

ACT

concerning the conditions of accession of the Republic of Croatia and the adjustments to the Treaty on European Union, the Treaty on the Functioning of the European Union and the Treaty establishing the European Atomic Energy Community

PART ONE

PRINCIPLES

Article 1

For the purposes of this Act:

— the expression ‘original Treaties’ means:

- (a) the Treaty on European Union (TEU) and the Treaty on the Functioning of the European Union (TFEU), as amended or supplemented by treaties or other acts which entered into force before the accession of the Republic of Croatia;
- (b) the Treaty establishing the European Atomic Energy Community (EAEC Treaty), as amended or supplemented by treaties or other acts which entered into force before the accession of the Republic of Croatia,

— the expression ‘present Member States’ means the Kingdom of Belgium, the Republic of Bulgaria, the Czech Republic, the Kingdom of Denmark, the Federal Republic of Germany, the Republic of Estonia, Ireland, the Hellenic Republic, the Kingdom of Spain, the French Republic, the Italian Republic, the Republic of Cyprus, the Republic of Latvia, the Republic of Lithuania, the Grand Duchy of Luxembourg, the Republic of Hungary, the Republic of Malta, the Kingdom of the Netherlands, the Republic of Austria, the Republic of Poland, the Portuguese Republic, Romania, the Republic of Slovenia, the Slovak Republic, the Republic of Finland, the Kingdom of Sweden and the United Kingdom of Great Britain and Northern Ireland,

— the expression ‘the Union’ means the European Union founded on the TEU and on the TFEU and/or, as the case may be, the European Atomic Energy Community,

— the expression ‘the institutions’ means the institutions established by the TEU.

Article 2

From the date of accession, the provisions of the original Treaties and the acts adopted by the institutions before accession shall be binding on Croatia and shall apply in Croatia under the conditions laid down in those Treaties and in this Act.

Where amendments to the original Treaties have been agreed by the representatives of the governments of the Member States pursuant to Article 48(4) of the TEU after the ratification of the

Treaty of Accession by Croatia and where those amendments have not entered into force by the date of accession, Croatia shall ratify those amendments in accordance with its constitutional requirements.

Article 3

1. Croatia accedes to the decisions and agreements of the Heads of State or Government of the Member States meeting within the European Council.

2. Croatia accedes to the decisions and agreements adopted by the representatives of the governments of the Member States meeting within the Council.

3. Croatia is in the same situation as the present Member States in respect of declarations or resolutions of, or other positions taken up by, the European Council or the Council and in respect of those concerning the Union adopted by common agreement of the Member States. Croatia will accordingly observe the principles and guidelines deriving from those declarations, resolutions or other positions and will take such measures as may be necessary to ensure their implementation.

4. Croatia accedes to the conventions and protocols listed in Annex I. Those conventions and protocols shall enter into force in relation to Croatia on the date determined by the Council in the decisions referred to in paragraph 5.

5. The Council, acting unanimously on a recommendation by the Commission and after consulting the European Parliament, shall decide to make all adjustments required by reason of the accession to the conventions and protocols referred to in paragraph 4 and publish the adapted texts in the *Official Journal of the European Union*.

6. Croatia undertakes, in respect of the conventions and protocols referred to in paragraph 4, to introduce administrative and other arrangements, such as those adopted by the date of accession by the present Member States or by the Council, and to facilitate practical cooperation between the Member States’ institutions and organisations.

7. The Council, acting unanimously on a proposal from the Commission, may supplement Annex I with the relevant conventions, agreements and protocols signed before the date of accession.

Article 4

1. The provisions of the Schengen *acquis* as referred to in the Protocol on the Schengen *acquis* integrated into the framework of the European Union (hereinafter referred to as the 'Schengen Protocol'), annexed to the TEU and the TFEU, and the acts building upon it or otherwise related to it, listed in Annex II, as well as any further such acts adopted before the date of accession, shall be binding on, and applicable in, Croatia from the date of accession.

2. Those provisions of the Schengen *acquis* as integrated into the framework of the European Union and the acts building upon it or otherwise related to it not referred to in paragraph 1, while binding on Croatia from the date of accession, shall only apply in Croatia pursuant to a Council decision to that effect, after verification, in accordance with the applicable Schengen evaluation procedures, that the necessary conditions for the application of all parts of the relevant *acquis* have been met in Croatia, including the effective application of all Schengen rules in accordance with the agreed common standards and with fundamental principles. That decision shall be taken by the Council, in accordance with the applicable Schengen procedures and while taking into account a Commission report confirming that Croatia continues to fulfil the commitments undertaken in its accession negotiations that are relevant for the Schengen *acquis*.

The Council shall take its decision, after consulting the European Parliament, acting with the unanimity of its members representing the Governments of the Member States in respect of which the provisions referred to in this paragraph have already been put into effect and of the representative of the Government of the Republic of Croatia. The members of the Council representing the Governments of Ireland and of the United Kingdom of Great Britain and Northern Ireland shall take part in such a decision insofar as it relates to the provisions of the Schengen *acquis* and the acts building upon it or otherwise related to it in which these Member States participate.

Article 5

Croatia shall participate in the Economic and Monetary Union from the date of accession as a Member State with a derogation within the meaning of Article 139 of the TFEU.

Article 6

1. The agreements concluded or provisionally applied by the Union with one or more third countries, with an international organisation or with a national of a third country shall, under the conditions laid down in the original Treaties and in this Act, be binding on Croatia.

2. Croatia undertakes to accede, under the conditions laid down in this Act, to the agreements concluded or signed by the present Member States and the Union with one or more third countries or with an international organisation.

Unless otherwise provided for in specific agreements referred to in the first subparagraph, the accession of Croatia to such agreements shall be agreed by the conclusion of a protocol to such agreements between the Council, acting unanimously on behalf of the Member States, and the third country or countries or international organisation concerned. The Commission, or the High Representative of the Union for Foreign Affairs and Security Policy (the High Representative) where the agreement relates exclusively or principally to the common foreign and security policy, shall negotiate these protocols on behalf of the Member States on the basis of negotiating directives approved by the Council, acting unanimously, and in consultation with a committee comprised of the representatives of the Member States. The Commission, or the High Representative, as appropriate, shall submit a draft of the protocols for conclusion to the Council.

This procedure is without prejudice to the exercise of the Union's own competences and does not affect the allocation of powers between the Union and the Member States as regards the conclusion of such agreements in the future or any other amendments not related to accession.

3. As of the date of accession, and pending the entry into force of the necessary protocols referred to in the second subparagraph of paragraph 2, Croatia shall apply the provisions of the agreements referred to in the first subparagraph of paragraph 2 concluded or provisionally applied before the date of accession, with the exception of the Agreement between the European Community and its Member States, of the one part, and the Swiss Confederation, of the other, on the free movement of persons ⁽¹⁾.

Pending the entry into force of the protocols referred to in the second subparagraph of paragraph 2, the Union and the Member States, acting jointly as appropriate in the framework of their respective competences, shall take any appropriate measure.

4. Croatia accedes to the Partnership Agreement between the members of the African, Caribbean and Pacific Group of States, of the one part, and the European Community and its Member States, of the other part, signed in Cotonou on 23 June 2000 ⁽²⁾, as well as to the two agreements amending that Agreement, signed in Luxembourg on 25 June 2005 ⁽³⁾ and opened for signature in Ouagadougou on 22 June 2010 ⁽⁴⁾, respectively.

5. Croatia undertakes to accede, under the conditions laid down in this Act, to the Agreement on the European Economic Area ⁽⁵⁾, in accordance with Article 128 of that Agreement.

6. As of the date of accession, Croatia shall apply the bilateral textile agreements and arrangements concluded between the Union and third countries.

⁽¹⁾ OJ L 114, 30.4.2002, p. 6.

⁽²⁾ OJ L 317, 15.12.2000, p. 3.

⁽³⁾ OJ L 209, 11.8.2005, p. 27, OJ L 287, 28.10.2005, p. 4 and OJ L 168M, 21.6.2006, p. 33.

⁽⁴⁾ OJ L 287, 4.11.2010, p. 3.

⁽⁵⁾ OJ L 1, 3.1.1994, p. 3.

The quantitative restrictions applied by the Union on imports of textile and clothing products shall be adjusted to take account of the accession of Croatia to the Union. To that effect, amendments to the bilateral textile agreements and arrangements referred to in the first subparagraph may be negotiated by the Union with the third countries concerned prior to the date of accession.

Should the amendments to the bilateral textile agreements and arrangements not have entered into force by the date of accession, the Union shall make the necessary adjustments to its rules for the import of textile and clothing products from third countries to take into account the accession of Croatia.

7. The quantitative restrictions applied by the Union on imports of steel and steel products shall be adjusted on the basis of imports of Croatia over recent years of steel and steel products originating in the supplier countries concerned.

To that effect, the necessary amendments to the bilateral steel agreements and arrangements concluded between the Union and third countries shall be negotiated prior to the date of accession.

Should the amendments to the bilateral steel agreements and arrangements not have entered into force by the date of accession, the provisions of the first subparagraph shall apply.

8. As of the date of accession, fisheries agreements concluded between Croatia and third countries prior to that date shall be managed by the Union.

The rights and obligations for Croatia which result from those agreements shall not be affected during the period in which the provisions of those agreements are provisionally maintained.

As soon as possible, and in any event before the expiry of the agreements referred to in the first subparagraph, appropriate decisions for the continuation of fishing activities resulting from those agreements shall be adopted in each case by the Council, acting by qualified majority on a proposal from the Commission, including the possibility of extending certain agreements for periods not exceeding one year.

9. Croatia shall withdraw from any free trade agreements with third countries, including the Central European Free Trade Agreement as amended.

To the extent that agreements between Croatia on the one hand, and one or more third countries on the other, are not compatible with the obligations arising from this Act, Croatia shall take all appropriate steps to eliminate the incompatibilities

established. If Croatia encounters difficulties in adjusting an agreement concluded with one or more third countries, it shall withdraw from that agreement.

Croatia shall take all the necessary measures to ensure compliance with the obligations of this paragraph as of the date of accession.

10. Croatia accedes, under the conditions laid down in this Act, to the internal agreements concluded by the present Member States for the purpose of implementing the agreements referred to in paragraphs 2 and 4.

11. Croatia shall take appropriate measures, where necessary, to adjust its position in relation to international organisations, and to those international agreements to which the Union or to which other Member States are also parties, to the rights and obligations arising from Croatia's accession to the Union.

Croatia shall in particular withdraw from international fisheries agreements and organisations to which the Union is also a party, unless its membership relates to matters other than fisheries.

Croatia shall take all necessary measures to ensure compliance with the obligations of this paragraph as of the date of accession.

Article 7

1. The provisions of this Act may not, unless otherwise provided herein, be suspended, amended or repealed other than by means of the procedure laid down in the original Treaties enabling those Treaties to be revised.

2. Acts adopted by the institutions to which the transitional provisions laid down in this Act relate shall retain their status in law; in particular, the procedures for amending those acts shall continue to apply.

3. Provisions of this Act the purpose or effect of which is to repeal or amend acts adopted by the institutions, unless such provisions are of a transitional nature, shall have the same status in law as the provisions which they repeal or amend and shall be subject to the same rules as those provisions.

Article 8

The application of the original Treaties and acts adopted by the institutions shall, as a transitional measure, be subject to the derogations provided for in this Act.

PART TWO

ADJUSTMENTS TO THE TREATIES

TITLE I

INSTITUTIONAL PROVISIONS

Article 9

The Protocol on the Statute of the Court of Justice of the European Union, annexed to the TEU, the TFEU and the EAEC Treaty, shall be amended as follows:

(1) in Article 9, the first paragraph shall be replaced by the following:

‘When, every three years, the Judges are partially replaced, 14 Judges shall be replaced.’;

(2) Article 48 shall be replaced by the following:

Article 48

The General Court shall consist of 28 Judges.’.

Article 10

The Protocol on the Statute of the European Investment Bank, annexed to the TEU and the TFEU, shall be amended as follows:

(1) in Article 4(1), first subparagraph:

(a) the introductory sentence shall be replaced by the following:

‘1. The capital of the Bank shall be EUR 233 247 390 000, subscribed by the Member States as follows.’;

(b) the following shall be inserted between the entries for Romania and Slovakia:

‘Croatia 854 400 000’;

(2) in Article 9(2), the first, second and third subparagraphs shall be replaced by the following:

‘2. The Board of Directors shall consist of twenty-nine directors and nineteen alternate directors.

The directors shall be appointed by the Board of Governors for five years, one nominated by each Member State, and one nominated by the Commission.

The alternate directors shall be appointed by the Board of Governors for five years as shown below:

— two alternates nominated by the Federal Republic of Germany,

— two alternates nominated by the French Republic,

— two alternates nominated by the Italian Republic,

— two alternates nominated by the United Kingdom of Great Britain and Northern Ireland,

— one alternate nominated by common accord of the Kingdom of Spain and the Portuguese Republic,

— one alternate nominated by common accord of the Kingdom of Belgium, the Grand Duchy of Luxembourg and the Kingdom of the Netherlands,

— two alternates nominated by common accord of the Kingdom of Denmark, the Hellenic Republic, Ireland and Romania,

— two alternates nominated by common accord of the Republic of Estonia, the Republic of Latvia, the Republic of Lithuania, the Republic of Austria, the Republic of Finland and the Kingdom of Sweden,

— four alternates nominated by common accord of the Republic of Bulgaria, the Czech Republic, the Republic of Croatia, the Republic of Cyprus, the Republic of Hungary, the Republic of Malta, the Republic of Poland, the Republic of Slovenia and the Slovak Republic,

— one alternate nominated by the Commission.’.

Article 11

Article 134(2), first subparagraph, of the EAEC Treaty on the composition of the Scientific and Technical Committee shall be replaced by the following:

‘2. The Committee shall consist of forty-two members, appointed by the Council after consultation with the Commission.’.

TITLE II

OTHER ADJUSTMENTS

Article 12

In Article 64(1) of the TFEU, the following sentence is added:

'In respect of restrictions existing under national law in Croatia, the relevant date shall be 31 December 2002.'

Article 13

Article 52(1) of the TEU shall be replaced by the following:

'1. The Treaties shall apply to the Kingdom of Belgium, the Republic of Bulgaria, the Czech Republic, the Kingdom of Denmark, the Federal Republic of Germany, the Republic of Estonia, Ireland, the Hellenic Republic, the Kingdom of Spain, the French Republic, the Republic of Croatia, the Italian Republic, the Republic of Cyprus, the Republic of Latvia, the Republic of Lithuania, the Grand Duchy of Luxembourg, the Republic of Hungary, the Republic of Malta, the Kingdom of the Netherlands, the Republic of Austria, the Republic of Poland, the Portuguese Republic, Romania, the Republic of Slovenia, the Slovak Republic, the Republic of Finland, the Kingdom of Sweden and the United Kingdom of Great Britain and Northern Ireland.'

Article 14

1. Article 55(1) of the TEU shall be replaced by the following:

'1. This Treaty, drawn up in a single original in the Bulgarian, Croatian, Czech, Danish, Dutch, English, Estonian, Finnish, French, German, Greek, Hungarian, Irish, Italian, Latvian, Lithuanian, Maltese, Polish, Portuguese, Romanian, Slovak, Slovenian, Spanish and Swedish languages, the texts in each of these languages being equally authentic, shall be deposited in the archives of the Government of the Italian Republic, which will transmit a certified copy to each of the Governments of the other signatory States.'

2. Article 225, second paragraph, of the EAEC Treaty shall be replaced by the following:

'Pursuant to the Accession Treaties, the Bulgarian, Croatian, Czech, Danish, English, Estonian, Finnish, Greek, Hungarian, Irish, Latvian, Lithuanian, Maltese, Polish, Portuguese, Romanian, Slovak, Slovenian, Spanish and Swedish versions of this Treaty shall also be authentic.'

PART THREE

PERMANENT PROVISIONS

Article 15

The acts listed in Annex III shall be adapted as specified in that Annex.

Article 16

The measures listed in Annex IV shall be applied under the conditions laid down in that Annex.

Article 17

The Council, acting unanimously on a proposal from the Commission and after consulting the European Parliament, may make the adaptations to the provisions of this Act relating to the common agricultural policy which may prove necessary as a result of a modification in Union rules.

PART FOUR

TEMPORARY PROVISIONS

TITLE I

TRANSITIONAL MEASURES

Article 18

The measures listed in Annex V shall apply in respect of Croatia under the conditions laid down in that Annex.

TITLE II

INSTITUTIONAL PROVISIONS

Article 19

1. By way of derogation from Article 2 of the Protocol on transitional provisions, annexed to the TEU, the TFEU and the EAEC Treaty, and by way of derogation from the maximum number of seats provided for in the first subparagraph of Article 14(2) of the TEU, the number of members of the European Parliament shall be increased by 12 members from Croatia, to take account of the accession of Croatia, for the period running from the date of accession until the end of the 2009-2014 term of the European Parliament.

2. By way of derogation from Article 14(3) of the TEU, Croatia shall, before the date of accession, hold ad hoc elections to the European Parliament, by direct universal suffrage of its people, for the number of members fixed in paragraph 1 of this Article, in accordance with the Union *acquis*. However, if the date of accession is less than six months before the next elections to the European Parliament, the members of the European Parliament representing the citizens of Croatia may be designated by the national Parliament of Croatia, from its midst, provided that the persons in question have been elected by direct universal suffrage.

Article 20

Article 3(3) of the Protocol on transitional provisions, annexed to the TEU, the TFEU and the EAEC Treaty, shall be replaced by the following:

‘3. Until 31 October 2014, the following provisions shall remain in force, without prejudice to the second subparagraph of Article 235(1) of the Treaty on the Functioning of the European Union.

For acts of the European Council and of the Council requiring a qualified majority, members’ votes shall be weighted as follows:

Belgium	12
Bulgaria	10
Czech Republic	12
Denmark	7
Germany	29
Estonia	4
Ireland	7
Greece	12
Spain	27
France	29
Croatia	7
Italy	29
Cyprus	4
Latvia	4

Lithuania	7
Luxembourg	4
Hungary	12
Malta	3
Netherlands	13
Austria	10
Poland	27
Portugal	12
Romania	14
Slovenia	4
Slovakia	7
Finland	7
Sweden	10
United Kingdom	29

Acts shall be adopted if there are at least 260 votes in favour representing a majority of the members where, under the Treaties, they must be adopted on a proposal from the Commission. In other cases decisions shall be adopted if there are at least 260 votes in favour representing at least two thirds of the members.

A member of the European Council or the Council may request that, where an act is adopted by the European Council or the Council by a qualified majority, a check is made to ensure that the Member States comprising the qualified majority represent at least 62 % of the total population of the Union. If that proves not to be the case, the act shall not be adopted.’

Article 21

1. A national of Croatia shall be appointed to the Commission as of the date of accession until 31 October 2014. The new Member of the Commission shall be appointed by the Council, acting by qualified majority and by common accord with the President of the Commission, after consulting the European Parliament and in accordance with the criteria set out in the second subparagraph of Article 17(3) of the TEU.

2. The term of office of the Member appointed in accordance with paragraph 1 shall expire at the same time as those of the Members in office at the time of accession.

Article 22

1. The term of office of the Judge of the Court of Justice and the Judge of the General Court appointed from Croatia upon its accession in accordance with the third subparagraph of Article 19(2) of the TEU shall expire, respectively, on 6 October 2015 and 31 August 2013.

2. For the purpose of judging cases pending before the Court of Justice and the General Court on the date of accession in respect of which oral proceedings have started before that date, the full Courts of the Court of Justice and the General Court or the Chambers thereof shall be composed as before accession and shall apply the Rules of Procedure in force on the day preceding the date of accession.

Article 23

1. By way of derogation from Article 301, first paragraph, of the TFEU establishing the maximum number of members of the Economic and Social Committee, Article 7 of the Protocol on transitional provisions, annexed to the TEU, the TFEU and the EAEC Treaty, shall be replaced by the following:

'Article 7

Until the entry into force of the decision referred to in Article 301 of the Treaty on the Functioning of the European Union, the allocation of members of the Economic and Social Committee shall be as follows:

Belgium	12
Bulgaria	12
Czech Republic	12
Denmark	9
Germany	24
Estonia	7
Ireland	9
Greece	12
Spain	21
France	24
Croatia	9
Italy	24
Cyprus	6
Latvia	7
Lithuania	9
Luxembourg	6
Hungary	12
Malta	5
Netherlands	12
Austria	12
Poland	21
Portugal	12
Romania	15
Slovenia	7
Slovakia	9
Finland	9
Sweden	12
United Kingdom	24'

2. The number of members of the Economic and Social Committee shall be temporarily increased to 353 to take account of the accession of Croatia for the period running from the date of accession until the end of the term of office during which Croatia accedes to the Union or until the entry into force of the decision referred to in Article 301, second paragraph, of the TFEU, whichever comes first.

3. If the decision referred to in Article 301, second paragraph, of the TFEU has already been adopted by the date of accession, by way of derogation from Article 301, first paragraph, of the TFEU establishing the maximum number of members of the Economic and Social Committee, Croatia shall be temporarily allocated an appropriate number of members until the end of the term of office during which it accedes to the Union.

Article 24

1. By way of derogation from Article 305, first paragraph, of the TFEU establishing the maximum number of members of the Committee of the Regions, Article 8 of the Protocol on transitional provisions, annexed to the TEU, the TFEU and the EAEC Treaty, shall be replaced by the following:

'Article 8

Until the entry into force of the decision referred to in Article 305 of the Treaty on the Functioning of the European Union, the allocation of members of the Committee of the Regions shall be as follows:

Belgium	12
Bulgaria	12
Czech Republic	12
Denmark	9
Germany	24
Estonia	7
Ireland	9
Greece	12
Spain	21
France	24
Croatia	9
Italy	24
Cyprus	6
Latvia	7
Lithuania	9
Luxembourg	6
Hungary	12
Malta	5
Netherlands	12
Austria	12
Poland	21
Portugal	12
Romania	15

Slovenia	7
Slovakia	9
Finland	9
Sweden	12
United Kingdom	24'

2. The number of members of the Committee of the Regions shall be temporarily increased to 353 to take account of the accession of Croatia for the period running from the date of accession until the end of the term of office during which Croatia accedes to the Union or until the entry into force of the decision referred to in Article 305, second paragraph, of the TFEU, whichever comes first.

3. If the decision referred to in Article 305, second paragraph, of the TFEU has already been adopted by the date of accession, by way of derogation from Article 305, first paragraph, of the TFEU establishing the maximum number of members of the Committee of the Regions, Croatia shall be temporarily allocated an appropriate number of members until the end of the term of office during which it accedes to the Union.

Article 25

The term of office of the director of the Board of Directors of the European Investment Bank, nominated by Croatia and

appointed upon accession as provided for in the second subparagraph of Article 9(2) of the Protocol on the Statute of the European Investment Bank shall expire at the end of the annual meeting of the Board of Governors during which the annual report for the 2017 financial year is examined.

Article 26

1. New members of the committees, groups, agencies or other bodies created by the original Treaties or by an act of the institutions shall be appointed under the conditions and according to the procedures laid down for the appointment of members of those committees, groups, agencies or other bodies. The terms of office of the newly appointed members shall expire at the same time as those of the members in office at the time of accession.

2. The membership of the committees, groups, agencies or other bodies created by the original Treaties or by an act of the institutions with a number of members which is fixed, irrespective of the number of Member States, shall be completely renewed upon accession, unless the terms of office of the present members expire within 12 months from accession.

TITLE III

FINANCIAL PROVISIONS

Article 27

1. From the date of accession, Croatia shall pay the following amount corresponding to its share of the capital paid in for the subscribed capital as defined in Article 4 of the Statute of the European Investment Bank:

Croatia EUR 42 720 000

The contribution shall be paid in eight equal instalments falling due on 30 November 2013, 30 November 2014, 30 November 2015, 31 May 2016, 30 November 2016, 31 May 2017, 30 November 2017 and 31 May 2018.

2. Croatia shall contribute, in eight equal instalments falling due on the dates provided for in paragraph 1, to the reserves and provisions equivalent to reserves, as well as to the amount still to be appropriated to the reserves and provisions, comprising the balance of the profit and loss account, established at the end of the month preceding accession, as entered on the balance sheet of the European Investment Bank, in amounts corresponding to the following percentage of the reserves and provisions:

Croatia 0,368 %

3. The capital and payments provided for in paragraphs 1 and 2 shall be paid in by Croatia in cash in euro, save by way

of derogation decided unanimously by the Board of Governors of the European Investment Bank.

4. The figures for Croatia referred to in paragraph 1 as well as in Article 10, point 1, may be adapted by decision of the European Investment Bank governing bodies on the basis of the latest final data of GDP published by Eurostat before accession.

Article 28

1. Croatia shall pay the following amount to the Research Fund for Coal and Steel referred to in Decision 2002/234/ECSC of the Representatives of the Governments of the Member States, meeting within the Council, of 27 February 2002 on the financial consequences of the expiry of the ECSC Treaty and on the Research Fund for Coal and Steel⁽¹⁾:

(EUR, current prices)

Croatia 494 000.

2. The contribution to the Research Fund for Coal and Steel shall be made in four instalments starting in 2015 and paid as follows, in each case on the first working day of the first month of each year:

⁽¹⁾ OJ L 79, 22.3.2002, p. 42.

- 2015: 15 %,
- 2016: 20 %,
- 2017: 30 %,
- 2018: 35 %.

Article 29

1. Procurement, grant awards and payments for pre-accession financial assistance under the Transition Assistance and Institution Building Component and the Cross-Border Cooperation Component of the Instrument for Pre-Accession Assistance (IPA), established by Council Regulation (EC) No 1085/2006 of 17 July 2006 ⁽¹⁾, for funds committed before accession, with the exclusion of the Croatia-Hungary and Croatia-Slovenia cross-border programmes, and for assistance under the Transition Facility referred to in Article 30, shall be managed by Croatian implementing agencies as of the date of accession.

The *ex ante* control by the Commission over procurement and grant awards shall be waived by a Commission decision to that effect, after the Commission has satisfied itself of the effective functioning of the management and control system concerned in accordance with the criteria and conditions laid down in Article 56(2) of Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽²⁾ and in Article 18 of Commission Regulation (EC) No 718/2007 of 12 June 2007 implementing Council Regulation (EC) No 1085/2006 establishing an instrument for pre-accession assistance (IPA) ⁽³⁾.

If the Commission decision to waive *ex ante* control has not been adopted before the date of accession, any contracts signed between the date of accession and the date on which the Commission decision is adopted shall not be eligible under the pre-accession financial assistance and the Transition Facility referred to in the first subparagraph.

2. Budgetary commitments made before the date of accession under the pre-accession financial assistance and the Transition Facility referred to in paragraph 1, including the conclusion and registration of subsequent individual legal commitments and payments made after accession, shall continue to be governed by the rules applying to the pre-accession financial instruments and be charged to the corresponding budget chapters until closure of the programmes and projects concerned.

3. The provisions on the implementation of budgetary commitments of financing agreements concerning the pre-accession financial assistance referred to in paragraph 1, first subparagraph, and the IPA Rural Development Component, relating to financing decisions taken before accession, shall continue to be applicable after the date of accession. They

shall be governed by the rules applying to the pre-accession financial instruments. Notwithstanding this, public procurement procedures initiated after accession shall be carried out in accordance with the relevant Union directives.

4. Pre-accession funds to cover administrative expenditure, as referred to in Article 44, may be committed in the first two years after accession. For audit and evaluation costs, pre-accession funds may be committed up to five years after accession.

Article 30

1. For the first year after accession, the Union shall provide temporary financial assistance (hereinafter referred to as the 'Transition Facility') to Croatia to develop and strengthen its administrative and judicial capacity to implement and enforce Union law and to foster the exchange of best practice among peers. That assistance shall fund institution-building projects and limited small-scale investments ancillary thereto.

2. Assistance shall address the continued need for strengthening institutional capacity in certain areas through action which cannot be financed by the Structural Funds or by the Rural Development funds.

3. For twinning projects between public administrations for the purpose of institution building, the procedure for call for proposals through the network of contact points in the Member States shall continue to apply.

4. The commitment appropriations for the Transition Facility, at current prices, for Croatia shall be EUR 29 million in total in 2013 to address national and horizontal priorities.

5. Assistance under the Transition Facility shall be decided and implemented in accordance with Council Regulation (EC) No 1085/2006 or on the basis of other technical provisions necessary for the operation of the Transition Facility, to be adopted by the Commission.

6. Particular attention shall be paid to ensuring appropriate complementarity with the envisaged European Social Fund support for administrative reform and institutional capacity.

Article 31

1. A Schengen Facility (hereinafter referred to as 'the temporary Schengen Facility') is hereby created as a temporary instrument to help Croatia between the date of accession and the end of 2014 to finance actions at the new external borders of the Union for the implementation of the Schengen *acquis* and external border control.

2. For the period 1 July 2013 to 31 December 2014, the following amounts (current prices) shall be made available to Croatia in the form of lump-sum payments under the temporary Schengen Facility:

⁽¹⁾ OJ L 210, 31.7.2006, p. 82.

⁽²⁾ OJ L 248, 16.9.2002, p. 1.

⁽³⁾ OJ L 170, 29.6.2007, p. 1.

(million EUR, current prices)

	2013	2014
Croatia	40	80

3. The annual amount for 2013 shall be payable to Croatia on 1 July 2013 and the annual amount for 2014 shall be made available on the first working day after 1 January 2014.

4. The lump-sum payments shall be used within three years from the first payment. Croatia shall submit, no later than six months after expiry of this three-year period, a comprehensive report on the final execution of the payments under the temporary Schengen Facility with a statement justifying the expenditure. Any unused or unjustifiably spent funds shall be recovered by the Commission.

5. The Commission may adopt any technical provisions necessary for the operation of the temporary Schengen Facility.

Article 32

1. A Cash-flow Facility (hereinafter referred to as 'the temporary Cash-flow Facility') is hereby created as a temporary instrument to help Croatia between the date of accession and the end of 2014 to improve cash-flow in the national budget.

2. For the period 1 July 2013 to 31 December 2014, the following amounts (current prices) shall be made available to Croatia in the form of lump-sum payments under the temporary Cash-flow Facility:

(million EUR, current prices)

	2013	2014
Croatia	75	28,6

3. Each annual amount shall be divided into equal monthly instalments, payable on the first working day of each month.

Article 33

1. An amount of EUR 449,4 million (current prices) in commitment appropriations shall be reserved for Croatia under the Structural and Cohesion Funds in 2013.

2. One third of the amount referred to in paragraph 1 shall be reserved for the Cohesion Fund.

3. For the period covered by the next financial framework, the amounts to be made available to Croatia in commitment appropriations under Structural and Cohesion funding shall be calculated on the basis of the Union *acquis* applicable at that time. These amounts shall be adjusted in accordance with the following phasing-in schedule:

— 70 % in 2014,

— 90 % in 2015,

— 100 % as of 2016.

4. Insofar as the limits of the new Union *acquis* allow, an adjustment shall be made to ensure an increase of funds for Croatia in 2014 of 2,33 times the 2013 amount, and in 2015 of 3 times the 2013 amount.

Article 34

1. The total amount to be made available to Croatia under the European Fisheries Fund in 2013 shall be EUR 8,7 million (current prices) in commitment appropriations.

2. Pre-financing under the European Fisheries Fund shall be 25 % of the total amount referred to in paragraph 1 and shall be paid in one instalment.

3. For the period covered by the next financial framework, the amounts to be made available to Croatia in commitment appropriations shall be calculated on the basis of the Union *acquis* applicable at that time. These amounts shall be adjusted in accordance with the following phasing-in schedule:

— 70 % in 2014,

— 90 % in 2015,

— 100 % as of 2016.

4. Insofar as the limits of the new Union *acquis* allow, an adjustment shall be made to ensure an increase of funds for Croatia in 2014 of 2,33 times the 2013 amount, and in 2015 of 3 times the 2013 amount.

Article 35

1. Council Regulation (EC) No 1698/2005 of 20 September 2005 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) ⁽¹⁾ shall not apply to Croatia for the whole programming period 2007-2013.

In the year 2013, Croatia shall be allocated EUR 27,7 million (current prices) under the Rural Development Component referred to in Article 12 of Council Regulation (EC) No 1085/2006.

2. Temporary additional rural development measures for Croatia are laid out in Annex VI.

⁽¹⁾ OJ L 277, 21.10.2005, p. 1 and OJ L 286M, 4.11.2010, p. 26.

3. The Commission may, by means of implementing acts, adopt rules necessary for the application of Annex VI. Those implementing acts shall be adopted in accordance with the procedure laid down in Article 90(2) of Council Regulation (EC) No 1698/2005 in conjunction with Article 13(1)(b) of Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing

powers⁽²⁾ or the relevant procedure as determined in the applicable legislation.

4. The Council, acting on a proposal from the Commission, and after consulting the European Parliament, shall make any adaptations to Annex VI, where necessary, to ensure coherence with the regulations concerning rural development.

TITLE IV

OTHER PROVISIONS

Article 36

1. The Commission shall closely monitor all commitments undertaken by Croatia in the accession negotiations, including those which must be achieved before or by the date of accession. The Commission's monitoring shall consist of regularly updated monitoring tables, dialogue under the Stabilisation and Association Agreement between the European Communities and their Member States, of the one part, and the Republic of Croatia, of the other part⁽¹⁾ (hereinafter referred to as the 'SAA'), peer assessment missions, the pre-accession economic programme, fiscal notifications and, when necessary, early warning letters to the Croatian authorities. In the autumn of 2011, the Commission shall present a Progress Report to the European Parliament and the Council. In the autumn of 2012, it shall present a Comprehensive Monitoring Report to the European Parliament and the Council. Throughout the monitoring process, the Commission shall also draw on input from Member States and take into consideration input from international and civil society organisations as appropriate.

The Commission's monitoring shall focus in particular on commitments undertaken by Croatia in the area of the judiciary and fundamental rights (Annex VII), including the continued development of track records on judicial reform and efficiency, impartial handling of war crimes cases, and the fight against corruption.

In addition, the Commission's monitoring shall focus on the area of freedom, security and justice, including the implementation and enforcement of Union requirements with respect to external border management, police cooperation, the fight against organised crime, and judicial cooperation in civil and criminal matters, as well as on commitments in the area of competition policy, including the restructuring of the shipbuilding industry (Annex VIII) and of the steel sector (Annex IX).

As an integral part of its regular monitoring tables and reports, the Commission shall issue six-monthly assessments up to the accession of Croatia on the commitments undertaken by Croatia in these areas.

2. The Council, acting by qualified majority on a proposal from the Commission, may take all appropriate measures if issues of concern are identified during the monitoring process. The measures shall be maintained no longer than strictly necessary and, in any case, shall be lifted by the Council, acting in accordance with the same procedure, when the relevant issues of concern have been effectively addressed.

Article 37

1. If, until the end of a period of up to three years after accession, difficulties arise which are serious and liable to persist in any sector of the economy or which could bring about serious deterioration in the economic situation of a given area, Croatia may apply for authorisation to take protective measures in order to rectify the situation and adjust the sector concerned to the economy of the internal market.

In the same circumstances, any present Member State may apply for authorisation to take protective measures with regard to Croatia.

2. Upon request by the State concerned, the Commission shall, by emergency procedure, determine the protective measures which it considers necessary, specifying the conditions and arrangements applicable thereto.

In the event of serious economic difficulties and at the express request of the Member State concerned, the Commission shall act within five working days of the receipt of the request accompanied by the relevant background information. The measures thus decided on shall be applicable forthwith, shall take into account the interest of all parties concerned and shall not entail border controls.

3. The measures authorised under this Article may involve derogations from the rules of the TEU, the TFEU and this Act to such an extent and for such periods as are strictly necessary in order to attain the objectives of this safeguard. Priority shall be given to measures which least disturb the functioning of the internal market.

⁽¹⁾ OJ L 26, 28.1.2005, p. 3.

⁽²⁾ OJ L 55, 28.2.2011, p. 13.

Article 38

If Croatia fails to fulfil commitments undertaken in the context of the accession negotiations, including commitments in any sectoral policy which concerns economic activities with a cross-border effect, thereby causing a serious breach of the functioning of the internal market or a threat to the Union's financial interests or an imminent risk of such a breach or threat, the Commission may, until the end of a period of up to three years after accession, upon reasoned request of a Member State or on its own initiative, take appropriate measures.

These measures shall be proportionate and priority shall be given to measures which least disturb the functioning of the internal market and, where appropriate, to the application of the existing sectoral safeguard mechanisms. The safeguard measures under this Article shall not be invoked as a means of arbitrary discrimination or a disguised restriction on trade between Member States. The safeguard clause may be invoked even before accession on the basis of the monitoring findings and the measures adopted shall enter into force on the date of accession unless they provide for a later date. The measures shall be maintained no longer than strictly necessary and, in any case, shall be lifted when the relevant commitment has been fulfilled. They may, however, be applied beyond the period referred to in the first paragraph as long as the relevant commitments have not been fulfilled. In response to progress made by Croatia in fulfilling its commitments, the Commission may adapt the measures as appropriate. The Commission shall inform the Council in good time before revoking the safeguard measures, and it shall take duly into account any observations of the Council in this respect.

Article 39

If there are serious shortcomings or any imminent risk of such shortcomings in Croatia in the transposition or state of implementation of acts adopted by the institutions pursuant to Part Three, Title V of the TFEU as well as of acts adopted by the institutions before the entry into force of the Treaty of Lisbon pursuant to Title VI of the TEU or pursuant to Part Three, Title IV of the Treaty establishing the European Community, the Commission may, until the end of a period of up to three years after accession, upon the reasoned request of a Member State or on its own initiative and after consulting the Member States, adopt appropriate measures and specify the conditions and arrangements applicable thereto.

These measures may take the form of a temporary suspension of the application of relevant provisions and decisions in the relations between Croatia and any other Member State or Member States, without prejudice to the continuation of close judicial cooperation. The safeguard clause may be invoked even before accession on the basis of the monitoring findings and the measures adopted shall enter into force on the date of accession unless they provide for a later date. The measures shall be maintained no longer than strictly necessary and, in any case, shall be lifted when the shortcomings are remedied. They may, however, be applied beyond the period referred to in the first paragraph as long as these shortcomings persist. In response to

progress made by Croatia in rectifying the identified shortcomings, the Commission may adapt the measures as appropriate after consulting the Member States. The Commission shall inform the Council in good time before revoking the safeguard measures, and it shall take duly into account any observations of the Council in this respect.

Article 40

In order not to hamper the proper functioning of the internal market, the enforcement of Croatia's national rules during the transitional periods referred to in Annex V shall not lead to border controls between Member States.

Article 41

If transitional measures are necessary to facilitate the transition from the existing regime in Croatia to that resulting from the application of the common agricultural policy under the conditions set out in this Act, they shall be adopted by the Commission in accordance with the procedure referred to in Article 195(2) of Council Regulation (EC) No 1234/2007 of 22 October 2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation) ⁽¹⁾ in conjunction with Article 13(1)(b) of European Parliament and Council Regulation (EU) No 182/2011 ⁽²⁾ or the relevant procedure as determined in the applicable legislation. They may be adopted within a period of three years from the date of accession and their application shall be limited to that period. The Council, acting unanimously on a proposal from the Commission and after consulting the European Parliament, may extend this period.

Transitional measures referred to in the first paragraph may also be adopted prior to the date of accession, if necessary. Such measures shall be adopted by the Council acting by qualified majority on a proposal from the Commission or, where they affect instruments initially adopted by the Commission, they shall be adopted by the Commission in accordance with the procedures required for adopting the instruments in question.

Article 42

If transitional measures are necessary to facilitate the transition from the existing regime in Croatia to that resulting from the application of the Union veterinary, phytosanitary and food safety rules, such measures shall be adopted by the Commission in accordance with the relevant procedure as determined in the applicable legislation. These measures shall be adopted within a period of three years from the date of accession and their application shall be limited to that period.

⁽¹⁾ OJ L 299, 16.11.2007, p. 1.

⁽²⁾ OJ L 55, 28.2.2011, p. 13.

Article 43

The Council, acting by qualified majority on a proposal from the Commission, shall define the terms under which:

- (a) the requirement for an exit summary declaration may be waived for the products referred to in Article 28(2) of the TFEU leaving the territory of Croatia to cross the territory of Bosnia and Herzegovina at Neum ('Neum corridor');
- (b) the requirement for an entry summary declaration may be waived for the products falling within the scope of point (a) when they re-enter the territory of Croatia after having crossed the territory of Bosnia and Herzegovina at Neum.

Article 44

The Commission may take all appropriate measures to ensure that the necessary statutory staff is maintained in Croatia for a maximum of 18 months following accession. During this period, officials, temporary staff and contract staff assigned to posts in Croatia before accession and who are required to remain in service in Croatia after the date of accession shall benefit from the same financial and material conditions as were applied before accession in accordance with the Staff Regulations of officials of the European Communities and the Conditions of Employment of other servants of the European Communities laid down in Council Regulation (EEC, Euratom, ECSC) No 259/68 ⁽¹⁾. The administrative expenditure, including salaries for other necessary staff, shall be covered by the general budget of the European Union.

PART FIVE

PROVISIONS RELATING TO THE IMPLEMENTATION OF THIS ACT

TITLE I

ADAPTATIONS TO THE RULES OF PROCEDURE OF THE INSTITUTIONS AND TO THE RULES AND RULES OF PROCEDURE OF THE COMMITTEES

Article 45

The institutions shall, in accordance with the respective procedures provided for in the original Treaties, make such adaptations to their Rules of Procedure as are rendered necessary by accession.

Adaptations to the rules of the Committees established by the original Treaties and to their Rules of Procedure which are rendered necessary by accession shall be made as soon as possible after accession.

TITLE II

APPLICABILITY OF THE ACTS OF THE INSTITUTIONS

Article 46

Upon accession, Croatia shall be considered as being an addressee, in accordance with the original Treaties, of directives and decisions within the meaning of Article 288 of the TFEU. Except with regard to directives and decisions which have entered into force pursuant to the third subparagraph of Article 297(1) and the second subparagraph of Article 297(2) of the TFEU, Croatia shall be considered as having received notification of such directives and decisions upon accession.

Article 47

1. Croatia shall put into effect the measures necessary for it to comply, from the date of accession, with the provisions of directives and decisions within the meaning of Article 288 of the TFEU, unless another time limit is provided for in this Act. Croatia shall communicate those measures to the Commission by the date of accession or, where later, by the time limit provided for in this Act.

⁽¹⁾ OJ L 56, 4.3.1968, p. 1.

2. To the extent that amendments to directives within the meaning of Article 288 of the TFEU introduced by this Act require modification of the laws, regulations or administrative provisions of the present Member States, the present Member States shall put into effect the measures necessary to comply, from the date of accession of Croatia, with the amended directives, unless another time limit is provided for in this Act. They shall communicate those measures to the Commission by the date of accession or, where later, by the time limit provided for in this Act.

Article 48

Provisions laid down by legislation, regulation or administrative action designed to ensure the protection of the health of workers and the general public in the territory of Croatia against the dangers arising from ionising radiations shall, in accordance with Article 33 of the EAEC Treaty, be communicated by Croatia to the Commission within three months from accession.

Article 49

At the duly substantiated request of Croatia, submitted to the Commission no later than the date of accession, the Council, acting on a proposal from the Commission, or the Commission, if the original act was adopted by the Commission, may take measures consisting of temporary derogations from acts adopted by the institutions between 1 July 2011 and the date of accession. The measures shall be adopted according to the voting rules governing the adoption of the act from which a

temporary derogation is sought. Where those derogations are adopted after accession, they may be applied as of the date of accession.

Article 50

Where acts of the institutions adopted prior to accession require adaptation by reason of accession, and the necessary adaptations have not been provided for in this Act or its Annexes, the Council, acting by qualified majority on a proposal from the Commission, or the Commission, if the original act was adopted by the Commission, shall, to this end, adopt the necessary acts. Where those acts are adopted after accession, they may be applied as of the date of accession.

Article 51

Unless otherwise stipulated in this Act, the Council, acting by qualified majority on a proposal from the Commission, shall adopt the necessary measures to implement the provisions of this Act.

Article 52

The texts of the acts of the institutions adopted before accession and drawn up by these institutions in the Croatian language shall, from the date of accession, be authentic under the same conditions as the texts drawn up in the present official languages. They shall be published in the *Official Journal of the European Union* if the texts in the present official languages were so published.

TITLE III

FINAL PROVISIONS

Article 53

Annexes I to IX, the Appendices thereto and the Protocol are an integral part of this Act.

Article 54

The Government of the Italian Republic shall transmit to the Government of the Republic of Croatia a certified copy of the Treaty on European Union, the Treaty on the Functioning of the European Union and the Treaty establishing the European Atomic Energy Community, and the Treaties amending or supplementing them, including the Treaty concerning the accession of the Kingdom of Denmark, Ireland and the United Kingdom of Great Britain and Northern Ireland, the Treaty concerning the accession of the Hellenic Republic, the Treaty concerning the accession of the Kingdom of Spain and the Portuguese Republic, the Treaty concerning the accession of the Republic of Austria, the Republic of Finland and the Kingdom of Sweden, the Treaty concerning the accession of the Czech Republic, the Republic of Estonia, the Republic of Cyprus, the Republic of Latvia, the Republic of Lithuania, the

Republic of Hungary, the Republic of Malta, the Republic of Poland, the Republic of Slovenia and the Slovak Republic and the Treaty concerning the accession of the Republic of Bulgaria and Romania, in the Bulgarian, Czech, Danish, Dutch, English, Estonian, Finnish, French, German, Greek, Hungarian, Irish, Italian, Latvian, Lithuanian, Maltese, Polish, Portuguese, Romanian, Slovak, Slovenian, Spanish and Swedish languages.

The texts of the Treaties referred to in the first paragraph, drawn up in the Croatian language, shall be annexed to this Act. Those texts shall be authentic under the same conditions as the texts of those Treaties, drawn up in the present official languages.

Article 55

A certified copy of the international agreements deposited in the archives of the General Secretariat of the Council shall be transmitted to the Government of the Republic of Croatia by the Secretary-General.

ANNEX I

List of conventions and protocols to which the Republic of Croatia accedes upon accession (referred to in Article 3(4) of the Act of Accession)

1. Convention of 23 July 1990 on the elimination of double taxation in connection with the adjustment of profits of associated enterprises (OJ L 225, 20.8.1990, p. 10)
 - Convention of 21 December 1995 on the accession of the Republic of Austria, the Republic of Finland and the Kingdom of Sweden to the Convention on the elimination of double taxation in connection with the adjustment of profits of associated enterprises (OJ C 26, 31.1.1996, p. 1)
 - Protocol of 25 May 1999 amending the Convention of 23 July 1990 on the elimination of double taxation in connection with the adjustment of profits of associated enterprises (OJ C 202, 16.7.1999, p. 1)
 - Convention of 8 December 2004 on the accession of the Czech Republic, the Republic of Estonia, the Republic of Cyprus, the Republic of Latvia, the Republic of Lithuania, the Republic of Hungary, the Republic of Malta, the Republic of Poland, the Republic of Slovenia and the Slovak Republic to the Convention on the elimination of double taxation in connection with the adjustment of profits of associated enterprises (OJ C 160, 30.6.2005, p. 1)
 2. Convention of 26 July 1995, drawn up on the basis of Article K.3 of the Treaty on European Union, on the protection of the European Communities' financial interests (OJ C 316, 27.11.1995, p. 49)
 - Protocol of 27 September 1996, drawn up on the basis of Article K.3 of the Treaty on European Union, to the Convention on the protection of the European Communities' financial interests (OJ C 313, 23.10.1996, p. 2)
 - Protocol of 29 November 1996, drawn up on the basis of Article K.3 of the Treaty on European Union, on the interpretation, by way of preliminary rulings, by the Court of Justice of the European Communities of the Convention on the protection of the European Communities' financial interests (OJ C 151, 20.5.1997, p. 2)
 - Second Protocol of 19 June 1997, drawn up on the basis of Article K.3 of the Treaty on European Union, to the Convention on the protection of the European Communities' financial interests (OJ C 221, 19.7.1997, p. 12)
 3. Convention of 26 May 1997, drawn up on the basis of Article K.3(2)(c) of the Treaty on European Union, on the fight against corruption involving officials of the European Communities or officials of Member States of the European Union (OJ C 195, 25.6.1997, p. 2)
 4. Convention of 18 December 1997, drawn up on the basis of Article K.3 of the Treaty on European Union, on mutual assistance and cooperation between customs administrations (OJ C 24, 23.1.1998, p. 2)
 5. Convention of 17 June 1998, drawn up on the basis of Article K.3 of the Treaty on European Union, on driving disqualifications (OJ C 216, 10.7.1998, p. 2)
 6. Convention of 29 May 2000, established by the Council in accordance with Article 34 of the Treaty on European Union, on Mutual Assistance in Criminal Matters between the Member States of the European Union (OJ C 197, 12.7.2000, p. 3)
 - Protocol of 16 October 2001, established by the Council in accordance with Article 34 of the Treaty on European Union, to the Convention on Mutual Assistance in Criminal Matters between the Member States of the European Union (OJ C 326, 21.11.2001, p. 2)
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ANNEX II

List of provisions of the Schengen *acquis* as integrated into the framework of the European Union and the acts building upon it or otherwise related to it, to be binding on, and applicable in, the Republic of Croatia as of accession (referred to in Article 4(1) of the Act of Accession)

1. The Agreement between the Governments of the States of the Benelux Economic Union, the Federal Republic of Germany and the French Republic on the gradual abolition of checks at their common borders dated 14 June 1985 ⁽¹⁾.
2. The following provisions of the Convention signed in Schengen on 19 June 1990 implementing the Schengen Agreement of 14 June 1985 on the gradual abolition of checks at their common borders, its related Final Act and Joint Declarations ⁽²⁾, as amended by certain of the acts listed in paragraph 8 of this Annex:

Article 1 to the extent that it relates to the provisions of this paragraph; Article 26; Article 39; Articles 44 to 49 (with the exception of Article 47(4) and Article 49(a)), Article 51, Articles 54 to 58; Article 62(3); Articles 67 to 69; Articles 71 and 72; Articles 75 and 76; Article 82; Article 91; Articles 126 to 130 to the extent that they relate to the provisions of this paragraph; and Article 136; Joint Declarations 1 and 3 of the Final Act.

3. The following provisions of the Agreements on Accession to the Convention signed in Schengen on 19 June 1990 implementing the Schengen Agreement of 14 June 1985 on the gradual abolition of checks at their common borders, their Final Acts and the related Declarations, as amended by certain of the acts listed in paragraph 8 of this Annex:

(a) the Agreement signed on 19 December 1996 on the Accession of the Kingdom of Denmark:

— Article 5(2) and Article 6;

(b) the Agreement signed on 19 December 1996 on the Accession of the Republic of Finland:

— Article 5,

— Declaration by the Government of the Republic of Finland on the Åland islands in Part III of the Final Act;

(c) the Agreement signed on 19 December 1996 on the Accession of the Kingdom of Sweden:

— Article 5.

4. The following agreements and arrangements which build upon the Schengen *acquis* or otherwise relate to it:

— the Agreement of 18 May 1999 concluded by the Council of the European Union and the Republic of Iceland and the Kingdom of Norway concerning the latter's association with the implementation, application and development of the Schengen *acquis*, including the Annexes, its Final Act, Declarations and the Exchanges of Letters annexed thereto, approved by Council Decision 1999/439/EC (OJ L 176, 10.7.1999, p. 35)

— the Agreement of 30 June 1999 concluded by the Council of the European Union and the Republic of Iceland and the Kingdom of Norway on the establishment of rights and obligations between Ireland and the United Kingdom of Great Britain and Northern Ireland, on the one hand, and the Republic of Iceland and the Kingdom of Norway, on the other, in areas of the Schengen *acquis* which apply to these States, approved by Council Decision 2000/29/EC (OJ L 15, 20.1.2000, p. 1)

— the Agreement between the European Union, the European Community and the Swiss Confederation on the Swiss Confederation's association with the implementation, application and development of the Schengen *acquis*, signed on 26 October 2004 and approved by Council Decision 2008/146/EC and Council Decision 2008/149/JHA (OJ L 53, 27.2.2008, p. 1 and p. 50)

— the Protocol between the European Union, the European Community, the Swiss Confederation and the Principality of Liechtenstein on the accession of the Principality of Liechtenstein to the Agreement between the European Union, the European Community and the Swiss Confederation on the Swiss Confederation's association with the implementation, application and development of the Schengen *acquis*, signed on 28 February 2008 and approved by Council Decision 2011/349/EU and Council Decision 2011/350/EU (OJ L 160, 18.6.2011, p. 1 and p. 19)

⁽¹⁾ OJ L 239, 22.9.2000, p. 13.

⁽²⁾ OJ L 239, 22.9.2000, p. 19.

- the Arrangement between the European Community and the Republic of Iceland and the Kingdom of Norway on the modalities of the participation by those States in the European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union, including the Joint Declaration annexed thereto, signed on 1 February 2007 and approved by Council Decision 2007/511/EC (OJ L 188, 20.7.2007, p. 15)
 - the Arrangement between the European Community, of the one part, and the Swiss Confederation and the Principality of Liechtenstein, of the other part, on the modalities of the participation by those States in the European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union, including the Annex and Joint Declarations annexed thereto, signed on 30 September 2009 and approved by Council Decision 2010/490/EU (OJ L 243, 16.9.2010, p. 2)
 - the Agreement between the European Community and the Republic of Iceland, the Kingdom of Norway, the Swiss Confederation and the Principality of Liechtenstein on supplementary rules in relation to the External Borders Fund for the period 2007 to 2013, including the Declarations annexed thereto, signed on 19 March 2010 and approved by Council Decision 2011/305/EU (OJ L 137, 25.5.2011, p. 1) ⁽¹⁾.
5. The provisions of the following Decisions (see OJ L 239, 22.9.2000, p. 1) of the Executive Committee established by the Convention signed in Schengen on 19 June 1990 implementing the Schengen Agreement of 14 June 1985 on the gradual abolition of checks at their common borders, as amended by certain of the acts listed in paragraph 8 of this Annex:
- SCH/Com-ex (93) 10 Decision of the Executive Committee of 14 December 1993 concerning the declarations by the Ministers and State Secretaries
 - SCH/Com-ex (93) 14 Decision of the Executive Committee of 14 December 1993 on improving practical judicial cooperation for combating drug trafficking
 - SCH/Com-ex (94) 16 rev Decision of the Executive Committee of 21 November 1994 on the acquisition of common entry and exit stamps
 - SCH/Com-ex (94) 28 rev Decision of the Executive Committee of 22 December 1994 on the certificate provided for in Article 75 to carry narcotic drugs and psychotropic substances
 - SCH/Com-ex (94) 29 rev 2 Decision of the Executive Committee of 22 December 1994 on bringing into force the Convention implementing the Schengen Agreement of 19 June 1990
 - SCH/Com-ex (95) 21 Decision of the Executive Committee of 20 December 1995 on the swift exchange between the Schengen States of statistical and specific data on possible malfunctions at the external borders
 - SCH/Com-ex (98) 1 rev 2 Decision of the Executive Committee of 21 April 1998 on the activities of the Task Force, insofar as it relates to the provisions in paragraph 2 of this Annex
 - SCH/Com-ex (98) 26 def Decision of the Executive Committee of 16 September 1998 setting up a Standing Committee on the evaluation and implementation of Schengen
 - SCH/Com-ex (98) 37 def 2 Decision of the Executive Committee of 27 October 1998 on the adoption of measures to fight illegal immigration, insofar as it relates to the provisions in paragraph 2 of this Annex
 - SCH/Com-ex (98) 52 Decision of the Executive Committee of 16 December 1998 on the Handbook on cross-border police-cooperation, insofar as it relates to the provisions in paragraph 2 of this Annex
 - SCH/Com-ex (98) 59 rev Decision of the Executive Committee of 16 December 1998 on coordinated deployment of document advisers
 - SCH/Com-ex (99) 1 rev 2 Decision of the Executive Committee of 28 April 1999 on the drugs situation
 - SCH/Com-ex (99) 6 Decision of the Executive Committee of 28 April 1999 on the Schengen *acquis* relating to telecommunications
 - SCH/Com-ex (99) 7 rev 2 Decision of the Executive Committee of 28 April 1999 on liaison officers

⁽¹⁾ As long as that Agreement is not yet concluded, only insofar as it applies provisionally.

- SCH/Com-ex (99) 8 rev 2 Decision of the Executive Committee of 28 April 1999 on general principles governing the payment of informers
 - SCH/Com-ex (99) 10 Decision of the Executive Committee of 28 April 1999 on the illegal trade in firearms.
6. The following Declarations (see OJ L 239, 22.9.2000, p. 1) of the Executive Committee established by the Convention signed in Schengen on 19 June 1990 implementing the Schengen Agreement of 14 June 1985 on the gradual abolition of checks at their common borders, to the extent that they relate to the provisions in paragraph 2 of this Annex:
- SCH/Com-ex (96) decl 6 rev 2 Declaration of the Executive Committee of 26 June 1996 on extradition
 - SCH/Com-ex (97) decl 13 rev 2 Declaration of the Executive Committee of 9 February 1998 on the abduction of minors.
7. The following Decisions (see OJ L 239, 22.9.2000, p. 1) of the Central Group established by the Convention signed in Schengen on 19 June 1990 implementing the Schengen Agreement of 14 June 1985 on the gradual abolition of checks at their common borders, to the extent that they relate to the provisions in paragraph 2 of this Annex:
- SCH/C (98) 117 Decision of the Central Group of 27 October 1998 on the adoption of measures to fight illegal immigration
 - SCH/C (99) 25 Decision of the Central Group of 22 March 1999 on general principles governing the payment of informers.
8. The following acts which build upon the Schengen *acquis* or otherwise relate to it:
- Council Regulation (EC) No 1683/95 of 29 May 1995 laying down a uniform format for visas (OJ L 164, 14.7.1995, p. 1)
 - Council Decision 1999/307/EC of 1 May 1999 laying down the detailed arrangements for the integration of the Schengen Secretariat into the General Secretariat of the Council (OJ L 119, 7.5.1999, p. 49)
 - Council Decision 1999/435/EC of 20 May 1999 concerning the definition of the Schengen *acquis* for the purpose of determining, in conformity with the relevant provisions of the Treaty establishing the European Community and the Treaty on European Union, the legal basis for each of the provisions or decisions which constitute the *acquis* (OJ L 176, 10.7.1999, p. 1)
 - Council Decision 1999/436/EC of 20 May 1999 determining, in conformity with the relevant provisions of the Treaty establishing the European Community and the Treaty on European Union, the legal basis for each of the provisions or decisions which constitute the Schengen *acquis* (OJ L 176, 10.7.1999, p. 17)
 - Council Decision 1999/437/EC of 17 May 1999 on certain arrangements for the application of the Agreement concluded by the Council of the European Union and the Republic of Iceland and the Kingdom of Norway concerning the association of those two states with the implementation, application and development of the Schengen *acquis* (OJ L 176, 10.7.1999, p. 31)
 - Council Decision 1999/848/EC of 13 December 1999 on the full application of the Schengen *acquis* in Greece (OJ L 327, 21.12.1999, p. 58)
 - Council Decision 2000/365/EC of 29 May 2000 concerning the request of the United Kingdom of Great Britain and Northern Ireland to take part in some of the provisions of the Schengen *acquis* (OJ L 131, 1.6.2000, p. 43)
 - Council Decision 2000/586/JHA of 28 September 2000 establishing a procedure for amending Articles 40(4) and (5), 41(7) and 65(2) of the Convention implementing the Schengen Agreement of 14 June 1985 on the gradual abolition of checks at common borders (OJ L 248, 3.10.2000, p. 1)
 - Council Decision 2000/777/EC of 1 December 2000 on the application of the Schengen *acquis* in Denmark, Finland and Sweden, and in Iceland and Norway (OJ L 309, 9.12.2000, p. 24)
 - Council Regulation (EC) No 539/2001 of 15 March 2001 listing the third countries whose nationals must be in possession of visas when crossing the external borders and those whose nationals are exempt from that requirement (OJ L 81, 21.3.2001, p. 1)

- Council Directive 2001/51/EC of 28 June 2001 supplementing the provisions of Article 26 of the Convention implementing the Schengen Agreement of 14 June 1985 (OJ L 187, 10.7.2001, p. 45)
- Council Regulation (EC) No 333/2002 of 18 February 2002 on a uniform format for forms for affixing the visa issued by Member States to persons holding travel documents not recognised by the Member State drawing up the form (OJ L 53, 23.2.2002, p. 4)
- Council Decision 2002/192/EC of 28 February 2002 concerning Ireland's request to take part in some of the provisions of the Schengen *acquis* (OJ L 64, 7.3.2002, p. 20)
- Council Regulation (EC) No 1030/2002 of 13 June 2002 laying down a uniform format for residence permits for third-country nationals (OJ L 157, 15.6.2002, p. 1)
- Council Framework Decision 2002/946/JHA of 28 November 2002 on the strengthening of the penal framework to prevent the facilitation of unauthorised entry, transit and residence (OJ L 328, 5.12.2002, p. 1)
- Council Directive 2002/90/EC of 28 November 2002 defining the facilitation of unauthorised entry, transit and residence (OJ L 328, 5.12.2002, p. 17)
- Council Decision 2003/170/JHA of 27 February 2003 on the common use of liaison officers posted abroad by the law enforcement agencies of the Member States (OJ L 67, 12.3.2003, p. 27)
- Council Decision 2003/725/JHA of 2 October 2003 amending the provisions of Article 40(1) and (7) of the Convention implementing the Schengen Agreement of 14 June 1985 on the gradual abolition of checks at common borders (OJ L 260, 11.10.2003, p. 37)
- Council Directive 2003/110/EC of 25 November 2003 on assistance in cases of transit for the purposes of removal by air (OJ L 321, 6.12.2003, p. 26)
- Council Regulation (EC) No 377/2004 of 19 February 2004 on the creation of an immigration liaison officers network (OJ L 64, 2.3.2004, p. 1)
- Council Directive 2004/82/EC of 29 April 2004 on the obligation of carriers to communicate passenger data (OJ L 261, 6.8.2004, p. 24)
- Council Decision 2004/573/EC of 29 April 2004 on the organisation of joint flights for removals from the territory of two or more Member States, of third-country nationals who are subjects of individual removal orders (OJ L 261, 6.8.2004, p. 28)
- Council Decision 2004/512/EC of 8 June 2004 establishing the Visa Information System (VIS) (OJ L 213, 15.6.2004, p. 5 and OJ L 142M, 30.5.2006, p. 60)
- Council Regulation (EC) No 2007/2004 of 26 October 2004 establishing a European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union (OJ L 349, 25.11.2004, p. 1 and OJ L 153M, 7.6.2006, p. 136)
- Council Regulation (EC) No 2252/2004 of 13 December 2004 on standards for security features and biometrics in passports and travel documents issued by Member States (OJ L 385, 29.12.2004, p. 1 and OJ L 153M, 7.6.2006, p. 375)
- Council Decision 2004/926/EC of 22 December 2004 on the putting into effect of parts of the Schengen *acquis* by the United Kingdom of Great Britain and Northern Ireland (OJ L 395, 31.12.2004, p. 70)
- Council Decision 2005/267/EC of 16 March 2005 establishing a secure web-based Information and Coordination Network for Member States' Migration Management Services (OJ L 83, 1.4.2005, p. 48 and OJ L 159M, 13.6.2006, p. 288)

- Regulation (EC) No 562/2006 of the European Parliament and of the Council of 15 March 2006 establishing a Community Code on the rules governing the movement of persons across borders (Schengen Borders Code) (OJ L 105, 13.4.2006, p. 1), except the first sentence of Article 1, Article 5(4)(a), Title III and the provisions of Title II and the annexes thereto referring to the Schengen Information System (SIS)
- Council Framework Decision 2006/960/JHA of 18 December 2006 on simplifying the exchange of information and intelligence between law enforcement authorities of the Member States of the European Union (OJ L 386, 29.12.2006, p. 89)
- Regulation (EC) No 1931/2006 of the European Parliament and of the Council of 20 December 2006 laying down rules on local border traffic at the external land borders of the Member States and amending the provisions of the Schengen Convention (OJ L 405, 30.12.2006, p. 1), except Articles 4(b) and 9(c)
- Council Decision 2007/471/EC of 12 June 2007 on the application of the provisions of the Schengen *acquis* relating to the Schengen Information System in the Czech Republic, the Republic of Estonia, the Republic of Latvia, the Republic of Lithuania, the Republic of Hungary, the Republic of Malta, the Republic of Poland, the Republic of Slovenia and the Slovak Republic (OJ L 179, 7.7.2007, p. 46)
- Regulation (EC) No 863/2007 of the European Parliament and of the Council of 11 July 2007 establishing a mechanism for the creation of Rapid Border Intervention Teams and amending Council Regulation (EC) No 2007/2004 as regards that mechanism and regulating the tasks and powers of guest officers (OJ L 199, 31.7.2007, p. 30), except the provisions of Article 6(8) and (9) to the extent that they refer to access being given to the Schengen Information System
- Council Decision 2007/801/EC of 6 December 2007 on the full application of the provisions of the Schengen *acquis* in the Czech Republic, the Republic of Estonia, the Republic of Latvia, the Republic of Lithuania, the Republic of Hungary, the Republic of Malta, the Republic of Poland, the Republic of Slovenia and the Slovak Republic (OJ L 323, 8.12.2007, p. 34)
- Council Decision 2008/421/EC of 5 June 2008 on the application of the provisions of the Schengen *acquis* relating to the Schengen Information System in the Swiss Confederation (OJ L 149, 7.6.2008, p. 74)
- Article 6 of Council Decision 2008/633/JHA of 23 June 2008 concerning access for consultation of the Visa Information System (VIS) by designated authorities of Member States and by Europol for the purposes of the prevention, detection and investigation of terrorist offences and of other serious criminal offences (OJ L 218, 13.8.2008, p. 129)
- Council Decision 2008/903/EC of 27 November 2008 on the full application of the provisions of the Schengen *acquis* in the Swiss Confederation (OJ L 327, 5.12.2008, p. 15)
- Council Framework Decision 2008/977/JHA of 27 November 2008 on the protection of personal data processed in the framework of police and judicial cooperation in criminal matters (OJ L 350, 30.12.2008, p. 60)
- Directive 2008/115/EC of the European Parliament and of the Council of 16 December 2008 on common standards and procedures in Member States for returning illegally staying third-country nationals (OJ L 348, 24.12.2008, p. 98)
- Article 3 of Regulation (EC) No 810/2009 of the European Parliament and of the Council of 13 July 2009 establishing a Community Code on Visas (Visa Code) (OJ L 243, 15.9.2009, p. 1)
- Council Decision 2010/252/EU of 26 April 2010 supplementing the Schengen Borders Code as regards the surveillance of the sea external borders in the context of operational cooperation coordinated by the European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union (OJ L 111, 4.5.2010, p. 20)
- Council Decision 2010/365/EU of 29 June 2010 on the application of the provisions of the Schengen *acquis* relating to the Schengen Information System in the Republic of Bulgaria and Romania (OJ L 166, 1.7.2010, p. 17).

ANNEX III

List referred to in Article 15 of the Act of Accession: adaptations to acts adopted by the institutions**1. FREEDOM TO PROVIDE SERVICES**

32005 L 0036: Directive 2005/36/EC of the European Parliament and of the Council of 7 September 2005 on the recognition of professional qualifications (OJ L 255, 30.9.2005, p. 22).

(a) Article 23(5) is replaced by the following:

'5. Without prejudice to Article 43b, each Member State shall recognise evidence of formal qualifications as doctor giving access to the professional activities of doctor with basic training and specialised doctor, as nurse responsible for general care, as dental practitioner, as specialised dental practitioner, as veterinary surgeon, as midwife, as pharmacist and as architect held by nationals of the Member States and issued by the former Yugoslavia, or whose training commenced,

(a) for Slovenia, before 25 June 1991; and

(b) for Croatia, before 8 October 1991;

where the authorities of the aforementioned Member States attest that such evidence has the same legal validity within their territory as the evidence which they issue and, with respect to architects, as the evidence of formal qualifications specified for those Member States in Annex VI, point 6, as regards access to the professional activities of doctor with basic training, specialised doctor, nurse responsible for general care, dental practitioner, specialised dental practitioner, veterinary surgeon, midwife, pharmacist with respect to the activities referred to in Article 45(2), and architect with respect to the activities referred to in Article 48, and the pursuit of such activities.

Such an attestation must be accompanied by a certificate issued by those same authorities stating that such persons have effectively and lawfully been engaged in the activities in question within their territory for at least three consecutive years during the five years prior to the date of issue of the certificate.'

(b) The following Article is inserted:

'Article 43b

Acquired rights in midwifery shall not apply to the following qualifications which were obtained in Croatia before 1 July 2013: *viša medicinska sestra ginekološko-opstetričkog smjera* (High Gynaecology-Obstetrical Nurse), *medicinska sestra ginekološko-opstetričkog smjera* (Gynaecology-Obstetrical Nurse), *viša medicinska sestra primaljskog smjera* (High Nurse with Midwifery Degree), *medicinska sestra primaljskog smjera* (Nurse with Midwifery Degree), *ginekološko-opstetrička primalja* (Gynaecology-Obstetrical Midwife) and *primalja* (Midwife).'

2. INTELLECTUAL PROPERTY LAW**I. COMMUNITY TRADE MARK**

32009 R 0207: Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark (OJ L 78, 24.3.2009, p. 1).

Article 165(1) is replaced by the following:

'1. As of the date of accession of Bulgaria, the Czech Republic, Estonia, Croatia, Cyprus, Latvia, Lithuania, Hungary, Malta, Poland, Romania, Slovenia and Slovakia (hereinafter referred to as "new Member State(s)"), a Community trade mark registered or applied for pursuant to this Regulation before their respective date of accession shall be extended to the territory of those Member States in order to have equal effect throughout the Community.'

II. SUPPLEMENTARY PROTECTION CERTIFICATES

1. 31996 R 1610: Regulation (EC) No 1610/96 of the European Parliament and of the Council of 23 July 1996 concerning the creation of a supplementary protection certificate for plant protection products (OJ L 198, 8.8.1996, p. 30).

(a) The following point is added to Article 19a:

'(m) any plant protection product protected by a valid basic patent and for which the first authorisation to place it on the market as a plant protection product was obtained after 1 January 2003 may be granted a certificate in Croatia, provided that the application for a certificate is lodged within six months from the date of accession.'

(b) Article 20(2) is replaced by the following:

‘2. This Regulation shall apply to supplementary protection certificates granted in accordance with the national legislation of the Czech Republic, Estonia, Croatia, Cyprus, Latvia, Lithuania, Malta, Poland, Romania, Slovenia and Slovakia prior to their respective date of accession.’.

2. 32009 R 0469: Regulation (EC) No 469/2009 of the European Parliament and of the Council of 6 May 2009 concerning the supplementary protection certificate for medicinal products (OJ L 152, 16.6.2009, p. 1).

(a) The following point is added to Article 20:

‘(m) any medicinal product protected by a valid basic patent and for which the first authorisation to place it on the market as a medicinal product was obtained after 1 January 2003 may be granted a certificate in Croatia, provided that the application for a certificate is lodged within six months from the date of accession.’.

(b) Article 21(2) is replaced by the following:

‘2. This Regulation shall apply to supplementary protection certificates granted in accordance with the national legislation of the Czech Republic, Estonia, Croatia, Cyprus, Latvia, Lithuania, Malta, Poland, Romania, Slovenia and Slovakia prior to their respective date of accession.’.

III. COMMUNITY DESIGNS

32002 R 0006: Council Regulation (EC) No 6/2002 of 12 December 2001 on Community designs (OJ L 3, 5.1.2002, p. 1).

Article 110a(1) is replaced by the following:

‘1. As of the date of accession of Bulgaria, the Czech Republic, Estonia, Croatia, Cyprus, Latvia, Lithuania, Hungary, Malta, Poland, Romania, Slovenia and Slovakia (hereinafter referred to as “new Member State(s)”), a Community design protected or applied for pursuant to this Regulation before their respective date of accession shall be extended to the territory of those Member States in order to have equal effect throughout the Community.’.

3. FINANCIAL SERVICES

32006 L 0048: Directive 2006/48/EC of the European Parliament and of the Council of 14 June 2006 relating to the taking up and pursuit of the business of credit institutions (recast) (OJ L 177, 30.6.2006, p. 1).

In Article 2, the following is inserted after the entry for France:

‘— in Croatia, the “kreditne unije” and the “Hrvatska banka za obnovu i razvitak”.’.

4. AGRICULTURE

1. 31991 R 1601: Council Regulation (EEC) No 1601/91 of 10 June 1991 laying down general rules on the definition, description and presentation of aromatized wines, aromatized wine-based drinks and aromatized wine-product cocktails (OJ L 149, 14.6.1991, p. 1).

In Annex II, the following is inserted after the geographical designation ‘Nürnberger Glühwein’:

‘Samoborski bermet’

2. 32007 R 1234: Council Regulation (EC) No 1234/2007 of 22 October 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, p. 1).

(a) In Article 66, the following paragraph is inserted:

‘4a. For Croatia a special restructuring reserve shall be established as set out in point 2 of Annex IX. This reserve shall be released as of 1 April of the first quota year after accession to the extent that the on-farm consumption of milk and milk products in Croatia has decreased in the period 2008-2012.

The decision on releasing the reserve and of its distribution to the deliveries and direct sales quota shall be taken by the Commission in accordance with the procedure referred to in Article 195(2) on the basis of an assessment of a report to be submitted by Croatia by 31 December 2013. That report shall detail the results and trends of the actual restructuring process in Croatia’s dairy sector, and in particular the shift from production for on-farm consumption to production for the market.’.

(b) In Article 103k(1), the following subparagraph is added:

'This paragraph shall not apply to Croatia for the financial year 2013. Croatia shall submit to the Commission a draft five-year support programme for the 2014-2018 programme period.'

(c) In Annex III, Part II, point 13 is replaced by the following:

'13. "full-time refiner" means a production unit:

— of which the sole activity consists of refining imported raw cane sugar,

or

— which refined in the marketing year 2004/2005 a quantity of at least 15 000 tonnes of imported raw cane sugar. For the purpose of this indent, in the case of Croatia the marketing year shall be that of 2007/2008.'

(d) Annex VI is replaced by the following:

'ANNEX VI

NATIONAL AND REGIONAL QUOTAS

from the 2010/2011 marketing year onwards

<i>(in tonnes)</i>			
Member States or regions	Sugar	Isoglucose	Inulin syrup
Belgium	676 235,0	114 580,2	0
Bulgaria	0	89 198,0	
Czech Republic	372 459,3		
Denmark	372 383,0		
Germany	2 898 255,7	56 638,2	
Ireland	0		
Greece	158 702,0	0	
Spain	498 480,2	53 810,2	
France (metropolitan)	3 004 811,15		0
French overseas departments	432 220,05		
Croatia	192 877,0		
Italy	508 379,0	32 492,5	
Latvia	0		
Lithuania	90 252,0		
Hungary	105 420,0	220 265,8	
Netherlands	804 888,0	0	0
Austria	351 027,4		
Poland	1 405 608,1	42 861,4	

(in tonnes)

Member States or regions	Sugar	Isoglucose	Inulin syrup
Portugal (mainland)	0	12 500,0	
Autonomous Region of the Azores	9 953,0		
Romania	104 688,8	0	
Slovenia	0		
Slovakia	112 319,5	68 094,5	
Finland	80 999,0	0	
Sweden	293 186,0		
United Kingdom	1 056 474,0	0	
TOTAL	13 529 618,20	690 440,8	0'

(e) In Annex IX, point 1, the following is inserted after the entry for France:

'Member State	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Croatia						765 000	765 000'

(f) In Annex IX, point 2, the table is replaced by the following:

'Member State	Tonnes
Bulgaria	39 180
Croatia	15 000
Romania	188 400'

(g) In Annex X, the following is inserted after the entry for France:

'Croatia	40,70'
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(h) In Annex Xb, the following table is added:

(thousand EUR)

'Budget year	2013	2014	2015	2016	from 2017 onwards
HR	0	11 885	11 885	11 885	10 832'

(i) In paragraph 2 of the Appendix to Annex XIb, the following point is added:

'(h) in Croatia, the areas planted with vines in the following sub-regions: Moslavina, Prigorje-Bilogora, Plešivica, Pokuplje and Zagorje-Međimurje.'

(j) In paragraph 3 of the Appendix to Annex XIb, the following point is added:

'(h) in Croatia, areas planted with vines in the following sub-regions: Hrvatsko Podunavlje and Slavonija.'

(k) In paragraph 4 of the Appendix to Annex XIb, the following point is added:

'(g) in Croatia, areas planted with vines in the following sub-regions: Hrvatska Istra, Hrvatsko primorje, Dalmatinska zagora, Sjeverna Dalmacija and Srednja i Južna Dalmacija.'

3. 32008 R 0110: Regulation (EC) No 110/2008 of the European Parliament and of the Council of 15 January 2008 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, 13.2.2008, p. 16).

(a) In Article 20, the following paragraph is added:

'4. The deadline referred to in paragraph 1 for submission of technical files shall also apply to the geographical indications of Croatia listed in Annex III.'

(b) In Annex III, point 9, the following geographical indications are added:

	'Hrvatska loza	Croatia
	Hrvatska stara šljivovica	Croatia
	Slavonska šljivovica	Croatia'

(c) In Annex III, point 32, the following geographical indication is added:

	'Hrvatski pelinkovac	Croatia'
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(d) In Annex III, the following point is inserted:

'39. Maraschino/Marrasquino/ Maraskino	Zadarski maraschino	Croatia'
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(e) In Annex III, under product category 'Other spirit drinks', the following geographical indication is added:

	'Hrvatska travarica	Croatia'
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4. 32009 R 0073: Council Regulation (EC) No 73/2009 of 19 January 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, 31.1.2009, p. 16).

(a) Article 2(g) is replaced by the following:

'(g) "new Member States" means Bulgaria, the Czech Republic, Estonia, Croatia, Cyprus, Latvia, Lithuania, Hungary, Malta, Poland, Romania, Slovenia and Slovakia.'

(b) In Article 6(2), the first subparagraph is replaced by the following:

'2. The Member States other than the new Member States shall ensure that land which was under permanent pasture at the date provided for the area aid applications for 2003 is maintained under permanent pasture. The new Member States other than Bulgaria, Croatia and Romania shall ensure that land which was under permanent pasture on 1 May 2004 is maintained under permanent pasture. Bulgaria and Romania shall ensure that land which was under permanent pasture on 1 January 2007 is maintained under permanent pasture. Croatia shall ensure that land which was under permanent pasture on 1 July 2013 is maintained under permanent pasture.'

(c) Article 33(1)(b)(iv) is replaced by the following:

'(iv) pursuant to Article 47(2), Articles 57a and 59, the third subparagraph of Article 64(2), Article 65 and Article 68(4)(c).'

(d) In Article 51(1), the following subparagraph is added:

'Croatia may decide to make use of the options provided for in Article 52 and Article 53(1) of this Regulation. That decision shall be notified to the Commission by 15 July 2013.'

- (e) In Article 51(2), the following subparagraph is added:

'By way of derogation from the second subparagraph, in the case of Croatia, this ceiling is determined on the basis of the national ceilings set out in Articles 104(4) and 112(5) as regards respectively sheepmeat and goatmeat payments and beef and veal payments referred to in Articles 52 and 53, taking into account the schedule of introduction of direct payments laid down in Article 121.'

- (f) In Article 52, the following paragraph is inserted after the first paragraph:

'By way of derogation from the first paragraph, Croatia may retain up to 50 % of the amount resulting from the ceiling referred to in the third subparagraph of Article 51(2) of this Regulation in order to make, on a yearly basis, an additional payment to farmers.'

- (g) In Article 53(1), the following subparagraph is inserted after the first subparagraph:

'By way of derogation from the first subparagraph, Croatia may retain all or part of the amount resulting from the ceiling referred to in the third subparagraph of Article 51(2) of this Regulation in order to make, on a yearly basis, an additional payment to farmers.'

- (h) The title of Chapter 3 of Title III is replaced by the following:

'Implementation in the new Member States having applied the single area payment scheme and in Croatia'

- (i) The title of Article 55 is replaced by the following:

'Introduction of the single payment scheme in the Member States having applied the single area payment scheme and in Croatia'

- (j) In Article 55(1), the first subparagraph is replaced by the following:

'1. Save as otherwise provided for in this Chapter, this Title shall apply to the new Member States having applied the single area payment scheme provided for in Chapter 2 of Title V and to Croatia.'

- (k) In Article 57(1), the following sentence is added:

'For Croatia this reduction shall not be higher than 20 % of the annual ceiling as indicated in table 3 of Annex VIII.'

- (l) In Article 57(3), the following sentences are added:

'In Croatia, the use of the national reserve shall be subject to authorisation by the Commission by means of an implementing act without the assistance of the Committee referred to in Article 141. The Commission shall examine, in particular, the establishment of any national direct payment scheme applicable prior to the date of accession and the conditions under which it applied. The request to authorise the national reserve shall be sent by Croatia to the Commission by 15 July 2013.'

- (m) The following Article is inserted:

'Article 57a

Special national de-mining reserve in Croatia

1. Croatia shall create a special national de-mining reserve which shall be used for the purpose of allocating, during a period of ten years after accession and in accordance with objective criteria and in such a way as to ensure equal treatment between farmers and to avoid market and competition distortions, payment entitlements to farmers with de-mined land returning to use for agricultural activities.

2. Land eligible for allocation of payment entitlements under this Article shall not be eligible for allocation of payment entitlements under Articles 59 and 61.

3. The value of the payment entitlements established under this Article shall not be higher than the value of the payment entitlements established in accordance with Articles 59 and 61, respectively.

4. The maximum amount allocated to the special national de-mining reserve shall be EUR 9 600 000 and shall be subject to the schedule of introduction of direct payments set out in Article 121. The maximum amounts per year shall be as follows:

(thousand EUR)

Croatia	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Maximum amount for the special national de-mining reserve	2 400	2 880	3 360	3 840	4 800	5 760	6 720	7 680	8 640	9 600

5. In the first year of implementation of the single payment scheme, Croatia shall allocate payment entitlements to the farmers on the basis of the land which has been de-mined and declared by farmers in the aid applications submitted in the first year of implementation of the single payment scheme and returned to use for agricultural activities between 1 January 2005 and 31 December 2012.

6. For the years 2013 to 2022, payment entitlements shall be allocated to farmers on the basis of the de-mined land declared by the farmers in the year in question on condition that such land was returned to use for agricultural activities during the previous calendar year, and which has been notified to the Commission in accordance with paragraph 9.

7. In order to ensure an appropriate use of Union funds, the Commission shall, in accordance with the procedure referred to in Article 141(2), modify the ceiling in table 3 of Annex VIII in order to add thereto the amounts from the special national de-mining reserve which have been allocated by 31 December 2022.

8. All land declared for the purpose of this Article shall comply with the definition of eligible hectare provided for in Article 34(2).

9. By 15 July 2013, Croatia shall notify the Commission of the area of land eligible according to paragraph 5, indicating both land eligible for the support levels according to Article 59, and land eligible for the support levels according to Article 61. This notification shall also include information on the corresponding budgetary envelopes and the unused amounts. From 2014 onwards, a communication with the same information shall be sent to the Commission no later than 31 January every year and shall cover the previous calendar year, specifying the areas returned to use for agricultural activities and the corresponding budgetary envelopes.

10. By 31 December 2012, all mined and de-mined land on which farmers might receive payment entitlement from this special national de-mining reserve shall be identified in the integrated administration and control system established in accordance with Chapter 4 of Title II.

(n) In Article 59, the following paragraph is added:

‘4. The Commission shall, in accordance with the procedure referred to in Article 141(2), adopt rules on the initial allocation of payment entitlements in Croatia.’

(o) In Article 61, the following paragraph is added:

‘For Croatia, the dates referred to in points (a) and (b) of the first paragraph shall be 30 June 2011.’

(p) In Article 69(1), the following is added to the first subparagraph:

‘Croatia may decide, by the date of accession, to use from the first year of implementation of the single payment scheme as provided for in Article 59(2) up to 10 % of the national ceiling referred to in Article 40 as indicated in table 3 of Annex VIII.’

(q) In Article 69(9), first subparagraph, the following point is inserted after point (a):

‘(aa) specified for the year 2022 in the case of Croatia.’

(r) Article 104(4) is replaced by the following:

‘4. The following national ceilings shall apply:

Member States	National ceiling
Bulgaria	2 058 483
Czech Republic	66 733
Denmark	104 000
Estonia	48 000
Spain	19 580 000
France	7 842 000
Croatia	542 651
Cyprus	472 401
Latvia	18 437
Lithuania	17 304
Hungary	1 146 000
Poland	335 880
Portugal	2 690 000
Romania	5 880 620
Slovenia	84 909
Slovakia	305 756
Finland	80 000
Total	41 273 174’

(s) In Article 112(5), the following is inserted after the entry for France:

‘Croatia	105 270’
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(t) Article 121 is replaced by the following:

‘Article 121

Introduction of direct payments

In the new Member States other than Bulgaria, Croatia and Romania, direct payments shall be introduced in accordance with the following schedule of increments expressed as a percentage of the then applicable level of such payments in the Member States other than the new Member States:

- 60 % in 2009,
- 70 % in 2010,
- 80 % in 2011,
- 90 % in 2012,
- 100 % as of 2013.

In Bulgaria and Romania, direct payments shall be introduced in accordance with the following schedule of increments expressed as a percentage of the then applicable level of such payments in the Member States other than the new Member States:

- 35 % in 2009,
- 40 % in 2010,

- 50 % in 2011,
- 60 % in 2012,
- 70 % in 2013,
- 80 % in 2014,
- 90 % in 2015,
- 100 % as of 2016.

In Croatia, direct payments shall be introduced in accordance with the following schedule of increments expressed as a percentage of the then applicable level of such payments in the Member States other than the new Member States:

- 25 % in 2013,
- 30 % in 2014,
- 35 % in 2015,
- 40 % in 2016,
- 50 % in 2017,
- 60 % in 2018,
- 70 % in 2019,
- 80 % in 2020,
- 90 % in 2021,
- 100 % as of 2022.’.

(u) In Article 132(2), the following subparagraph is inserted after the second subparagraph:

‘By way of derogation from points (a) and (b) of the first subparagraph, Croatia shall have the possibility to complement direct payments up to 100 % of the level applicable in Member States other than the new Member States.’.

(v) In Annex VII, the following is inserted after the entry for France:

‘Croatia	100	1’
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(w) In Annex VIII, the following table is added:

Table 3 (*)

Member State	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Croatia	93 250	111 900	130 550	149 200	186 500	223 800	261 100	298 400	335 700	373 000

(*) Ceilings calculated taking into account the schedule of increments provided for in Article 121.’

5. FISHERIES

1. 32002 R 2371: Council Regulation (EC) No 2371/2002 of 20 December 2002 on the conservation and sustainable exploitation of fisheries resources under the Common Fisheries Policy (OJ L 358, 31.12.2002, p. 59).

In Annex I, the following parts are added:

11. COASTAL WATERS OF CROATIA (*)

Geographical area	Member State	Species	Importance or particular characteristics
12 miles limited to the sea area under the sovereignty of Croatia situated to the north of the 45 degrees and 10 minutes parallel north latitude along the west Istrian coast, from the outer limit of the territorial sea of Croatia, where this parallel touches the land of the west Istrian coast (the cape Grgatov rt Funtana)	Slovenia	Demersal and small pelagic species including sardine and anchovy	100 tonnes for a maximum number of 25 fishing vessels which includes 5 fishing vessels equipped with trawl nets

(*) The above mentioned regime shall apply from the full implementation of the arbitration award resulting from the Arbitration Agreement between the Government of the Republic of Slovenia and the Government of the Republic of Croatia, signed in Stockholm on 4 November 2009.

12. COASTAL WATERS OF SLOVENIA (*)

Geographical area	Member State	Species	Importance or particular characteristics
12 miles limited to the sea area under the sovereignty of Slovenia situated to the north of the 45 degrees and 10 minutes parallel north latitude along the west Istrian coast, from the outer limit of the territorial sea of Croatia, where this parallel touches the land of the west Istrian coast (the cape Grgatov rt Funtana)	Croatia	Demersal and small pelagic species including sardine and anchovy	100 tonnes for a maximum number of 25 fishing vessels which includes 5 fishing vessels equipped with trawl nets

(*) The above mentioned regime shall apply from the full implementation of the arbitration award resulting from the Arbitration Agreement between the Government of the Republic of Slovenia and the Government of the Republic of Croatia, signed in Stockholm on 4 November 2009.

2. 32006 R 1198: Council Regulation (EC) No 1198/2006 of 27 July 2006 on the European Fisheries Fund (OJ L 223, 15.8.2006, p. 1).

(a) In Article 27, the following paragraph is added:

'5. The EFF may contribute to the financing of a scheme of individual premiums for fishers who will benefit from the access regime laid down in Part 11 of Annex I to Regulation (EC) No 2371/2002 as amended by the Act of Accession of Croatia. The scheme may only apply during the period 2014 to 2015 or, if this occurs earlier, up until the date of the full implementation of the arbitration award resulting from the Arbitration Agreement between the Government of the Republic of Slovenia and the Government of the Republic of Croatia, signed in Stockholm on 4 November 2009.'

(b) Article 29(3) is replaced by the following:

'3. By way of derogation from paragraph 2, in the outermost regions and the outlying Greek islands as well as in the Croatian islands Dugi otok, Vis, Mljet and Lastovo, aid may be granted to all enterprises.'

(c) Article 35(4) is replaced by the following:

'4. By way of derogation from paragraph 3, in the outermost regions and the outlying Greek islands as well as in the Croatian islands Dugi otok, Vis, Mljet and Lastovo, aid may be granted to all enterprises.'

(d) In Article 53(9), the first subparagraph is replaced by the following:

'9. When operations are financed by the EFF in the outlying Greek islands which are under a handicap due to their distant location and in the outermost regions as well as in the Croatian islands Dugi otok, Vis, Mljet and Lastovo, the ceiling for the contribution from the EFF for each priority axis shall be increased by up to 10 percentage points in the regions eligible under the Convergence objective and by up to 35 percentage points for the regions not eligible under the Convergence objective.'

(e) In Annex II, point (a), the table is replaced by the following:

	Group 1	Group 2	Group 3	Group 4
Regions covered by the Convergence objective and outlying Greek islands and the Croatian islands Dugi otok, Vis, Mljet and Lastovo	A ≤ 100 % B ≥ 0 %	A ≤ 40 % B ≥ 60 % (*) (**)	A ≤ 80 % B ≥ 20 %	A ≤ 60 % B ≥ 40 % (***)
Regions not covered by the Convergence objective	A ≤ 100 % B ≥ 0 %	A ≤ 40 % B ≥ 60 % (*) (**)	A ≤ 60 % B ≥ 40 %	A ≤ 40 % B ≥ 60 % (***)
Outermost regions	A ≤ 100 % B ≥ 0 %	A ≤ 50 % B ≥ 50 % (*) (**)	A ≤ 80 % B ≥ 20 %	A ≤ 75 % B ≥ 25 %

(*) In the case of operations referred to in Article 25(3), the (B) rates for Group 2 are increased by 20 percentage points. The (A) rates are reduced accordingly.

(**) In the case of operations referred to in Article 26(2) (investment on board within the meaning of Article 25 in small scale coastal fishing vessels), the (B) rates for Group 2 may be reduced by 20 percentage points. The (A) rates are increased accordingly.

(***) In case of operations referred to in Articles 29 and 35 when undertaken by enterprises not covered by the definition in Article 3(f) with less than 750 employees or with a turnover of less than EUR 200 million, the (B) rates are increased in the regions covered by the Convergence objective, with the exception of the outlying Greek islands and the Croatian islands Dugi otok, Vis, Mljet and Lastovo, by 30 percentage points and in the regions not covered by the Convergence objective by 20 percentage points. The (A) rates are reduced accordingly.'

(f) In Annex II, point (a), the second paragraph of sub-title 'Group 2' is replaced by the following:

Following the application of (*) and (**) where the EFF finances operations referred to in Article 25(3) in favour of small scale coastal fishing vessels, the (B) rates for Group 2 will be:

— for the regions covered by the Convergence objective, the outlying Greek islands and the Croatian islands Dugi otok, Vis, Mljet and Lastovo and the regions not covered by the Convergence objective, equal to or more than 60 percentage points (B ≥ 60 %),

and

— for the outermost regions, equal to or more than 50 percentage points (B ≥ 50 %).'

6. TAXATION

- 32006 L 0112: Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax (OJ L 347, 11.12.2006, p. 1).

In Article 287, the following point is added:

'(19) Croatia: EUR 35 000.'

- 32008 L 0118: Council Directive 2008/118/EC of 16 December 2008 concerning the general arrangements for excise duty and repealing Directive 92/12/EEC (OJ L 9, 14.1.2009, p. 12).

Article 46(3) is replaced by the following:

'3. Without prejudice to Article 32, Member States not referred to in the third and fourth subparagraphs of Article 2(2) of Directive 92/79/EEC may, as regards cigarettes which may be brought into their territory without further payment of excise duties, apply from 1 January 2014 a quantitative limit of not less than 300 items with respect to cigarettes brought in from a Member State which applies, in accordance with the third and fourth subparagraphs of Article 2(2) of that Directive, lower excise duties than those resulting from the first subparagraph of Article 2(2) thereof.'

Member States referred to in the third and fourth subparagraphs of Article 2(2) of Directive 92/79/EEC which levy an excise duty of at least EUR 77 per 1 000 cigarettes irrespective of the weighted average retail selling price, may, from 1 January 2014, apply a quantitative limit of not less than 300 items as regards cigarettes brought into their territory without further payment of excise duties from a Member State which applies a lower excise duty in accordance with the third subparagraph of Article 2(2) of that Directive.

Member States which apply a quantitative limit in accordance with the first and the second subparagraphs of this paragraph shall inform the Commission thereof. They may carry out the necessary checks provided that these checks do not affect the proper functioning of the internal market.

7. REGIONAL POLICY AND COORDINATION OF STRUCTURAL INSTRUMENTS

1. 32006 R 1083: Council Regulation (EC) No 1083/2006 of 11 July 2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1260/1999 (OJ L 210, 31.7.2006, p. 25).

(a) In Article 15(4), the following sentence is added to the second subparagraph:

‘With regard to Croatia, the date for this verification shall be 31 December 2017.’.

(b) In Article 18(1), the first subparagraph is replaced by the following:

‘1. The resources available for commitment from the Funds for the period 2007 to 2013 shall be EUR 308 417 037 817 at 2004 prices in accordance with the annual breakdown shown in Annex I.’.

(c) Article 19 is replaced by the following:

Article 19

Resources for the Convergence objective

Overall resources for the Convergence objective shall amount to 81,56 % of the resources referred to in Article 18(1) (i.e. a total of EUR 251 529 800 379) and shall be distributed between the different components as follows:

(a) 70,50 % (i.e. a total of EUR 177 324 921 223) for the financing referred to in Article 5(1), using eligible population, regional prosperity, national prosperity and unemployment rate as the criteria for calculating the indicative breakdowns by Member State;

(b) 4,98 % (i.e. a total of EUR 12 521 289 405) for the transitional and specific support referred to in Article 8(1), using eligible population, regional prosperity, national prosperity and unemployment rate as the criteria for calculating the indicative breakdowns by Member State;

(c) 23,23 % (i.e. a total of EUR 58 433 589 750) for the financing referred to in Article 5(2), using population, national prosperity, and surface area as the criteria for calculating the indicative breakdowns by Member State;

(d) 1,29 % (i.e. a total of EUR 3 250 000 000) for the transitional and specific support referred to in Article 8(3).

(d) In Article 20, the introductory part is replaced by the following:

‘Overall resources for the Regional competitiveness and employment objective shall amount to 15,93 % of the resources referred to in Article 18(1) (i.e. a total of EUR 49 127 784 318) and shall be distributed between the different components as follows.’.

(e) In Article 21, paragraphs 1 and 2 are replaced by the following:

‘1. Overall resources for the European territorial cooperation objective shall amount to 2,52 % of the resources referred to in Article 18(1) (i.e. a total of EUR 7 759 453 120) and, excluding the amount referred to in paragraph 22 of Annex II, shall be distributed between the different components as follows:

(a) 73,86 % (i.e. a total of EUR 5 583 386 893) for the financing of cross-border cooperation referred to in Article 7(1), using eligible population as the criterion for calculating the indicative breakdowns by Member State;

- (b) 20,95 % (i.e. a total of EUR 1 583 594 654) for the financing of transnational cooperation referred to in Article 7(2), using eligible population as the criterion for calculating the indicative breakdowns by Member State;
- (c) 5,19 % (i.e. a total of EUR 392 471 574) for the financing of interregional cooperation, cooperation networks and exchange of experience referred to in Article 7(3).

2. The contribution from the ERDF to the cross-border and sea-basin programmes under the European Neighbourhood and Partnership Instrument and to the cross-border programmes under the Instrument for Pre-Accession Assistance pursuant to Regulation (EC) No 1085/2006 shall be EUR 817 691 234, as a result of the indication of each Member State concerned, deducted from their allocations under paragraph 1(a). These ERDF contributions shall not be subject to reallocation between the Member States concerned.

- (f) In Article 22, the following paragraph is added:

'By way of derogation from the first paragraph, Croatia may distribute its financial allocation under the European territorial cooperation objective among the three components referred to in Article 21(1)(a) to (c) with a view to achieving a high level of efficiency and simplification.'

- (g) Article 23 is replaced by the following:

'Article 23

Resources for the performance reserve

Three per cent of the resources referred to in Article 19(a) and (b) and Article 20 may be allocated by the Member States, with the exception of Croatia, in accordance with Article 50.'

- (h) Article 28 is amended as follows:

- (i) in paragraph 1, the following subparagraph is inserted after the first subparagraph:

'With regard to Croatia, the national strategic reference framework shall cover the period from the date of accession to 31 December 2013.;

- (ii) in paragraph 2, the following subparagraph is inserted after the first subparagraph:

'Croatia shall transmit its national strategic reference framework to the Commission within three months from the date of accession.'

- (i) In Article 29, the following paragraph is added:

'5. Paragraphs 1 to 4 shall not apply to Croatia.'

- (j) In Article 32(3), the following subparagraph is added:

'With regard to Croatia, the Commission shall adopt the decision approving an operational programme to be financed under the programming period 2007-2013 no later than 31 December 2013. Croatia shall in this operational programme take into account any observations made by the Commission and submit it to the Commission no later than three months from the date of accession.'

- (k) In Article 33(1), the following subparagraph is added:

'With regard to Croatia, operational programmes adopted before the date of accession may be revised for the sole purpose of a better alignment with this Regulation.'

- (l) In Article 49(3), the following subparagraph is added:

'With regard to Croatia's operational programmes the *ex post* evaluation shall be completed by 31 December 2016.'

- (m) The following Article is inserted:

'Article 51a

Articles 50 and 51 shall not apply to Croatia.'

- (n) Article 53(3) is replaced by the following:

'3. For operational programmes under the European territorial cooperation objective in which at least one participant belongs to a Member State whose average GDP per capita for the period 2001 to 2003 was below 85 % of the EU-25 average during the same period, or for such programmes where Croatia is a participating country, the contribution from the ERDF shall not be higher than 85 % of the eligible expenditure. For all other operational programmes, the contribution from the ERDF shall not be higher than 75 % of the eligible expenditure co-financed by the ERDF.'

- (o) In Article 56(1), the following subparagraph is added:

'With regard to Croatia, expenditure shall be eligible for a contribution from the Funds between the starting date of eligibility of expenditure as fixed in accordance with the instruments adopted under Regulation (EC) No 1085/2006 and 31 December 2016. However, for operational programmes adopted after accession, expenditure for a contribution from the Funds shall be eligible from the date of accession, unless a later date is specified in the decision on the operational programme concerned.'

- (p) In Article 56(3), the following subparagraph is added:

'Notwithstanding specific provisions on eligibility as laid down in Article 105a, the criteria fixed by the monitoring committee of operational programmes for Croatia shall not apply to operations for which the approval decision has been adopted before the date of accession and which have been part of the instruments adopted under Regulation (EC) No 1085/2006.'

- (q) Article 62(1) is amended as follows:

- (i) in point (c), the following subparagraph is inserted after the first subparagraph:

'With regard to Croatia, the audit authority of an operational programme shall submit to the Commission an update of the annual audit work plan as referred to in Article 29(2)(a) of Commission Regulation (EC) No 718/2007 of 12 June 2007 implementing Council Regulation (EC) No 1085/2006 establishing an instrument for pre-accession assistance (IPA) (*) within three months from the date of accession.'

(*) OJ L 170, 29.6.2007, p. 1.;

- (ii) in point (d)(i), the following subparagraph is added:

'With regard to Croatia, the first annual control report shall be submitted by 31 December 2013 covering the period from 1 October 2012 until 30 June 2013. The following reports covering the periods from 1 July 2013 to 30 June 2014, from 1 July 2014 to 30 June 2015 and from 1 July 2015 to 30 June 2016 shall be submitted to the Commission by 31 December 2014, 31 December 2015 and 31 December 2016, respectively. The information concerning the audits carried out after 1 July 2016 shall be included in the final control report supporting the closure declaration referred to in point (e);'

- (iii) in point (e), the following subparagraph is added:

'With regard to Croatia, a closure declaration supported by the final control report, shall be submitted to the Commission by 31 March 2018.'

- (r) In Article 67(1), the following subparagraph is added:

'With regard to Croatia, the managing authority shall send a final report on the implementation of the operational programme by 31 March 2018.'

- (s) Article 71 is amended as follows:

- (i) the following paragraph is inserted:

'1a. Notwithstanding paragraph 1, as soon as possible following the date of its accession or, at the latest, before any payment by the Commission is made, Croatia shall submit to the Commission a description of the systems, covering the elements set out in points (a) and (b) of that paragraph;'

- (ii) the following paragraph is inserted:

'2a. Paragraph 2 shall apply *mutatis mutandis* to Croatia. The report referred to in the first subparagraph of paragraph 2 shall be deemed to be accepted under the same conditions as those set out in the second subparagraph of paragraph 2. However, such acceptance shall be a pre-requisite for the pre-financing amount referred to in Article 82.'

- (t) In Article 75, the following paragraph is inserted:

'1a. With regard to Croatia, the respective budget commitments from the ERDF, the Cohesion Fund and the ESF for 2013 shall be made based on the decision referred to in Article 28(3) before the Commission takes any decision on the revision of an adopted operational programme. The decision referred to in Article 28(3) shall constitute a financing decision within the meaning of Article 75 of Regulation (EC, Euratom) No 1605/2002 for any budget commitment in favour of Croatia.'

- (u) In Article 78(2)(c), the following sentence is added:

'With regard to Croatia, they shall be covered by expenditure paid by beneficiaries in implementing the project and supported by receipted invoices or accounting documents of equivalent probative value at the latest three years after the year of the payment of the advance or on 31 December 2016, whichever is the earlier; if they are not, the next statement of expenditure shall be corrected accordingly.'

- (v) In Article 82, the following paragraph is inserted:

'1a. With regard to Croatia, following the acceptance of the report as referred to in Article 71(2a) and following the respective budget commitments as referred to in Article 75(1a), a single pre-financing amount for the rest of the 2007 to 2013 period shall be paid in a single instalment and will represent 30 % of the contribution from the Structural Funds and 40 % of the contribution from the Cohesion Fund to the operational programme.'

- (w) In Article 89(1), the following subparagraph is added:

'With regard to Croatia, an application for payment comprising the documents listed in point (a) (i) to (iii) shall be sent by 31 March 2018.'

- (x) In Article 93, the following paragraph is inserted:

'3a. By way of derogation from paragraphs 1 to 3, with regard to Croatia the Commission shall apply the de-commitment mechanism set out in paragraph 1 in the following way:

- (i) the deadline for any open part of the 2010 commitment shall be 31 December 2013;
- (ii) the deadline for any open part of the 2011 commitment shall be 31 December 2014;
- (iii) the deadline for any open part of the 2012 commitment shall be 31 December 2015;
- (iv) any part of 2013 commitments still open on 31 December 2016 shall be automatically de-committed if the Commission has not received an acceptable application for payment for it by 31 March 2018.'

- (y) In Article 95, the following paragraph is inserted after the second paragraph:

'By way of derogation from the first and second paragraphs, with regard to Croatia the deadlines referred to in Article 93(3a) shall be interrupted under the conditions set out in the first paragraph of this Article in respect of the amount relating to the operations concerned.'

- (z) In Article 98(2), the following subparagraph is added:

'With regard to Croatia, the resources from the Funds released in this way may be reused by Croatia until 31 December 2016.';

- (za) The following Article is inserted:

'Article 105a

Specific provisions following the accession of Croatia

1. Programmes and major projects which, on the date of accession of Croatia, have been approved under Regulation (EC) No 1085/2006 and the implementation of which has not been completed by that date, shall be considered to have been approved by the Commission under this Regulation, with the exception of programmes approved under the components referred to in points (a) and (e) of Article 3(1) of Regulation (EC) No 1085/2006.

In addition, the following programmes falling under the component referred to in point (b) of Article 3(1) of Regulation (EC) No 1085/2006 shall also be excluded:

- (a) the “IPA Adriatic cross-border co-operation programme”;
- (b) the “Croatia — Bosnia and Herzegovina” cross-border programme;
- (c) the “Croatia — Montenegro” cross-border programme;
- (d) the “Croatia — Serbia” cross-border programme.

Without prejudice to paragraphs 2 to 7, the provisions governing the implementation of operations and major projects approved pursuant to this Regulation shall apply to those operations and major projects.

2. Any procurement procedure relating to operations within the programmes or relating to major projects referred to in paragraph 1 which, on the date of accession, has already been the subject of an invitation to tender published in the *Official Journal of the European Union* shall be implemented in accordance with the rules laid down in that invitation to tender. Article 165 of Regulation (EC, Euratom) No 1605/2002 shall not apply.

Any procurement procedure relating to operations within the programmes or relating to major projects referred to in paragraph 1 which, on the date of accession, has not yet been the subject of an invitation to tender published in the *Official Journal of the European Union* shall be implemented in compliance with the Treaties or the acts adopted under the Treaties as well as with Article 9 of this Regulation.

Other operations than those referred to in the first and second subparagraphs and for which calls for proposals were launched in accordance with Article 158 of Commission Regulation (EC) No 718/2007 or for which applications had been submitted to the competent authorities before the date of accession, and for which the contracting could only be finalised after that date, shall be implemented in accordance with the conditions and eligibility rules published in the relevant call for proposals or those communicated in advance to potential beneficiaries.

3. Payments made by the Commission under programmes referred to in paragraph 1 shall be considered as a contribution from the Funds under this Regulation and shall be posted to the earliest open commitment including IPA commitments.

Any part of commitments made by the Commission under programmes referred to in paragraph 1 still open on the date of accession shall be governed by this Regulation from the date of accession.

4. For operations approved under Regulation (EC) No 1085/2006 for which approval was given or for which the respective grant agreements with final beneficiaries were signed before the date of accession, the rules governing the eligibility of expenditure in accordance with, or based on, Commission Regulation (EC) No 718/2007 shall remain applicable, except in duly justified cases to be decided on by the Commission at Croatia's request.

The eligibility rule established in the first subparagraph applies also to major projects referred to in paragraph 1 for which bilateral project agreements were signed before the date of accession.

5. With regard to Croatia, any reference to the Funds as defined in the second paragraph of Article 1 shall be construed as also including the Instrument for Pre-Accession Assistance established by Regulation (EC) No 1085/2006.

6. Specific deadlines applicable to Croatia shall also apply to the following cross-border programmes falling under the component referred to in Article 3(1)(b) of Regulation (EC) No 1085/2006, where Croatia is a participating country:

- (a) the “Hungary — Croatia” cross-border programme; and
- (b) the “Slovenia — Croatia” cross-border programme.

Specific deadlines applicable to Croatia under this Regulation do not apply to operational programmes under the transnational and interregional components under the European territorial cooperation objective, where Croatia is a participating country.

7. If any measures are necessary to facilitate Croatia's transition from the pre-accession regime to that resulting from the application of this Article, the Commission shall adopt the required measures.'

(zb) Annex I is replaced by the following:

'ANNEX I

Annual breakdown of commitment appropriations for 2007 to 2013

(referred to in Article 18)

(EUR, 2004 prices)

2007	2008	2009	2010	2011	2012	2013
42 863 000 000	43 318 000 000	43 862 000 000	43 860 000 000	44 073 000 000	44 723 000 000	45 718 037 817'

(zc) Annex II is amended as follows:

(i) in paragraph 5, the following points are added:

'(c) for Croatia, the resources for the financing of cross-border cooperation will be EUR 7 028 744 at 2004 prices;

(d) for Croatia, the resources for the financing of transnational cooperation will be EUR 1 874 332 at 2004 prices.';

(ii) the following paragraph is inserted:

'7a. For Croatia, the maximum level of transfer from the Funds will be 3,5240 % of its GDP.';

(iii) the following paragraph is inserted:

'9a. For Croatia, calculations of the GDP by the Commission will be based on statistics and projections published in May 2011.'

(zd) Annex III is replaced by the following:

'ANNEX III

Ceilings applicable to co-financing rates

(referred to in Article 53)

Criteria	Member States	ERDF and ESF Percentage of eligible expenditure	Cohesion Fund Percentage of eligible expenditure
1. Member States whose average GDP per capita for the period 2001 to 2003 was below 85 % of the EU-25 average during the same period	Bulgaria, Czech Republic, Estonia, Greece, Croatia, Cyprus, Latvia, Lithuania, Hungary, Malta, Poland, Portugal, Romania, Slovenia, Slovakia	85 % for the Convergence and Regional competitiveness and employment objectives	85 %
2. Member States other than those under (1) eligible for the transitional regime of the Cohesion Fund on 1 January 2007	Spain	80 % for the Convergence and the phasing-in regions under the Regional competitiveness and employment objective 50 % for the Regional competitiveness and employment objective outside phasing-in regions	85 %

Criteria	Member States	ERDF and ESF Percentage of eligible expenditure	Cohesion Fund Percentage of eligible expenditure
3. Member States other than those referred to under (1) and (2)	Belgium, Denmark, Germany, France, Ireland, Italy, Luxembourg, the Netherlands, Austria, Finland, Sweden and the United Kingdom	75 % for the Convergence objective	—
4. Member States other than those referred to under (1) and (2)	Belgium, Denmark, Germany, France, Ireland, Italy, Luxembourg, the Netherlands, Austria, Finland, Sweden and the United Kingdom	50 % for the Regional competitiveness and employment objective	—
5. Outermost regions referred to in Article 349 of the TFEU benefiting from the additional allocation for these regions provided for in paragraph 20 of Annex II	Spain, France and Portugal	50 %	—
6. Outermost regions referred to in Article 349 of the TFEU	Spain, France and Portugal	85 % under the Convergence and Regional competitiveness and employment objectives	—

2. 32006 R 1084: Council Regulation (EC) No 1084/2006 of 11 July 2006 establishing a Cohesion Fund and repealing Regulation (EC) No 1164/94 (OJ L 210, 31.7.2006, p. 79).

The following Article is inserted:

'Article 5a

Specific provisions following the accession of Croatia

1. Measures which, on the date of accession of Croatia, have been the subject of Commission decisions on assistance under Council Regulation (EC) No 1267/1999 of 21 June 1999 establishing an Instrument for Structural Policies for Pre-accession (*) and the implementation of which has not been completed by that date shall be considered to have been approved by the Commission under this Regulation.

Without prejudice to paragraphs 2 to 5, the provisions governing the implementation of actions approved pursuant to this Regulation and to Regulation (EC) No 1083/2006 shall apply to the measures referred to in the first subparagraph of this paragraph.

2. Any procurement procedure relating to measures referred to in paragraph 1 which, on the date of accession, has already been the subject of an invitation to tender published in the *Official Journal of the European Union* shall be implemented in accordance with the rules laid down in that invitation to tender. Article 165 of Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities (**) shall not apply.

Any procurement procedure relating to a measure referred to in paragraph 1 which, on the date of accession, has not yet been the subject of an invitation to tender published in the *Official Journal of the European Union* shall be implemented in compliance with the Treaties or the acts adopted under the Treaties as well as with Article 9 of Regulation (EC) No 1083/2006.

3. Payments made by the Commission under a measure referred to in paragraph 1 shall be considered as a contribution from the Fund under this Regulation.

Payments made by the Commission under a measure referred to in paragraph 1 shall be posted to the earliest open commitment made in the first instance pursuant to Regulation (EC) No 1267/1999, and then pursuant to this Regulation and to Regulation (EC) No 1083/2006.

The conditions for interim payments or for the final balance are those set out in paragraph 2 (b) to (d) and paragraphs 3 to 5 of Article D in Annex II to Regulation (EC) No 1164/94.

4. For the measures referred to in paragraph 1, the rules governing the eligibility of expenditure pursuant to Regulation (EC) No 1267/1999 or specifically established in the relevant financing agreements shall remain applicable, except in duly justified cases to be decided on by the Commission at the request of Croatia.

5. If any measures are necessary to facilitate the transition of Croatia from the pre-accession regime to that resulting from the application of this Article, the Commission shall adopt the required measures.

(*) OJ L 161, 26.6.1999, p. 73.

(**) OJ L 248, 16.9.2002, p. 1.

8. ENVIRONMENT

1. 32003 L 0087: Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Council Directive 96/61/EC (OJ L 275, 25.10.2003, p. 32).

(a) In Article 9, the following sentence is added to the first paragraph:

'The Community-wide quantity of allowances will be increased as a result of Croatia's accession only by the quantity of allowances that Croatia shall auction pursuant to Article 10(1).'

(b) In Annex IIa, the following is inserted after the entry for Spain:

'Croatia 26 %'.

2. 32009 D 0406: Decision No 406/2009/EC of the European Parliament and of the Council of 23 April 2009 on the effort of Member States to reduce their greenhouse gas emissions to meet the Community's greenhouse gas emission reduction commitments up to 2020 (OJ L 140, 5.6.2009, p. 136).

In Annex II, the following is inserted after the entry for France:

'Croatia 11 %'.

ANNEX IV

List referred to in Article 16 of the Act of Accession: other permanent provisions**1. INTELLECTUAL PROPERTY LAW**

Treaty on the Functioning of the European Union, Part Three, Title II, Free Movement of Goods

SPECIFIC MECHANISM

With regard to Croatia, the holder, or the holder's beneficiary, of a patent or Supplementary Protection Certificate (SPC) for a medicinal product filed in a Member State at the time when such protection could not be obtained in Croatia for that product, may rely on the rights granted by that patent or SPC in order to prevent the import and marketing of that product in the Member State or Member States where the product in question enjoys patent or SPC protection, even if this product was put on the market in Croatia for the first time by the holder or with the holder's consent.

Any person intending to import or market a medicinal product covered by the first paragraph in a Member State where the product enjoys patent or SPC protection shall demonstrate to the competent authorities in the application regarding that import that one month's prior notification has been given to the holder or beneficiary of such protection.

2. COMPETITION POLICY

Treaty on the Functioning of the European Union, Part Three, Title VII, Chapter 1, Rules on Competition

1. The following aid schemes and individual aid put into effect in Croatia before the date of accession and still applicable after that date shall be regarded upon accession as existing aid within the meaning of Article 108(1) of the TFEU:

- (a) aid measures put into effect before 1 March 2002;
- (b) aid measures listed in the Appendix to this Annex;
- (c) aid measures which prior to the date of accession were assessed by the Croatian Competition Agency and found to be compatible with the Union *acquis*, and to which the Commission did not raise an objection on the grounds of serious doubts as to the compatibility of the measure with the internal market, pursuant to the procedure set out in paragraph 2.

All measures still applicable after the date of accession which constitute State aid and which do not fulfil the conditions set out above shall be considered as new aid upon accession for the purpose of the application of Article 108(3) of the TFEU.

The above provisions do not apply to aid to activities linked to the production, processing or marketing of products listed in Annex I to the TEU and the TFEU.

2. To the extent that Croatia wishes the Commission to examine an aid measure under the procedure described in point (c) of paragraph 1, it shall provide the Commission regularly with:

- (a) a list of existing aid measures which have been assessed by the Croatian Competition Agency and which that authority has found to be compatible with the Union *acquis*; and
- (b) any other information which is essential for the assessment of the compatibility of the aid measure to be examined;

in accordance with the concrete reporting format provided by the Commission.

If the Commission does not object to the existing aid measure on the grounds of serious doubts as to the compatibility of the measure with the internal market, within three months of receipt of complete information on that measure or of receipt of the statement of Croatia in which it informs the Commission that it considers the information provided to be complete because the additional information requested is not available or has been already provided, the Commission shall be deemed not to have raised an objection.

All aid measures submitted to the Commission under the procedure described in point (c) of paragraph 1 prior to the date of accession are subject to that procedure irrespective of the fact that in the period of examination Croatia has already become a member of the Union.

3. A Commission decision to object to a measure, within the meaning of point (c) of paragraph 1, shall be regarded as a decision to initiate the formal investigation procedure within the meaning of Council Regulation (EC) No 659/1999 of 22 March 1999 laying down detailed rules for the application of Article 93 of the EC Treaty⁽¹⁾ (now Article 108 of the TFEU).

⁽¹⁾ OJ L 83, 27.3.1999, p. 1.

If such a decision is taken before the date of accession, the decision shall only come into effect upon the date of accession.

3. AGRICULTURE

(a) Treaty on the Functioning of the European Union, Part Three, Title III, Agriculture and Fisheries

1. Public stocks held at the date of accession by Croatia and resulting from its market-support policy shall be taken over by the Union at the value resulting from the application of Article 4(1)(d) and Annex VIII of Commission Regulation (EC) No 884/2006 of 21 June 2006 laying down detailed rules for the application of Council Regulation (EC) No 1290/2005 as regards the financing by the European Agricultural Guarantee Fund (EAGF) of intervention measures in the form of public storage operations and the accounting of public storage operations by the paying agencies of the Member States⁽¹⁾. The said stocks shall be taken over only on condition that public intervention for the products in question is operated in the Union and that the stocks meet the Union intervention requirements.
2. For any stocks, whether private or public, in free circulation at the date of accession in Croatia and which exceed the level of what can be considered as normal carry-over of stock, Croatia shall be charged with a payment to the general budget of the European Union.

The amount of the payment shall be fixed at a level which reflects the cost related to the effects of the surplus stock on the markets of agricultural products.

The level of the surplus stock shall be determined for each product taking into account the characteristics of each product and the relevant markets as well as Union legislation applicable to it.

3. The stocks referred to in paragraph 1 shall be deducted from the quantity exceeding the normal carry-over of stocks.
4. The Commission shall implement and apply the arrangements outlined in paragraphs 1 to 3 in accordance with the procedure laid down in Article 41(2) of Council Regulation (EC) No 1290/2005 of 21 June 2005 on the financing of the common agricultural policy⁽²⁾ or, as appropriate, in accordance with the procedure referred to in Article 195(2) of Council Regulation (EC) No 1234/2007 or the relevant committee procedure as determined in the applicable legislation.

(b) Treaty on the Functioning of the European Union, Part Three, Title VII, Chapter 1, Rules on competition

Without prejudice to the procedures concerning existing aid provided for in Article 108 of the TFEU, aid schemes and individual aid granted to activities linked to the production of, and trade in, products listed in Annex I to the TEU and the TFEU, with the exception of fisheries products and products derived therefrom, put into effect in Croatia before the date of accession and still applicable after that date, shall be regarded as existing aid within the meaning of Article 108(1) of the TFEU subject to the following conditions:

- the aid measures shall be communicated to the Commission within a period of four months from the date of accession. This communication shall include information on the legal basis for each measure. Existing aid measures and plans to grant or alter aid communicated to the Commission prior to the date of accession shall be deemed to have been communicated on the date of accession. The Commission shall publish a list of such aid.

Those aid measures shall be regarded as 'existing' aid within the meaning of Article 108(1) of the TFEU for a period of three years from the date of accession.

Within a period of three years from the date of accession Croatia shall, where necessary, amend those aid measures in order to comply with the guidelines applied by the Commission. After that period, any aid found to be incompatible with those guidelines shall be considered as new aid.

4. FISHERIES

Treaty on the Functioning of the European Union, Part Three, Title VII, Chapter 1, Rules on competition

Without prejudice to the procedures concerning existing aid provided for in Article 108 of the TFEU, aid schemes and individual aid granted to activities linked to the production of, and trade in, fisheries products and products derived therefrom listed in Annex I to the TEU and the TFEU, put into effect in Croatia before the date of accession and still applicable after that date, shall be regarded as existing aid within the meaning of Article 108(1) of the TFEU subject to the following conditions:

- the aid measures shall be communicated to the Commission within a period of four months from the date of accession. This communication shall include information on the legal basis for each measure. Existing aid measures and plans to grant or alter aid communicated to the Commission prior to the date of accession shall be deemed to have been communicated on the date of accession. The Commission shall publish a list of such aid.

Those aid measures shall be regarded as 'existing' aid within the meaning of Article 108(1) of the TFEU for a period of three years from the date of accession.

⁽¹⁾ OJ L 171, 23.6.2006, p. 35 and OJ L 326M, 10.12.2010, p. 70.

⁽²⁾ OJ L 209, 11.8.2005, p. 1.

Within a period of three years from the date of accession Croatia shall, where necessary, amend those aid measures in order to comply with the guidelines applied by the Commission. After that period, any aid found to be incompatible with those guidelines shall be considered as new aid.

5. CUSTOMS UNION

Treaty on the Functioning of the European Union, Part Three, Title II, Free Movement of Goods, Chapter 1, The Customs union

31992 R 2913: Council Regulation (EEC) No 2913/92 of 12 October 1992 establishing the Community Customs Code (OJ L 302, 19.10.1992, p. 1).

31993 R 2454: Commission Regulation (EEC) No 2454/93 of 2 July 1993 laying down provisions for the implementation of Council Regulation (EEC) No 2913/92 establishing the Community Customs Code (OJ L 253, 11.10.1993, p. 1).

Council Regulation (EEC) No 2913/92 and Commission Regulation (EEC) No 2454/93 shall apply to Croatia subject to the following specific provisions.

PROOF OF UNION STATUS (TRADE WITHIN THE ENLARGED UNION)

1. Notwithstanding Article 20 of Council Regulation (EEC) No 2913/92, goods which on the date of accession are in temporary storage or under one of the customs treatments and procedures referred to in Article 4(15)(b) and (16)(b) to (h) of that Regulation in the enlarged Union, or which are in transport after having been the subject of export formalities within the enlarged Union, shall be free of customs duties and other customs measures when declared for release for free circulation within the enlarged Union on condition that one of the following is presented:
 - (a) proof of preferential origin properly issued or made out prior to the date of accession under the SAA;
 - (b) any of the means of proof of Union status referred to in Article 314c of Commission Regulation (EEC) No 2454/93;
 - (c) an ATA carnet issued before the date of accession in a present Member State or in Croatia.
2. For the purpose of issuing the proof referred to in paragraph 1(b), with reference to the situation at the date of accession and in addition to the provisions of Article 4(7) of Council Regulation (EEC) No 2913/92, 'Community goods' shall mean goods:
 - wholly obtained in the territory of Croatia under conditions identical to those of Article 23 of Council Regulation (EEC) No 2913/92 and not incorporating goods imported from other countries or territories,
 - imported from countries or territories other than Croatia, and released for free circulation in Croatia, or
 - obtained or produced in Croatia, either from goods referred to in the second indent alone or from goods referred to in the first and second indent.
3. For the purpose of verifying the proof referred to in paragraph 1(a), the provisions concerning the definition of 'originating products' and the methods of administrative cooperation under the SAA shall apply. Requests for subsequent verification of such proof shall be accepted by the competent customs authorities of the present Member States and of Croatia for a period of three years from the issue or making out of the proof of origin concerned and may be made by those authorities for a period of three years after acceptance of the proof of origin in support of a declaration of free circulation.

PROOF OF PREFERENTIAL ORIGIN (TRADE WITH THIRD COUNTRIES, INCLUDING TURKEY, IN THE FRAMEWORK OF THE PREFERENTIAL AGREEMENTS ON AGRICULTURE, COAL AND STEEL PRODUCTS)

4. Without prejudice to the application of any measure deriving from the common commercial policy, proof of origin properly issued by third countries or made out in the framework of preferential agreements concluded by Croatia with those third countries shall be accepted in Croatia, provided that:
 - (a) the acquisition of such origin confers preferential tariff treatment on the basis of the preferential tariff measures contained in agreements or arrangements which the Union has concluded with, or adopted in respect of, those third countries or groups of third countries, as referred to in Article 20(3)(d) and (e) of Council Regulation (EEC) No 2913/92;
 - (b) the proof of origin and the transport documents were issued or made out no later than the day before the date of accession; and
 - (c) the proof of origin is submitted to the customs authorities within a period of four months from the date of accession.

Where goods were declared for release for free circulation in Croatia prior to the date of accession, proof of origin issued or made out retrospectively under preferential agreements in force in Croatia at the date of the release for free circulation may also be accepted in Croatia, provided that such proof of origin is submitted to the customs authorities within a period of four months from the date of accession.

5. Croatia is authorised to retain the authorisations with which the status of 'approved exporters' has been granted in the framework of agreements concluded with third countries, provided that:

- (a) such a provision is also provided for in the agreements or arrangements which the Union has concluded with, or adopted in respect of, those third countries or groups of third countries prior to the date of accession; and
- (b) the approved exporters apply the rules of origin provided for in those agreements or arrangements.

These authorisations shall be replaced by Croatia, no later than one year from the date of accession, by new authorisations issued under the conditions of Union legislation.

6. For the purpose of verifying the proof referred to in paragraph 4, the provisions concerning the definition of 'originating products' and the methods of administrative cooperation of the relevant agreements or arrangements shall apply. Requests for subsequent verification of such proof shall be accepted by the competent customs authorities of the present Member States and of Croatia for a period of three years after the issue or making out of the proof of origin concerned and may be made by those authorities for a period of three years after acceptance of the proof of origin in support of a declaration of free circulation.

7. Without prejudice to the application of any measure deriving from the common commercial policy, proof of origin issued or made out retrospectively by third countries in the framework of preferential agreements or arrangements which the Union has concluded with, or adopted in respect of, these third countries shall be accepted in Croatia for the release for free circulation of goods which on the date of accession are either in transport or in temporary storage, in a customs warehouse or in a free zone in one of these third countries or in Croatia, provided that Croatia had no free trade agreement in force with the third country, for the products concerned, at the moment when the transport documents were issued, and provided that:

- (a) the acquisition of such origin confers preferential tariff treatment on the basis of the preferential tariff measures contained in agreements or arrangements which the Union has concluded with, or adopted in respect of, third countries or groups of third countries, as referred to in Article 20(3)(d) and (e) of Council Regulation (EEC) No 2913/92;
- (b) the transport documents were issued no later than the day before the date of accession; and
- (c) the proof of origin issued or made out retrospectively is submitted to the customs authorities within a period of four months from the date of accession.

8. For the purpose of verifying the proofs referred to in paragraph 7, the provisions concerning the definition of 'originating products' and the methods of administrative cooperation of the relevant agreements or arrangements shall apply.

PROOF OF STATUS UNDER THE PROVISIONS ON FREE CIRCULATION FOR INDUSTRIAL PRODUCTS WITHIN THE EU-TURKEY CUSTOMS UNION

9. Proof of origin properly issued by either Turkey or Croatia or made out in the framework of preferential trade agreements applied between them and providing for a prohibition of drawback of, or exemption from, customs duties on the goods concerned shall be accepted in the respective countries as proof of status under the provisions on free circulation for industrial products, laid down in Decision No 1/95 of the EC-Turkey Association Council of 22 December 1995 on implementing the final phase of the Customs Union ⁽¹⁾ (hereinafter referred to as 'Decision No 1/95'), provided that:

- (a) the proof of origin and the transport documents were issued or made out no later than the day before the date of accession; and
- (b) the proof of origin is submitted to the customs authorities within a period of four months from the date of accession.

Where goods were declared for release for free circulation in either Turkey or Croatia, prior to the date of accession, in the framework of preferential trade agreements referred to in the first subparagraph, proof of origin issued or made out retrospectively under those agreements may also be accepted provided that it is submitted to the customs authorities within a period of four months from the date of accession.

10. For the purpose of verifying the proof referred to in paragraph 9, the provisions concerning the definition of 'originating products' and the methods of administrative cooperation of the relevant preferential agreements shall apply. Requests for subsequent verification of such proof shall be accepted by the competent customs authorities of the present Member States and of Croatia for a period of three years after the issue or making out of the proof of origin concerned and may be made by those authorities for a period of three years after acceptance of the proof of origin in support of a declaration of free circulation.

⁽¹⁾ OJ L 35, 13.2.1996, p. 1.

11. Without prejudice to the application of any measure deriving from the common commercial policy, an A.TR movement certificate issued under the provisions on free circulation for industrial products, laid down in Decision No 1/95, shall be accepted in Croatia for the release for free circulation of goods which on the date of accession are either in transport after having been the subject of export formalities within the Union or Turkey or are in temporary storage or under a customs procedure referred to in Article 4(16)(b) to (h) of Council Regulation (EEC) No 2913/92 in Turkey or in Croatia, provided that:
- (a) no proof of origin as referred to in paragraph 9 is submitted for the goods concerned;
 - (b) the goods comply with the conditions for the implementation of the provisions on free circulation for industrial products;
 - (c) the transport documents were issued no later than the day before the date of accession; and
 - (d) the A.TR movement certificate is submitted to the customs authorities within four months from the date of accession.
12. For the purpose of verifying the A.TR movement certificates referred to in paragraph 11, the provisions concerning the issue of A.TR movement certificates and the methods of administrative cooperation under Decision No 1/2006 of the EC-Turkey Customs Cooperation Committee of 26 July 2006 laying down detailed rules for the application of Decision No 1/95 of the EC-Turkey Association Council ⁽¹⁾ shall apply.

CUSTOMS PROCEDURES

13. Temporary storage and customs procedures referred to in Article 4(16)(b) to (h) of Council Regulation (EEC) No 2913/92 which have begun before accession shall be ended or discharged under the conditions of Union legislation.

Where the end or discharge gives rise to a customs debt, the amount of import duty to be paid shall be that in force at the time when the customs debt is incurred in accordance with the Common Customs Tariff and the amount paid shall be considered as own resources of the Union.

14. The procedures governing customs warehousing laid down in Articles 84 to 90 and 98 to 113 of Council Regulation (EEC) No 2913/92 and Articles 496 to 535 of Commission Regulation (EEC) No 2454/93 shall apply to Croatia subject to the following specific provisions:

— where the amount of a customs debt is determined on the basis of the nature of the import goods and where the declaration placing the goods under the procedure was accepted prior to the date of accession, the tariff classification, quantity, value for customs purposes and origin of the import goods at the time they were placed under the procedure shall result from the legislation applicable in Croatia at the date of acceptance of the declaration by the customs authorities.

15. The procedures governing inward processing laid down in Articles 84 to 90 and 114 to 129 of Council Regulation (EEC) No 2913/92 and Articles 496 to 523 and 536 to 550 of Commission Regulation (EEC) No 2454/93 shall apply to Croatia subject to the following specific provisions:

— where the amount of a customs debt is determined on the basis of the nature of the import goods and where the declaration placing the goods under the procedure was accepted prior to the date of accession, the tariff classification, quantity, value for customs purposes and origin of the import goods at the time they were placed under the procedure shall result from the legislation applicable in Croatia at the date of acceptance of the declaration by the customs authorities,

— where the discharge gives rise to a customs debt, in order to maintain equity between the holders of authorisations established in the present Member States and those in Croatia, compensatory interest shall be paid on the import duties due under the conditions of Union legislation from the date of accession,

— if the declaration for inward processing was accepted under a drawback system, the drawback shall be effected under the conditions of Union legislation, by and at the expense of Croatia, where the customs debt in respect of which the drawback is requested was incurred before the date of accession.

16. The procedures governing temporary importation laid down in Articles 84 to 90 and 137 to 144 of Council Regulation (EEC) No 2913/92 and Articles 496 to 523 and 553 to 584 of Commission Regulation (EEC) No 2454/93 shall apply to Croatia subject to the following specific provisions:

— where the amount of a customs debt is determined on the basis of the nature of the import goods and where the declaration placing the goods under the procedure was accepted prior to the date of accession, the tariff classification, quantity, value for customs purposes and origin of the import goods at the time they were placed under the procedure shall result from the legislation applicable in Croatia at the date of acceptance of the declaration by the customs authorities,

⁽¹⁾ OJ L 265, 26.9.2006, p. 18.

— where the discharge gives rise to a customs debt, in order to maintain equity between the holders of authorisations established in the present Member States and those in Croatia, compensatory interest shall be paid on the import duties due under the conditions of Union legislation from the date of accession.

17. The procedures governing outward processing laid down in Articles 84 to 90 and 145 to 160 of Council Regulation (EEC) No 2913/92 and Articles 496 to 523 and 585 to 592 of Commission Regulation (EEC) No 2454/93 shall apply to Croatia subject to the following specific provisions:

— Article 591, second paragraph, of Commission Regulation (EEC) No 2454/93 shall apply *mutatis mutandis* to temporary export goods which have been exported temporarily from Croatia before the date of accession.

OTHER PROVISIONS

18. Authorisations which have been granted by Croatia before the date of accession for the use of the customs procedures referred to in Article 4(16)(d), (e) and (g) or the status of Authorised Economic Operators referred to in Article 5a(2) of Council Regulation (EEC) No 2913/92 shall be valid until the end of their validity or one year from the date of accession, whichever is the earlier.

19. The procedures governing incurrence of a customs debt, entry in the accounts and post-clearance recovery laid down in Articles 201 to 232 of Council Regulation (EEC) No 2913/92 and Articles 859 to 876a of Commission Regulation (EEC) No 2454/93 shall apply to Croatia subject to the following specific provisions:

— recovery shall be effected under the conditions of Union legislation. However, where the customs debt was incurred before the date of accession, recovery shall be effected by Croatia, in its own favour, under the conditions in force in Croatia before accession.

20. The procedures governing repayment and remission of duty laid down in Articles 235 to 242 of Council Regulation (EEC) No 2913/92 and Articles 877 to 912 of Commission Regulation (EEC) No 2454/93 shall apply to Croatia subject to the following specific provisions:

— repayment and remission of duties shall be effected under the conditions of Union legislation. However, where the duties of which repayment or remission is requested relate to a customs debt which was incurred before the date of accession, the repayment and remission of duties shall be effected by Croatia, at its own expense, under the conditions in force in Croatia before accession.

Appendix to ANNEX IV

List of existing aid measures referred to in point (b) of paragraph 1 of the existing aid mechanism provided for in Section 2 ('Competition policy')

Note: The aid measures listed in this Appendix are only to be considered as existing aid for the purpose of the application of the existing aid mechanism set out in Section 2 to the extent that they fall within the scope of paragraph 1 thereof.

Registration Number			Title (original)	Date of approval by the Croatian Competition Agency	Duration
MS	No.	Yr			
HR	1	2011	Zakon o slobodnim zonama (NN 44/96, 92/05, 85/08)	17.6.2008	31.12.2016
HR	3	2011	Zakon o Hrvatskoj radioteleviziji (NN 137/10)	21.10.2010	Unlimited
HR	4	2011	Odluka o otvorenosti Zračne luke Osijek d.o.o. u razdoblju od 2009. do 2013. godine, od 20. veljače 2009. i 24. travnja 2009.	25.5.2009	31.12.2013
HR	5	2011	Program financiranja nakladništva od 2011. do 2013.	10.2.2011	31.12.2013
HR	6	2011	Naknadno odobrenje državnih potpora poduzetniku Rockwool Adriatic d.o.o.	30.12.2010	31.12.2015
HR	9	2011	Zakon o znanstvenoj djelatnosti i visokom obrazovanju (NN 123/03, 198/03, 105/04, 174/04, 46/07)	1.2.2007	31.12.2014
HR	10	2011	Odluka o obvezi otvorenosti Zračne luke Rijeka d.o.o. za javni zračni promet u razdoblju od 2010. do 2014., od 25. siječnja 2010. i 3. studenoga 2010.	10.3.2011	31.12.2014

ANNEX V

List referred to in Article 18 of the Act of Accession: transitional measures**1. FREE MOVEMENT OF GOODS**

32001 L 0083: Directive 2001/83/EC of the European Parliament and of the Council of 6 November 2001 on the Community code relating to medicinal products for human use (OJ L 311, 28.11.2001, p. 67).

By way of derogation from the requirements of quality, safety and efficacy laid down in Directive 2001/83/EC, marketing authorisations for medicinal products, which are not subject to Article 3(1) of Regulation (EC) No 726/2004 of the European Parliament and of the Council of 31 March 2004 laying down Community procedures for the authorisation and supervision of medicinal products for human and veterinary use and establishing a European Medicines Agency⁽¹⁾ and which are on the list (in the Appendix to this Annex as provided by Croatia) issued under Croatian law prior to the date of accession shall remain valid until they are renewed in compliance with the Union *acquis* or until four years from the date of accession, whichever is earlier.

The marketing authorisations covered by this derogation shall not benefit from mutual recognition in the Member States as long as these products have not been authorised according to Directive 2001/83/EC.

The national marketing authorisations granted under national law before accession and not covered by this derogation and every new marketing authorisation shall, as of the date of accession, be in compliance with Directive 2001/83/EC.

2. FREE MOVEMENT OF PERSONS

Treaty on the Functioning of the European Union

31996 L 0071: Directive 96/71/EC of the European Parliament and of the Council of 16 December 1996 concerning the posting of workers in the framework of the provision of services (OJ L 18, 21.1.1997, p. 1).

32004 L 0038: Directive 2004/38/EC of the European Parliament and of the Council of 29 April 2004 on the right of citizens of the Union and their family members to move and reside freely within the territory of the Member States amending Regulation (EEC) No 1612/68 and repealing Directives 64/221/EEC, 68/360/EEC, 72/194/EEC, 73/148/EEC, 75/34/EEC, 75/35/EEC, 90/364/EEC, 90/365/EEC and 93/96/EEC (OJ L 158, 30.4.2004, p. 77).

32011 R 0492: Regulation (EU) No 492/2011 of the European Parliament and of the Council of 5 April 2011 on freedom of movement for workers within the Union (OJ L 141, 27.5.2011, p. 1).

1. Article 45 and the first paragraph of Article 56 of the TFEU shall fully apply only, in relation to the freedom of movement of workers and the freedom to provide services involving temporary movement of workers as defined in Article 1 of Directive 96/71/EC, between Croatia on the one hand and each of the present Member States on the other hand, subject to the transitional provisions laid down in paragraphs 2 to 13.
2. By way of derogation from Articles 1 to 6 of Regulation (EU) No 492/2011 and until the end of the two year period following the date of accession, the present Member States will apply national measures, or those resulting from bilateral agreements, regulating access to their labour markets by Croatian nationals. The present Member States may continue to apply such measures until the end of the five year period following the date of accession.

Croatian nationals legally working in a present Member State at the date of accession and admitted to the labour market of that Member State for an uninterrupted period of 12 months or longer will enjoy access to the labour market of that Member State but not to the labour market of other Member States applying national measures.

Croatian nationals admitted to the labour market of a present Member State following accession for an uninterrupted period of 12 months or longer shall also enjoy the same rights.

The Croatian nationals referred to in the second and third subparagraphs shall cease to enjoy the rights referred to in those subparagraphs if they voluntarily leave the labour market of the present Member State in question.

Croatian nationals legally working in a present Member State at the date of accession, or during a period when national measures are applied, and who were admitted to the labour market of that Member State for a period of less than 12 months shall not enjoy the rights referred to in the second and third subparagraphs.

3. Before the end of the two year period following the date of accession, the Council shall review the functioning of the transitional provisions laid down in paragraph 2, on the basis of a report from the Commission.

On completion of this review, and no later than at the end of the two year period following the date of accession, the present Member States shall notify the Commission whether they will continue to apply national measures or measures resulting from bilateral agreements, or whether they will apply Articles 1 to 6 of Regulation (EU) No 492/2011 thereafter. In the absence of such notification, Articles 1 to 6 of Regulation (EU) No 492/2011 shall apply.

⁽¹⁾ OJ L 136, 30.4.2004, p. 1.

4. Upon Croatia's request, one further review may be held. The procedure referred to in paragraph 3 shall apply and shall be completed within six months of receipt of Croatia's request.
5. A Member State maintaining national measures or measures resulting from bilateral agreements at the end of the five year period referred to in paragraph 2 may, in case of serious disturbances of its labour market or threat thereof and after notifying the Commission, continue to apply these measures until the end of the seven year period following the date of accession. In the absence of such notification, Articles 1 to 6 of Regulation (EU) No 492/2011 shall apply.
6. During the seven year period following the date of accession, those Member States in which, by virtue of paragraphs 3, 4 or 5, Articles 1 to 6 of Regulation (EU) No 492/2011 apply as regards Croatian nationals, and which issue work permits to nationals of Croatia for monitoring purposes during this period, will do so automatically.
7. Those Member States in which, by virtue of paragraphs 3, 4 or 5, Articles 1 to 6 of Regulation (EU) No 492/2011 apply as regards Croatian nationals, may resort to the procedures set out in the second and third subparagraphs of this paragraph until the end of the seven year period following the date of accession.

When a Member State referred to in the first subparagraph undergoes or foresees disturbances on its labour market which could seriously threaten the standard of living or level of employment in a given region or occupation, that Member State shall inform the Commission and the other Member States thereof and shall supply them with all relevant particulars. On the basis of this information, the Member State may request the Commission to state that the application of Articles 1 to 6 of Regulation (EU) No 492/2011 is wholly or partially suspended in order to restore to normal the situation in that region or occupation. The Commission shall decide on the suspension and on the duration and scope thereof no later than two weeks after receiving such a request and shall notify the Council of its decision. Any Member State may, within two weeks of the Commission's decision, request the Council to annul or amend that decision. The Council shall act on such a request within two weeks, by qualified majority.

A Member State referred to in the first subparagraph may, in urgent and exceptional cases, suspend the application of Articles 1 to 6 of Regulation (EU) No 492/2011, followed by a reasoned *ex post* notification to the Commission.

8. As long as the application of Articles 1 to 6 of Regulation (EU) No 492/2011 is suspended by virtue of paragraphs 2 to 5 and 7 above, Article 23 of Directive 2004/38/EC shall apply in Croatia with regard to nationals of the present Member States, and in the present Member States with regard to Croatian nationals, under the following conditions, so far as the right of family members of workers to take up employment is concerned:
 - the spouse of a worker and their descendants who are under 21 years of age or are dependants, legally residing with the worker in the territory of a Member State at the date of accession, shall have, upon accession, immediate access to the labour market of that Member State. This does not apply to family members of a worker legally admitted to the labour market of that Member State for a period of less than 12 months,
 - the spouse of a worker and their descendants who are under 21 years of age or are dependants, legally residing with the worker in the territory of a Member State from a date later than the date of accession, but during the period of application of the transitional provisions laid down above, shall have access to the labour market of the Member State concerned once they have been resident in the Member State concerned for at least 18 months or from the third year following the date of accession, whichever is earlier.

These provisions shall be without prejudice to more favourable measures, whether national measures or measures resulting from bilateral agreements.

9. Insofar as the provisions of Directive 2004/38/EC which take over the provisions of Council Directive 68/360/EEC of 15 October 1968 on the abolition of restrictions on movement and residence within the Community for workers of Member States and their families⁽¹⁾ may not be dissociated from those of Regulation (EU) No 492/2011 whose application is deferred pursuant to paragraphs 2 to 5 and 7 and 8, Croatia and the present Member States may derogate from those provisions to the extent necessary for the application of paragraphs 2 to 5 and 7 and 8.
10. Whenever national measures, or those resulting from bilateral agreements, are applied by the present Member States by virtue of the transitional provisions laid down above, Croatia may maintain in force equivalent measures with regard to the nationals of the Member State or Member States in question.
11. Any present Member State applying national measures in accordance with paragraphs 2 to 5 and 7 to 9, may introduce, under national law, greater freedom of movement than that existing at the date of accession, including full labour market access. From the third year following the date of accession, any present Member State applying national measures may at any time decide to apply Articles 1 to 6 of Regulation (EU) No 492/2011 instead. The Commission shall be informed of any such decision.

⁽¹⁾ OJ L 257, 19.10.1968, p. 13. Directive as last amended by the 2003 Act of Accession (OJ L 236, 23.9.2003, p. 33) and repealed with effect from 30 April 2006 by European Parliament and Council Directive 2004/38/EC (OJ L 158, 30.4.2004, p. 77).

12. In order to address serious disturbances or the threat thereof in specific sensitive service sectors in the labour markets of Germany and Austria, which could arise in certain regions from the transnational provision of services, as defined in Article 1 of Directive 96/71/EC, and as long as they apply by virtue of the transitional provisions laid down above, national measures or those resulting from bilateral agreements on the free movement of Croatian workers, Germany and Austria may, after notifying the Commission, derogate from the first paragraph of Article 56 of the TFEU with a view to limiting in the context of the provision of services by companies established in Croatia, the temporary movement of workers whose right to take up work in Germany and Austria is subject to national measures.

The list of service sectors which may be covered by this derogation is as follows:

— in Germany:

Sector	NACE (*) code, unless otherwise specified
Construction, including related branches	45.1 to 4; Activities listed in the Annex to Directive 96/71/EC
Industrial cleaning	74.70 Industrial cleaning
Other Services	74.87 Only activities of interior decorators

(*) NACE: see 31990 R 3037: Council Regulation (EEC) No 3037/90 of 9 October 1990 on the statistical classification of economic activities in the European Community (OJ L 293, 24.10.1990, p. 1);

— in Austria:

Sector	NACE (*) code, unless otherwise specified
Horticultural service activities	01.41
Cutting, shaping and finishing of stone	26.7
Manufacture of metal structures and parts of structures	28.11
Construction, including related branches	45.1 to 4; Activities listed in the Annex to Directive 96/71/EC
Security activities	74.60
Industrial cleaning	74.70
Home nursing	85.14
Social work and activities without accommodation	85.32

(*) NACE: see 31990 R 3037: Council Regulation (EEC) No 3037/90 of 9 October 1990 on the statistical classification of economic activities in the European Community (OJ L 293, 24.10.1990, p. 1).

To the extent that Germany or Austria derogate from the first paragraph of Article 56 of the TFEU in accordance with the first and second subparagraphs of this paragraph, Croatia may, after notifying the Commission, take equivalent measures.

The effect of the application of the present paragraph shall not result in conditions for the temporary movement of workers in the context of the transnational provision of services between Germany or Austria and Croatia which are more restrictive than those prevailing on the date of signature of the Treaty of Accession.

13. The effect of the application of paragraphs 2 to 5 and 7 to 11 shall not result in conditions for access of Croatian nationals to the labour markets of the present Member States which are more restrictive than those prevailing on the date of signature of the Treaty of Accession.

Notwithstanding the application of the provisions laid down in paragraphs 1 to 12, the present Member States shall, during any period when national measures or those resulting from bilateral agreements are applied, give preference to workers who are nationals of the Member States over workers who are nationals of third countries as regards access to their labour market.

Croatian migrant workers and their families legally resident and working in another Member State or migrant workers from other Member States and their families legally resident and working in Croatia shall not be treated in a more restrictive way than those from third countries resident and working in that Member State or Croatia respectively. Furthermore, in application of the principle of Union preference, migrant workers from third countries resident and working in Croatia shall not be treated more favourably than nationals of Croatia.

3. FREE MOVEMENT OF CAPITAL

Treaty on European Union and the Treaty on the Functioning of the European Union.

Notwithstanding the obligations under the Treaties on which the European Union is founded, Croatia may maintain in force for seven years from the date of accession the restrictions laid down in its Agricultural Land Act (OG 152/08), as in force on the date of signature of the Treaty of Accession, on the acquisition of agricultural land by nationals of another Member State, by nationals of the States which are a party to the European Economic Area Agreement (EEAA) and by legal persons formed in accordance with the laws of another Member State or an EEAA State. However, a national of a Member State or a legal person formed in accordance with the laws of another Member State, may in no instance be treated less favourably in respect of the acquisition of agricultural land than such a national or person would have been treated at the date of signature of the Treaty of Accession or be treated in a more restrictive way than a national or a legal person of a third country.

Self-employed farmers, who are nationals of another Member State and who wish to establish themselves and reside in Croatia, shall not be subject to the provisions of the first paragraph or to any rules and procedures other than those to which nationals of Croatia are subject.

A general review of this transitional measure shall be held by the end of the third year following the date of accession. To this effect, the Commission shall submit a report to the Council. The Council may, acting unanimously on a proposal from the Commission, decide to shorten or terminate the transitional period indicated in the first paragraph.

If there is sufficient evidence that, upon expiry of the transitional period, there will be serious disturbances or a threat of serious disturbances on Croatia's agricultural land market, the Commission, at Croatia's request, shall decide upon the extension of the transitional period for three years. This extension may be limited to selected geographical areas particularly affected.

4. AGRICULTURE

I. TRANSITIONAL MEASURES FOR CROATIA

1. 32001 L 0113: Council Directive 2001/113/EC of 20 December 2001 relating to fruit jams, jellies and marmalades and sweetened chestnut purée intended for human consumption (OJ L 10, 12.1.2002, p. 67).

By way of derogation from the obligation laid down in Article 8, the marketing of products designated under the names 'domaća marmelada' and 'ekstra domaća marmelada' shall be permitted on the Croatian market until clearance of the stocks existing at the date of accession.

2. 32006 R 0510: Council Regulation (EC) No 510/2006 of 20 March 2006 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs (OJ L 93, 31.3.2006, p. 12 and OJ L 335M, 13.12.2008, p. 213).

(a) In Article 5(8), the second subparagraph is replaced by the following:

'Bulgaria, Romania and Croatia shall introduce the said laws, regulations or administrative provisions no later than one year after their respective date of accession.'

(b) In Article 5(11), the first subparagraph is replaced by the following:

'11. In the case of Bulgaria, Romania and Croatia, the national protection of geographical indications and designations of origin existing at the date of their accession may continue for twelve months from their respective date of accession.'

3. 32007 R 1234: Council Regulation (EC) No 1234/2007 of 22 October 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, p. 1).

(a) In Article 118m, the following paragraph is added:

'5. By way of derogation from paragraphs 1 to 4, Croatia shall be allowed to place on the market in Croatia or export to third countries, wines with the denomination "Mlado vino portugizac", until clearance of the stocks existing at the date of accession. Croatia shall set up a computerised databank with information on the stocks existing at the date of accession, and shall ensure that these stocks are verified and declared to the Commission.'

(b) In Article 118s, the following paragraph is added:

‘5. For Croatia, the wine names published in OJ C 116 of 14 April 2011 shall be protected under this Regulation, subject to a favourable outcome of the objection procedure. The Commission shall list them in the register provided for in Article 118n.

Paragraphs 2 to 4 of this Article shall apply, subject to the following: the deadline referred to in paragraph 3 shall be one year from the date of accession of Croatia. The deadline referred to in paragraph 4 shall be four years from the date of accession of Croatia.’.

4. 32009 R 0073: Council Regulation (EC) No 73/2009 of 19 January 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, 31.1.2009, p. 16).

(a) By way of derogation from the obligation laid down in Article 4(1) of Regulation (EC) No 73/2009 to respect the statutory management requirements listed in Annex II of that Regulation, farmers in Croatia receiving direct payments shall include into the scope of cross compliance the statutory management requirements laid down in Points A, B and C of Annex II in accordance with the following timetable: as of 1 January 2014 for Point A, as of 1 January 2016 for Point B and as of 1 January 2018 for Point C.

(b) The following Chapter heading and Article are inserted after Chapter 1 in title V of Regulation (EC) No 73/2009:

‘CHAPTER 1a

Single payment scheme

Article 121a

Single payment scheme in Croatia

For Croatia, the application of Articles 4, 5, 23, 24 and 25 shall be optional until 31 December 2013 insofar as those provisions relate to statutory management requirements. As of 1 January 2014, a farmer receiving payments under the single payment scheme in Croatia shall fulfil the statutory management requirements referred to in Annex II in accordance with the following timetable:

(a) requirements referred to in Point A of Annex II shall apply from 1 January 2014;

(b) requirements referred to in Point B of Annex II shall apply from 1 January 2016;

(c) requirements referred to in Point C of Annex II shall apply from 1 January 2018.’.

II. TRANSITIONAL TARIFF QUOTA FOR RAW CANE SUGAR FOR REFINING

An annual autonomous *erga omnes* import quota of 40 000 tonnes of raw cane sugar for refining shall be reserved for Croatia for a period of up to three marketing years following its accession at an import duty of EUR 98,00 per tonne. Should negotiations with other Members of the World Trade Organisation according to Article XXIV.6 of the General Agreement on Tariffs and Trade on compensatory adjustment following the accession of Croatia result in the opening of compensatory sugar quotas before the end of the transitional period, the quota of 40 000 tonnes allocated to Croatia shall be terminated, wholly or partially, upon the opening of the compensatory sugar quotas. The Commission shall adopt necessary implementing measures in accordance with the procedure referred to in Article 195(2) of Council Regulation (EC) No 1234/2007 in conjunction with Article 13(1)(b) of European Parliament and Council Regulation (EU) No 182/2011.

III. TEMPORARY DIRECT PAYMENTS MEASURES FOR CROATIA

The reimbursement of direct payments granted to farmers for the year 2013 shall be conditional on the application by Croatia, before accession, of rules identical to those set out for such direct payments in Council Regulation (EC) 73/2009 and in Commission Regulation (EC) No 1120/2009 of 29 October 2009 laying down detailed rules for the implementation of the single payment scheme provided for in Title III 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⁽¹⁾, Commission Regulation (EC) No 1121/2009 of 29 October 2009 laying down detailed rules for the application of Council Regulation (EC) No 73/2009 as regards the support schemes for farmers provided for in Titles IV and V thereof⁽²⁾ and Commission Regulation (EC) No 1122/2009 of 30 November 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⁽³⁾.

⁽¹⁾ OJ L 316, 2.12.2009, p. 1.

⁽²⁾ OJ L 316, 2.12.2009, p. 27.

⁽³⁾ OJ L 316, 2.12.2009, p. 65.

5. FOOD SAFETY, VETERINARY AND PHYTOSANITARY POLICY

I. LAYING HENS

31999 L 0074: Council Directive 1999/74/EC of 19 July 1999 laying down minimum standards for the protection of laying hens (OJ L 203, 3.8.1999, p. 53).

By way of derogation from Article 6 of Council Directive 1999/74/EC, with regard to Croatia, laying hens in lay at the date of accession may be kept in cages which are not in conformity with the structural requirements laid down in that Article. Croatia shall ensure that the use of such cages stops at the latest 12 months after accession.

Eggs from those un-enriched cages shall only be placed on the national market of Croatia. Such eggs and their packs shall be clearly identified with a special mark, which allows for the necessary controls. A clear description of this special mark shall be communicated to the Commission no later than one year before the date of accession.

II. ESTABLISHMENTS (MEAT, MILK, FISH AND ANIMAL BY-PRODUCTS)

32004 R 0852: Regulation (EC) No 852/2004 of the European Parliament and of the Council of 29 April 2004 on the hygiene of foodstuffs (OJ L 139, 30.4.2004, p. 1).

32004 R 0853: Regulation (EC) No 853/2004 of the European Parliament and of the Council of 29 April 2004 laying down specific hygiene rules for food of animal origin (OJ L 139, 30.4.2004, p. 55).

32009 R 1069: Regulation (EC) No 1069/2009 of the European Parliament and of the Council of 21 October 2009 laying down health rules as regards animal by-products and derived products not intended for human consumption and repealing Regulation (EC) No 1774/2002 (Animal by-products Regulation) (OJ L 300, 14.11.2009, p. 1).

1. The structural requirements laid down in:

(a) European Parliament and Council Regulation (EC) No 852/2004:

— Annex II, Chapter II;

(b) European Parliament and Council Regulation (EC) No 853/2004:

— Annex III, Section I, Chapters II and III,

— Annex III, Section II, Chapters II and III,

— Annex III, Section V, Chapter I;

(c) Commission Regulation (EU) No 142/2011 of 25 February 2011 implementing Regulation (EC) No 1069/2009 of the European Parliament and of the Council laying down health rules as regards animal by-products and derived products not intended for human consumption and implementing Council Directive 97/78/EC as regards certain samples and items exempt from veterinary checks at the border under that Directive ⁽¹⁾:

— Annex IV, Chapter I,

— Annex IX, Chapters I, II and III,

— Annex X, Chapters I and II, and

— Annex XIII;

shall not apply to certain establishments in the meat, milk, fish and animal by-products sectors in Croatia until 31 December 2015, subject to the conditions laid down below.

2. As long as the establishments referred to in paragraph 1 benefit from that paragraph, products originating from those establishments shall only be placed on the national market of Croatia or on markets of third countries in accordance with relevant Union legislation, or used for further processing in establishments in Croatia also covered by paragraph 1, irrespective of the date of marketing.
3. Food from establishments referred to in paragraph 1 shall bear a different health or identification mark to that provided for in Article 5 of Regulation (EC) No 853/2004. A clear description of the different health or identification mark shall be communicated to the Commission no later than one year before the date of accession.
4. Paragraphs 2 and 3 also apply to all products originating from integrated meat, milk or fishery establishments where a part of the establishment is subject to paragraph 1.
5. Croatia shall continuously monitor the implementation of the national programme for upgrading establishments and shall provide the Commission with an annual plan of progress in this respect. Croatia shall ensure that an individual upgrading plan for each of these establishments with deadlines for the correction of the structural requirements is elaborated and made available to the Commission on request.

⁽¹⁾ OJ L 54, 26.2.2011, p. 1.

6. In good time before accession the Commission shall establish a list of the establishments referred to in paragraph 1. That list shall be made public and shall include the name and address of each establishment.
7. Croatia shall ensure that any establishments which by the time of accession fail fully to comply with the food safety *acquis* of the Union, except where covered by the provisions of this transitional measure, terminate their activities.
8. Implementing rules to ensure the smooth operation of the transitional regime with respect to Regulations (EC) No 852/2004 and No 853/2004, may be adopted in accordance with the second paragraph of Article 12 and the second paragraph of Article 9 respectively thereof.
9. Implementing rules to ensure the smooth operation of the transitional regime with respect to Regulation (EC) No 1069/2009 may be adopted in accordance with Article 52(4) thereof.

III. MARKETING OF SEEDS

32002 L 0053: Council Directive 2002/53/EC of 13 June 2002 on the common catalogue of varieties of agricultural plant species (OJ L 193, 20.7.2002, p. 1).

32002 L 0055: Council Directive 2002/55/EC of 13 June 2002 on the marketing of vegetable seed (OJ L 193, 20.7.2002, p. 33).

Croatia may postpone until 31 December 2014 the application of Article 4(1) of Directive 2002/53/EC and Article 4(1) of Directive 2002/55/EC with regard to the marketing in its territory of seeds of varieties listed in its respective national catalogues of varieties of agricultural plant species and varieties of vegetable plant species which have not been officially accepted in accordance with those Directives. During that period, such seeds shall not be marketed in the territory of other Member States.

IV. NEUM

31997 L 0078: Council Directive 97/78/EC of 18 December 1997 laying down the principles governing the organisation of veterinary checks on products entering the Community from third countries (OJ L 24, 30.1.1998, p. 9).

Article 1 is replaced by the following:

Article 1

1. Veterinary checks on products from third countries introduced into one of the territories listed in Annex I shall be carried out by Member States in accordance with this Directive and with Regulation (EC) No 882/2004 of the European Parliament and of the Council of 29 April 2004 on official controls performed to ensure the verification of compliance with feed and food law, animal health and animal welfare rules (*).
2. By way of derogation from paragraph 1, consignments of products coming from the territory of Croatia and transiting through the territory of Bosnia and Herzegovina at Neum ('Neum corridor') before re-entering the territory of Croatia via the points of entry at Klek or Zaton Doli, may be exempted from veterinary checks, subject to compliance with the following requirements:
 - (a) Croatia shall have in place, on or before the date of accession, points of entry to the north and south of the Neum corridor that are equipped, staffed and prepared to ensure compliance with the requirements of this paragraph;
 - (b) Croatia shall ensure that:
 - (i) only closed vehicles are used for transporting the consignments;
 - (ii) vehicles transporting consignments are sealed with uniquely numbered seals before transiting the Neum corridor;
 - (iii) a register is made, detailing which numbered seals have been attached to which vehicles, which allows for the necessary checks;
 - (iv) the date and time of leaving and re-entering the territory of Croatia of the vehicles transporting consignments are recorded, so that the total time of transit can be calculated;
 - (c) Croatia shall ensure that consignments are not allowed to re-enter Croatia's territory where:
 - (i) a vehicle's seal has been broken or replaced during transit through the Neum corridor; and/or
 - (ii) the total time of transit considerably exceeds the acceptable total time of transit, given the total distance of transit unless the competent authority has carried out an assessment of the risks to animal and public health and has adopted effective, proportionate and targeted measures based on that assessment;

- (d) Croatia shall regularly and as necessary inform the Commission of any non-compliance with the requirements of point (b) and of the measures it has taken under point (c);
- (e) where necessary, a decision to suspend or withdraw the derogation from paragraph 1 shall be adopted in accordance with the procedure laid down in Article 29;
- (f) where necessary, detailed rules for the application of this paragraph may be adopted in accordance with the procedure laid down in Article 29.

(*) OJ L 165, 30.4.2004, p. 1.

6. FISHERIES

32006 R 1967: Council Regulation (EC) No 1967/2006 of 21 December 2006 concerning management measures for the sustainable exploitation of fishery resources in the Mediterranean Sea, amending Regulation (EEC) No 2847/93 and repealing Regulation (EC) No 1626/94 (OJ L 409, 30.12.2006, p. 11. Corrected version in OJ L 36, 8.2.2007, p. 6).

- (a) By way of derogation from Article 13(1) and (2), at depths of less than 50 metres, vessels registered and operating only in the Western Istria region shall be temporarily allowed, until 30 June 2014, to use bottom trawls at a minimum distance of 1,5 nautical miles from the coast.

This derogation shall apply in the area designated as Western Istria, defined from the point with geographic coordinates $\varphi=44.52135$ and $\lambda=14.29244$ with a line due north and a line due west.

For vessels the overall length of which is less than 15 metres, at depths of over 50 metres Croatia shall be temporarily allowed, until 30 June 2014, to use bottom trawls at a minimum distance of 1 nautical mile from the coast, maintaining all other spatial and temporal restrictions applied on the date of accession.

- (b) By way of derogation from Article 17(1), a limited number of vessels included in the specific category of non-commercial fisheries 'small scale artisanal fishing for personal needs', which shall not exceed 2 000 vessels, shall be allowed to use maximum 200 metres of gillnets until 31 December 2014, provided that all other restrictions in place on the date of accession continue to apply. Croatia shall submit to the Commission on the date of accession, at the latest, the list of vessels covered by this transitional period, including their characteristics and capacity, expressed in terms of GT and kW.

7. TRANSPORT POLICY

- 1. 31992 R 3577: Council Regulation (EEC) No 3577/92 of 7 December 1992 applying the principle of freedom to provide services to maritime transport within Member States (maritime cabotage) (OJ L 364, 12.12.1992, p. 7).

In Article 6, the following paragraphs are added:

‘4. By way of derogation from the second subparagraph of Article 4(1), public service contracts concluded before the date of Croatia’s accession may continue to be applied until 31 December 2016.

5. By way of derogation from Article 1(1), until 31 December 2014, cruise services carried out between Croatian ports by ships smaller than 650 gross tonnes shall be reserved to ships registered in, and flying the flag of, Croatia, which are operated by shipping companies, established in accordance with Croatian law, and whose principal place of business is situated, and effective control exercised, in Croatia.

6. By way of derogation from Article 1(1), and for the transitional period until 31 December 2014, the Commission may, upon a substantiated request by a Member State, decide, within 30 working days of receipt of the relevant request, that ships benefiting from the derogation set out in paragraph 5 of this Article shall not carry out cruise services between ports of certain areas of a Member State other than Croatia where it is demonstrated that the operation of these services seriously disturbs or threatens to seriously disturb the internal transport market in the areas concerned. If after the period of 30 working days the Commission has taken no decision, the Member State concerned shall be entitled to apply safeguard measures until the Commission has taken its decision. In the event of an emergency, the Member State may unilaterally adopt appropriate provisional measures which may remain in force for no more than three months. That Member State shall immediately inform the Commission thereof. The Commission may abrogate the measures or confirm them until it takes its final decision. Member States shall be kept informed.’.

- 2. 32009 R 1072: Regulation (EC) No 1072/2009 of the European Parliament and of the Council of 21 October 2009 on common rules for access to the international road haulage market (recast) (OJ L 300, 14.11.2009, p. 72).

By way of derogation from Article 8 of Regulation (EC) No 1072/2009, the following shall apply:

— for a period of two years from the date of Croatia’s accession, undertakings established in Croatia shall be excluded from cabotage in the other Member States,

- for a period of two years from the date of Croatia's accession, other Member States may notify the Commission whether they intend to prolong the transitional period referred to in the first indent for a maximum of two years or whether they intend to apply Article 8 in relation to undertakings established in Croatia. In the absence of such notification, Article 8 shall apply,
- any of the present Member States may at any time during a period of two years from the date of Croatia's accession notify the Commission of its intention to apply Article 8 in relation to undertakings established in Croatia,
- only carriers established in Member States where Article 8 applies in relation to undertakings established in Croatia may perform cabotage in Croatia,
- for a period of four years from the date of Croatia's accession, any Member State applying Article 8 may, in case of serious disturbance of its national market or parts thereof due to or aggravated by cabotage, such as serious excess of supply over demand or a threat to the financial stability or survival of a significant number of road haulage undertakings, request the Commission to suspend in whole or in part the application of Article 8 in relation to undertakings established in Croatia. In this case, Article 10 shall apply.

Member States that apply the transitional measure referred to in the first and second indents of the first paragraph may progressively exchange cabotage authorisations on the basis of bilateral agreements with Croatia.

The transitional arrangements referred to in the first and second paragraphs shall not lead to more restrictive access for Croatian carriers to cabotage in any Member State than that prevailing at the time of the signature of the Treaty of Accession.

8. TAXATION

1. 31992 L 0079: Council Directive 92/79/EEC of 19 October 1992 on the approximation of taxes on cigarettes (OJ L 316, 31.10.1992, p. 8).

In Article 2(2), the following subparagraph is added:

'Croatia shall be allowed a transitional period until 31 December 2017 in order to reach the requirements laid down in the first and second subparagraphs. However, as of 1 January 2014 the excise duty shall not be less than EUR 77 per 1 000 cigarettes irrespective of the weighted average retail selling price.'

2. 32006 L 0112: Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax (OJ L 347, 11.12.2006, p. 1).

(a) Article 13(2) is replaced by the following:

'2. Member States may regard activities, exempt under Articles 132, 135, 136 and 371, Articles 374 to 377, Article 378(2), Article 379(2) or Articles 380 to 390c, engaged in by bodies governed by public law as activities in which those bodies engage as public authorities.'

(b) Article 80(1)(b) is replaced by the following:

'(b) where the consideration is lower than the open market value and the supplier does not have a full right of deduction under Articles 167 to 171 and Articles 173 to 177 and the supply is subject to an exemption under Articles 132, 135, 136, 371, 375, 376, 377, 378(2), 379(2) or Articles 380 to 390c.'

(c) Article 136, point (a), is replaced by the following:

'(a) the supply of goods used solely for an activity exempted under Articles 132, 135, 371, 375, 376 and 377, Article 378(2), Article 379(2) and Articles 380 to 390c, if those goods have not given rise to deductibility.'

(d) Article 221(3) is replaced by the following:

'3. Member States may release taxable persons from the obligation laid down in Article 220(1) or in Article 220a to issue an invoice in respect of supplies of goods or services which they have made in their territory and which are exempt, with or without deductibility of the VAT paid in the preceding stage, pursuant to Articles 110 and 111, Article 125(1), Article 127, Article 128(1), Article 132, points (h) to (l) of Article 135(1), Articles 136, 371, 375, 376 and 377, Articles 378(2) and 379(2) and Articles 380 to 390c.'

(e) The following Article is inserted:

'Article 390c

Croatia may, in accordance with the conditions applying in that Member State on the date of its accession, continue to exempt the following transactions:

- (a) the supply of building land, with or without buildings built on it, as referred to in point (j) of Article 135(1) and in point (9) of Annex X, Part B, non-renewable, until 31 December 2014;
- (b) the international transport of passengers, as referred to in point (10) of Annex X, Part B, for as long as the same exemption is applied in any of the Member States which were members of the Union before the accession of Croatia.'

(f) Article 391 is replaced by the following:

'Article 391

Member States which exempt the transactions referred to in Articles 371, 375, 376 or 377, Article 378(2), Article 379(2) or Articles 380 to 390c may grant taxable persons the right to opt for taxation of those transactions.'

(g) The Title of Annex X (also, correspondingly, in the Table of contents) is replaced by the following:

'LIST OF TRANSACTIONS COVERED BY THE DEROGATIONS REFERRED TO IN ARTICLES 370 AND 371 AND ARTICLES 375 TO 390c'.

9. FREEDOM, SECURITY AND JUSTICE

32006 R 0562: Regulation (EC) No 562/2006 of the European Parliament and of the Council of 15 March 2006 establishing a Community Code on the rules governing the movement of persons across borders (Schengen Borders Code) (OJ L 105, 13.4.2006, p. 1).

The following Article is inserted:

'Article 19a

By way of derogation from the provisions of this Regulation relating to the establishment of border crossing points, and until the entry into force of a decision by the Council on the full application of the provisions of the Schengen *acquis* in Croatia pursuant to Article 4(2) of the Act of Accession or until this Regulation is amended to include provisions governing border control at common border crossing points, whichever is the earlier, Croatia may maintain the common border crossing points at its border with Bosnia and Herzegovina. At these common border crossing points, border guards of one party shall carry out entry and exit checks on the territory of the other party. All entry and exit checks by Croatian border guards shall be carried out in compliance with the *acquis* of the Union, including Member States' obligations as regards international protection and non-refoulement. The relevant bilateral agreements establishing the common border crossing points in question shall, if necessary, be amended to that end.'

10. ENVIRONMENT

I. HORIZONTAL LEGISLATION

1. 32003 L 0087: Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Council Directive 96/61/EC (OJ L 275, 25.10.2003, p. 32).

- (a) With regard to the inclusion of all flights between two aerodromes situated in the Croatian territory, and all flights between an aerodrome situated in the Croatian territory and an aerodrome situated in a country outside the EEA area (hereinafter referred to as 'additional aviation activities'), the following shall apply:
 - (i) By way of derogation from Article 3c(2), the period referred to in Article 13(1) and beginning on 1 January 2013 shall start on 1 January 2014 for the additional aviation activities.
 - (ii) By way of derogation from Article 3c(4), the Commission shall decide, following the procedure referred to in that same provision, on the historical aviation emissions for the additional aviation activities within a period of six months from the date of accession.
 - (iii) By way of derogation from Article 3d(2), from 1 January 2014, the percentage of allowances to be auctioned for the additional aviation activities shall be the proportion of the allowances remaining after having calculated the number of allowances to be allocated free of charge under point (d) of Article 3e(3) and the number of allowances to be set aside in a special reserve under Article 3f.
 - (iv) By way of derogation from Article 3d(3), the attributed aviation emissions from additional aviation activities shall be decided upon by the Commission for the reference year 2010 on the basis of the best available data. The number of allowances to be auctioned by Member States whose total attributed aviation emissions include those from flights arriving from a Croatian aerodrome, shall be adjusted from 1 July 2013, in order to reallocate auctioning rights related to these emissions, to Croatia.

- (v) By way of derogation from Article 3e(1), the monitoring year for the additional aviation activities shall be 2012 and any application for an allocation of allowances shall be made to the Croatian competent authorities by 31 March 2013.
 - (vi) By way of derogation from Article 3e(2), Croatia shall submit to the Commission applications related to the additional aviation activities by 1 July 2013.
 - (vii) By way of derogation from Article 3e(3), the Commission shall adopt a decision on the matters referred to in points (a) to (e) thereof, in relation to the additional aviation activities by 30 September 2013.
 - (viii) By way of derogation from point (d) of Article 3e(3), for the additional aviation activities, the number of allowances to be allocated free of charge shall be calculated by multiplying the benchmark specified in point (e) by the sum of the tonne-kilometre data included in the applications submitted to the Commission in accordance with Article 3e(2) adjusted to account for the average change in aviation tonne-kilometre activity covered by the EU ETS relative to 2010 levels. If necessary, the benchmark may be subject to a uniform correction factor to be applied by the Commission.
 - (ix) By way of derogation from Article 3e(3), for the additional aviation activities, the benchmark referred to in point (e) thereof shall be the same as that calculated for aviation activities covered by the EU ETS from 1 January 2012.
 - (x) By way of derogation from Article 3e(5), the date of issue of allowances for the additional aviation activities shall be 28 February 2014.
 - (xi) By way of derogation from Article 3f, with regard to additional aviation activities, any reference to the second calendar year of the period starting in 2013 shall be read as a reference to 2014 and any references to the third calendar year of that period shall be read as a reference to 2015.
 - (xii) By way of derogation from Article 14(3), for the additional aviation activities, the date set therein shall be 1 July 2013.
 - (xiii) By way of derogation from Article 18a(1), the reattribution of administrative responsibilities for aircraft operators to Croatia shall take place during the year 2014, after fulfilment by the operator of its 2013 obligations, unless a different date is agreed between the former administering authority and Croatia following a request by the aircraft operator within six months of publication of the Commission's updated list of operators which takes into account Croatia's accession. In this case, reallocation shall take place no later than the year 2020 with regard to the trading period beginning in 2021.
 - (xiv) By way of derogation from point 6 of Annex I, additional aviation activities shall be included as of 1 January 2014.
- (b) Without prejudice to the above derogations, Croatia shall bring into force the laws, regulations and administrative provisions necessary to ensure that it can comply with the Directive as of accession for the whole year 2013.
2. 32010 R 0920: Commission Regulation (EU) No 920/2010 of 7 October 2010 for a standardised and secured system of registries pursuant to Directive 2003/87/EC of the European Parliament and of the Council and Decision No 280/2004/EC of the European Parliament and of the Council (OJ L 270, 14.10.2010, p. 1).

Articles 16, 29, 41, 46 and 54, and Annex VIII, relating to the aviation activities, shall apply in Croatia as of 1 January 2014.

II. AIR QUALITY

32008 L 0050: Directive 2008/50/EC of the European Parliament and of the Council of 21 May 2008 on ambient air quality and cleaner air for Europe (OJ L 152, 11.6.2008, p. 1).

- (a) By way of derogation from Annex XIV, the reference year of point A, first paragraph shall be the second year after the end of the year of Croatia's accession. The Average Exposure Indicator for that reference year shall be the mean concentration of the year of accession and the first and second year after the year of accession.
- (b) By way of derogation from Annex XIV, point B, the exposure reduction target shall be calculated in relation to the Average Exposure Indicator in the reference year which is the second year after the end of the year of Croatia's accession.

III. WASTE MANAGEMENT

31999 L 0031: Council Directive 1999/31/EC of 26 April 1999 on the landfill of waste (OJ L 182, 16.7.1999, p. 1).

- (a) By way of derogation from points (a), (b) and (c) of the first subparagraph of Article 5(2), the requirement to reduce the amount of biodegradable municipal waste going to landfills to respectively 75 %, 50 % and 35 % of the total amount (by weight) of biodegradable municipal waste produced in 1997 shall apply in Croatia in accordance with the deadlines specified below.

Croatia shall ensure a gradual decrease in the amount of biodegradable municipal waste going to landfills according to the following scheme:

- (i) by 31 December 2013, the share of biodegradable municipal waste deposited on landfills shall be reduced to 75 % of the total amount (by weight) of biodegradable municipal waste produced in 1997;
 - (ii) by 31 December 2016, the share of biodegradable municipal waste deposited on landfills shall be reduced to 50 % of the total amount (by weight) of biodegradable municipal waste produced in 1997;
 - (iii) by 31 December 2020, the share of biodegradable municipal waste deposited on landfills shall be reduced to 35 % of the total amount (by weight) of biodegradable municipal waste produced in 1997.
- (b) By way of derogation from Article 14(c), all existing landfills in Croatia shall comply with the requirements of the Directive by 31 December 2018 with the exception of the requirements laid down in Annex I, point 1.

Croatia shall ensure a gradual reduction of waste landfilled in existing non-compliant landfills in accordance with the following annual maximum quantities:

- by 31 December 2013: 1 710 000 tonnes,
- by 31 December 2014: 1 410 000 tonnes,
- by 31 December 2015: 1 210 000 tonnes,
- by 31 December 2016: 1 010 000 tonnes,
- by 31 December 2017: 800 000 tonnes.

By 31 December of each year, starting with the year of accession, Croatia shall provide the Commission with a report concerning the gradual implementation of the Directive and compliance with intermediate targets.

IV. WATER QUALITY

1. 31991 L 0271: Council Directive 91/271/EEC of 21 May 1991 concerning urban waste water treatment (OJ L 135, 30.5.1991, p. 40).

By way of derogation from Articles 3, 4, 5, 6 and 7, the requirements for collecting systems and treatment of urban waste water shall apply in Croatia as of 1 January 2024, in accordance with the following intermediate targets:

- (a) By 31 December 2018, compliance with the Directive shall be achieved in agglomerations with a population equivalent of more than 15 000, except for the following coastal agglomerations:

Bibinje - Sukošan,

Biograd,

Jelsa - Vrboska,

Makarska,

Mali Lošinj,

Malinska - Njivice,

Nin,

Pirovac - Tisno - Jezera,

Pula - sjever,

Vela Luka,

Vir.

- (b) By 31 December 2020, compliance with the Directive shall be achieved in agglomerations with a population equivalent of more than 10 000 whose waste water is discharged into sensitive areas, as well as for treatment plants which are situated in the relevant catchment areas of the Danube and of other sensitive areas and that contribute to the pollution of these areas, and in the 11 coastal agglomerations listed in point (a).
- (c) By 31 December 2023, compliance with the Directive shall be achieved in agglomerations with a population equivalent of more than 2 000.
2. 31998 L 0083: Council Directive 98/83/EC of 3 November 1998 on the quality of water intended for human consumption (OJ L 330, 5.12.1998, p. 32).

By way of derogation, the microbiological parameters and indicator parameters laid down, respectively, in Annex I — Parts A and C shall apply to the following water supply zones in Croatia as of 1 January 2019:

Water Supply Zone	Area No.	Population	Nuts code
DA BJELOVAR	107	51 921	HR02
DA DARUVAR	125	25 608	HR02
DA ĐURĐEVAC	204	30 079	HR01
DA GORSKI KOTAR	306	26 430	HR03
DA HRVATSKO ZAGORJE	101	143 093	HR01
DA ISTOČNA SLAVONIJA - SLAVONSKI BROD	129	124 349	HR02
DA ISTRA	301	97 046	HR03
DA JASTREBARSKO-KLINČA SELA	114	23 213	HR01
DA KARLOVAC-DUGA RESA	116	91 511	HR02
DA KNIN	404	17 187	HR03
DA KOPRIVNICA	203	58 050	HR01
DA KRIŽEVCI	103	36 338	HR01
DA LAPAC	311	1 880	HR03
DA LIČKA JESENICA	118	13 893	HR02
DA NAŠICE	210	37 109	HR02
DA NERETVA-PELJEŠAC-KORČULA-LASTOVO-MLJET	407	58 246	HR03
DA OGULIN	117	25 192	HR02
DA OPATIJA-RIJEKA-KRK	304	238 088	HR03
DA OTOČAC	309	15 434	HR03
DA OZALJ	113	11 458	HR02
DA PETRINJA-SISAK	121	84 528	HR02
DA PISAROVINA	115	3 910	HR01
DA PITOMAČA	205	10 465	HR02
DA POŽEŠTINE	128	70 302	HR02
DA SVETI IVAN ZELINA	102	17 790	HR01
DA UDBINA-KORENICA	310	6 747	HR03
DA VARAŽDIN	201	184 769	HR01
DA VELIKA GORICA	503	75 506	HR01
DA ZAGREB	501	831 047	HR01
DA ZAPREŠIĆ	502	50 379	HR01
DA ZRMANJA-ZADAR	401	158 122	HR03
DA ŽRNOVNICA	307	20 160	HR03

V. INTEGRATED POLLUTION PREVENTION AND CONTROL (IPPC)

1. 31999 L 0013: Council Directive 1999/13/EC of 11 March 1999 on the limitation of emissions of volatile organic compounds due to the use of organic solvents in certain activities and installations (OJ L 85, 29.3.1999, p. 1).

(a) By way of derogation from Article 5 and Annexes IIA and IIB, the emission limit values of volatile organic compounds due to the use of organic solvents in certain activities and installations shall apply to the following installations in Croatia as of the dates mentioned below:

(i) As of 1 January 2014:

1. ČATEKS, dioničko društvo za proizvodnju tkanine, umjetne kože, kućanskog rublja i proizvoda za šport i rekreaciju (ČATEKS d.d.), Čakovec, Ulica Zrinsko-Frankopanska 25
2. Drvna industrija KLANA d.d. (DI KLANA d.d.), Klana, Klana 264.

(ii) As of 1 January 2015:

1. HEMPEL društvo s ograničenom odgovornošću Prerađivačka kemijska industrija (HEMPEL d.o.o.), Umag, Novigradska ulica 32
2. ALUFLEXPACK, proizvodno, trgovačko, export-import društvo s ograničenom odgovornošću (ALUFLEXPACK, d.o.o.), Zadar, Murvica bb - pogon Zadar (Zadar facility, location: Zadar, Murvica bb)
3. ALUFLEXPACK, proizvodno, trgovačko, export-import društvo s ograničenom odgovornošću (ALUFLEXPACK, d.o.o.), Zadar, Murvica bb - pogon Umag (Umag facility, location: Umag, Ungarija bb).

(iii) As of 1 January 2016:

1. PALMA društvo s ograničenom odgovornošću za proizvodnju pogrebnih potrepština (PALMA d.o.o.), Jastrebarsko, Donja Reka 24
2. FERRO-PREIS društvo s ograničenom odgovornošću za proizvodnju lijevanih, kovanih i prešanih metalnih proizvoda (FERRO-PREIS d.o.o.), Čakovec, Dr. Tome Bratkovića 2
3. AD PLASTIK dioničko društvo za proizvodnju dijelova i pribora za motorna vozila i proizvoda iz plastičnih masa (AD PLASTIK d.d.), Solin, Matoševa ulica 8 - location: Zagreb, Jankomir 5
4. REMONT ŽELJEZNIČKIH VOZILA BJELOVAR društvo s ograničenom odgovornošću (RŽV d.o.o.), Bjelovar, Trg kralja Tomislava 2
5. FEROKOTAO d.o.o. za proizvodnju transformatorskih kotlova i ostalih metalnih konstrukcija (FEROKOTAO d.o.o.), Kolođvorska bb, Donji Kraljevec
6. SAME DEUTZ-FAHR Žetelice, društvo s ograničenom odgovornošću za proizvodnju i usluge (SAME DEUTZ-FAHR Žetelice d.o.o.), Županja, Industrijska 5
7. CMC Sisak d.o.o. za proizvodnju i usluge (CMC Sisak d.o.o.), Sisak, Braće Kavurića 12
8. METALSKA INDUSTRIJA VARAŽDIN dioničko društvo (MIV d.d.), Varaždin, Fabijanska ulica 33
9. CHROMOS BOJE I LAKOVI, dioničko društvo za proizvodnju boja i lakova (CHROMOS BOJE I LAKOVI, d.d.), Zagreb, Radnička cesta 173/d
10. CHROMOS-SVJETLOST, Tvornica boja i lakova, društvo s ograničenom odgovornošću (CHROMOS-SVJETLOST d.o.o.), Lužani, Mijata Stojanovića 13
11. MURAPLAST društvo s ograničenom odgovornošću za proizvodnju i preradu plastičnih masa (MURAPLAST d.o.o.), Kotoriba, Industrijska zona bb
12. ISTRAPLASTIKA dioničko društvo za proizvodnju ambalaže (ISTRAPLASTIKA d.d.), Pazin, Dubravica 2/a
13. GRUDINA društvo s ograničenom odgovornošću za proizvodnju i usluge (GRUDINA d.o.o.), Županja, Aleja Matice hrvatske 21
14. SLAVICA - KEMIJSKA ČISTIONICA, vlasnik Slavica Hinek, Beli Manastir, J. J. Strossmayera 17
15. MIDA d.o.o. za usluge i ugostiteljstvo (MIDA d.o.o.), Osijek, Ivana Gundulića 206
16. EXPRESS KEMIJSKA ČISTIONICA, vlasnik Ivanka Drčec, Križevci, Ulica Petra Preradovića 14
17. Kemijska čistionica "BISER", vlasnik Gojko Miletić, Dubrovnik, Nikole Tesle 20
18. Kemijska čistionica "ELEGANT", vlasnik Frane Miletić, Dubrovnik, Andrije Hebranga 106
19. KOLAR obrt za kemijsko čišćenje odjeće, vlasnik Svjetlana Kolar, Žakanje, Kamanje 70/a

20. MM d.o.o. za trgovinu i usluge (MM d.o.o.), Draganić, Lug 112
 21. KEMIJSKA ČISTIONA "AGATA", vlasnik Branko Szabo, Virovitica, S. Radića 66
 22. Obrt za kemijsko čišćenje odjeća "KEKY", vlasnik Jovita Malek-Milovanović, Pula, Dubrovačke bratovštine 29
 23. LORNA d.o.o. za pranje i kemijsko čišćenje tekstila i krznenih proizvoda (LORNA d.o.o.), Pula, Valdebečki put 3
 24. KEMIJSKA ČISTIONICA I KOPIRANJE KLJUČEVA "ŠUPER", vlasnik Ivan Šuper, Virovitica, J.J. Strossmayera 5
 25. KEMIJSKO ČIŠĆENJE ŠTEFANEC kemijsko čišćenje tekstila i krznenih proizvoda, vlasnik Nadica Štefanec, Koprivnica, Ledinska 1a
 26. ARIES društvo s ograničenom odgovornošću za proizvodnju glazbala i usluge (ARIES d.o.o.), Varaždin, Creska 3
 27. OBRT ZA PRANJE I ČIŠĆENJE TEKSTILA I ODJEĆE ĐORĐEVIĆ, vlasnik Javorka Đorđević, Makarska, Ante Starčevića 2
 28. OBRT ZA USLUGE PRANJA I KEMIJSKOG ČIŠĆENJA "KORDIĆ", vlasnik Pero Kordić, Makarska, Kipara Rendića 2
 29. Kemijsko čišćenje tekstila i krznenih proizvoda ČISTIONICA GALEB, vlasnik Stipan Radović, Zadar, Varoška 6
 30. KEMIJSKA ČISTIONICA, vlasnik Krešimir Borovec, Varaždin, Juraja Habelića 2
 31. KEMIJSKA ČISTIONICA "VBM", vlasnik Biserka Posavec, Maruševac, Biljevec 47
 32. OBRT ZA KEMIJSKO ČIŠĆENJE I PRANJE RUBLJA "PLITVICE", vlasnik Momirka Ninić, Pula, Rizzijeva 34
 33. "ANA" KEMIJSKA ČISTIONA, vlasnik Saša Dadić, Pula, Zagrebačka 18
 34. Kemijska čistionica, vlasnik Gordana Bralić, Trogir, Put Demunta 16
 35. "ECONOMATIC" - PRAONICA RUBLJA, vlasnik Marino Bassanese, Umag, Savudrijska cesta 9
 36. SERVIS ZA ČIŠĆENJE "SJA", vlasnik Danijela Brković, Virovitica, Golo Brdo 2A.
- (b) By way of derogation from Article 5(3)(b), the obligation for the operator to demonstrate to the satisfaction of the competent authority that the best available techniques are being used for coating processes in shipbuilding with regard to the following installations in Croatia shall apply as of 1 January 2016:
1. BRODOTROGIR d.d., Trogir, Put brodograditelja 16
 2. NCP-NAUTIČKI CENTAR PRGIN-REMONTNO BRODOGRADILIŠTE ŠIBENIK d.o.o. za remont i proizvodnju brodova (NCP - REMONTNO BRODOGRADILIŠTE ŠIBENIK d.o.o.), Šibenik, Obala Jerka Šižgorića 1
 3. BRODOGRADILIŠTE VIKTOR LENAC dioničko društvo (BRODOGRADILIŠTE VIKTOR LENAC d.d.), Rijeka, Martinšćica bb
 4. 3. MAJ BRODOGRADILIŠTE d.d., Rijeka, Liburnijska 3
 5. BRODOSPLIT-BRODOGRADILIŠTE društvo s ograničenom odgovornošću (BRODOSPLIT-BRODOGRADILIŠTE d.o.o.), Split, Put Supavla 21
 6. ULJANIK Brodogradilište, d.d., Pula, Flaciusova 1.
2. 32001 L 0080: Directive 2001/80/EC of the European Parliament and of the Council of 23 October 2001 on the limitation of emissions of certain pollutants into the air from large combustion plants (OJ L 309, 27.11.2001, p. 1).
- By way of derogation from Article 4(1) and (3), the emission limit values for sulphur dioxide, nitrogen oxides and dust shall apply to the following plants in Croatia as of 1 January 2018:
1. BELIŠĆE d.d., Belišće: steam boilers K3+K4 (240 MW)
 2. DIOKI d.d., Zagreb: steam boiler SG 6401C (86 MW)
 3. HEP-Proizvodnja d.o.o., Zagreb, TE Plomin 1: steam boiler (338 MW)
 4. TE PLOMIN d.o.o., Plomin, TE Plomin 2: steam boiler (544 MW)
 5. HEP-Proizvodnja d.o.o., Zagreb, TE Rijeka: steam boiler (800 MW)

6. HEP-Proizvodnja d.o.o., Zagreb, TE Sisak - block 1: steam boilers 1A+1B (548 MW)
 7. HEP-Proizvodnja d.o.o., Zagreb, TE Sisak - block 2: steam boilers 2A+2B (548 MW)
 8. HEP-Proizvodnja d.o.o., Zagreb, TE-TO Zagreb: consisting of block C steam boiler K3, hot water boilers VK 3, VK 4, VK 5, VK 6 and steam boiler PK 3 (total: 828 MW)
 9. HEP-Proizvodnja d.o.o., Zagreb, EL-TO Zagreb: consisting of block 30 MW with steam boilers K4 (K8) and K5 (K9), block 12 MW with steam boiler K3 (K6), hot water boilers WK 1 and WK 3, and steam boiler K2 (K7) (total: 510 MW)
 10. HEP-Proizvodnja d.o.o., Zagreb, TE-TO Osijek: steam boilers K1+K2 (total: 196 MW).
3. 32008 L 0001: Directive 2008/1/EC of the European Parliament and of the Council of 15 January 2008 concerning integrated pollution prevention and control (Codified version) (OJ L 24, 29.1.2008, p. 8).

By way of derogation from Article 5(1), the requirements for the granting of permits for existing installations shall apply to the following installations in Croatia as of the date indicated for each installation, insofar as the obligation to operate these installations in accordance with emission limit values, equivalent parameters or technical measures, based on the best available techniques according to Article 2, point 12, is concerned:

(a) As of 1 January 2014:

1. NAŠICECEMENT Tvornica cementa, dioničko društvo (NAŠICECEMENT d.d. Našice), Našice, Tajnovac 1, IPPC activity 3.1.
2. LIPIK GLAS za proizvodnju stakla društvo s ograničenom odgovornošću (LIPIK GLAS d.o.o.), Lipik, Staklanska b.b., IPPC activity 3.3.
3. KOKA peradarsko prehrambena industrija dioničko društvo (KOKA d.d.), Varaždin, Jalkovečka ulica bb – farma br. 18 (Farm No.18, location: Čakovec, Totovec), IPPC activity 6.6.a.
4. ŽITO d.o.o. za proizvodnju i trgovinu (ŽITO d.o.o.), Osijek, Đakovština 3 - farma Forkuševci (Farm Forkuševci), IPPC activity 6.6.c.
5. ŽITO d.o.o. za proizvodnju i trgovinu (ŽITO d.o.o.), Osijek, Đakovština 3 - farma V. Branjevina (Farm V. Branjevina), IPPC activity 6.6.c.
6. Drvna industrija KLANA d.d. (DI KLANA d.d.), Klana, Klana 264, IPPC activity 6.7.
7. ČATEKS, dioničko društvo za proizvodnju tkanine, umjetne kože, kućanskog rublja i proizvoda za šport i rekreaciju (ČATEKS d.d.), Čakovec, Ulica Zrinsko-Frankopanska 25, IPPC activity 6.7.

(b) As of 1 January 2015:

1. CIMOS LJEVAONICA ROČ d.o.o. proizvodnja aluminijskih odljevaka (CIMOS LJEVAONICA ROČ d.o.o.), Roč, Stanica Roč 21, IPPC activity 2.5.b.
2. P. P. C. BUZET društvo s ograničenom odgovornošću za proizvodnju, trgovinu i usluge (P. P. C. BUZET d.o.o.), Buzet, Most 24, IPPC activity 2.5.b.
3. Vetropack Straža tvornica stakla d.d. Hum na Sutli (Vetropack Straža d.d. Hum na Sutli), Hum na Sutli, Hum na Sutli 203, IPPC activity 3.3.
4. KOKA peradarsko prehrambena industrija dioničko društvo (KOKA d.d.), Varaždin, Jalkovečka ulica bb - pogon mesa (meat facility), IPPC activity 6.4.a.
5. SLADORANA TVORNICA ŠEĆERA dioničko društvo (SLADORANA d.d.), Županja, Šećerana 63, IPPC activity 6.4.b.
6. KOKA peradarsko prehrambena industrija dioničko društvo (KOKA d.d.), Varaždin, Jalkovečka ulica bb – farma br. 19 (Farm No. 19, location: Donji Martijanec, Vrbanovec), IPPC activity 6.6.a.
7. ŽITO d.o.o. za proizvodnju i trgovinu (ŽITO d.o.o.), Osijek, Đakovština 3 - farma Slaščak (Farm Slaščak), IPPC activity 6.6.b.
8. ŽITO d.o.o. za proizvodnju i trgovinu (ŽITO d.o.o.), Osijek, Đakovština 3 - farma Magadenovac (Farm Magadenovac), IPPC activity 6.6.c.
9. ALUFLEXPACK, proizvodno, trgovačko, export-import društvo s ograničenom odgovornošću (ALUFLEXPACK, d.o.o.), Zadar, Murvica bb - pogon Umag (Umag facility, location: Umag, Ungarija bb), IPPC activity 6.7.
10. ALUFLEXPACK, proizvodno, trgovačko, export-import društvo s ograničenom odgovornošću (ALUFLEXPACK, d.o.o.), Zadar, Murvica bb - pogon Zadar (Zadar facility, location: Zadar, Murvica bb), IPPC activity 6.7.

11. HEMPEL društvo s ograničenom odgovornošću Prerađivačka kemijska industrija (HEMPEL d.o.o.), Umag, Novigradska ulica 32, IPPC activity 6.7.
12. BELIŠĆE dioničko društvo za proizvodnju papira, kartonske ambalaže, strojeva, primarnu i finalnu preradu drva i suhu destilaciju drva (BELIŠĆE d.d.), Belišće, Trg Ante Starčevića 1 - except Steam boilers K3 and K4 (transitional period until 31 December 2017, see below), IPPC activity 6.1.b.
13. MAZIVA-ZAGREB d.o.o. za proizvodnju i trgovinu mazivima i srodnim proizvodima (MAZIVA-ZAGREB d.o.o.), Zagreb, Radnička cesta 175, IPPC activity 1.2.

(c) As of 1 July 2015:

GAVRILOVIĆ Prva hrvatska tvornica salame, sušena mesa i masti M. Gavrilovića potomci, d.o.o. (GAVRILOVIĆ d.o.o.), Petrinja, Gavrilovićev trg 1 - pogon klaonice: papkari, rezanje i prerada mesa i proizvodnja prerađevina od peradi i papkara, te skladištenje mesa (facility for animal slaughter: hoof animals, cutting and processing of meat and production of processed products from poultry and hoof animals, and storage of meat), IPPC activity 6.4.a.

(d) As of 1 January 2016:

1. FERRO-PREIS društvo s ograničenom odgovornošću za proizvodnju lijevanih, kovanih i prešanih metalnih proizvoda (FERRO-PREIS d.o.o.), Čakovec, Dr. Tome Bratkovića 2, IPPC activity 2.4.
2. CEMEX Hrvatska dioničko društvo za proizvodnju i prodaju cementa i drugih građevinskih materijala (CEMEX Hrvatska d.d.), Kaštel Sućurac, Cesta dr. Franje Tuđmana bb - pogon Sv. Kajo (Sv. Kajo facility), IPPC activity 3.1.
3. CEMEX Hrvatska dioničko društvo za proizvodnju i prodaju cementa i drugih građevinskih materijala (CEMEX Hrvatska d.d.), Kaštel Sućurac, Cesta dr. Franje Tuđmana bb - pogon Sv. Juraj (Sv. Juraj facility), IPPC activity 3.1.
4. CEMEX Hrvatska dioničko društvo za proizvodnju i prodaju cementa i drugih građevinskih materijala (CEMEX Hrvatska d.d.), Kaštel Sućurac, Cesta dr. Franje Tuđmana bb - pogon 10. kolovoza (10. kolovoza facility), IPPC activity 3.1.
5. KIO KERAMIKA d.o.o. za proizvodnju keramičkih pločica - "u stečaju" (KIO KERAMIKA d.o.o. - "u stečaju"), Orahovica, V. Nazora bb - pogon Orahovica (Orahovica facility, location: Orahovica, V. Nazora bb), IPPC activity 3.5.
6. KIO KERAMIKA d.o.o. za proizvodnju keramičkih pločica - "u stečaju" (KIO KERAMIKA d.o.o. - "u stečaju"), Orahovica, V. Nazora bb - pogon Rujevac (Rujevac facility, location: Dvor, Rujevac bb), IPPC activity 3.5.
7. PLIVA HRVATSKA d.o.o. za razvoj, proizvodnju i prodaju lijekova i farmaceutskih proizvoda (PLIVA HRVATSKA d.o.o.), Zagreb, Prilaz baruna Filipovića 25 - pogon Savski Marof (Savski Marof facility, location: Prigorje Brdovečko, Prudnička 98), IPPC activity 4.5.
8. PURIS, poljoprivredna, prehrambena, trgovačka i ugostiteljska djelatnost, dioničko društvo (PURIS d.d.), Pazin, Hrvatskog narodnog preporoda 2 - mesna industrija (meat industry, location: Sv. Petar u Šumi), IPPC activity 6.4 a and b.
9. KOKA peradarsko prehrambena industrija dioničko društvo (KOKA d.d.), Varaždin, Jalkovečka ulica bb - farma br. 20 (Farm No. 20, location: Petrijanec-Nova Ves), IPPC activity 6.6.a.
10. PURIS, poljoprivredna, prehrambena, trgovačka i ugostiteljska djelatnost, dioničko društvo (PURIS d.d.), Pazin, Hrvatskog narodnog preporoda 2 - farma Sv. Petar u Šumi 8 (Farm Sv. Petar u Šumi 8, location: Sveti Petar u Šumi), IPPC activity 6.6.a.
11. PURIS, poljoprivredna, prehrambena, trgovačka i ugostiteljska djelatnost, dioničko društvo (PURIS d.d.), Pazin, Hrvatskog narodnog preporoda 2 - farma Sv. Petar u Šumi 9 (Farm Sv. Petar u Šumi 9, location: Sveti Petar u Šumi), IPPC activity 6.6.a.
12. PURIS, poljoprivredna, prehrambena, trgovačka i ugostiteljska djelatnost, dioničko društvo (PURIS d.d.), Pazin, Hrvatskog narodnog preporoda 2 - farma Barban (Farm Barban, location: Barban), IPPC activity 6.6.a.
13. PURIS, poljoprivredna, prehrambena, trgovačka i ugostiteljska djelatnost, dioničko društvo (PURIS d.d.), Pazin, Hrvatskog narodnog preporoda 2 - farma Muntrilj (Farm Muntrilj, location: Muntrilj), IPPC activity 6.6.a.
14. PURIS, poljoprivredna, prehrambena, trgovačka i ugostiteljska djelatnost, dioničko društvo (PURIS d.d.), Pazin, Hrvatskog narodnog preporoda 2 - farma Šikuti (Farm Šikuti, location: Svetvinčenat), IPPC activity 6.6.a.

15. PURIS, poljoprivredna, prehrambena, trgovačka i ugostiteljska djelatnost, dioničko društvo (PURIS d.d.), Pazin, Hrvatskog narodnog preporoda 2 - farma Žminj 2 (Farm Žminj 2, location: Žminj), IPPC activity 6.6.a.
 16. PURIS, poljoprivredna, prehrambena, trgovačka i ugostiteljska djelatnost, dioničko društvo (PURIS d.d.), Pazin, Hrvatskog narodnog preporoda 2 - farma Surani 2 (Farm Surani 2, location: Tinjani, Surani), IPPC activity 6.6.a.
 17. PURIS, poljoprivredna, prehrambena, trgovačka i ugostiteljska djelatnost, dioničko društvo (PURIS d.d.), Pazin, Hrvatskog narodnog preporoda 2 - farma Pilati (Farm Pilati, location: Lovrin, Pilati), IPPC activity 6.6.a.
 18. PURIS, poljoprivredna, prehrambena, trgovačka i ugostiteljska djelatnost, dioničko društvo (PURIS d.d.), Pazin, Hrvatskog narodnog preporoda 2 - farma Škropeti 2 (Farm Škropeti 2, location: Škropeti), IPPC activity 6.6.a.
 19. PURIS, poljoprivredna, prehrambena, trgovačka i ugostiteljska djelatnost, dioničko društvo (PURIS d.d.), Pazin, Hrvatskog narodnog preporoda 2 - farma Katun 2 (Farm Katun 2, location: Trviz, Katun Trviski), IPPC activity 6.6.a.
 20. PURIS, poljoprivredna, prehrambena, trgovačka i ugostiteljska djelatnost, dioničko društvo (PURIS d.d.), Pazin, Hrvatskog narodnog preporoda 2 - farma Srbinjak (Farm Srbinjak, location: Jakovici, Srbinjak), IPPC activity 6.6.a.
 21. AD PLASTIK dioničko društvo za proizvodnju dijelova i pribora za motorna vozila i proizvoda iz plastičnih masa (AD PLASTIK d.d.), Solin, Matoševa ulica 8 - location: Zagreb, Jankomir 5, IPPC activity 6.7.
 22. BRODOSPLIT-BRODOGRADILIŠTE društvo s ograničenom odgovornošću (BRODOSPLIT-BRODOGRADILIŠTE d.o.o.), Split, Put Supavla 21, IPPC activity 6.7.
 23. CHROMOS BOJE I LAKOVI, dioničko društvo za proizvodnju boja i lakova (CHROMOS BOJE I LAKOVI, d.d.), Zagreb, Radnička cesta 173/d, IPPC activity 6.7.
 24. MURAPLAST društvo s ograničenom odgovornošću za proizvodnju i preradu plastičnih masa (MURAPLAST d.o.o.), Kotoriba, Industrijska zona bb, IPPC activity 6.7.
 25. 3. MAJ BRODOGRADILIŠTE d.d., Rijeka, Liburnijska 3, IPPC activity 6.7.
 26. CHROMOS-SVJETLOST, Tvornica boja i lakova, društvo s ograničenom odgovornošću (CHROMOS-SVJETLOST d.o.o.), Lužani, Mijata Stojanovića 13, IPPC activity 6.7.
 27. BRODOTROGIR d.d., Trogir, Put brodograditelja 16, IPPC activity 6.7.
 28. ULJANIK Brodogradilište, d.d., Pula, Flaciusova 1, IPPC activity 6.7.
- (e) As of 1 January 2017:
1. METALSKA INDUSTRIJA VARAŽDIN dioničko društvo (MIV d.d.), Varaždin, Fabijanska ulica 33, IPPC activity 2.4.
 2. KANDIT PREMIJER d.o.o. za proizvodnju, promet i usluge (KANDIT PREMIJER d.o.o.), Osijek, Frankopanska 99, IPPC activity 6.4.b.
 3. KOKA peradarsko prehrambena industrija dioničko društvo (KOKA d.d.), Varaždin, Jalkovečka ulica bb – farma br. 21 (Farm No. 21, location: Čakovec, Totovec), IPPC activity 6.6.a.
 4. ŽITO d.o.o. za proizvodnju i trgovinu (ŽITO d.o.o.), Osijek, Đakovština 3 – farma Lužani (Farm Lužani), IPPC activity 6.6.b.
- (f) As of 1 January 2018:
1. BELIŠĆE dioničko društvo za proizvodnju papira, kartonske ambalaže, strojeva, primarnu i finalnu preradu drva i suhu destilaciju drva (BELIŠĆE d.d.), Belišće, Trg Ante Starčevića 1 – parni kotao K3, parni kotao K4 (Steam boiler K3, Steam boiler K4), IPPC activity 1.1 (this only concerns steam boilers K3 and K4).
 2. HEP-Proizvodnja d.o.o. za proizvodnju električne i toplinske energije (HEP-Proizvodnja d.o.o.), Zagreb, Ulica grada Vukovara 37 – KTE Jertovec (Jertovec Combined-Cycle Power Plant, location: Konjščina, Jertovec, Jertovec 151), IPPC activity 1.1.
 3. HEP-Proizvodnja d.o.o. za proizvodnju električne i toplinske energije (HEP-Proizvodnja d.o.o.), Zagreb, Ulica grada Vukovara 37 - TE Plomin 1 (Thermal Power Plant Plomin 1, location: Plomin, Plomin bb), IPPC activity 1.1.
 4. TE PLOMIN društvo s ograničenom odgovornošću za proizvodnju električne energije (TE PLOMIN d.o.o.), Plomin, Plomin bb - TE Plomin 2 (Thermal Power Plant Plomin 2, location: Plomin, Plomin bb), IPPC activity 1.1.

5. HEP-Proizvodnja d.o.o. za proizvodnju električne i toplinske energije (HEP-Proizvodnja d.o.o.), Zagreb, Ulica grada Vukovara 37 - EL-TO Zagreb (Zagreb Power Plant - Heating Station, location: Zagreb, Zagorska 1), IPPC activity 1.1.
6. HEP-Proizvodnja d.o.o. za proizvodnju električne i toplinske energije (HEP-Proizvodnja d.o.o.), Zagreb, Ulica grada Vukovara 37 - TE-TO Zagreb (Zagreb Thermal Power Plant - Heating Station, location: Zagreb, Kuševačka 10 a), IPPC activity 1.1.
7. HEP-Proizvodnja d.o.o. za proizvodnju električne i toplinske energije (HEP-Proizvodnja d.o.o.), Zagreb, Ulica grada Vukovara 37 - TE Sisak (Sisak Thermal Power Plant, location: Sisak, Čret bb), IPPC activity 1.1.
8. HEP-Proizvodnja d.o.o. za proizvodnju električne i toplinske energije (HEP-Proizvodnja d.o.o.), Zagreb, Ulica grada Vukovara 37 - TE-TO Osijek (Osijek Thermal Power Plant - Heating Station, location: Osijek, Martina Divalta 203), IPPC activity 1.1.
9. HEP-Proizvodnja d.o.o. za proizvodnju električne i toplinske energije (HEP-Proizvodnja d.o.o.), Zagreb, Ulica grada Vukovara 37 - TE Rijeka (Rijeka Thermal Power Plant, location: Kostrena, Urinj bb), IPPC activity 1.1.
10. DIOKI Organska petrokemija dioničko društvo (DIOKI d.d.), Zagreb, Čulinečka cesta 252, IPPC activity 1.1.
11. INA-INDUSTRIJA NAFTE, d.d. (INA, d.d.), Zagreb, Avenija V. Holjevca 10 – Rafinerija nafte Rijeka - Urinj (Rijeka Oil Refinery - Urinj, location: Kostrena, Urinj), IPPC activity 1.2.
12. INA-INDUSTRIJA NAFTE, d.d. (INA, d.d.), Zagreb, Avenija V. Holjevca 10 – Rafinerija nafte Sisak (Sisak Oil Refinery, location: Sisak, Ante Kovačića 1), IPPC activity 1.2.
13. ŽELJEZARA SPLIT poduzeće za proizvodnju i preradu čelika d.d. "u stečaju" (ŽELJEZARA SPLIT d.d. "u stečaju"), Kaštel Sućurac, Cesta dr. F. Tuđmana bb, IPPC activity 2.2.
14. PETROKEMIJA, d.d. tvornica gnojiva (PETROKEMIJA, d.d.), Kutina, Aleja Vukovar 4, IPPC activity 4.2.b.

VI. CHEMICALS

32006 R 1907: Regulation (EC) No 1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), establishing a European Chemicals Agency, amending Directive 1999/45/EC and repealing Council Regulation (EEC) No 793/93 and Commission Regulation (EC) No 1488/94 as well as Council Directive 76/769/EEC and Commission Directives 91/155/EEC, 93/67/EEC, 93/105/EC and 2000/21/EC (OJ L 396, 30.12.2006, p. 1).

- (a) By way of derogation from Article 23(1) and (2) and Article 28 defining the deadline for the registration and pre-registration of the substances mentioned therein, manufacturers, importers and producers of articles established in Croatia shall be granted an adaptation period of six months from the date of accession for pre-registration of phase-in substances. The dates for the first and second registration deadline set out in Article 23(1) and (2) shall be 12 months from the date of accession.
 - (b) Articles 6, 7, 9, 17, 18 and 33 shall not apply in Croatia for a period of six months from the date of accession.
 - (c) By way of derogation from the transitional arrangements specified for any substance included in Annex XIV, if the latest application date falls before the date of accession or less than six months after that date, applicants established in Croatia shall be granted an adaptation period of six months from the date of accession by the end of which applications for authorisations must be received.
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Appendix to ANNEX V

List (*), as provided by Croatia, of medicinal products for which a marketing authorisation issued under Croatian law prior to the date of accession shall remain valid until it is renewed in compliance with the Union *acquis* or until 30 June 2017, whichever is earlier

Inclusion on the list does not of itself indicate whether the medicinal product in question has a marketing authorisation in compliance with the Union *acquis*.

(*) See OJ C 119 E, 24.4.2012.

ANNEX VI

Rural development (referred to in Article 35(2) of the Act of Accession)

TEMPORARY ADDITIONAL RURAL DEVELOPMENT MEASURES FOR CROATIA

A. Support for semi-subsistence farms undergoing restructuring

In the rural development legislative framework for the 2014-2020 programming period, as regards Croatia, special support for semi-subsistence agricultural holdings shall be granted, pursuant to the principles laid down in Article 34 of Council Regulation (EC) No 1698/2005, to farmers in respect of applications approved by 31 December 2017, provided that no similar general measures and/or support is foreseen in the new rural development regulation for the 2014-2020 programming period.

B. Producer groups

In the rural development legislative framework for the 2014-2020 programming period, as regards Croatia, special support to facilitate the setting up and administrative operation of producer groups shall be granted, pursuant to the principles laid down in Article 35 of Council Regulation (EC) No 1698/2005, to producer groups which are officially recognised by Croatia's competent authority by 31 December 2017, provided that no similar general measures and/or support is foreseen in the new rural development regulation for the 2014-2020 programming period.

C. Leader

In the rural development legislative framework for the 2014-2020 programming period, as regards Croatia, the minimum EAFRD contribution to the rural development programme for Leader shall be set on average at a level which is at least half of the percentage of the budget that shall be applicable to the other Member States, if such a requirement is set.

D. Complements to direct payments

1. Support may be granted to farmers eligible for complementary national direct payments or aid under Article 132 of Council Regulation (EC) No 73/2009.
2. The support granted to a farmer in respect of the years 2014, 2015 and 2016 shall not exceed the difference between:
 - (a) the level of direct payments applicable in Croatia for the year concerned in accordance with Article 121 of Council Regulation (EC) No 73/2009; and
 - (b) 45 % of the level of direct payments applicable in the Union as constituted on 30 April 2004 in the relevant year.
3. The Union contribution to support granted under this subsection D in Croatia in respect of the years 2014, 2015 and 2016 shall not exceed 20 % of its respective total annual EAFRD allocation.
4. The Union contribution rate for the complements to direct payments shall not exceed 80 %.

E. Instrument for pre-accession assistance — Rural development

1. Croatia may continue to contract or enter into commitments under the IPARD programme under Commission Regulation (EC) No 718/2007 of 12 June 2007 implementing Council Regulation (EC) No 1085/2006 establishing an instrument for pre-accession assistance (IPA) ⁽¹⁾ until it begins to contract or enter into commitments under the relevant rural development Regulation. Croatia shall inform the Commission of the date on which it begins contracting or entering into commitments under the relevant rural development Regulation.
2. The Commission shall adopt the necessary measures to this end in accordance with the procedure referred to in Article 5 of European Parliament and Council Regulation (EU) No 182/2011. To that effect, the Commission shall be assisted by the IPA Committee referred to in Article 14(1) of Council Regulation (EC) No 1085/2006.

F. IPARD *ex post* evaluation

In the rural development legislative framework for the 2014-2020 programming period, as regards the implementation of the IPARD programme for Croatia, expenditure relating to the *ex post* evaluation of the IPARD programme provided for in Article 191 of Commission Regulation (EC) No 718/2007 may be eligible under technical assistance.

⁽¹⁾ OJ L 170, 29.6.2007, p. 1.

G. Modernisation of agricultural holdings

In the rural development legislative framework for the 2014-2020 programming period, as regards Croatia, the maximum intensity of an aid for the modernisation of agricultural holdings shall be 75 % of the amount of eligible investment for the implementation of Council Directive 91/676/EEC of 12 December 1991 concerning the protection of waters against pollution caused by nitrates from agricultural sources ⁽¹⁾, within a maximum period of four years from the date of accession pursuant to Articles 3(2) and 5(1) of that Directive.

H. Respect of standards

In the rural development legislative framework for the 2014-2020 programming period, as regards Croatia, the statutory management requirements referred to in Annex II to Council Regulation (EC) No 73/2009 applicable in that programming period shall be respected in accordance with the following timetable: requirements referred to in Point A of Annex II shall apply from 1 January 2014; requirements referred to in Point B of Annex II shall apply from 1 January 2016; and requirements referred to in Point C of Annex II shall apply from 1 January 2018.

ANNEX VII

Specific commitments undertaken by the Republic of Croatia in the accession negotiations (referred to in Article 36(1), second subparagraph, of the Act of Accession)

1. To continue to ensure effective implementation of its Judicial Reform Strategy and Action Plan.
2. To continue to strengthen the independence, accountability, impartiality and professionalism of the judiciary.
3. To continue to improve the efficiency of the judiciary.
4. To continue to improve the handling of domestic war crimes cases.
5. To continue to ensure a sustained track record of substantial results based on efficient, effective and unbiased investigation, prosecution and court rulings in organised crime and corruption cases at all levels including high level corruption, and in vulnerable sectors such as public procurement.
6. To continue to improve its track record of strengthened prevention measures in the fight against corruption and conflict of interest.
7. To continue to strengthen the protection of minorities, including through effective implementation of the Constitutional Act on the Rights of National Minorities (CARNM).
8. To continue to address outstanding refugee return issues.
9. To continue to improve the protection of human rights.
10. To continue to cooperate fully with the International Criminal Tribunal for the former Yugoslavia.

⁽¹⁾ OJ L 375, 31.12.1991, p. 1.

G. Modernisation of agricultural holdings

In the rural development legislative framework for the 2014-2020 programming period, as regards Croatia, the maximum intensity of an aid for the modernisation of agricultural holdings shall be 75 % of the amount of eligible investment for the implementation of Council Directive 91/676/EEC of 12 December 1991 concerning the protection of waters against pollution caused by nitrates from agricultural sources ⁽¹⁾, within a maximum period of four years from the date of accession pursuant to Articles 3(2) and 5(1) of that Directive.

H. Respect of standards

In the rural development legislative framework for the 2014-2020 programming period, as regards Croatia, the statutory management requirements referred to in Annex II to Council Regulation (EC) No 73/2009 applicable in that programming period shall be respected in accordance with the following timetable: requirements referred to in Point A of Annex II shall apply from 1 January 2014; requirements referred to in Point B of Annex II shall apply from 1 January 2016; and requirements referred to in Point C of Annex II shall apply from 1 January 2018.

ANNEX VII

Specific commitments undertaken by the Republic of Croatia in the accession negotiations (referred to in Article 36(1), second subparagraph, of the Act of Accession)

1. To continue to ensure effective implementation of its Judicial Reform Strategy and Action Plan.
2. To continue to strengthen the independence, accountability, impartiality and professionalism of the judiciary.
3. To continue to improve the efficiency of the judiciary.
4. To continue to improve the handling of domestic war crimes cases.
5. To continue to ensure a sustained track record of substantial results based on efficient, effective and unbiased investigation, prosecution and court rulings in organised crime and corruption cases at all levels including high level corruption, and in vulnerable sectors such as public procurement.
6. To continue to improve its track record of strengthened prevention measures in the fight against corruption and conflict of interest.
7. To continue to strengthen the protection of minorities, including through effective implementation of the Constitutional Act on the Rights of National Minorities (CARNM).
8. To continue to address outstanding refugee return issues.
9. To continue to improve the protection of human rights.
10. To continue to cooperate fully with the International Criminal Tribunal for the former Yugoslavia.

⁽¹⁾ OJ L 375, 31.12.1991, p. 1.

ANNEX VIII

Commitments undertaken by the Republic of Croatia on the restructuring of the Croatian shipbuilding industry (referred to in Article 36(1), third subparagraph, of the Act of Accession)

The shipbuilding companies to be restructured (hereinafter referred to as 'the companies') are the following:

- Brodograđevna industrija 3. MAJ dioničko društvo, Rijeka (hereinafter referred to as '3. MAJ')
- BRODOTROGIR d.d., Trogir (hereinafter referred to as 'Brodotrogir')
- BRODOGRAĐEVNA INDUSTRIJA SPLIT, dioničko društvo, Split (hereinafter referred to as 'Brodosplit')
- BRODOSPLIT-BRODOGRADILIŠTE SPECIJALNIH OBJEKATA društvo s ograničenom odgovornošću, Split (hereinafter referred to as 'BSO')
- BRODOGRADILIŠTE KRALJEVICA dioničko društvo za izgradnju i popravak brodova, Kraljevica (hereinafter referred to as 'Kraljevica').

Croatia agreed to carry out the restructuring of these companies through their privatisation on the basis of a competitive tendering process. Restructuring plans for these companies have been submitted by the bidders and accepted by the Croatian Competition Agency and the Commission. The restructuring plans will be incorporated in the respective privatisation contracts to be concluded between Croatia and the buyers of the companies.

The restructuring plans submitted for each of these companies specify the following key conditions to be respected in the restructuring process:

- All State aid received by these companies since 1 March 2006 must be counted as restructuring aid. The companies shall provide a contribution to the restructuring plan from their own resources which must be real, free of State aid and which represents at least 40 % of the total restructuring costs.
- The overall production capacity of the companies shall be reduced compared to the levels of 1 June 2011 from 471 324 CGT to 372 346 CGT. The companies shall reduce their production capacity no later than twelve months after the signing of the privatisation contract. Capacity reduction shall be implemented through the permanent closure of slipways, through the designation of slipways for exclusive military production within the meaning of Article 346 of the TFEU and/or through surface area reduction. The CGTs are the units of measurement of output calculated according to the applicable OECD rules.
- The total annual production of the companies shall be limited to 323 600 CGT for a ten year period, starting on 1 January 2011. The companies' output will be limited to the following levels ⁽¹⁾:
 - 3. MAJ: 109 570 CGT
 - Brodotrogir: 54 955 CGT
 - Brodosplit and BSO: 132 078 CGT
 - Kraljevica: 26 997 CGT

The companies may agree to review their individual production limits. On the basis of binding agreements, they can expressly establish which portion of their individual production quota (expressed in CGTs) they cede to each other. The overall yearly production limit of 323 600 CGT shall be respected.

- The restructuring plans also specify a number of other measures which each company will implement to ensure a return to long term viability.

Any subsequent change to these plans shall comply with the key conditions in the restructuring process listed above and shall be submitted to the Commission for acceptance.

⁽¹⁾ The annual production of a given company is calculated as follows: The start of production of a ship is the planned date of steel cutting and the end of production is the date of expected delivery of the ship as set out in the contract with the buyer (or the anticipated date of delivery of the incomplete ship when the construction of a ship is shared between two companies). The number of CGTs corresponding to a ship is linearly allocated to the calendar years covering the production period. The total output of a company in a given year is calculated by adding the number of CGTs produced over that year.

The companies shall not receive any new rescue or restructuring aid until at least ten years have elapsed since the date of signature of the privatisation contract. Upon Croatia's accession, the Commission shall order Croatia to recover any rescue or restructuring aid granted in breach of this provision, with compound interest.

The restructuring plans that have been accepted by the Croatian Competition Agency and by the Commission will be incorporated in the respective privatisation contracts to be concluded between Croatia and buyers of the companies. The privatisation contracts shall be submitted to the Commission for acceptance and shall be signed before Croatia's accession.

The Commission shall closely monitor the implementation of the restructuring plans and compliance with the conditions set out in this Annex regarding the level of State aid, the own contribution, the capacity reductions, the production limitation and the measures taken to ensure a return to viability.

This monitoring shall be carried out each year of the restructuring period. Croatia shall comply fully with all the arrangements for monitoring. In particular:

- Croatia shall supply the Commission with six-monthly reports concerning the restructuring of the benefiting companies, no later than 15 January and 15 July each year until the end of the restructuring period.
- The reports shall contain all the information necessary to monitor the restructuring process, the own contribution, the reduction of capacity, the production limitation and the measures taken to ensure a return to viability.
- Croatia shall submit reports on the annual output of the companies under restructuring no later than 15 July each year, until the end of 2020.
- Croatia shall oblige the companies to disclose all relevant data which might, under other circumstances, be considered as confidential. The Commission shall ensure that the company-specific confidential information is not disclosed.

The Commission may at any time decide to mandate an independent expert to evaluate the monitoring results, undertake any research necessary and report to the Commission. Croatia will provide full cooperation to the independent expert appointed by the Commission and ensure that such expert has full access to all information needed to carry out the tasks entrusted to him by the Commission.

Upon Croatia's accession, the Commission shall order Croatia to recover all rescue or restructuring aid granted since 1 March 2006 to a particular company, with compound interest if:

- the privatisation contract for this company has not yet been signed or does not fully incorporate the conditions set out in the restructuring plan accepted by the Croatian Competition Agency and by the Commission, or
- the company has not provided a real, State aid free contribution from its own resources which represents at least 40 % of the restructuring costs, or
- the reduction of the overall production capacity has not been implemented within twelve months from the signing of the privatisation contract. In that case, the recovery of the aid shall only be required from those companies that have not achieved the following individual reductions of capacity:
 - 3. MAJ: by 46 543 CGT
 - Brodotrogir: by 15 101 CGT
 - Brodosplit and BSO: by 29 611 CGT
 - Kraljevica: by 9 636 CGT, or
- the overall production limitation for the companies (i.e. 323 600 CGT) has been exceeded in any individual calendar year between 2011 and 2020. In that case, the recovery of the aid shall be required from those companies that have exceeded their individual production limits (if applicable, as amended by a legally binding agreement with another shipbuilding company).

ANNEX IX

Commitments undertaken by the Republic of Croatia on the restructuring of the steel sector (referred to in Article 36(1), third subparagraph, of the Act of Accession)

By letter dated 23 May 2011, Croatia informed the Commission that it received recognition of debt from the steel producer CMC Sisak d.o.o., corresponding to the restructuring aid, received by that company over the period from 1 March 2002 until 28 February 2007, plus compound interest ⁽¹⁾. The State aid received, without compound interest, amounts to HRK 19 117 572,36.

Upon Croatia's accession, in the event that the total amount of this aid plus compound interest has not been reimbursed by CMC Sisak d.o.o., the Commission shall order Croatia to recover any rescue and restructuring aid granted to that company since 1 March 2006, with compound interest.

⁽¹⁾ To be calculated according to Articles 9 to 11 of Commission Regulation (EC) No 794/2004 of 21 April 2004 implementing Council Regulation (EC) No 659/1999 laying down detailed rules for the application of Article 93 of the EC Treaty (OJ L 140, 30.4.2004, p. 1), as last amended by Commission Regulation (EC) No 1125/2009 (OJ L 308, 24.11.2009, p. 5).

PROTOCOL**on certain arrangements concerning a possible one-off transfer of assigned amount units issued under the Kyoto Protocol to the United Nations Framework Convention on Climate Change to the Republic of Croatia, as well as the related compensation**

THE HIGH CONTRACTING PARTIES,

NOTING that in view of the specific historical circumstances that have affected Croatia, it has been agreed to express a readiness to provide assistance to Croatia through a one-off transfer of Assigned Amount Units issued under the Kyoto Protocol to the United Nations Framework Convention on Climate Change (the 'Kyoto Protocol'),

NOTING that any such transfer would only be made on a single occasion, would not set a precedent and would reflect the unique and exceptional nature of Croatia's situation,

STRESSING that any such transfer would have to be compensated for by Croatia through an adjustment of its obligations under Decision No 406/2009/EC of the European Parliament and of the Council of 23 April 2009 on the effort of Member States to reduce their greenhouse gas emissions to meet the Community's greenhouse gas emission reduction commitments up to 2020 ⁽¹⁾ so as to ensure environmental integrity by avoiding an increase in the total amount of allowed emissions of the Union and Croatia until 2020,

HAVE AGREED ON THE FOLLOWING PROVISIONS:

PART I**TRANSFER***Article 1*

This Part shall apply to measures relating to a possible one-off transfer of a quantity of Assigned Amount Units issued under the Kyoto Protocol (AAUs) to Croatia.

Article 2

No transfer shall take place unless Croatia has withdrawn its appeal against the decision of the enforcement branch of the Compliance Committee of the Kyoto Protocol in accordance with any relevant rules and time-limits governing the withdrawal of appeals, before the start of the UNFCCC Conference in Durban (28 November - 9 December 2011).

Any transfer shall be conditional upon the determination by the UNFCCC Expert Review Team, after the true-up period, that Croatia has fallen short of its commitments under Article 3 of the Kyoto Protocol.

No transfer shall take place unless Croatia has made all reasonable efforts to comply with its commitments under Article 3 of the Kyoto Protocol, including the full use of removal units from land use, land-use change and forestry.

Article 3

Any decision on the transfer of AAUs shall be adopted in accordance with the examination procedure referred to in Article 5 of Regulation (EU) No 182/2011 of the European

Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers ⁽²⁾. The Commission shall be assisted by the Climate Change Committee established by Article 9 of Decision No 280/2004/EC of the European Parliament and of the Council of 11 February 2004 concerning a mechanism for monitoring Community greenhouse gas emissions and for implementing the Kyoto Protocol ⁽³⁾. That Committee shall be a committee within the meaning of European Parliament and Council Regulation (EU) No 182/2011. No such decision shall be adopted where no opinion is delivered.

The AAUs to be transferred shall be drawn from the quantity of AAUs referred to in Article 2 of Commission Decision 2006/944/EC of 14 December 2006 determining the respective emission levels allocated to the Community and each of its Member States under the Kyoto Protocol pursuant to Council Decision 2002/358/EC ⁽⁴⁾.

Any transfer shall not exceed a total quantity of 7 000 000 AAUs.

⁽²⁾ OJ L 55, 28.2.2011, p. 13.

⁽³⁾ OJ L 49, 19.2.2004, p. 1.

⁽⁴⁾ OJ L 358, 16.12.2006, p. 87. Decision as amended by Commission Decision 2010/778/EU (OJ L 332, 16.12.2010, p. 41).

⁽¹⁾ OJ L 140, 5.6.2009, p. 136.

PART II

COMPENSATION*Article 4*

This Part shall apply to the compensation to be provided by Croatia in the event of a transfer of AAUs in accordance with the provisions of Part I.

In particular, the equivalent amount in tonnes of carbon dioxide equivalent of any AAUs transferred shall, pursuant to this Article, be subtracted from Croatia's annual emission allocations once they have been determined pursuant to Article 3(2) of European Parliament and Council Decision No 406/2009/EC.

Article 5

1. Croatia shall compensate for any AAUs transferred to it through an adjustment, pursuant to this Article, of its obligations under European Parliament and Council Decision No 406/2009/EC.

2. The Commission shall publish the figures for Croatia's annual emission allocations resulting from the subtraction made in accordance with paragraph 1.
