Member State has the right to decide.

(4) For the purpose of implementation of the common agricultural policy, the Government of the Republic may, within the limits of their competence, give an order and the Minister of Agriculture may, within the limits of their competence, give a directive regarding a matter that, in accordance with the legislation of the European Union, falls within the competence of Member States.

[RT I, 04.07.2013, 2 - entry into force 14.07.2013]

§ 2. Common agricultural policy measures

(1) For the purposes of this Act, common agricultural policy measures mean:

- 1) measures implemented on the basis of and pursuant to the procedure provided for in Articles 3, except Article 3(2)(f), and 4 of Council Regulation (EC) No 1290/2005 on the financing of the common agricultural policy (OJ L 209, 11.08.2005, pp 1–25);
- 2) complementary national direct payments provided for in Article 132 and transitional national aid provided for in Article 133a of Council Regulation (EC) No 73/2009 establishing common rules for direct support schemes for farmers under the common agricultural policy and establishing certain support schemes for farmers, amending Regulations (EC) No 1290/2005, (EC) No 247/2006, (EC) No 378/2007 and repealing Regulation (EC) No 1782/2003 (OJ L 30, 31.01.2009, pp 16–99);
[RT I, 21.02.2013, 1 - entry into force 28.02.2013]
- 3) market measures implemented on the basis of and pursuant to the procedure provided for in Council Regulation (EC) No 1234/2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation) (OJ L 299, 16.11.2007, pp 1–149).

(2) The Ministry of Agriculture is the competent authority to implement measures relating to the common agricultural policy, unless otherwise provided for in this Act.

§ 3. Notification of European Commission about implementation of common agricultural policy measures

Within the time limits and pursuant to the procedure provided for in the legislation of the European Union, the Ministry of Agriculture or a state agency in its area of government appointed by the Minister of Agriculture shall forward to the European Commission information obtained in the process of implementation of the common agricultural policy measures.

§ 4. Approval of participation in common agricultural policy measures

(1) In the events provided for in regulations of the European Union, a person or an undertaking of a person shall have the approval of the paying agency for participation in the common agricultural policy measures.

(2) In order to obtain approval, a person shall submit a written standard format application along with requisite documents (hereinafter *application*) to the paying agency.

(3) A more detailed procedure for application for approval and processing applications as well as the application form shall be established by a regulation of the Minister of Agriculture.

(4) The paying agency shall make a decision to approve or a decision to suspend or revoke a decision to approve or a decision to reject approval.

Chapter 2 MARKET INFORMATION

§ 5. Submission, collection and verification of market information

(1) The Minister of Agriculture shall organise the collection and processing of market information to be forwarded to the European Commission for implementation of the common agricultural policy measures (hereinafter *market information*), unless otherwise provided for in this Act.

(2) The Minister of Agriculture shall establish by a decree a list of persons required to submit market information and their undertakings on which market information is gathered.
[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

(3) Information about import prices and quantities of agricultural products imported from states outside the customs territory of the European Union (hereinafter *third countries*) the submission of which to the European Commission is prescribed by relevant regulations of the European Union shall be submitted to the Ministry of Agriculture by the Tax and Customs Board.

(4) For collecting and processing market information, the Ministry of Agriculture may appoint a state authority in its area of government or select a legal person with whom a relevant contract shall be concluded.

(5) The Minister of Agriculture may establish, by a regulation, more detailed requirements and procedure for submission, collection and processing of market information.

§ 6. Forwarding market information to European Commission

(1) The Ministry of Agriculture shall forward market information to the European Commission, unless otherwise provided for in this Act.

(2) For forwarding market information, the Ministry of Agriculture may appoint a state authority in its area of government or select a legal person with whom a relevant contract shall be concluded.

(3) The Minister of Agriculture may establish, by a regulation, more detailed requirements and procedure for forwarding market information to the European Commission.

Chapter 3

PAYING AGENCY AND CERTIFYING BODY

§ 7. Authority competent to accredit paying agency

(1) The Ministry of Agriculture is the authority competent to accredit the paying agency.

(2) The Minister of Agriculture may establish by a regulation supplementary requirements for the accreditation of the paying agency.

§ 8. Paying agency

(1) Upon implementation of common agricultural policy measures, the Agricultural Registers and Information Board (hereinafter *ARIB*) shall perform the duties of the paying agency.

(2) The ARIB has the right to commence performance of the duties of the paying agency as of the date on which the accreditation decision is made.

§ 9. Agencies performing duties of paying agency

(1) The paying agency may delegate the task provided in Article 6(1) of Council Regulation (EC) No 1290/2005 to another agency or person on the grounds and pursuant to the procedure provided for in this Act.

(2) In the course of inspection, the ARIB or another agency or person provided for in this Act shall perform the duties of the paying agency within the limits of its competence or on the basis of subsection (1) of this section.

(3) The paying agency and the agency or person provided for in subsection (2) of this section shall follow the procedure and written agreement drawn up on the basis of legislation and coordinated between the relevant parties.

§ 10. Certifying body

The certifying body is a person appointed by the Minister of Agriculture.

§ 11. Decision of paying agency

(1) The ARIB shall make a decision to implement the common agricultural policy measures, unless the right to make this decision has been delegated to another agency or person on the grounds and pursuant to the procedure provided for in this Act.

(2) If a decision made by the ARIB or another agency or person provided for in subsection (1) of this section on the basis of this Act restricts a person's rights or imposes obligations on a person, a copy or extract of the decision shall be sent to the person by registered mail or by registered mail with advice of delivery within ten working days as of the date of making the decision, unless otherwise provided for in a relevant regulation of the European Union. Information concerning other decisions shall be published on the website of the ARIB within ten working days as of the date of making the decision, unless otherwise provided for in a relevant regulation of the European Union.

(3) If the relevant service has been opened in the data exchange layer of the state information systems, no digital signature needs to be added to an application for implementing the measures or to an application for entering data into or amending data in the agricultural support and agricultural parcels register submitted via this service to the ARIB or to a person who has concluded a public law contract with the ARIB on the basis of subsection 57 (4) of this Act.

Chapter 4

DIRECT PAYMENTS FOR AGRICULTURAL PRODUCERS UNDER COMMON AGRICULTURAL POLICY

Division 1

Direct Payments and Complementary National Direct Payments

Subdivision 1

Direct Payments, Complementary National Direct Payments and Transitional National Aid

[RT I, 21.02.2013, 1 - entry into force 28.02.2013]

§ 12. Direct payments, complementary national direct payments and transitional national aid

[RT I, 21.02.2013, 1 - entry into force 28.02.2013]

(1) For the purposes of this Act, 'direct payments' means the single area payment funded from the financial resources of the European Agricultural Guarantee Fund (EAGF) on the basis of Council Regulation (EC) No 73/2009 and the support granted on the basis of Article 68 of the aforementioned Regulation.

(2) For the purposes of this Act, 'complementary national direct payments' means the support granted from funds allocated for such purpose from the state budget on the basis of Article 132 of Council Regulation (EC) No 73/2009.

(3) For the purposes of this Act, 'transitional national aid' means aid granted from funds allocated from the state budget on the basis of Article 133a of Council Regulation (EC) No 73/2009. The provisions of this Division regulating direct payments apply to transitional national aid.

[RT I, 21.02.2013, 1 - entry into force 28.02.2013]

§ 13. Applicant for direct payment, complementary national direct payment and transitional national aid, and agricultural holding

[RT I, 21.02.2013, 1 - entry into force 28.02.2013]

(1) Natural and legal persons and associations of persons without legal person status engaged in agricultural activities specified in Article 2(c) of Council Regulation (EC) No 73/2009 in an agricultural holding specified in Article 2(b) (hereinafter in this division *applicant*) have the right to apply for support specified in § 12 of this Act.

(2) For the purposes of this Act, agricultural holding means a holding with at least 1 ha of agricultural land utilised for growing agricultural crops or retained in good agricultural and environmental conditions, or breeding at least one livestock unit of farm animals.

[RT I 2010, 17, 92 - entry into force 01.05.2010]

(3) The Minister of Agriculture shall establish by a regulation the grounds for calculating the livestock units of farm animals provided for in subsection (2) of this section.

Subdivision 2

Requirements for Obtaining Direct Payment, Complementary National Direct Payment, Transitional National Aid and CNDP Entitlements

[RT I, 21.02.2013, 1 - entry into force 28.02.2013]

§ 14. Requirements for obtaining direct payment

(1) An applicant for direct payment shall implement the requirements provided for in the relevant regulations of the European Union and subsection 23 (1) of this Act in the entire agricultural holding.

(2) Single Area Payment Scheme may be applied for at least 1 ha of agricultural land which is in good agricultural condition and:

1) has an area determined on the basis of an agricultural parcel of at least 0.30 hectares, including hedges, ditches, walls or other traditional landscape objects for the purposes of Article 34(2) of the Commission Regulation (EC) No 1122/2009 laying down detailed rules for the implementation of Council Regulation (EC) No 73/2009 as regards cross-compliance, modulation and the integrated administration and control system, under the direct support schemes for farmers provided for that Regulation, as well as for the implementation of

Council Regulation (EC) No 1234/2007 as regards cross-compliance under the support scheme provided for the wine sector (OJ L 316, 02.12.2009, pp 65-112);

2) concerning which data has been entered in the agricultural support and agricultural parcels register indicating that on 30 June 2003 such agricultural land was in a good agricultural condition for the purposes of Article 124 of Council Regulation (EC) No 73/2009;

3) utilised by the applicant on 15 June of the year when the application is submitted.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

(2¹) Single Area Payment Scheme may also be applied for agricultural land complying with the requirements provided for in subsection (2) of this section, utilised for growing tree species that are suitable for (growing) short rotation coppice under CN code 0602 90 41. Such coppices may be established and grown on agricultural land that has an average soil quality rating of up to 35 points and where establishing and growing coppices is in compliance with the provisions of the Land Improvement Act and the Nature Conservation Act. The Minister of Agriculture shall establish by a regulation a list of short rotation coppice tree species suitable for growing coppices and the maximum harvest cycle.

[RT I 2010, 10, 43 - entry into force 06.03.2010]

(3) The Minister of Agriculture shall, by a regulation, establish the requirements for obtaining support granted on the basis of Article 68 of Council Regulation (EC) No 73/2009, in compliance with the requirements provided for in the same Council Regulation. Such requirements may be established separately for each type of direct payments.

§ 15. Requirements for obtaining complementary national direct payment and transitional national aid

[RT I, 21.02.2013, 1 - entry into force 28.02.2013]

(1) Persons engaged in agricultural activities have the right to apply for a complementary national direct payment and transitional national aid per bred eligible farm animal or on the basis of the CNDP entitlement.

[RT I, 21.02.2013, 1 - entry into force 28.02.2013]

(2) The Minister of Agriculture shall, by a regulation, establish the requirements for obtaining complementary national direct payments and transitional national aid in compliance with the consent obtained from the European Commission in accordance with the procedure provided for in the relevant articles of Council Regulation (EC) No 73/2009. Such requirements may be established separately for each type of complementary national direct payment and transitional national aid.

[RT I, 21.02.2013, 1 - entry into force 28.02.2013]

§ 16. Bases for allocation of CNDP entitlements

(1) The bases for allocation of CNDP entitlements to a person shall be the person's:

1) number of hectares utilised for growing crops provided for in Article 141 and Annex IX of Council Regulation (EC) No 1782/2003 as determined in the course of processing an application for a complementary national direct payment for growing crops in year 2006;

2) number of hectares of hayseed fields utilised for growing a type of seed specified in the list set out in points 3 and 4 of Annex XI to Council Regulation (EC) No 1782/2003, with the exception of the seeds of field peas (*Pisum sativum*L. (*partim*)) or field bean (*Vicia faba*L. (*partim*)) as determined in the course of processing an application for a complementary national direct payment for growing crops in year 2006 and field inspected and approved by the Plant Production Inspectorate in year 2006;

3) milk production quota in kilograms determined as of 31 March 2007;

4) livestock units of bovine animals as determined in the course of processing an application for a complementary national direct payment for breeding bovine animals in year 2006 and livestock units of those dairy cows subjected to performance testing of beef animals as of 14 February 2006 and having birthed a calf of at least 50% beef-breed within the year preceding the aforementioned date as determined in the course of processing an application for a complementary national direct payment for breeding suckler cows in year 2006;

5) number of ewes not less than ten as determined in the course of processing an application for a complementary national direct payment for breeding ewes in year 2007;

6) number of hectares as determined in the course of processing an application for a complementary national direct payment for growing crops in year 2008.

(2) The ARIB shall decide the allocation of CNDP entitlements to a person pursuant to the bases provided for in subsection (1) of this section, considering the relevant decision to grant a complementary national direct payment. The ARIB shall publish information about the allocated CNDP entitlements to a person on its website.

§ 17. Transfer of CNDP entitlement

(1) A person provided for in subsection 16 (2) of this Act may transfer a CNDP entitlement if it has been granted on the basis provided for in clause 16 (1) 1), 3), 4), 5) or 6) of this Act.

(2) A person who has obtained a CNDP entitlement by way of transfer shall submit a formal written notice about the transfer agreement to the ARIB not later than along with the relevant application for a complementary national direct payment or transitional national aid on the basis of which the ARIB shall enter the relevant records into the agricultural support and agricultural parcels register.

[RT I, 21.02.2013, 1 - entry into force 28.02.2013]

(3) A CNDP entitlement is inheritable. The person entitled to inheritance of a CNDP entitlement shall submit to the ARIB documents proving the inheritance not later than along with the relevant application for a complementary national direct payment or transitional national aid on the basis of which the ARIB shall enter the relevant records into the agricultural support and agricultural parcels register.

[RT I, 21.02.2013, 1 - entry into force 28.02.2013]

(4) The Minister of Agriculture shall establish by a regulation the procedure and form for notification about transfer of CNDP entitlements.

(5) An allocated CNDP entitlement shall not be transferred in a volume of less than one unit, except if the ARIB has allocated a CNDP entitlement amounting to a fraction of a unit.

(6) A person who has acquired a CNDP entitlement by way of transfer cannot transfer the entitlement, except to a direct relative in the ascending or descending line or to a collateral or a spouse, provided that the transfer of a holding to the same person takes place under Article 82 of Commission Regulation (EC) No 1122/2009.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

(7) If the agricultural land or farm animal considered the basis for a CNDP entitlement was used by the person whom the CNDP entitlement was allocated and the legal ground for such use was a right other than the right of ownership, the CNDP entitlement shall not transfer to the owner of the agricultural land or farm animal after the expiry of the right of use.

Subdivision 3

Applying for and Reducing Direct Payment, Complementary National Direct Payment and Transitional National Aid, Rejection of Application and Establishment of Unit Amount

[RT I, 21.02.2013, 1 - entry into force 28.02.2013]

§ 18. Application for direct payment, complementary national direct payment and transitional national aid, and processing applications

[RT I, 21.02.2013, 1 - entry into force 28.02.2013]

(1) An applicant for a direct payment, complementary national direct payment or transitional national aid shall submit a written standard-form application to the ARIB.

[RT I, 21.02.2013, 1 - entry into force 28.02.2013]

(2) To apply for support per area of agricultural land, an application shall submit an area payment application which is a single application for the purposes of Article 19 of Council Regulation (EC) No 73/2009.

(3) The Minister of Agriculture may, by a regulation, establish the procedure for applying for direct payments, complementary national direct payments and transitional aid, and the procedure for processing such applications and the application form separately for each type of direct payment, complementary national direct payment and transitional national aid.

[RT I, 21.02.2013, 1 - entry into force 28.02.2013]

(4) The Minister of Agriculture may establish by a regulation the period of transfer specified in Article 82(3) (a) of Commission Regulation (EC) No 1122/2009 and a list of documents to be submitted to the ARIB by the transferee separately for each type of direct payment, complementary national direct payment or transitional national aid.

[RT I, 21.02.2013, 1 - entry into force 28.02.2013]

§ 19. Reduction of direct payment and rejection of application

(1) The ARIB shall decide the reduction of a direct payment or rejection of an application on the grounds and pursuant to the procedure provided for in Articles 7 and 21 of Council Regulation (EC) No 73/2009 and other relevant regulations of the European Union.

(2) In addition to the provisions of subsection (1) of this section, an application for support granted on the basis of Article 68 of Council Regulation (EC) No 73/2009 shall be rejected:

1) if the applicant is not a person engaged in agricultural activities, does not breed animals or grow agricultural crops that are entitled to payment;

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

2) if the applicant does not comply with other requirements for obtaining support;

- 3) if the applicant has knowingly submitted false data or influences the processing of the application by fraud or a threat or in any other unlawful manner;
- 4) if the applicant does not permit an on-the-spot check;
- 5) if the applicant has not eliminated deficiencies within the time limit granted for such purpose.

(3) In addition to the provisions of subsection (1) of this section, the Minister of Agriculture may, by a regulation, establish separately for each type of support more detailed grounds for reduction of support payments granted on the basis of Article 68 of Council Regulation (EC) No 73/2009.

§ 20. Reduction of complementary national direct payment and transitional national aid

[RT I, 21.02.2013, 1 - entry into force 28.02.2013]

(1) A complementary national direct payment and transitional national aid shall be reduced if:

[RT I, 21.02.2013, 1 - entry into force 28.02.2013]

- 1) the number of the single area payment hectares which have been declared entitled to payment is smaller than the number of the CNDP entitlements granted to the applicant under clauses 16 (1) 1) and 6) of this Act or smaller than the number of the CNDP entitlements granted to the applicant under clauses 16 (1) 1) of the Act, but acquired by the applicant under § 17 of the Act;
- 2) the number of farm animals declared entitled to payment is smaller than the number of the farm animals indicated in the application;
- 3) false data has been entered into the register of farm animals or into the cattle passport kept by the applicant.

(2) The Minister of Agriculture shall, by a regulation, establish separately for each type of payment more detailed grounds for reduction of complementary national direct payments and transitional national aid.

[RT I, 21.02.2013, 1 - entry into force 28.02.2013]

§ 21. Rejection of application for complementary national direct payment and transitional national aid

[RT I, 21.02.2013, 1 - entry into force 28.02.2013]

An application for a complementary national direct payment and transitional national aid shall be rejected if:

[RT I, 21.02.2013, 1 - entry into force 28.02.2013]

- 1) the applicant is not a person engaged in agricultural activities or does not breed animals entitled to payment;
- [RT I, 17.11.2011, 1 - entry into force 27.11.2011]
- 2) the applicant does not have CNDP entitlements;
 - 3) the area of agricultural land or the number of farm animals as stated in the application or as determined in the course of processing the application is smaller than the area of agricultural land or than the number of farm animals necessary for obtaining the payment;
 - 4) there are grounds for rejection of the application as provided for in Article 65 of Commission Regulation (EC) No 1122/2009, considering the exceptions provided for in Article 73 of the same Regulation;
- [RT I 2010, 10, 43 - entry into force 06.03.2010]
- 5) the applicant does not comply with other requirements for obtaining the payment;
 - 6) the applicant has knowingly submitted false data or influences the processing of the application by fraud or a threat or in any other unlawful manner;
 - 7) the applicant does not permit an on-the-spot check;
 - 8) the applicant has not eliminated deficiencies within the time limit granted for such purpose.

§ 22. Unit amount of direct payments, complementary national direct payments and transitional national aid

[RT I, 21.02.2013, 1 - entry into force 28.02.2013]

(1) The ARIB shall establish the unit amount for the single area payment on the basis of Article 78 of Commission Regulation (EC) No 1122/2009 and respecting the principle of equal treatment of applicants.

[RT I 2010, 10, 43 - entry into force 06.03.2010]

(2) If, in addition to the funds allocated from the budget of the European Union, funds are also allocated from the state budget for the purpose of making direct payments under Article 68 of Council Regulation (EC) No 73/2009, the Minister of Agriculture shall decide, by a decree, the distribution of the allocated funds based on types of support. The ARIB shall establish the unit amount for a direct payment, considering the total payment amount established by the Minister of Agriculture and the number of entitled hectares of agricultural land or entitled farm animals or other units granting entitlement, and respecting the principle of equal treatment of applicants.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

(3) The Minister of Agriculture shall decide, by a decree, the distribution of funds for complementary national direct payments and transitional national aid allocated for such from the state budget separately for each type of payment.

[RT I, 21.02.2013, 1 - entry into force 28.02.2013]

(4) The ARIB shall establish the unit amount for a complementary national direct payment and transitional national aid, considering the distribution of the funds established on the basis of subsection (3) of this section and the units declared entitled to a complementary national direct payment and transitional national aid and respecting the principle of equal treatment of applicants.
[RT I, 21.02.2013, 1 - entry into force 28.02.2013]

(5) Limits provided for in the relevant regulations of the European Union and the total payment amount established by the Minister of Agriculture on the basis of subsections (2) and (3) of this section and the distribution of funds for complementary national direct payments and transitional national aid shall be taken into account when granting a direct payment, a complementary national direct payment and transitional national aid.
[RT I, 21.02.2013, 1 - entry into force 28.02.2013]

Division 2

Cross-Compliance

§ 23. Cross-compliance

(1) For the purposes of this Act, cross-compliance means compliance with the statutory management requirements provided for in Article 5 of Council Regulation (EC) No 73/2009 and the good agricultural and environmental condition provided for in Article 6 of the same Regulation, including the obligation to preserve the area of permanent pasture.

(2) For the purposes of this Act, the statutory management requirements shall mean the requirements established in the field of environmental protection, public, animal and plant health and animal welfare applied as requirements for obtaining payments starting from the date provided for in Article 124 of Council Regulation (EC) No 73/2009.

(3) The ARIB shall publish the statutory management requirements provided for in subsection (2) of this section on its website.

(4) The Minister of Agriculture shall establish, by a regulation, the good agricultural and environmental condition regarding soil erosion, soil organic matter, soil structure, minimum level of maintenance works, and water protection and water management for the agricultural activities or agricultural land of the applicant.

§ 24. Obligation to maintain land under permanent pasture

(1) The land under permanent pasture must be maintained in accordance with Article 6(2) of Council Regulation (EC) No 73/2009.

(2) Records of the land under permanent pasture shall be kept by the ARIB.

(3) The Minister of Agriculture shall, by a regulation, establish in the form of supplementary requirements for the applicant a more detailed procedure for performing the obligation to maintain land under permanent pasture, the grounds of and the procedure for transferring the obligation to maintain land under permanent pasture and a more detailed procedure for implementing measures necessary for the maintenance of land under permanent pasture provided for in Article 4 of Commission Regulation (EC) No 1122/2009.
[RT I 2010, 10, 43 - entry into force 06.03.2010]

(4) If necessary, the ARIB shall publish the information about implementing the measures necessary for the maintenance of land under permanent pasture in the official publication *Ametlikud Teadaanded*.

§ 25. Control of cross-compliance

The ARIB and, within the limits of its competence, the Agricultural Board (hereinafter *AB*), the Veterinary and Food Board (hereinafter *VFB*) and the Environmental Inspectorate shall inspect compliance with the requirements provided for in § 23 of this Act.

§ 26. Reduction of payment and rejection of application due to non-compliance with cross-compliance rules

(1) If the applicant does not comply with the requirements provided for in subsection 23 (1) of this Act, the ARIB or a person specified in subsection 57 (4) of this Act who has concluded a public law contract with the ARIB shall, if such right arises from the public law contract, decide to reduce the payment or to reject the application on the grounds and to the extent provided for in Articles 23 and 24 of Council Regulation (EC) No 73/2009 and Article 51 of Council Regulation (EC) No 1698/2005 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) (OJ L 277, 21.10.2005, pp 1#40).
[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

(2) Upon making the decision provided for in subsection (1) of this section, the agencies provided for in § 25 of this Act or other inspection bodies shall take account of the information received in the course of inspections provided for in this Act and other Acts.

(3) The ARIB or a person who has concluded a public law contract with the ARIB under subsection 57 (4) of this Act shall not, if such right arises from the public law contract, reduce the payment if the violation qualifies as a minor non-compliance specified in Article 24(2) of Council Regulation (EC) No 73/2009 and Article 51(4) (a) of Council Regulation (EC) No 1689/2005, given its severity, extent and permanence.
[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

(4) The option not to reduce the payment or not to reject the application to the extent of the amount which, exclusive of interest, does not exceed 100 euros per applicant and per payment period, as specified in Article 23(2) of Council Regulation (EC) No 73/2009 and Article 51(2) of Council Regulation (EC) No 1698/2005, shall not be applied in the event of reduction of the payment and rejection of the application.
[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

Chapter 5

INTERVENTION FOR STABILISING AGRICULTURAL MARKETS

Division 1

Aid for Use

§ 27. Inspection body inspecting implementation of aid for use

(1) Upon implementation of aid for use, the VFB shall, within the limits of its competence, inspect the compliance of agricultural products with the requirements established for their quality and composition, and the compliance of storage facilities of products.

(2) The Minister of Agriculture may, by a regulation, establish a procedure for keeping records of agricultural products for which aid for use is granted.

§ 28. Organisation of grant of aid for use

(1) A person who wishes to be granted aid for use shall submit a written standard-form application to the ARIB.

(2) The Minister of Agriculture shall, by a regulation, establish a more detailed procedure for application for aid for use and processing applications, the form for applications, and the form for the documents issued during processing applications and for the documents on the basis of which the aid is paid.

Division 2

Processing Aid

§ 29. Inspection body monitoring implementation of processing aid

Upon implementation of processing aid, the ARIB shall inspect the compliance of agricultural products with the requirements for their quality and composition, and the compliance of the storage facilities of products.

§ 30. Organisation of grant of processing aid

(1) A person who wishes to be granted processing aid shall submit a written standard-form application to the ARIB.

(2) The Minister of Agriculture may, by a regulation, establish a more detailed procedure for application for processing aid and processing applications, the form for applications, and the form for the documents issued during processing applications and for the documents on the basis of which the aid is paid.

Division 3

School Milk Aid

§ 31. Grant of school milk aid

(1) The Minister of Agriculture shall, by a regulation, establish the list of the milk and milk products for the provision of which school milk support is granted, taking account of the list set out in Annex I to Commission Regulation (EC) No 657/2008 laying down detailed rules for applying Council Regulation (EC) No 1234/2007 as regards Community aid for supplying milk and certain milk products to pupils in educational establishments (OJ L 183, 11.07.2008, pp 17–26). For the purposes of this Act, an educational establishment means a pre-school child care institution, basic school, upper secondary school or vocational school which operates on the basis of basic education.

(2) The Minister of Agriculture may, by a regulation, establish in addition to the aid rate specified in Annex II to Commission Regulation (EC) No 657/2008 a supplementary aid rate on the basis of funds allocated for such purpose from the state budget.

(3) The Minister of Agriculture may, by a regulation, establish the maximum price paid by the person obtaining the aid on the basis of Article 14(2) of Commission Regulation (EC) No 657/2008.

§ 32. Organisation of grant of school milk aid

(1) To be granted school milk aid, an applicant shall submit a written standard form application to the ARIB.

(2) School milk aid may be applied for by an educational establishment, a person representing an educational establishment, a city government or a rural municipality government acting on behalf of an educational establishment located in its administrative territory, and a supplier of milk products.

(3) A person representing an educational establishment specified in subsection (2) of this section or a city government or a rural municipality government and or a supplier of milk products may apply for school milk aid if it has concluded a corresponding written agreement with the educational establishment.

(4) The Minister of Agriculture may, by a regulation, establish a more detailed procedure for the partial advance payment of school milk aid and for advance payment of school milk aid.

(5) The Minister of Agriculture shall, by a regulation, establish a more detailed procedure for application for school milk aid, processing applications and the standard form for applications.

(6) The VFB shall inspect the compliance of products funded from school milk aid with the requirements established for their quality and composition.

(7) The on-the-spot check in an educational establishment specified in Article 15(6) of Commission Regulation (EC) No 657/2008, including in an educational establishment that has not applied for aid, but participates in the school milk aid scheme, shall be carried out by the ARIB.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

Division 4 School Fruit Aid

§ 33. Grant of school fruit aid

(1) In the event of granting aid for distribution to children of the fruit and vegetables, processed fruit and vegetables and banana products specified in Article 103ga(1) of Council Regulation (EC) No 1234/2007 (hereinafter *school fruit aid*), the Minister of Agriculture shall decide the grant of aid complementary to the Community aid, taking account of the funds allocated from the state budget.

(2) The national strategy complying with Article 103ga(2) of Council Regulation (EC) No. 1234/2007 for granting school fruit aid shall be established by a regulation of the Minister of Agriculture.

(3) A list of products for the provision of which school fruit aid is granted, the procedure for granting the aid, the requirements for application and receipt of the aid, a more detailed procedure for application of the aid and processing applications, and the application form shall be established by a regulation of the Minister of Agriculture.

(4) An educational establishment which has been granted school fruit aid shall use the European School Fruit Scheme poster in accordance with the requirements established in Article 14(1) of Commission Regulation (EC) No 288/2009 laying down detailed rules for applying Council Regulation (EC) No 1234/2007 as regards Community aid for supplying fruit and vegetables, processed fruit and vegetables and banana products to children in educational establishments, in the framework of a School Fruit Scheme (OJ L 94, 08.04.2009, pp 38-47).

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

§ 34. Organisation of grant of school fruit aid

(1) To be granted school fruit aid, an applicant shall submit a written standard-form application to the ARIB.

(2) School fruit aid may be applied for by an educational establishment, a person representing an educational establishment, a city government or a rural municipality government acting on behalf of an educational establishment located on its territory, and a supplier of fruit and vegetable products (hereinafter *applicant for school fruit aid*).

(3) A person representing an educational establishment specified in subsection (2) of this section, a city government or a rural municipality government or a supplier of fruit and vegetable products may apply for school fruit aid if it has concluded a respective written agreement with the educational establishment.

(4) The ARIB shall calculate the aid rate to be granted to an applicant for school fruit aid, taking account of the funds allocated for such purpose from the state budget, the number of aided pupils and the number of study weeks. The ARIB shall publish the aid rate on its website ten working days before the beginning of the application period.

(5) The AB and the VFB shall, within the limits of their competence, inspect the compliance of products funded from school fruit aid with the requirements set for their quality, composition and marketing.

(6) The Minister of Agriculture may, by a regulation, establish the procedure for monitoring and assessment of the implementation of school fruit aid.

(7) A recipient of school fruit aid shall submit information about the receipt and use of the aid for monitoring and assessment purposes.

(8) The on-the-spot check in an educational establishment specified in Article 13(6) of Commission Regulation (EC) No 288/2009, including in an educational establishment that has not applied for aid, but participates in the school fruit scheme, shall be carried out by the ARIB.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

Division 5

Production Quota and National Quantities

§ 35. Determination of ingredient content

The ingredient content of the agricultural products for the production of which for marketing purposes production quota or national quantities have been established, shall be tested by a laboratory authorised under subsection 34 (2) of the Rural Development and Agricultural Market Regulation Act.

§ 36. Organisation of grant of production quota

(1) A person who wishes to produce for marketing purposes agricultural products for the production of which production quota or national quantities have been established, shall submit a written standard-form application to the ARIB.

(2) The Minister of Agriculture shall, by a regulation, establish the form of the application specified in subsection (1) of this section.

(3) The Minister of Agriculture may, by a regulation, establish more detailed requirements and procedure for the implementation, determination, alteration and transfer of production quota or national quantities, as well as more detailed requirements and procedure for formation, size and use of such reserves.

§ 37. Filling production quota

The Minister of Agriculture may, by a regulation, establish more detailed requirements for the submission of information on and keeping record of filling the production quota or national quantities, adjustment of quota sizes, and equivalent quantities.

§ 38. Exceeding production quota and national quantities

The Minister of Agriculture shall, by a regulation, establish a more detailed procedure for the collection, payment and repayment of amounts payable on the basis of Article 80(3) and Article 83(1) of Council Regulation (EC) No 1234/2007 in the event of exceeding production quota and national quantities.

Division 6 Intervention Buying-in

§ 39. Bodies inspecting implementation of intervention buying-in

(1) The VFB and the Agricultural Research Centre shall inspect, within the limits of their competence, the compliance of the agricultural products to be bought in with the requirements for their quality and composition, and the compliance of handlers' handling premises, including storage facilities, the intervention centre and the intervention store with the requirements.

(2) The VFB shall issue a quality certificate upon offering an intervention product to another Member State in the event of intervention buying-in.

§ 40. Intervention centre and intervention store

(1) In the event of intervention buying-in, the product bought in shall be stored in a suitable intervention centre or intervention store on the conditions prescribed in a relevant contract concluded with the ARIB.

(2) The Minister of Agriculture shall, by a regulation, establish requirements for intervention centres and intervention stores.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

§ 41. Organisation of intervention buying-in

(1) In the event of intervention buying-in of agricultural products, a person shall submit a written standard-form tender to the ARIB.

(2) The Minister of Agriculture may, by a regulation, establish a more detailed procedure and the form of tender for buying in agricultural products and for the sale or transfer without charge of products originating from intervention stock.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

(3) [Repealed – RT I, 17.11.2011, 1 – entry into force 27.11.2011]

Division 7 Private Storage

§ 42. Body inspecting implementation of private storage

The VFB shall, within the limits of its competence, inspect the compliance of agricultural products subject to private storage with the requirements for their quality and composition, and the compliance of the storage facilities thereof, and shall issue a quality certificate upon transportation to another Member State.

§ 43. Organisation of private storage

(1) In the event of private storage of an agricultural product, a person shall submit to the ARIB a written standard-form application or an application for conclusion of a contract for private storage.

(2) If the application specified in subsection (1) of this section is approved, the ARIB shall conclude a contract for private storage with the person.

(3) The Minister of Agriculture shall, by a regulation, establish the private storage requirements for storage facilities where agricultural products subject to private storage are stored, and the forms of application for tender and for conclusion of a contract for private storage.

(4) The Minister of Agriculture may, by a regulation, establish a more detailed procedure for private storage.

Division 8

Measures Applicable to Market in Fruits and Vegetables

§ 44. Competent agencies

Upon implementing the measures provided for in this Section, the ARIB and the AB, within the limits of their competence, shall inspect the compliance of fruit and vegetables with the marketing standards set therefore.

§ 45. Recognition of producer organisations and associations of producer organisations

(1) Recognition of producer organisations and associations of producer organisations means a procedure for assessing the compliance of an applicant with the provisions of the relevant regulations of the European Union, this Act and legislation established on the basis thereof.

(2) An applicant shall submit to the ARIB a written standard-form application for recognition of a producer organisation and an association of producer organisations. The recognition of a producer organisation can be applied for by a commercial association which has been entered into the commercial register, has at least five members engaged in fruit and vegetable production, markets annually at least 95 867 euros worth of fruits and vegetables, and complies with the requirements provided for in the relevant regulations of the European Union.

(3) A producer group provided for in Article 125e(1) of Council Regulation (EC) No 1234/2007 wishing to apply for a transition period for recognition as a producer organisation shall submit to the ARIB a step-by-step recognition plan regarding measures to be applied in order to obtain recognition. The ARIB shall make a decision to recognise or reject the applicant as a producer organisation within three months after the applicant has implemented the recognition plan.

(4) The ARIB shall inspect the compliance of a producer organisation or association of producer organisations with the requirements provided for in the relevant regulations of the European Union, this Act and in legislation established on the basis thereof, and shall make a decision to recognise or reject the producer organisation or the association of producer organisations.

(5) The Minister of Agriculture shall, by a regulation, establish more detailed requirements for recognition of producer organisations and associations of producer organisations, the procedure for applying for recognition and processing such applications, and the format of applications for recognition.

(6) The Minister of Agriculture may, by a regulation, establish the producer group applying for a transition period for recognition as a producer organisation, more detailed requirements regarding the step-by-step recognition plan and the implementation thereof, and the procedure for applying for a transition period and processing such applications.

(7) The ARIB shall make a decision to reject recognition of a producer organisation or an association of producer organisations, if, in the course of inspecting the compliance of the producer organisation or the association of producer organisations, it is established that:

- 1) the producer group does not comply with the requirements established for recognition;
- 2) the producer group has been recognised pursuant to the procedure for the concerned fruit or vegetable provided for in § 79;
- 3) the producer group has knowingly submitted false data in the application or influences the processing of the application by fraud or a threat or in any other unlawful manner;
- 4) the producer group does not permit a conformity check;
- 5) the producer group has not eliminated deficiencies within the time limit granted for such purpose.

(8) The ARIB shall revoke the decision to recognise a producer organisation or an association of producer organisations on grounds provided for in the Administrative Procedure Act or in the events provided for in Articles 116 and 117 of Commission Regulation (EC) No 1580/2007 laying down implementing rules of Council Regulations (EC) No 2200/96, (EC) No 2201/96 and (EC) No 1182/2007 in the fruit and vegetable sector (OJ L 350, 31.12.2007, pp 1–98) or if the producer organisation or the association of producer organisations:

- 1) has submitted a relevant application;
 - 2) does not permit supervision over compliance with the requirements provided for in the relevant legislation.
- [RT I, 17.11.2011, 1 - entry into force 27.11.2011]

§ 46. Aid to producer organisations and producer groups

(1) For participation in market organisation for fruit and vegetables, a producer organisation or association of producer organisations applying for aid must be recognised.

(2) A producer organisation who wishes to apply for aid for producer organisations shall submit a written standard-form application to the ARIB. A producer organisation who wishes to apply for aid shall have an

operational programme which has been approved by the ARIB and is in compliance with the requirements provided for in Articles 59 and 60 of Commission Implementing Regulation (EC) No 543/2011 and this Act, and shall also have established an operational fund for funding the operational programme.
[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

(3) The Minister of Agriculture shall, by a regulation, establish more detailed requirements for operational funds and operational programmes, and the procedure for amending operational programmes.

(4) The Minister of Agriculture may, by a regulation, grant aid to a producer group applying for a transitional period provided for in subsection 45 (3) of this Act in accordance with Article 103a(1) of Council Regulation (EC) No 1234/2007, taking account of the funds allocated for such purpose from the state budget.

(5) The Minister of Agriculture shall, by a regulation, establish the procedure for applying for aid for producer organisations and producer groups and the form of applications for such aid. The Minister of Agriculture may, by a regulation, establish the procedure for partial advance payment of aid to producer organisations and producer groups.

(6) A producer organisation shall, via a bank account, manage the fund established for its activities.

(7) The ARIB shall forward to the European Commission the information about the operational programme of a producer organisation.

§ 47. Crisis prevention and management measures

(1) The operational programme of a producer organisation provided for in subsection 46 (2) of this Act may include crisis prevention and management measures provided for in the relevant regulations of the European Union. For the purposes of this Act, crisis prevention and management measures mean training, promoting consumption of fruit and vegetables, and providing information about it.

(2) The Minister of Agriculture shall, by a regulation, establish the procedure for applying crisis prevention and management measures, the eligible actions included in the measures, and the requirements for the eligible actions and for the documents proving the implementation of these actions.

(3) For the purpose of applying for aid for crisis prevention and management measures, a producer organisation shall submit to the ARIB documents proving the implementation of the relevant measures.

(4) The Minister of Agriculture shall, by a regulation, establish the procedure for applying for aid for crisis prevention and management measures and the procedure for processing such applications and the form of applications for such aid.

Division 9 Trade in Goods with Third Countries

§ 48. Body inspecting trade in goods with third countries

(1) In the event of import to and export from Estonia of agricultural products and processed agricultural products, the Tax and Customs Board shall verify whether or not export and import licences and other requisite documents exist and comply with the requirements, the goods correspond to the import and export licences, export declarations and inward processing certificates, check the origin of the products, verify whether or not the entry price scheme and tariff quotas apply, and inspect the compliance of processed agricultural products with the formula specified in subsection 50 (3) of this Act.

(2) In the events specified in the relevant regulations of the European Union, the VFB shall, within the limits of its competence, inspect the compliance of agricultural products upon their export and issue relevant certificates and inspect the purported use of imported beef intended for processing.

§ 49. Grant of import licences, export licences, export refund certificates and inward processing certificates

(1) A person shall submit to the ARIB an application for an import licence, export licence, export refund certificate or inward processing certificate, and regarding certain products, for the right to import such products.

(2) The Minister of Agriculture may, by a regulation, establish a more detailed procedure for application for and processing import licences, export licences, export refund certificates and inward processing certificates.

§ 50. Organisation of grant of export refund

(1) To apply for an export refund, an applicant shall submit a relevant written standard#form application which shall be forwarded to the ARIB by the Tax and Customs Board immediately after the export of agricultural products. If an advance payment has been made or the goods are exported through another Member State, the

Tax and Customs Board shall submit the application to the ARIB immediately after the approval of the export declaration.

(2) The Minister of Agriculture shall, by a regulation, establish the form of export refund applications.

(3) A person who wishes to apply for a refund for the export of a processed agricultural product may submit to the ARIB a written standard-form formula setting out the products contained in such agricultural product for which the person applies for the refund, and the quantities of the products.

(4) The Minister of Agriculture shall, by a regulation, establish the form of the formula specified in subsection (3) of this section.

(5) The Government of the Republic or a minister authorised by the Government of the Republic may, by a regulation, establish a more detailed procedure for the grant of export refunds and a four-digit supplementary code for processed agricultural products in addition to the eight-digit CN code.

Chapter 6

SUPPORT FOR RURAL DEVELOPMENT RELATING TO COMMON AGRICULTURAL POLICY

Division 1

Support for rural development in the period of 2004–2006

§ 51. Organisation of grant of support for rural development relating to common agricultural policy

(1) Support for rural development relating to the common agricultural policy (hereinafter *rural development support*) is granted on the basis of and pursuant to the programme “Estonian Rural Development Plan 2004–2006” approved by the European Commission. The grant of support is organised and the compliance of applications for support is inspected by the agencies specified in the programme.

(2) The Minister of Agriculture shall, by a regulation, establish the types of rural development support to be granted and the types of activities to be supported during a financial year, listing also the types of rural development support and activities for which support can be applied for on the basis of the annual payment application provided for in Article 66(5) of Commission Regulation (EC) No 817/2004 laying down detailed rules for the application of Council Regulation (EC) No 1257/1999 on support for rural development from the European Agricultural Guidance and Guarantee Fund (EAGGF) (OJ L 153, 30.04.2004, pp 30-83), and shall decide, by a decree, the distribution of funds allocated for rural development support.

(3) The right to apply for rural development support does not arise if the grant of the support or the supporting of the activity is not prescribed for the financial year under subsection (2) of this section.

§ 52. Requirements for obtaining rural development support

(1) A person who complies with the requirements provided for in the programme specified in subsection 51 (1) of this Act and with the requirements provided for in this Act has the right to apply for rural development support.

(2) More detailed requirements for granting rural development support regarding applicants and planned activities, and a list of regions where rural development support is granted may be established by a regulation of the Minister of Agriculture. Such requirements may be established separately for each type of support.

(3) The Minister of Agriculture may, by a regulation, establish more detailed requirements for good farming practice set forth in the programme specified in subsection 51 (1) of this Act.

§ 53. Application for rural development support and processing applications

(1) To obtain rural development support, a person shall submit to the ARIB a written standard-form application or, to obtain area-based support, an application specified in subsection 18 (1) of this Act. Rural development support shall be applied for and the applications shall be processed in compliance with the programme specified in subsection 51 (1) of this Act and the requirements provided for in legislation established on the basis thereof.

(2) The Minister of Agriculture shall, by a regulation, establish a more detailed procedure for application for rural development support and processing applications, the form of applications, grounds for reduction of

support and separate support rates for each type of support, and the grounds for rejection of applications. A separate procedure for applying for and processing applications may be established for each type of support.

(3) The Minister of Agriculture shall, by a regulation, establish the grounds of and procedure for granting rural development support upon the transfer of an agricultural holding or changes to the area under commitment and number of animals.

(4) The Minister of Agriculture may, by a regulation, establish the procedure for assessment of applications for rural development support. Such procedure may lay down the criteria based on which the compliance of an application, applicant and its operations with the requirements prescribed in the programme specified in subsection 51 (1) of this Act and with the requirements provided for in this Act are assessed. A separate procedure for assessment of applications and applicants and their activities may be established for each type of support.

§ 54. Grounds for rejection of application for rural development support and reduction of support

(1) The ARIB shall reject an application on the grounds provided for in relevant regulations of the European Union and legislation established under subsection 53 (2) of this Act.

(2) The ARIB shall reduce rural development support on the grounds provided for in Commission Regulation (EC) No 1122/2009 and legislation established under subsection 53 (2) of this Act.
[RT I 2010, 10, 43 - entry into force 06.03.2010]

(3) The ARIB shall not pay rural development support if grounds for rejection of an application are established after the approval of the application for support but before payment thereof, or if the applicant does not meet the requirements for obtaining support.

§ 55. Technical assistance

(1) Technical assistance shall be granted for the implementation of the programme specified in subsection 51 (1) of this Act pursuant to Article 33e of Council Regulation No 1257/1999/EC on support for rural development from the European Agricultural Guidance and Guarantee Fund (EAGGF) and amending and repealing certain Regulations (OJ L 160, 26.06.1999, pp 80–102).

(2) State agencies, including the paying agency and the competent authority, engaged in the implementation of the programme specified in subsection 51 (1) of this Act have the right to apply for technical assistance.

(3) The Minister of Agriculture shall, by a regulation, establish more detailed requirements for applicants for technical assistance and planned activities, the procedure for application for support and processing applications, the form of applications, and the grounds for rejection of applications.

§ 56. Monitoring and evaluation

The Minister of Agriculture may, by a regulation, establish the procedure for the use of rural development support and for monitoring and evaluation of the programme specified in subsection 51 (1) of this Act. The procedure for monitoring and the procedure for evaluation may be established separately.

Division 2 Rural Development Support in 2007–2013 Period

§ 57. Organisation of grant of rural development support

(1) Rural development support is granted on the basis of and pursuant to the programme “Estonian Rural Development Plan 2007–2013” approved by the European Commission (hereinafter *development plan*).

(2) The Ministry of Agriculture shall perform the duties of a managing authority provided for in Article 75(1) of Council Regulation (EC) No 1698/2005.
[RT I, 17.11.2011 – entry into force 27.11.2011]

(3) The ARIB and the agencies specified in § 25 of this Act shall, within the limits of their competence, and the persons and agencies provided for in the development plan shall, to the extent provided for in the development plan, inspect the compliance of an applicant and an application with the requirements for obtaining support.

(4) To process applications relating to forestry, the ARIB may conclude a public law contract under the Administrative Cooperation Act with a legal person governed by private law and having sufficient experience in processing applications relating to forestry.

(5) The Minister of Agriculture shall, by a regulation, establish the types of rural development support to be granted and the types of activities to be supported during a financial year, listing also the types of rural development support and activities for which support can be applied for on the basis of an annual payment claim

provided for in Article 3(2) of Commission Regulation (EC) No 65/2011 laying down detailed rules for the implementation of Council Regulation (EC) No 1698/2005, as regards the implementation of control procedures as well as cross-compliance in respect of rural development support measures (OJ L 25, 28.01.2011, pp 8–23) and only to the extent of a valid commitment, and shall, by a decree, decide the distribution of funds allocated for rural development support.

[RT I, 17.11.2011 – entry into force 27.11.2011]

(6) The right to apply for rural development support does not arise if the grant of the support or the support of the activity in the given financial year is not prescribed under subsection (5) of this Act.

§ 57¹. Implementation of Leader measure

(1) The measures specified in Article 63 of Council Regulation (EC) No 1698/2005 shall be implemented on the basis of a local development strategy specified in Article 62(1)(a) of the same Regulation, which strategy has been approved by the Ministry of Agriculture.

(2) A local development strategy shall be drafted by a non-profit association which operates as a local action group specified in Article 62(1) of Council Regulation (EC) No 1698/2005 and whose statutory goal is community development and who complies with the requirements established for the local action group.

(3) The requirements for a local action group, including requirements for the articles of association, membership, management, term of activity and region of activity shall be established by a regulation of the Minister of Agriculture in accordance with Council Regulation (EC) No 1698/2005 and the development plan.

(3¹) A person may participate and vote in a general meeting of the local action group only as a representative of one person. A member of a local action group cannot participate or vote in a general meeting as a representative of another member.

[RT I, 04.07.2013, 2 - entry into force 14.07.2013]

(4) Requirements for local development strategies and for approval of strategies shall be approved by a regulation of the Minister of Agriculture in accordance with Council Regulation (EC) No 1698/2005 and the development plan.

(5) To implement a local development strategy, a local action group shall draw up a plan for the implementation of the strategy for each calendar year (hereinafter *implementation plan*), which contains a description of the planned activities and local development strategy measures and the budget planned for implementing them.

(6) The requirements for implementation plans and the procedure for approval of implementation plans shall be established by a regulation of the Minister of Agriculture.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

§ 57². Choice by local action group of projects to be financed

(1) Under Article 62(4) of Council Regulation (EC) No 1698/2005, projects to be funded may be chosen (hereinafter *decision to approve applications for project support*) by a local action group entitled thereto under a public law contract.

(2) A public law contract specified in subsection (1) of this section shall be concluded with a local action group by the ARIB, provided that the local action group:

- 1) complies with the requirements provided for in the legislation established on the basis of subsection 57¹(3) of this Act;
- 2) has drafted the local development strategy, which has been approved by the Ministry of Agriculture;
- 3) has adopted rules of procedure which ensure that, upon making a decision to approve applications for project support and the protection of the rights of a person in other matters, the procedure is carried out in accordance with the requirements of the Administrative Procedure Act.

(3) Section 5 of the Administrative Cooperation Act does not apply to a public law contract specified in subsection (1) of this section.

(4) The procedure for application for entry into a public law contract specified in subsection (1) of this section and processing the application and the form of the application shall be established by a regulation of the Ministry of Agriculture which, among other things, shall set out a list of the rules of procedure specified in clause 3) of subsection (2) of this section.

(5) The ARIB shall not conclude a public law contract specified in subsection (1) of this section with a local action group if:

- 1) the local action group does not comply with the requirements specified in subsection (2) of this section;

- 2) false information has intentionally been submitted in the application or the local action group influences processing the application by fraud or a threat or in another unlawful manner;
- 3) the local action group does not allow for verifying the compliance of the application with the requirements;
- 4) the local action group has not eliminated the deficiencies within the prescribed time limit.

(6) The ARIB demands that a local action group immediately perform its duties if:

- 1) the local action group does not comply with the requirements provided for in subsection (2) of this section;
- 2) the local action group has not submitted the implementation plan to the ARIB by the due date or the ARIB has not approved it;
- 3) the local action group does not follow the local development strategy, implementation plan or the rules of procedure specified in clause 3) of subsection (2) of this section;
- 4) the local action group impedes the exercise of supervision over its activities.

(7) The ARIB may unilaterally terminate a public law contract specified in subsection (1) of this section if:

- 1) the local action group has failed to eliminate within the prescribed time limit a circumstance which serves as the basis for the submission of the demand to perform the duties specified in subsection (6) of this section;
- 2) a liquidation or bankruptcy procedure has been initiated against the local action group.

(8) If a public law contract specified in subsection (1) of this section is terminated unilaterally or if there is another reason which prevents the local action group from continuing to perform the administrative task, the further performance of the administrative task shall be terminated.

(9) As of learning about the submission of a demand to perform the duties specified in subsection (6) of this section and the delivery of a notice of termination of a public law contract specified in subsection (7) of this section, a local action group shall not make any new decision to approve applications for project support.

(10) In the event of submission of a demand to perform the duties specified in subsection (6) of this section and notification of termination of a public law contract specified in subsection (7) of this section, a local action group's decisions to approve applications for project support, which have been made after the submission of the demand to perform the duties or identification of the circumstance serving as the basis for the termination of the public law contract shall be deemed void.

(11) A local action group whom the ARIB has submitted a demand to perform the duties specified in subsection (6) of this section may make new decisions to approve applications for project support as of the delivery of a respective written consent of the ARIB. The ARIB shall grant the consent if the local action group performs all the relevant duties.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

§ 58. Requirements for obtaining rural development support

(1) A person who complies with the requirements provided in the relevant legislation of the European Union, this Act and legislation established on the basis of this Act has the right to apply for rural development support.

(2) A person applying for support pursuant to Article 36(a)(i)-(v) and Article 36(b)(i), (iv) and (v) of Council Regulation (EC) No 1698/2005 shall comply with the requirements provided for in subsection 23 (1) of this Act. An applicant applying for support pursuant to Article 36(a)(iv) of the same Regulation shall also comply with the minimum requirements for use of fertilisers and plant protection products provided for in Article 39(3) of the same Regulation, development plan and legislation established on the basis of subsection (5) of this section.

(2¹) The support specified in Article 63(a) and (b) of Council Regulation (EC) No 1698/2005 (hereinafter *project support*) may be applied for by a person whose application for project support has been approved by a decision of a local action group.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

(3) Recognition of a producer group by the ARIB is required for obtaining support for creation and development of the producer group and other rural development support to be granted to the producer group.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

(4) Support for participation in a food quality scheme and for provision of information and promotion activities of a product produced under a food quality scheme may be applied for in the event of the existence of a Community food quality scheme or a food quality scheme recognised by the VFB.

(5) The Minister of Agriculture may, by a regulation, establish more detailed requirements for rural development support regarding applicants, planned activities and applications, including more detailed minimum requirements for the use of fertilisers and plant protection products, and a list of regions where rural development support is granted. The requirements may be established separately for each type of support and supported activity.

§ 59. Application for rural development support and processing applications

(1) In order to obtain rural development support, an applicant shall submit a written standard-form application to the ARIB or to a person who has concluded a public law contract with the ARIB under subsection 57 (4) of

this Act. Rural development support shall be applied for and applications shall be processed in accordance with this Act and the legislation established on the basis thereof.

(2) The ARIB or a person who has concluded a public law contract with the ARIB under subsection 57 (4) of this Act may dismiss the application if the applicant applying for the support provided for in Articles 20, 36(a)(vi), 36(b)(vi) and (vii), 52 and 63 of Council Regulation (EC) No 1698/2005 has not submitted all the documents required under this Act or if the application is not in the required form.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

(3) The ARIB or a person who has concluded a public law contract with the ARIB under subsection 57 (4) of this Act shall inspect the conformity of the applicant, the application and the planned activities with the requirements on the basis of the submitted application and other documents and on the basis of the documents and databases certifying the information stated therein.

(4) If the application or other documents submitted under this Act contain obvious inaccuracies, the ARIB or a person who has concluded a public law contract with the ARIB under subsection 57 (4) of this Act shall set a time limit for the applicant for eliminating the deficiencies. Obvious inaccuracies mean errors in such information, which is not used as a basis for deciding the grant of support or for calculating the support amount.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

(5) The Minister of Agriculture shall, by a regulation, establish a more detailed procedure for applying for rural development support and for processing such applications, the rural development support application form, support rate and support amount, including the minimum and the maximum support amount and the unit amount and, if necessary, eligible and ineligible expenses for each type of support and supported activity, the procedure for reduction of the support amount, payment of support, amendment of revocation of a decision to approve an application, and requirements for beneficiaries. The procedure for applying for support and processing applications may be established separately for each type of support and supported activity.

(6) The Minister of Agriculture shall, by a regulation, establish the grounds of and the procedure for granting rural development support and a more detailed procedure for granting support in the event of the transfer or replacement of the applicant's undertaking or holding and the applicant's commitment as well as in the event of changes to the land, area thereof and number of animals under commitment.

§ 60. Assessment of application for rural development support

(1) The Ministry of Agriculture, the ARIB, the county governor, a local action group provided for in Article 62 of Council Regulation (EC) No 1698/2005 or a person who has concluded a public law contract with the ARIB under subsection 57 (4) of this Act shall, if such right arises from the public law contract, assess applications complying with requirements on the basis of the assessment criteria provided for in the legislation established on the basis of subsection (4) of this section.

(2) As an exception from subsection (1) of this section, the legislation established on the basis of subsection 59 (5) of this Act may provide for the option of assessing applications before inspecting the compliance of the applicant, the application and the planned activities. In such an event, a ranking list of the applications shall be drawn up based on their assessment results and compliance shall be inspected in the event of an application subject to approval on the basis of the ranking list. Compliance may also be inspected in the event of an application not subject to approval on the basis of the ranking list.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

(3) If, upon ranking applications on the basis of assessment results, applications obtain an equal score, preference shall be given to the application which has the smallest support amount, the highest self-financing rate or which was submitted the earliest time or other options for preference of applications provided for in the legislation established on the basis of subsection (4) of this section shall be applied.

(3¹) The local action group shall assess the compliance of a project support application with the local development strategy and implementation plan. Upon assessing the compliance of a project application with the local development strategy and implementation plan and establishing a ranking list of applications for project support, the ARIB shall rely on the decisions of the local action group and shall not deviate from them.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

(4) The Minister of Agriculture shall, by a regulation, establish assessment criteria of applications for rural development support and the procedure for assessment of applications, including options for preference of applications. Such procedure may prescribe that applications are not to be assessed if the funds allocated for a type of support or for a supported activity or for a local action group are sufficient for approving all compliant applications. The assessment criteria of applications and the procedure for assessment of applications may be established for each type of support and each supported activity.

(5) After the applications have been assessed pursuant to this section and if the applicant and the application comply with requirements, the following applications shall be approved:

- 1) the application with the first rank in the ranking list of applications drawn up on the basis of assessment results;
- 2) the best applications which have been selected on the basis of assessment results and, if necessary, ranked;
- 3) all applications complying with the minimum requirements of the assessment criteria.

§ 61. Reduction of rural development support

(1) The ARIB or a person who has concluded a public law contract with the ARIB under subsection 57 (4) of this Act shall, if such right arises from the public law contract, decide to reduce rural development support on the grounds provided for in Commission Regulations (EC) No 1975/2006 laying down detailed rules for the implementation of Council Regulation (EC) No 1698/2005, as regards the implementation of control procedures as well as cross-compliance in respect of rural development support measures (OJ L 368, 23.12.2006, pp 74-84), (EU) No 65/2011 and (EC) No 1122/2009.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

(2) In the event of violation of the minimum requirements for the use of fertiliser and plant protection products provided for in subsection 58 (2) of this Act, the ARIB or a person who has concluded a public law contract with the ARIB under subsection 57 (4) of this Act shall, if such right arises from the public law contract, decide to reduce support or to reject an application in accordance with § 26 of this Act.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

(3) If the funds allocated for a type of support or for a supported activity are not sufficient for approval of all compliant applications, the ARIB or a person who has concluded a public law contract with the ARIB under subsection 57 (4) of this Act may, if such right arises from the public law contract, decide to reduce the support amount, including the unit amount of support, pursuant to the procedure provided for in the legislation established on the basis of subsection 59 (5) of this Act.

§ 62. Approval and rejection of application and revocation of decision to approve application

(1) If the development plan or legislation established on the basis of subsection 60 (4) of this Act does not provide for the assessment of applications or the need to assess applications, all compliant applications shall be approved within the limits of the budget of the type of support or the supported activity.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

(2) A decision to reject an application shall be made:

- 1) if the applicant or the application does not comply with at least one requirement for obtaining support;
- 2) if the outstanding balance of the budget of the type of support or supported activity does not allow for making any more decisions to approve applications;
- 3) if a compliant application is not approved in accordance with 60 (5) of this Act;
- 4) if the applicant has knowingly submitted false data in the application or influences processing the application by fraud or a threat or in any other unlawful manner;
- 5) if the applicant does not permit inspection of the compliance of the applicant or the application with the requirements for obtaining support;
- 6) if the applicant has not eliminated deficiencies within the time limit granted for such purpose.

(3) The ARIB or a person who has concluded a public law contract with the ARIB under subsection 57 (4) of this Act shall, if such right arises from the public contract, make a decision to approve the application in part or in full or a decision to reject the application.

(4) If the full approval of the application is not possible or reasoned, the amount applied for can be reduced with the consent of the applicant and the application can be amended, provided that the purpose of the activity specified in the application is achieved. If the applicant does not agree to amend the application, a decision to reject the application shall be made.

(5) The ARIB shall pay the support also if a person who has concluded a public law contract with the ARIB under subsection 57 (4) of this Act makes a decision to approve the application in part or in full. The ARIB shall not pay rural development support if grounds for rejection of an application are established after the approval of the application for support, but before payment of the support, or if the applicant has not fulfilled the requirements for obtaining support.

§ 62¹. Financing activities before incurring expenses

(1) In an event set out in the support criteria, the implementation of a supported activity may, after a decision to approve an application has been made, be financed from the state budget before the work, service or acquisition of property is paid for:

- 1) if the beneficiary has presented a security in accordance with subsection 85 (2) of this Act, which covers the entire amount to be paid, or
- 2) without demanding a security if the work or service has been completed or the property has been handed over and the beneficiary has accepted them and paid for them an amount that equals at least the self-financing portion and if the beneficiary is sufficiently reliable, or

3) without demanding a security if the implementation of the activity is financed in accordance with Article 63(c) and Article 66 of Council Regulation (EC) No 1698/2005 and if the beneficiary is sufficiently reliable. The reliability of beneficiaries whose activities are financed in accordance with Article 66 of Council Regulation (EC) No 1698/2005 shall not be verified.

(2) The procedure for application for the financing provided for in subsection (1) of this section, the procedure for processing applications, the application form, the rate of financing and the amount of financing shall be established by a regulation of the Minister of Agriculture.

(3) The funds obtained in accordance with subsection (1) of this section may be used solely for paying for the eligible expenses of a relevant activity. The expenses shall be paid within the time limit specified in the support criteria, not later than by 1 July 2015.

(4) In the event of payment of support from the European Agricultural Fund for Rural Development (EAFRD), funds paid to a beneficiary in accordance with subsection (1) of this section shall be debited from the support amount to be paid pursuant to a decision by way of an offsetting. In the event of a decision to refuse to pay support from the European Agricultural Fund for Rural Development, a beneficiary shall refund the funds obtained in accordance with subsection (1) of this section.

(5) If circumstances which cast doubt over the ability of a beneficiary to use funds obtained in accordance with subsection (1) of this section for the intended purpose and by the due date become evident in the activities of the beneficiary, the provider of support may decide to grant financing to a lesser extent, set a shorter time limit than the one provided for in subsection (3) of this section for incurring the eligible expenses, and demand that a sufficient security is presented.

(6) A beneficiary is deemed as sufficiently reliable for financing the implementation of the supported activity without demanding a security if:

- 1) the beneficiary has no arrears of state taxes or the payment of the beneficiary's arrears of state taxes have been staggered and, in the event of staggering, the tax arrears have been paid in accordance with the schedule;
- 2) no liquidation or bankruptcy procedure has been initiated against the beneficiary;
- 3) the beneficiary has refunded an amount which has been obtained from state budget funds or other European Union funds or foreign funds and which has been subject to refund or, in the event of deferral of the repayment of support, made the repayments by the prescribed due dates and in the prescribed amount;
- 4) the beneficiary has used the funds obtained on the basis of a past decision to finance the implementation of an activity for the intended purpose and by the due date.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

§ 63. Technical assistance

(1) Technical assistance shall be granted for the implementation of the development plan in accordance with Article 66 of Council Regulation (EC) No 1698/2005.

(2) The state agencies implementing the development plan, including the managing authority and the paying agency, and the inspection body specified in subsection 57 (3) of this Act can apply for technical assistance.

(3) The Minister of Agriculture shall, by a regulation, establish more detailed requirements for applicants for technical assistance and planned activities, the procedure for application for assistance and for processing applications, the application form and the procedure for payment of assistance.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

(4) An application for technical assistance shall be rejected on the grounds provided for in subsection 62 (2) of this Act.

§ 64. Monitoring and evaluation

(1) The Minister of Agriculture shall, by a regulation, establish the procedure for monitoring and evaluating the development plan.

(2) A beneficiary of rural development support shall submit information about obtaining and using the support, which is necessary for monitoring and evaluation. For the purpose of monitoring or evaluating the support, the person conducting the monitoring or evaluation of the development plan may perform activities in the undertaking or holding of the beneficiary only with the consent of the beneficiary.

§ 65. Information, publicity, marking and reference

The means and the procedure for providing information about granting and using rural development support, and the procedure for publicising the granting of support, marking supported objects and referring to the

participation of the European Agricultural Fund for Rural Development (EAFRD) shall be established by a regulation of the Minister of Agriculture.

Chapter 7

VETERINARY AND PLANT HEALTH MEASURES

§ 66. Implementation of veterinary and plant health measures

Within the limits of their competence the AB and the VFB shall submit applications to the European Commission for the partial compensation of the costs of implementation of veterinary and plant health measures.

Chapter 8

INFORMATION PROVISION AND PROMOTION MEASURES AND OTHER MEASURES

§ 67. Competent agency

(1) If a competition for obtaining schemes for information provision and promotion measures or other special measures established on the basis of Council Regulation (EC) No 3/2008 on information provision and promotion measures for agricultural products on the internal market and in third countries (OJ L 3, 05.01.2008, pp 1–9) is announced, a person who wishes to participate in the competition and complies with the requirements provided for in the relevant regulations of the European Union shall submit an appropriate scheme to the Ministry of Agriculture who shall assess the compliance thereof and decide whether to forward it to the European Commission, and perform other functions vested in a Member State by the relevant regulations of the European Union.

(2) More detailed requirements and the procedure for the implementation of information provision and promotion measures and other measures may be established by a regulation of the Minister of Agriculture.

Chapter 9

COMPOSITION AND QUALITY REQUIREMENTS, REQUIREMENTS FOR TYPES OF POULTRY FARMING, AND PRODUCTS BEARING EUROPEAN UNION QUALITY LABEL FOR AGRICULTURAL PRODUCTS, FOOD PRODUCTS, SPIRIT DRINKS OR WINES

§ 68. Composition and quality requirements

(1) In order to assess the conformity of agricultural products with the requirements established for the composition and quality thereof, the agricultural products shall be analysed by a laboratory authorised for such purpose as provided for in subsection 34 (2) of the Rural Development and Agricultural Market Regulation Act.

(2) If the results of an analysis are disputed, an analysis may be conducted in a laboratory chosen by the VFB, if no authorised laboratory is available for conducting the additional analysis.

(3) More detailed requirements for packaging and labelling agricultural products may be established separately for each class of agricultural products by a regulation of the Minister of Agriculture.

(4) The conformity of agricultural products with the composition and quality requirements and the requirements for labelling, including for names, established regarding agricultural products in regulations of the European Union for market organisation purposes shall be verified by the VFB and the Consumer Protection Board within the limits of the competence provided for in the Food Act.

§ 69. Quality classes for animal carcasses

(1) For implementation of the common agricultural policy market organisation measures, more detailed requirements for the quality classes of carcasses and the extent of, methods and procedure for the assessment of conformity of carcasses with such requirements shall be established by a regulation of the Minister of Agriculture. The extent, methods and procedure may be established separately for different species of farm animals.

(2) Persons who have completed training in the determination of the conformity of carcasses with the requirements of quality classes and have been granted corresponding recognition by the VFB may determine the quality classes of carcasses.

(3) A more detailed procedure for application for recognition for determining quality classes of carcasses and for processing applications shall be established by a regulation of the Minister of Agriculture.

(4) The VFB shall verify the conformity of determining the quality classes of animal carcasses and the determining of the categories of carcasses of bovine animals of up to 12 months of age.

§ 70. Marketing standards for fruit and vegetables and conformity checks

(1) The quality of fruit and vegetables specified in relevant regulations of the European Union shall be in conformity with the marketing standards set forth in relevant regulations of the European Union.

(2) The AB is the competent authority in the field of checking the conformity of fruit and vegetables with the marketing standards.

(3) In order to store information needed for checking the conformity with marketing standards, the AB shall set up a database of traders of fruit and vegetables.

(4) A trader marketing fruit and vegetables who has been classified in the lowest risk category specified in Article 11(2) of Commission Implementing Regulation (EU) 543/2011, complies with the requirements provided for in Article 12(3) of the same Regulation and holds special label authorisation, may use a special label in accordance with the Regulation for labelling the packaging.

(5) To obtain special label authorisation, a trader submits a written application to the AB. The AB shall decide whether to grant or reject the application for special label authorisation within one month after the submission of the application.

(6) If it has been established on the basis of the data specified in an application and on the basis of an on-the-spot check that a trader is in conformity with the requirements, the AB shall grant the trader special label authorisation and disclose the name of the trader on its website.

(7) If a trader is not in conformity with the requirements, the AB shall make a decision to reject special label authorisation and deliver the decision to the applicant immediately, but not later than on the seventh working day after making the decision by registered mail with advice of delivery or hand the decision over to the applicant against signature.

(8) The Minister of Agriculture shall, by a regulation, establish:

- 1) if necessary, derogations from the marketing standards specified in subsection (1) of this section;
- 2) more detailed requirements under which traders of fruit and vegetables are to be entered in the database;
- 3) the requirements for training in conformity checks of fruit and vegetables.

[RT I, 17.11.2011, 1 - entry into force 17.11.2011]

§ 71. Granting authorisation to use casein and caseinate

(1) The procedure for application for authorisation to use casein and caseinate may be established by a regulation of the Minister of Agriculture, taking account of Article 119 of Council Regulation (EC) No 1234/2007.

(2) The VFB shall make a decision to approve or reject authorisation to use casein and caseinate.

§ 72. Supplementary requirements for types of poultry farming

The supplementary requirements to the minimum requirements for types of poultry farming, taking account of the provisions of Article 11(3) of Commission Regulation (EC) No 543/2008 laying down detailed rules for the application of Council Regulation (EC) No 1234/2007 as regards the marketing standards for poultrymeat (OJ L 157, 17.06.2008, pp 46–87) may be established by a regulation of the Minister of Agriculture.

§ 73. Products bearing European Union quality label for agricultural products, food products, spirit drinks or wines

(1) For the purposes of this Act, a product bearing the European Union quality label for agricultural products, food products, spirit drinks or wines means a product whose name has been registered pursuant to the following regulations:

- 1) Council Regulation (EC) No 509/2006 on agricultural products and foodstuffs as traditional specialties guaranteed (OJ L 93, 31.03.2006, pp 1–11);

- 2) Council Regulation (EC) No 510/2006 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs (OJ L 93, 31.03.2006, pp 12–25);
- 3) Regulation (EC) No 110/2008 of the European Parliament and of the Council on the definition, description, presentation, labelling and the protection of geographical indications of spirit drinks and repealing Council Regulation (EEC) No 1576/89 (OJ L 39, 13.12.2008, pp 16–54);
- 4) Articles 118a–118zb of Council Regulation (EC) No 1234/2007.

(2) To register a product name on the basis of the regulations provided for in subsections (1) to (3) of section (1), an applicant shall submit a written standard-form application to the Ministry of Agriculture who will decide whether the application is in conformity with the requirements and whether to forward it to the European Commission.

(3) A more detailed procedure for applying for registration of product names on the basis of the regulations provided for subsections (1) to (3) of section (1), processing applications and the form of such applications shall be established by a regulation of the Minister of Agriculture, taking account of the requirements established in the relevant regulations of the European Union.

Chapter 10

COORDINATING CENTRE AND ADVISORY CENTRE

§ 74. Coordinating centre

To ensure the functioning of the agricultural advisory system complying with the requirements provided for in Council Regulation (EC) No 73/2009, including to ensure the forwarding of information relating to national measures and the availability of quality advice, the Minister of Agriculture shall conclude a public law contract pursuant to the procedure provided for in the Administrative Cooperation Act with a non-profit association or a foundation established by the state, whose statutory field of activities is to support rural development in Estonia and to develop the agricultural and rural economic advisory system (hereinafter *coordinating centre*).

§ 75. Advisory centre

(1) A legal person operating in the field of agricultural advice, information provision and training and complying with the requirements provided for in Council Regulation (EC) No 73/2009 has the right to operate as a recognised advisory centre.

(2) More detailed requirements for applicants seeking recognition as an advisory centre, applications for recognition and the number of advisory centres in counties may be established by a regulation of the Minister of Agriculture. The Minister of Agriculture may also recognise the coordinating centre as an advisory centre. [RT I, 17.11.2011, 1 - entry into force 27.11.2011]

(3) A person to whom the professional qualifications of an agricultural adviser have been conferred on the basis of and pursuant to the procedure provided for in the Professions Act may work as an agricultural adviser at an advisory centre. A self-employed person engaged in the sale of veterinary medicinal products, mineral fertilisers, plant protection products or agricultural machinery or the buying-in of agricultural produce or an employee of an undertaking of such self-employed person, a member of the management board of a company and another person entitled to manage a company operating in such a field of activity and an employee of such company, and an official of the Ministry of Agriculture and of a government agency within the area of government of the ministry shall not work as an agricultural adviser at an advisory centre.

§ 76. Recognition of and refusal to recognise advisory centre, revocation of decision to recognise

(1) Recognition means a procedure for assessing and confirming the compliance of an advisory centre with the requirements provided for in this Act and legislation established on the basis of this Act.

(2) An applicant wishing to be recognised as an advisory centre shall submit a written standard-form application to the Ministry of Agriculture. Recognition shall be applied for and applications shall be processed in accordance with the requirements provided for in this Act and legislation established on the basis of this Act.

(3) A more detailed procedure for application for recognition as an advisory centre, processing applications and application form shall be established by a regulation of the Minister of Agriculture.

(4) Before assessing an application, the Ministry of Agriculture shall verify the conformity of the applicant and the application. The Minister of Agriculture shall make a decision to refuse to recognise an advisory centre if, in the course of verification, it is identified that:

- 1) the applicant or the application does not conform to the requirements for recognition;
- 2) the applicant has knowingly submitted false data or influences the processing of the application by fraud or a threat or in any other unlawful manner;
- 3) the applicant does not permit a conformity check of the application;
- 4) the applicant has not eliminated deficiencies within the time limit granted for such purpose.

(5) The procedure for assessing applications for recognition as an advisory centre and the criteria for assessing applications shall be established by a regulation of the Minister of Agriculture. Such procedure may stipulate that an application shall not be assessed if the coordinating centre is applying for recognition.

(6) The Minister of Agriculture shall, by counties, assess conforming applications on the basis of the assessment criteria provided for in subsection (5) of this section. After the conforming applications have been assessed in accordance with this section, the application ranked first in the ranking list of applications drawn up on the basis of assessment results and complying with the minimum requirements for the assessment criteria shall be approved. The Minister of Agriculture shall make a decision to recognise or refuse to recognise an advisory centre.

(7) The Minister of Agriculture shall revoke a decision to recognise an advisory centre on the grounds provided for in the Administrative Procedure Act or if the advisory centre:

- 1) has submitted a corresponding application;
- 2) does not comply with the requirements for advisory centres;
- 3) has not terminated an offence by the due date prescribed in a precept;
- 4) does not allow for exercising supervision over compliance with the requirements for advisory centres.

Chapter 11 PRODUCER GROUP

§ 77. Producer group

For the purposes of Chapters 6 and 11 of this Act, a producer group means a commercial association whose purpose is to market the agricultural products produced by its members and the products resulting from its members processing their own agricultural products.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

§ 78. Requirements for producer group applying for recognition and recognised producer group

(1) A producer group applying for recognition or a recognised producer group shall market the agricultural products produced by its members and the products resulting from processing thereof and shall have at least five undertakings engaged in agriculture as its members.

(2) A producer group shall have rules for producing such agricultural products of its members, which the producer group has recognition for or is applying for recognition for, and an action plan of five years for production, processing and marketing of agricultural products.

(3) A recognised producer group shall notify the ARIB in writing about changes in its membership and changes in its statutes or other documents and data serving as the basis for its recognition.

(4) The list of agricultural products and production methods eligible for applying for recognition and more detailed requirements for a producer group and its members, including activities of a member, and for sales revenue of a producer group and its members may be established by a regulation of the Minister of Agriculture.

§ 79. Recognition of producer group

(1) Recognition of a producer group means a procedure for assessing the conformity of the producer group with the requirements provided for in this Act and legislation established on the basis of this Act and for determining the agricultural products and their production methods that the producer group is recognised for.

(2) A producer group may apply for recognition for an agricultural product and a production method.

(3) To apply for recognition, a producer group shall submit a written standard-form application to the ARIB, specifying the agricultural product for which recognition is applied for and, if necessary, the production method.

(4) The ARIB shall verify the conformity of a producer group with the requirements provided for in this Act and legislation established on the basis of this Act and make a decision to recognise or to refuse to recognise the producer group.

(5) A producer group shall be recognised for an indefinite period.

(6) A more detailed procedure for applying for recognition of a producer group, processing applications and the application form shall be established by a regulation of the Minister of Agriculture.

§ 80. Refusal to recognise producer group and revocation of decision to recognise producer group

(1) The ARIB shall decide to refuse to recognise a producer group if, in the course of a conformity check, it is identified that:

- 1) the producer group does not conform to the requirements for recognition;
- 2) the producer group has knowingly submitted false data or influences the processing of the application by fraud or a threat or in any other unlawful manner;
- 3) the producer group does not permit a conformity check of the application;
- 4) the producer group has not eliminated deficiencies within the time limit granted for such purpose.

(2) The ARIB shall decide to reject recognition of a producer group for the relevant fruit or vegetable if the producer group is recognised pursuant to the procedure provided for in Section 8 of Chapter 5 of this Act.

(3) The ARIB shall revoke a decision to recognise a producer group on the grounds provided for in the Administrative Procedure Act or if the producer group:

- 1) has submitted a corresponding application;
- 2) does not comply with the requirements for a producer group and its members;
- 3) has not terminated an offence by the prescribed due date;
- 4) does not allow for exercising supervision over compliance with the requirements for a producer group and its members.

Chapter 12 FOOD QUALITY SCHEME

§ 81. Food quality scheme

For the purposes of this Act, a food quality scheme means a Community quality scheme provided for in Article 22(1) of Commission Regulation (EC) No 1974/2006 laying down detailed rules for the application of Council Regulation (EC) No 1698/2005 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) (OJ L 368, 23.12.2006, pp 15–73), or a food quality scheme recognised on the basis and pursuant to the procedure provided for in this Act.

§ 82. Requirements for food quality scheme submitted for recognition and for recognised food quality scheme

(1) A food quality scheme submitted for recognition or a recognised food quality scheme shall be in conformity with the following requirements:

- 1) the food quality scheme is drafted and implemented by a commercial association, non-profit association or civil law partnership conforming to the requirements provided for in Article 23(1) of Commission Regulation (EC) No 1974/2006 (hereinafter *producer group implementing good quality scheme*). Another interested person may participate in the food quality scheme;

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

- 2) the final product produced under the food quality scheme is a food product with specific characteristics intended for human consumption and realised in retail sale, whereby agricultural products produced by the agricultural producers participating in the food quality scheme account for 100% of the main raw material used for producing the product;

- 3) the final product produced under the food quality scheme is in conformity with the requirements provided for in Article 22(2)(a) of Commission Regulation (EC) No 1974/2006;

- 4) the producer group implementing the food quality scheme has rules for the food quality scheme approved by a decision of the general meeting, the meeting of representatives or partners pursuant to the procedure provided for in the statutes conforming to § 7 of the Non-profit Associations Act or § 6 of the Commercial Associations Act or with the contract of partnership provided for in subsection 580 (1) of the Law of Obligations Act.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

(2) The rules of a food quality scheme shall set out the following:

- 1) the conditions of and procedure for participating in the food quality scheme;
- 2) a list of the final products;
- 3) a description of the production method of the product produced under the food quality scheme, which description is compulsory for those participating in the food quality scheme;
- 4) a list of the main indicators certifying the specific characteristics and quality of the final product, which can be used as the basis for quality inspection;
- 5) a description of the measures applied for ensuring conformity with the requirements of the production method compulsory for those participating in the food quality scheme, and the minimum requirements and procedure for inspecting the specific characteristics and quality of the final product.

(3) The management of a producer group implementing a food quality scheme shall keep a list of the participants of the food quality scheme.

(4) Conformity with the requirements provided for in the rules of a food quality scheme regarding the production process and the specific characteristics and quality of the final product shall be inspected by a person

who has been selected by the producer group implementing the food quality scheme, is independent from the participants in the food quality scheme and has the relevant knowledge, skills and competence.

(5) More detailed requirements for a food quality scheme, including for producer groups implementing it, participants of the food quality scheme and the rules of the food quality scheme.
[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

§ 83. Recognition and refusal to recognise food quality scheme, revocation of decision to recognise food quality scheme

(1) Recognition of a food quality scheme means a procedure for assessing the conformity of the food quality scheme with the requirements provided for in this Act and legislation established on the basis of this Act.

(2) The producer group wishing to obtain recognition of a food quality scheme or to amend a decision of recognition shall submit a written standard-form application to the local office of the VFB together with the rules of the food quality scheme and the list of participants in the food quality scheme.
[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

(3) The VFB shall inspect the conformity of a food quality scheme with the requirements provided for in this Act and legislation established on the basis of this Act and decide to recognise the food quality scheme or to amend the decision to recognise the food quality scheme or to refuse to recognise the food quality scheme.

(4) A food quality scheme shall be recognised for an indefinite period.

(5) The producer group implementing a food quality scheme shall notify the VFB in writing about any changes in the list of participants in the food quality scheme.

(6) The VFB shall make a decision to refuse to recognise a food quality scheme if, in the course of a conformity check, it is identified that:

- 1) the food quality scheme is not in conformity with the requirements for recognition;
- 2) [Repealed – RT I, 17.11.2011, 1 – entry into force 27.11.2011]
- 3) the producer group has knowingly submitted false data or influences processing the application by fraud or a threat or in any other unlawful manner;
[RT I, 17.11.2011, 1 - entry into force 27.11.2011]
- 4) the producer group does not permit a conformity check of the application;
[RT I, 17.11.2011, 1 - entry into force 27.11.2011]
- 5) the producer group implementing the food quality plan has not eliminated deficiencies within the time limit granted for such purpose.
[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

(7) A more detailed procedure for applying for recognition of food quality schemes, processing applications, the application form, amendment of decisions to recognise food quality schemes, and marking final products produced under food quality schemes shall be established by a regulation of the Minister of Agriculture.

(8) The VFB shall revoke a decision to recognise a food quality scheme on the grounds provided for in the Administrative Procedure Act or if:

- 1) the producer group implementing the food quality scheme has submitted a corresponding application;
- 2) the food quality scheme is not in conformity with the requirements for food quality schemes;
- 3) the producer group implementing the food quality scheme has not terminated an offence within the time limit granted for such purpose;
[RT I, 17.11.2011, 1 - entry into force 27.11.2011]
- 4) the producer group implementing the food quality scheme does not allow supervision to be exercised over the conformity with the requirements for food quality schemes.
[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

§ 84. Publishing information about recognised food quality scheme

The VFB shall publish on its website the rules of a recognised food quality scheme, the name of the producer group implementing it and the names of the participants in the recognised food quality scheme.

Chapter 13

SECURITY

§ 85. Provision of security

(1) Upon implementation of those common agricultural policy measures for which a security guaranteeing the performance of obligations is prescribed by regulations of the European Union, such security shall be submitted to the ARIB.

(2) A security may be submitted to the ARIB as follows:
1) a deposit transferred to the bank account of the ARIB;
2) a guarantee.

(3) If a state agency or local authority agency submits a certificate proving the performance of its obligations, the security specified in subsection (2) of this section shall not be required.

(4) A more detailed procedure for the provision, use and release of securities shall be established by a regulation of the Minister of Agriculture.

Chapter 14 ECONOMIC ACCOUNTS FOR AGRICULTURE

§ 86. Farm accountancy database

(1) The data necessary for analysing the economic activities of agricultural producers shall be collected in the farm accountancy database by an agency appointed by the Minister of Agriculture in accordance with Council Regulation (EC) No 1217/2009 setting up a network for the collection of accountancy data on the incomes and business operation of agricultural holdings in the European Community (OJ L 328, 15.12.2009, pp 27–38).

(2) The number of agricultural producers to submit farm accountancy data and the plan for their selection shall be approved by a committee established by the Minister of Agriculture in accordance with Article 6 of Council Regulation (EC) No 1217/2009.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

§ 87. Economic accounts for agriculture

On the indicators of economic accounts for agriculture specified in Annex II to Regulation No 138/2004/EC of the European Parliament and of the Council on the economic accounts for agriculture in the Community (Text with EEA relevance) (OJ L 033, 5.02.2004, pp 1–87), the Ministry of Agriculture shall compile the initial results of the current calendar year by November of the same year and the results of the previous calendar year by January of the following year, and the Statistical Office shall compile the results of the previous calendar year by September of the following year.

Chapter 15 AGRICULTURAL SUPPORT AND AGRICULTURAL PARCELS REGISTER

§ 88. Agricultural support and agricultural parcels register

(1) On the proposal of the Minister of Agriculture, the Government of the Republic shall establish the agricultural support and agricultural parcels register (hereinafter *register*), which is a database established in conformity with the Public Information Act. The statutes of the register shall be established by a regulation of the Government of the Republic.

(2) The chief processor of the register is the Ministry of Agriculture.

(3) The authorised processors of the register are the ARIB and, regarding de minimis agricultural aid provided for in subsection 17 (1) of the Rural Development and Agricultural Market Regulation Act, the providers of such aid.

(4) The purpose of keeping the register is to collect, process and preserve data about support granted upon implementation of the common agricultural policy measures, rural development and agricultural market organisation measures and fishing market organisation measures.

§ 89. Data to be entered in register

(1) Data concerning persons participating in the common agricultural policy measures and their applications and also data received in the course of processing applications shall be entered in the register.

(2) The boundaries and identification code of an agricultural parcel shall be entered on the map of the agricultural parcel. The map of an agricultural parcel shall be compiled on the basis of the maps on which cadastral maps are based as specified in § 14¹ of the Land Cadastre Act. The map of an agricultural parcel is a part of the register.

(3) For the purposes of this Act, an agricultural parcel means a unified land plot surrounded by boundaries made up of permanent noticeable landscape objects, by the boundaries of a cadastral unit or by land use boundaries; an agricultural parcel may consist of one or several fields.

(4) For the purposes of this Act, identification code of an agricultural parcel means the numeric code to be used for identifying the agricultural parcel.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

(5) The procedure for the determination of boundary points of agricultural parcels, preparation of maps of agricultural parcels, assignment of numeric codes to agricultural parcels and determination of areas of agricultural parcels, and the data to be submitted concerning the use of agricultural parcels and the procedure for submission thereof shall be established by a regulation of the Minister of Agriculture.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

§ 90. Submission of data and entry of data in register

(1) A person who, on the basis of and pursuant to the procedure provided for in this Act, applies for support, determination of production quota or national quantities, import or export licence, export refund certificate or inward processing certificate, approval for participation in measures or recognition, or submits a tender, shall submit to the ARIB a formal application for entry of their data in the register.

(2) The application form provided for in subsection (1) of this section shall be established by a regulation of the Government of the Republic.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

(3) If a person's data entered in the register change, the person shall submit an application to the ARIB for the amendment of the register entry within 15 working days as of the change of the data.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

(4) Data shall be entered in the register within 15 working days as of the receipt of an application.

(5) The ARIB shall refuse to make an entry if a person has knowingly submitted false data. The ARIB shall inform the applicant of its refusal to make an entry within five working days after making the decision.

(6) Data concerning the use of agricultural parcels, boundary points and areas of agricultural parcels, identification codes of agricultural parcels, data on the submission of an application, commencement of the processing of an application, performance of supervisory acts and change of data in a manner other than the one specified in subsection (3) of this section shall be entered in the register without an application of the person within 30 working days after learning of a change in the data.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

§ 91. Access to registry data

(1) Supervisory agencies exercising state supervision, persons whose supervisory right is provided by law, persons performing monitoring or assessment within the scope necessary for such monitoring or assessment, and persons with a legitimate interest in access to data may access the registry data.

(2) The persons specified in subsection (1) of this section have the right to obtain transcripts of registry entries.

§ 92. Publication of registry data

(1) On the basis of this Act, the ARIB shall publish the following data on its website:

- 1) the name of a person who is granted support, the name of the local authority, the postal code of the place of residence or seat of the beneficiary, and type and amount of the granted support;
- 2) the details and maps of agricultural parcels;
- 3) the amount of production quota and national quantities set to a person;
- 4) the area of permanent pasture to be preserved based on agricultural parcels;
- 5) in the event of reduction of the share of permanent pasture, the area of newly established permanent pasture in accordance with Articles 3 and 4 of Commission Regulation (EC) No 1122/2009;

[RT I 2010, 10, 43 - entry into force 06.03.2010]

6) the name of a producer group recognised under § 79 of this Act along with the product and production method for which the producer group is recognised, and the names of the members of the producer group.

(2) The data provided for clause 1) of subsection (1) of this section shall be published within the time limits and to the extent provided for in Commission Regulation (EC) No 259/2008 laying down detailed rules for the application of Council Regulation (EC) No 1290/2005 as regards the publication of information on the beneficiaries of funds deriving from the European Agricultural Guarantee Fund (EAGF) and the European Agricultural Fund for Rural Development (EAFRD) (OJ L 76, 19.03.2008, pp 28–30).

Chapter 16

STATE SUPERVISION

§ 93. Purpose and scope of state supervision

(1) The purpose of state supervision is to inspect the purposefulness and conformity of implementation of common agricultural policy measures with the requirements provided for in the relevant regulations of the European Union, this Act and legislation established on the basis of this Act.

(2) In addition to the purposes set out in subsection (1) of this section, the purpose of state supervision is to inspect the persons who receive or pay support funds directly or indirectly related to the financing system of the Guarantee Section of the European Agricultural Guidance and Guarantee Fund, European Agricultural Guarantee Fund (EAGF) and European Agricultural Fund for Rural Development (EAFRD).

(3) In the course of state supervision, the conformity with the requirements established for public law contracts concluded in accordance with subsection 57 (4) and § 74 of this Act and for the implementation of market organisation measures, and the conformity of the activities of the beneficiary with the requirements provided for in the decision to approve the application, in the relevant regulations of the European Union, this Act and legislation established on the basis of this Act shall be checked.

§ 94. Bodies exercising state supervision

(1) The bodies exercising state supervision over the conformity with the requirements provided for in the relevant regulations of the European Union, this Act and legislation established on the basis of this Act include the ARIB and, within the limits of their competence, the VFB, the AB, the Environmental Inspectorate, the Consumer Protection Board, the Tax and Customs Board, the Agricultural Research Centre, and, in accordance with the requirements provided for in this Act and in the relevant regulations of the European Union, the Environmental Board as well as a person who has concluded a public law contract with the ARIB under subsection 57 (4) of this Act, if such right arises from the public law contract.
[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

(2) The ARIB shall exercise state supervision over the conformity with the requirements provided for in the relevant regulations of the European Union, this Act and legislation established on the basis of this Act, except in the events provided for in subsections (4) to (11¹) of this section.
[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

(2¹) The ARIB shall exercise state supervision over the conformity of a local action group specified in subsection 57¹(2) of this Act and its activities.
[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

(3) State supervision over conformity with the requirements provided for in § 23 of this Act shall be exercised by the ARIB and, within the limits of their competence, the AB, the VFB and the Environmental Inspectorate.

(4) The AB and a person who has concluded a public law contract with the ARIB under subsection 57 (4) of this Act shall, if such right arises from the public law contract, exercise state supervision over the conformity with the requirements for rural development support provided for in the relevant regulations of the European Union, this Act and legislation established on the basis of this Act, within the scope provided for in the development plan.

(5) State supervision over the conformity with the obligation to submit market information provided for in subsection 5 (2) of this Act and over the correctness of the submitted data shall be exercised by the ARIB and, within the limits of its competence, the VFB. The procedure for exercising supervision over the conformity with the obligation to submit market information and over the correctness of the submitted data may be established by a regulation of the Minister of Agriculture.

(6) State supervision over the conformity of the agricultural products to be bought in with the requirements for their quality and composition, and the conformity of the processing facilities, including storage facilities, intervention centres and intervention stores provided for in subsection 39 (1) of this Act shall be exercised by the VFB and the Agricultural Research Centre.
[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

(6¹) Regarding aid for use granted on the basis of subsection 27 (2) of this Act,

[RT I, 17.11.2011, 1 – entry into force 27.11.2011] the checks over deliveries of raw material and their entry into production and the conformity of the products obtained, as provided for in Article 12 of Commission Regulation (EC) No 967/2009 laying down detailed rules for the application of Council Regulation (EC) No 318/2006 as regards sugar production in excess of the quota (OJ L 176, 30.06.2006, pp 22–31), shall be exercised by the VFB within the limits of its competence.

(6²) In the event of use of a product originating from the intervention stock specified in subsection 41 (2) of this Act or a product made of it, supervision in accordance with Commission Regulation (EC) No 1130/2009 laying down common detailed rules for verifying the use and/or destination of products from intervention (OJ L 310, 25.11.2009, pp 5–21) shall be exercised:

- 1) by the VFB over the conformity of product quantities in the event of intra-Community sale or transfer without charge;
- 2) by the Tax and Customs Board over the placement of the product in intermediate storage and taking the product out of storage in the event of exporting the product to a third country, provided that the product is stored outside an intervention store before export.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

(6³) The ARIB shall exercise supervision over granting the school milk aid provided for in Division 3 of Chapter 5 of this Act and the school fruit aid provided for in Division 4 of the same Chapter, thereby exercising supervision also in an educational establishment that has not applied for the aid, but participates in the school milk scheme or in the school fruit scheme.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

(7) State supervision over conformity with the requirements provided for in subsection 68 (4) of this Act shall be exercised by the VFB and the Consumer Protection Board on the grounds and pursuant to the procedure provided for in the Food Act.

(8) State supervision over conformity of determining the quality classes of animal carcasses provided for in subsection 69 (4) of this Act shall be exercised by the VFB.

(9) State supervision over the conformity of the fruit and vegetable marketing standards specified in § 70 of this Act shall be exercised by the AB.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

(9¹) A more detailed procedure for supervision over compliance with fruit and vegetable marketing standards and for special supervision over compliance with marketing standards at the retail stage shall be established by a regulation of the Minister of Agriculture.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

(10) State supervision over conformity with the requirements supplementary to the minimum requirements for types of poultry farming provided for in § 72 of this Act shall be exercised by the VFB.

(11) State supervision over conformity with the registered specification of a product bearing the European Union quality label for agricultural products, food products, spirit drinks or wines on the basis of the regulations provided for in subsection 73 (1) of this Act and over proper use of the registered name shall be exercised by the VFB.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

(11¹) The Ministry of Agriculture shall exercise supervision over the advisory centre specified in § 75 of this Act.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

(12) State supervision over the food quality scheme recognised on the basis of and pursuant to the procedure provided for in § 83 of this Act shall be exercised by the VFB.

(13) In the event of supervision provided for in subsection 93 (2) of this Act, a duly authorised structural unit of the ARIB shall be the specialist department, and the functions of a specialist department shall be performed by a duly authorised structural unit of the Tax and Customs Board within the limits of its competence.

(14) Where necessary, the ARIB shall provide the European Commission with professional assistance upon carrying out inspection.

(15) A more detailed procedure for carrying out follow-up inspections of agricultural products exported from Estonia and agricultural products processed in Estonia may be established by a regulation of the Government of the Republic or of a minister authorised by the Government of the Republic.

§ 95. Bodies exercising state supervision over public law contracts

(1) State supervision over public law contracts concluded under subsection 57 (4) of this Act shall be exercised by the ARIB.

(2) In the event of unilateral termination of a public law contract concluded under subsection 57 (4) of this Act or if other circumstances which hinder the further performance of the public law contract by the person who concluded it become evident, the materials relating to the performance of the contract shall be immediately handed over to the ARIB, which shall arrange the continued performance of the administrative function.

(3) The Ministry of Agriculture shall exercise state supervision over public law contracts provided for in § 74 of this Act.

(4) In the event of unilateral termination of a public law contract concluded under § 74 of this Act or if other circumstances which hinder the further performance of the public law contract by a non-profit association or foundation, the materials relating to the performance of the contract shall be immediately handed over to the Ministry of Agriculture, which shall arrange the continued performance of the administrative function.

§ 96. Competence of supervisory officials

(1) Supervisory officials and inspectors of the agencies specified in subsection 94 (1) of this Act (hereinafter *supervisory official*) shall exercise supervision within the limits of their competence. The supervisory official has the right to:

- 1) request data, documents and other materials needed for the implementation of the common agricultural policy measures;
- 2) receive written and oral explanations;
- 3) for the purpose of exercising supervision, enter and stay on the premises and in the territory of the person whose activities are subject to supervision;
- 4) issue precepts for the termination of a violation, prevention of further violations and elimination of the consequences of violations;
- 5) in the event of non-compliance or inappropriate compliance with a precept, impose a penalty payment pursuant to the procedure provided for in the Substitutive Enforcement and Penalty Payment Act.

(2) The upper limit of the penalty payment specified in clause 5) of subsection (1) of this section is 640 euros.

(3) The supervisory official shall draw up an inspection report or a record regarding the results of the inspection, stating in it the severity, extent, persistence and recurrence of the violation of requirements, if necessary.

(4) The supervisory official shall, if necessary or at the request of an applicant, wear special or protective clothing provided by the applicant while performing supervisory operations.

(5) The list of supervisory operations during the performance of which the supervisory official shall wear the required special or protective clothing whose cost of purchase is covered from the state budget may be established by a regulation of the Minister of Agriculture.

§ 97. Issue of precept

(1) Upon detecting an offence, the supervisory official shall issue a precept in which the supervisory official shall:

- 1) require the termination of the offence;
- 2) require that steps necessary for the termination of the offence, prevention of future offences and elimination of consequences caused by the offence be taken;
- 3) set a time limit for compliance with the precept.

(2) A precept shall be sent to an applicant or beneficiary by registered mail with advice of delivery within ten working days after the issue of the precept or shall be delivered to the applicant against their signature on a notice of delivery.

§ 98. Intra-agency appeal procedure

(1) Before filing an application with an administrative court, an intra-agency appeal procedure shall be completed on the conditions and pursuant to the procedure provided for in the Administrative Procedure Act.

(2) If an appeal is filed against a decision or act of a person who has concluded a public law contract with the ARIB under subsection 57 (4) of this Act, the appeal shall be decided by the ARIB or, if authorised by the ARIB, by the person who has concluded the public law contract.

(2¹) If an appeal is filed against a decision or act of a local action group specified in subsection 57¹(2) of this Act, the appeal shall be decided by the local action group.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

(3) An appeal shall be decided within 30 calendar days after the receipt of the appeal.

§ 99. Recovery of payments, aid or support

(1) If after making a payment or payment of aid or support, it becomes evident that the payment, aid or support has been paid without basis or that it has not been used for its intended purpose, the payment, aid or support shall, on the grounds and within the time limits provided for in Council Regulations (EC) No 73/2009, (EC) No 1234/2007 and (EC) No 1290/2005 and in other relevant regulations of the European Union, be recovered in part or in full from the person who received it.

(2) If after making a complementary national direct or transitional national aid payment it becomes evident that the payment was made without basis, the payment shall be recovered in part or in full from the person who received it. A decision to recover a payment may be made within ten years after the date of making the decision to approve the application.

[RT I, 21.02.2013, 1 - entry into force 28.02.2013]

(3) If after payment of rural development support, it becomes evident that the support was paid without basis or that the support has not been used for its intended purpose, the support shall, on the grounds and within the time limits provided for in Council Regulations (EC) No 1257/1999, (EC) No 1698/2005 and (EC) No 1290/2005 and in other relevant regulations of the European Union, be recovered in part or in full from the person who received it.

(3¹) The funds obtained in accordance with subsection 62¹(1) of this Act shall be recovered pursuant to the procedure provided for in §§ 100-102 of this Act if a decision to refuse to make a support payment from the European Agricultural Fund for Rural Development (EAFRD) is made regarding a beneficiary or if a beneficiary has used the received support for covering ineligible expenses.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

(4) The ARIB or a person who has concluded a public law contract with the ARIB under subsection 57 (4) of this Act shall, if such right arises from the public law contract, make a decision to recover payments, aid or support within the time limit provided for in the relevant regulations of the European Union and in this Act. A decision to recover payments, aid or support shall be sent to the beneficiary by registered mail with advice of delivery.

(5) Payments, aid or support granted on the basis of this Act shall not be recovered if the amount to be recovered from the beneficiary and relating to an individual payment is less than 100 euros exclusive of interest.

§ 100. Repayment of payments, aid or support

(1) A beneficiary shall repay the recovered payments, aid or support within 60 calendar days or within the time limit provided for in the relevant regulations of the European Union following the date of communication of a decision to recover the payments, aid or support provided for in subsection 99 (4) of this Act.

[RT I, 04.07.2013, 2 - entry into force 14.07.2013]

(2) The ARIB shall set off recovered payments, aid and support in accordance with Article 5b of Commission Regulation (EC) No 885/2006 laying down detailed rules for the application of Council Regulation (EC) No 1290/2005 as regards the accreditation of paying agencies and other bodies and the clearance of the accounts of the EAGF and the EAFRD (OJ L 171, 23.06.2006, pp 90–110) after the expiry of the time limit specified in subsection (1) of this section.

[RT I, 04.07.2013, 2 - entry into force 14.07.2013]

(3) If a beneficiary does not comply with a decision to recover payments, aid or support within the time limits provided for in subsection (1) of this section and if the payments, aid or support to be recovered cannot be set off within a reasonable amount of time, the ARIB shall seek the compulsory enforcement of the decision pursuant to the procedure provided for in the Code of Enforcement Procedure. Compulsory enforcement of a decision to recover payments, aid or support made by a person who has concluded a public law contract with the ARIB under subsection 57 (4) of this Act shall also be sought by the ARIB.

[RT I, 04.07.2013, 2 - entry into force 14.07.2013]

(4) The set-off provided for in subsection (2) of this Act may also be made after seeking compulsory enforcement of a decision to recover payments, aid or support.

§ 101. Deferral of repayment of payments, aid or support

(1) The ARIB may defer the repayment of recovered payments, aid or support if the beneficiary submits a relevant reasoned application and a schedule for repayment of the payments, aid or support before the expiry of the time limit specified in subsection (1) of § 100 of this Act. In the event of deferral of the repayment of

recovered payments, aid or support, the payments, aid or support shall be repaid within 12 months after the date of making the decision to defer the repayment of the payments, aid or support.
[RT I, 04.07.2013, 2 - entry into force 14.07.2013]

(2) If, in the event of deferral of repayment of payments, aid or support, the beneficiary does not repay the payments, aid or support according to the repayment schedule, the ARIB shall revoke the decision to defer the repayment of the payments, aid or support and set off the payments, aid or support to be recovered. If the payments, aid or support to be recovered cannot be set off, the ARIB shall seek the compulsory enforcement of the decision pursuant to the procedure provided for in the Code of Enforcement Procedure.
[RT I, 04.07.2013, 2 - entry into force 14.07.2013]

§ 102. Interest

[RT I, 04.07.2013, 2 - entry into force 14.07.2013]

(1) Unless otherwise provided by the regulations of the European Union, in the event of recovery of payments, aid or support, interest shall be charged on the amount of the payments, aid or support in euros, regardless of the currency in which the payments were made or the aid or support was paid. The interest rate on the amount of payments, aid or support to be recovered in euros shall be one year EURIBOR + 5 per cent a year. The interest rate shall be fixed annually as of January 2 and it shall be valid for one year. Interest shall be calculated based on the actual number of days in a month and on the reference year of 360 days.
[RT I, 04.07.2013, 2 - entry into force 14.07.2013]

(1¹) Interest shall be calculated for the beneficiary as of the expiry of the time limit provided for in subsection (1) of § 100 of this Act until repayment of the payments, aid or support or, in the event of deferral thereof, until the final repayment or debiting by way of a set-off, unless otherwise provided by the regulations of the European Union.

(2) [Repealed – RT I, 04.07.2013, 2 – entry into force 14.07.2013]

(3) Interest shall not be charged in the event of recovery of the technical assistance specified in § 63 of this Act.
[RT I, 04.07.2013, 2 - entry into force 14.07.2013]

Chapter 17 LIABILITY

§ 103. Violation of requirement to submit data

(1) Failure to submit market information needed for the implementation of the common agricultural policy measures is punishable by a fine of up to 300 fine units.

(2) The same act, if committed by a legal person, is punishable by a fine of up to 3200 euros.
[RT I 2010, 22, 108 - entry into force 01.01.2011]

§ 104. Violation of requirements established to persons buying in agricultural products

(1) The marketing of agricultural products produced on the basis of production quota to persons buying in such products without proper authorisation is punishable by a fine of up to 300 fine units.

(2) The same act, if committed by a legal person, is punishable by a fine of up to 3200 euros.
[RT I 2010, 22, 108 - entry into force 01.01.2011]

§ 105. Violation of requirements for allocation of quality classes to agricultural products, composition and quality requirements and requirements for labelling, including for registration of names

(1) Violation of the requirements for allocation of quality classes to agricultural products, the composition and quality requirements and the requirements for labelling, including for registration of names, is punishable by a fine of up to 300 fine units.

(2) The same act, if committed by a legal person, is punishable by a fine of up to 3200 euros.

§ 106. Proceedings

(1) The provisions of the General Part of the Penal Code and of the Code of Misdemeanour Procedure apply to the misdemeanours provided for in §§ 103–105 of this Act.

(2) The Agricultural Registers and Information Board or the Veterinary and Food Board is, within the limits of its competence, the extra-judicial body which conducts proceedings in the misdemeanour cases provided for in § 103 of this Act.

(3) The Agricultural Registers and Information Board is the extra-judicial body which conducts proceedings in the misdemeanour cases provided for in § 104 of this Act.

(4) The Agricultural Registers and Information Board or the Veterinary and Food Board, within the limits of its competence, or at the retail stage, the Consumer Protection Board is the extra-judicial body which conducts proceedings in the misdemeanour cases provided for in § 105 of this Act.

Chapter 18

IMPLEMENTING PROVISIONS

§ 107. Paying agency

A paying agency accredited pursuant to the procedure in force before 1 January 2010 shall perform the duties of a paying agency until the decision of accreditation is revoked or amended.

§ 108. Production quota

Persons who have been issued a production quota for crude milk and whose quota has been adjusted on the basis and pursuant to the procedure provided for in legislation in force before the entry into force of this Act, are deemed to have submitted the application specified in subsection 36 (1) of this Act.

§ 109. Application of Act to public law contracts concluded before entry into force of Act

A public law contract which has been concluded before 1 January 2010 and is in force at the time of entry into force of this Act and whose object is the authorisation to perform the administrative functions of the state, shall remain in force if the natural person or legal person in private law, who has been authorised under the public law contract to perform an administrative function of the state, complies with the requirements provided for in this Act. If the person does not comply with the requirements provided for in this Act, the party who authorised the person to perform the administrative function shall unilaterally terminate the public law contract within six months after the entry into force of this Act.

§ 110. Application of Act to other contracts concluded before entry into force of Act

A relevant contract which has been concluded on the basis of subsections 3 (2), 31 (1) and 34 (2) of the European Union Common Agricultural Policy Implementation Act in force before 1 January 2010 and is in force at the time of entry into force of this Act shall remain in force until the date specified in the contract.

§ 111. Approval

A person approved pursuant to subsection 6 (4) of the European Union Common Agricultural Policy Implementation Act in force before 1 January 2010 or an undertaking of such person may participate in the common agricultural policy measures until the decision for approval is revoked or amended.

§ 112. Validity of provision delegating authority

(1) Legislation passed on the basis of the European Union Common Agricultural Policy Implementation Act in force before 1 January 2010 shall remain in force after the entry into force of this Act, until it is revoked or new legislation passed on the basis of this Act enters into force.

(2) Payments of energy crop support granted on the basis of subsections 14¹(2) and § 14²(2) of the European Union Common Agricultural Policy Implementation Act in force before 1 January 2010 shall be terminated on 1 January 2011 and a complementary national direct payment for arable crop granted on the basis of subsections 15 (2) and 16 (2) of the same Act shall be terminated on 30 June 2010. The Minister of Agriculture may establish the necessary final time limits for terminating the proceedings of energy crop support.

§ 113. Application of entitlement to complementary national direct payment upon succession

If a person specified in subsection 16 (2) of this Act has deceased between 31 March 2007 and 1 January 2010, their heir shall submit to the ARIB the documents certifying succession and an application for granting entitlement to a complementary national direct payment no later than along with the relevant application for the complementary national direct payment.

§ 114. Recovery of payments, aid and support granted in previous years

(1) The proceedings of recovery and repayment of payments, aid and support initiated before 1 January 2010 shall be terminated in accordance with the requirements provided for in the legislation in force at the time of initiating the proceedings.

(2) If a decision to approve an application has been made before this Act enters into force and a decision to recover payments, aid or support is made after this Act has entered into force, the provisions of this Act shall apply to the recovery of the payments, aid or support.

§ 115. Database of undertakings engaged in marketing fruit and vegetables, authorisation for labelling and self-checking of undertakings

(1) The database of undertakings engaged in marketing fruit and vegetables specified in subsection 70 (3) of this Act shall be the database of undertakings engaged in marketing fruit and vegetables established on the basis of the legislation in force before this Act entered into force.

(2) Authorisation for labelling and self-checking of undertakings specified in subsection 70 (4) of this Act, issued pursuant to the procedure in force before the entry into force of this Act, shall remain in force until the expiry of its term of validity.

§ 116. Agricultural support and agricultural parcels register

The agricultural support and agricultural parcels register established on the basis of legislation in force before the entry into force of this Act is deemed to be the agricultural support and agricultural parcels register specified in subsection 88 (1) of this Act.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

§ 116¹. Transitional provisions of implementation of Leader measure

A non-profit association that performed the functions of a local action group before the entry into force of this section may continue performing the functions without entering into a public contract specified in subsection 57²(1) of this Act until 31 December 2012.

[RT I, 17.11.2011, 1 - entry into force 27.11.2011]

§ 116². Complementary national direct payments and transitional national aid

(1) Complementary national direct payments cannot be applied for as of 1 March 2013.

(2) As of the date specified in subsection (1) of this section the ARIB shall, with the consent of the applicant, deem an application for complementary national direct payments to be an application for transitional national aid. If the applicant disagrees, the ARIB shall reject the application for complementary national direct payments.

(3) If an applicant submits an application for complementary national direct payments and transitional national aid after the date specified in subsection (1) of this section, the ARIB shall reject the application for complementary national direct payments.

[RT I, 21.02.2013, 1 - entry into force 28.02.2013]

§ 117.–§ 121.[Omitted from this text]

§ 122. Entry into force

This Act shall enter into force on 1 January 2010.