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⁽¹⁾ Text with EEA relevance.

II

*(Information)*INFORMATION FROM EUROPEAN UNION INSTITUTIONS, BODIES, OFFICES
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EUROPEAN COMMISSION

COMMISSION NOTICE

**on a simplified treatment for certain concentrations under Council Regulation (EC) No 139/2004 on
the control of concentrations between undertakings**

(2023/C 160/01)

I. INTRODUCTION

1. The Commission's experience in applying Council Regulation (EC) No 139/2004 ⁽¹⁾ has shown that certain categories of concentrations are generally not likely to raise competition concerns. The purpose of this Notice is to set out the conditions under which the Commission will review, in a streamlined manner, certain concentrations and provide guidance on the simplified procedure laid down in Annex II to Commission Regulation (EU) 2023/914 of 20 May 2023 implementing Council Regulation (EC) No 139/2004 on the control of concentrations between undertakings (the 'Implementing Regulation') ⁽²⁾. This Notice replaces the Notice from 2013 ⁽³⁾ and will be applicable as of the day of the entry into force of the Implementing Regulation.
2. The Commission will review, under the simplified procedure, concentrations that meet the conditions laid down in point 5 of this Notice, provided none of the safeguards or exclusions set out in Section II.C of this Notice apply ⁽⁴⁾. For those concentrations, the Commission adopts a short-form decision declaring that a concentration is compatible with the internal market within 25 working days from the date of notification, pursuant to Article 6(1)(b) of the Merger Regulation ⁽⁵⁾. Furthermore, the Commission may in certain circumstances use the flexibility clause set out in points 8 and 9 of this Notice to review, under the simplified procedure, certain concentrations that do not meet the conditions laid down in point 5 of this Notice, provided none of the safeguards or exclusions set out in Section II.C apply ⁽⁶⁾. However, the Commission may launch an investigation, adopt a full decision or do both under the Merger Regulation in respect of a proposed concentration, even if the proposal falls under the categories in this Notice, in particular if any of the safeguards or exclusions set out in Section II.C of this Notice apply.

⁽¹⁾ Council Regulation (EC) No 139/2004 of 20 January 2004 on the control of concentrations between undertakings (the 'Merger Regulation') (OJ L 24, 29.1.2004, p. 1), available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=celex%3A32004R0139>.

⁽²⁾ OJ L 119, 5.5.2023, p. 22.

⁽³⁾ Commission Notice on a simplified procedure for treatment of certain concentrations under Council Regulation (EC) No 139/2004 (OJ C 366, 14.12.2013, p. 5), available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A52013XC1214%2802%29>.

⁽⁴⁾ See Section II.C of this Notice.

⁽⁵⁾ The notification requirements are set out in Annex I and II to the Implementing Regulation.

⁽⁶⁾ See Section II.C of this Notice.

3. Certain concentrations reviewed under the normal procedure may give rise to horizontal overlaps ⁽⁷⁾ or vertical relationships ⁽⁸⁾ meeting the conditions laid down in point 5(d) of this Notice. Provided that no safeguards or exclusions set out in Section II.C of this Notice apply, these horizontal overlaps or vertical relationships will be assessed in a streamlined manner (i.e. in the same way as a short-form decision) in the Commission's final decision in the normal procedure. Furthermore, the Commission may in certain circumstances use the flexibility clause set out in point 8 of this Notice to assess, in a streamlined manner under the normal procedure, certain horizontal overlaps or vertical relationships, provided no safeguards or exclusions set out in Section II.C of this Notice apply.
4. By following the procedure set out in Sections II to IV, the Commission aims to make EU merger control more focused and effective.

II. CATEGORIES OF CONCENTRATIONS SUITABLE FOR TREATMENT UNDER THE SIMPLIFIED PROCEDURE

A. Eligible concentrations

5. The Commission will apply in principle ⁽⁹⁾ the simplified procedure to any of the following categories of concentrations ⁽¹⁰⁾.
 - (a) Two or more undertakings acquire joint control of a joint venture, provided that the joint venture has no current or expected turnover within the territory of the European Economic Area (EEA) ⁽¹¹⁾, and the undertakings concerned have not planned to transfer any assets within the EEA to the joint venture at the time of notification ⁽¹²⁾;
 - (b) Two or more undertakings acquire joint control of a joint venture, provided that the joint venture has negligible activities in the EEA. This refers to concentrations that meet all the following conditions:
 - (i) the current annual turnover of the joint venture and the turnover of the contributed activities ⁽¹³⁾ as well as the expected annual turnover is less than EUR 100 million in the EEA ⁽¹⁴⁾;

⁽⁷⁾ A concentration gives rise to horizontal overlaps when the parties to the concentration are engaged in business activities in the same relevant product and geographic market(s), including the development of pipeline products. Horizontal overlaps involving pipeline products include overlaps between pipeline products and overlaps between one or more marketed product(s) and one or more pipeline product(s). Pipeline products are products likely to be brought to market in the short or medium term. Pipeline products also cover services.

⁽⁸⁾ A concentration gives rise to vertical relationships when one or more of the parties to the concentration are engaged in business activities in a product market that is upstream or downstream from a product market in which any other party to the concentration is engaged, including the development of pipeline products. Vertical relationships involving pipeline products include relationships between pipeline products and relationships between one or more marketed product(s) and one or more pipeline product(s).

⁽⁹⁾ Provided no safeguards or exclusions set out in Section II.C of this Notice apply.

⁽¹⁰⁾ A concentration fulfilling all the conditions of any of the categories mentioned in points 5(a), (b), (c), (d) or (e) will in principle be eligible for the simplified procedure. However, this does not mean that a transaction will automatically benefit from the simplified procedure if it falls under one of those categories. For example, a transaction may fall under point 5(b) but, at the same time, give rise to horizontal overlaps exceeding the thresholds laid down in point 5(d). In such a case, the Commission may revert to the normal merger procedure, especially if any of the circumstances in Section II.C are present.

⁽¹¹⁾ The term 'current turnover' refers to turnover generated by the joint venture at the time of notification. The turnover of the joint venture can be determined according to the most recent audited accounts of the parent companies or the joint venture itself, depending on the availability of separate accounts for the resources combined in the joint venture. The term 'expected turnover' refers to the turnover expected to be generated in the 3 years following notification.

⁽¹²⁾ Any asset actually transferred or planned to be transferred at the time of the notification to the joint venture should be considered, regardless of the date when such an asset will actually be transferred to the joint venture.

⁽¹³⁾ This covers many situations. For example:

- in the case of a joint acquisition of a target company, the turnover to be taken into account is the turnover of this target (the joint venture);
- in the case of the creation of a joint venture to which the parent companies contribute their activities, the turnover to be taken into account is that of the contributed activities;
- in the case of the entry of a new controlling party into an existing joint venture, the turnover of the joint venture and the turnover of the activities contributed by the new parent company (if any) must be taken into account.

⁽¹⁴⁾ See footnote 11 for guidance on calculation of joint ventures' turnover and on the terms 'current' and 'expected' turnover.

- (ii) the total value of asset transfers to the joint venture in the EEA planned ⁽¹⁵⁾ at the time of notification is less than EUR 100 million ⁽¹⁶⁾.
- (c) Two or more undertakings merge, or one or more undertakings acquire sole or joint control of another undertaking, provided that none of the parties to the concentration are engaged in business activities in the same product and geographic market ⁽¹⁷⁾ or in a relevant product market that is upstream or downstream from a product market in which any other party to the concentration is engaged ⁽¹⁸⁾.
- (d) Two or more undertakings merge or one or more undertakings acquire sole or joint control of another undertaking and the conditions set out in points 5(d)(i) and 5(d)(ii) are fulfilled under all plausible market definitions ⁽¹⁹⁾:
- (i) the combined market share of all the parties to the concentration that are engaged in business activities in the same product and geographic market ⁽²⁰⁾ (horizontal overlap) meets at least one of the following conditions ⁽²¹⁾:
- (aa) it is lower than 20 %;
- (bb) it is lower than 50 % and the increment (delta) of the Herfindahl-Hirschman Index (HHI) resulting from the concentration on this market is below 150 ⁽²²⁾.
- (ii) the individual and combined market shares of all the parties to the concentration that are engaged in business activities in a product market that is upstream or downstream from a product market in which any other party to the concentration is engaged (vertical relationship) ⁽²³⁾ meet at least one of the following conditions ⁽²⁴⁾:
- (aa) they are lower than 30 % on the upstream and the downstream markets;

⁽¹⁵⁾ See footnote 12.

⁽¹⁶⁾ The total value of the assets of the joint venture can be determined according to the last prepared and approved balance sheet of each parent company. The term 'assets' includes: (i) all tangible and intangible assets that will be transferred to the joint venture (examples of tangible assets include production plants, wholesale or retail outlets, and inventories of goods; examples of intangible assets include intellectual property, goodwill, pipelines or R&D programmes); and (ii) any amount of financing, including access to cash, credit or any obligations of the joint venture that any parent company of the joint venture has agreed to extend or guarantee.

⁽¹⁷⁾ See Commission Notice on the definition of relevant market for the purposes of Community competition law (OJ C 372, 9.12.1997, p. 5), available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=celex%3A31997Y1209%2801%29>. Any reference in this Notice to undertakings' activities in markets should be understood as activities in markets within the EEA or markets that include the EEA, but may be wider than the EEA.

⁽¹⁸⁾ See the Commission's Guidelines on the assessment of non-horizontal mergers under the Council Regulation on the control of concentrations between undertakings (OJ C 265, 18.10.2008, p. 6, footnote 4), available at <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52008XC1018%2803%29> ('Guidelines on non-horizontal mergers'). For the purposes of this Notice, a vertical relationship usually presupposes that the input is used directly in the downstream entity's own production (i.e. it is integrated in the product or it is strictly needed for the production of the downstream product) or that the input is re-sold by the downstream firm (e.g. distributors). This excludes remote links or links with services provided to various sectors, such as supply of electricity or waste collection services.

⁽¹⁹⁾ The thresholds for horizontal overlaps and vertical relationships apply to any plausible alternative product and geographic market definition that may have to be considered. It is important that the underlying market definitions set out in the notification are precise enough to justify the assessment that these thresholds are not met and that all plausible alternative market definitions that may have to be considered are mentioned (including geographic markets narrower than national ones).

⁽²⁰⁾ See footnote 17.

⁽²¹⁾ For the avoidance of doubt, if some of the plausible markets concerned by a transaction fulfil the conditions set out in 5(d)(i)(aa) and others fulfil those in 5(d)(i)(bb), the transaction will be considered to fulfil the conditions set out in 5(d)(i).

⁽²²⁾ The HHI is calculated by summing the squares of the individual market shares of all the firms in the market. See point 16 in the Commission's Guidelines on the assessment of horizontal mergers under the Council Regulation on the control of concentrations between undertakings (OJ C 31, 5.2.2004, p. 5), available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=celex%3A52004XC0205%2802%29> ('Guidelines on horizontal mergers'). However, to calculate the HHI delta resulting from the concentration, it is sufficient to subtract from the square of the sum of the market shares of the parties to the concentration (in other words, the square of the merged entity's market share post-concentration) the sum of the squares of the parties' individual market shares (since the market shares of all other competitors in the market remain unchanged and thus do not influence the result of the equation).

⁽²³⁾ See footnotes 17 and 18.

⁽²⁴⁾ For the avoidance of doubt, if some of the plausible markets concerned by a transaction fulfil the conditions set out in 5(d)(ii)(aa) and others fulfil those in 5(d)(ii)(bb) and/or 5(d)(ii)(cc), the transaction will be considered to fulfil the conditions set out in 5(d)(ii).

- (bb) they are lower than 30 % on the upstream market, and parties to the concentration active in the downstream market hold a purchasing share ⁽²⁵⁾ of less than 30 % of upstream inputs;
 - (cc) they are lower than 50 % on both the upstream and downstream markets, the increment (delta) of the HHI resulting from the concentration is below 150 on both the upstream and downstream markets, and the smaller undertaking in terms of market share is the same in the upstream and downstream markets ⁽²⁶⁾.
 - (e) a party is to acquire sole control of an undertaking over which it already has joint control.
6. A concentration may however fulfil the criteria of more than one of the categories described in this Notice. Therefore, notifying parties may submit a notification of a concentration on the basis of more than one category ⁽²⁷⁾.
7. To apply points 5(c) and 5(d), in the case of an acquisition of joint control where the joint venture is not active in the same product market as the undertakings acquiring joint control, the relationships that exist only between the undertakings acquiring joint control are not considered to be horizontal overlaps or vertical relationships within the meaning of this Notice ⁽²⁸⁾. However, where the joint venture and the undertakings acquiring joint control are active in the same product and geographic market, the combined market shares should take into account the activities of all the undertakings active on that market. Where the concentration does not bring about any increment and the horizontal overlaps and vertical relationships are pre-existing, such pre-existing overlaps and relationships are not taken into account for the purposes of the application of points 5(c) and 5(d).

B. Flexibility clause to change from normal to simplified procedure

8. At the request of the notifying parties, the Commission may review under the simplified procedure certain concentrations not falling under any of the categories set out in point 5 of this Notice. This may be done if two or more undertakings merge, or one or more undertakings acquire sole or joint control of another undertaking, provided the conditions set out in points 8(a) and 8(b) are fulfilled under all plausible market definitions ⁽²⁹⁾:
- (a) the combined market share of all the parties to the concentration that are engaged in a horizontal overlap remains below 25 %;
 - (b) the individual and combined market shares of all the parties to the concentration that are engaged in a vertical relationship meet at least one of the following conditions ⁽³⁰⁾:
 - (i) they are lower than 35 % in the upstream and downstream markets;
 - (ii) they are lower than 50 % in one market while the individual and combined market shares of all the parties to the concentration in all the other vertically related markets are less than 10 %.

⁽²⁵⁾ An undertaking's purchasing share is calculated by dividing (i) the volume or value of the undertaking's purchases of products in the upstream market with (ii) the total size of the upstream market (in terms of volume or value).

⁽²⁶⁾ This category aims to capture small increments to a pre-existing vertical integration. For example, Company A, active in an upstream and a downstream market (with a share of 45 % in each) acquires Company B active in the same upstream and downstream markets (with a share of 0,5 % in each). This category does not capture situations in which the bulk of the vertical integration results from the transaction, even if the combined market shares are below 50 % and the HHI delta is below 150. For example, this category does not capture the following situation: Company A, active upstream with a market share of 45 % and downstream with a market share of 0,5 %, acquires company B, active upstream with a market share of 0,5 % and downstream with a market share of 45 %.

⁽²⁷⁾ When a concentration falls under more than one simplified category, the notifying parties should explicitly indicate this in the notification form.

⁽²⁸⁾ Those overlaps or relationships may however give rise to coordination as referred to in Article 2(4) of the Merger Regulation and may be dealt with in line with point 19 of this Notice.

⁽²⁹⁾ See footnote 17.

⁽³⁰⁾ For the avoidance of doubt, if some of the plausible markets concerned by a transaction fulfil the conditions set out in 8(b)(i) and others fulfil those in 8(b)(ii), the transaction will be considered to fulfil the conditions set out in 8(b).

9. At the request of the notifying parties, the Commission may review under the simplified procedure certain concentrations not falling under any of the categories set out in point 5 of this Notice. This may be done if two or more undertakings acquire joint control of a joint venture, provided that ⁽³¹⁾:
 - (a) the annual current turnover of the joint venture, and the turnover of the contributed activities ⁽³²⁾ is less than EUR 150 million in the EEA ⁽³³⁾; and
 - (b) the total value of asset transfers to the joint venture in the EEA planned ⁽³⁴⁾ at the time of notification is less than EUR 150 million ⁽³⁵⁾.
10. The categories mentioned in points 8 and 9 apply alternatively, not cumulatively. For the avoidance of doubt, point 8 can be combined with point 5(d). Therefore, the notifying parties may request the application of the flexibility clause for certain markets provided that the conditions set out in point 8 are met and benefit from the simplified procedure if all the remaining markets fulfil the conditions laid down in point 5(d).

C. Safeguards and exclusions

11. This Section sets out a non-exhaustive list of examples of types of concentrations that may be excluded from the simplified procedure.
12. The presence of one or more of the circumstances set out in this Section may be a reason for the Commission to inform the notifying parties that the simplified treatment is not suitable for concentrations falling under point 5. Where one or more of the circumstances described in this Section are present, the flexibility clause in points 8 and 9 will usually not be applied. In such cases, the Commission may revert to the normal procedure.

C.1. *Joint ventures with negligible activities in the EEA (point 5(b) and 9)*

13. For concentrations falling under point 5(b) or 9, the normal procedure may be considered appropriate where horizontal overlaps or vertical relationships exist between the parties to the concentration, on the basis of which it cannot be excluded that the concentration will raise serious doubts as to its compatibility with the internal market, or if any of the special circumstances set out in Section II.C are present ⁽³⁶⁾. Additionally, the Commission may consider it appropriate to carry out a full assessment under the normal merger procedure if certain joint ventures' turnover is below the threshold specified in points 5(b)(i) or 9 at the time of notification, but the turnover can be expected to significantly surpass these thresholds in the EEA within the following 3 years.

C.2. *Difficulty in defining the relevant markets*

14. In assessing whether a concentration that falls under points 5, 8 or 9 should nevertheless be reviewed under the normal procedure, the Commission will ensure that all relevant circumstances are established with sufficient clarity. Given that market definitions are likely to be a key element in this assessment, the notifying parties should provide information on all plausible alternative market definitions, generally during the pre-notification phase ⁽³⁷⁾. Notifying parties are responsible for: (i) describing all alternative relevant product and geographic markets on which the notified concentration could have an impact; and (ii) providing all the data and information relating to the

⁽³¹⁾ A concentration fulfilling all the conditions of any of the categories set out in points 8 or 9 will in principle be eligible to benefit from the flexibility clause. However, this does not mean that a transaction will automatically benefit from the simplified procedure if it falls under one of these categories. For instance, a transaction may fall under point 9 but also give rise to horizontal overlaps exceeding the thresholds laid down in point 5(d) or 8. In such a case, the Commission may not accept to review the case under the simplified procedure.

⁽³²⁾ See footnote 13.

⁽³³⁾ See footnote 11 for guidance on calculation of joint ventures' turnover and on the term 'current' turnover.

⁽³⁴⁾ See footnote 12.

⁽³⁵⁾ See footnote 16.

⁽³⁶⁾ In cases that fall under point 5(b) or 9, where the activities of the parties to the concentration give rise to horizontal overlaps or vertical relationships, the notifying parties are required to provide all the data and information relating to the definition of such markets.

⁽³⁷⁾ See point 28.

definition of such markets ⁽³⁸⁾. The Commission has the discretion to take the final decision on market definition after analysing the facts of the case. The Commission will not apply the simplified procedure where it is difficult to define the relevant markets or determine the market shares of the parties to the concentration. Similarly, if the concentration involves novel legal issues of general interest, the Commission may abstain from adopting a short-form decision and may revert to the normal procedure.

C.3. *Non-controlling shareholdings*

15. One party to the concentration may have significant non-controlling shareholdings in companies active in the market(s) where another party to the concentration is active. For example, an acquirer may have a non-controlling minority shareholding in a company active in the same market(s) as the target company or in a market upstream or downstream to the market(s) where the target is active. If those companies have a very significant market share, in certain circumstances the concentration may not be suitable for review under the simplified procedure, even if the combined market shares of the parties to the concentration are below the thresholds set out in point 5. The same could be the case if one or more of the competitors of one party to the concentration have significant non-controlling shareholdings in any of the other parties to the concentration.

C.4. *Other competitively valuable assets*

16. Certain types of concentrations may increase the market power of the parties to the concentration, even if the parties do not operate in the same market. This can happen as a result of combining technological, financial or other resources, or competitively valuable assets, such as raw materials, intellectual property rights (for example, patents, know-how, designs and brands), infrastructure, a significant user base or commercially valuable data inventories. These concentrations may not be suitable for review under the simplified procedure.

C.5. *Closely related neighbouring markets*

17. Concentrations where at least two parties to the concentration are present in closely related neighbouring markets ⁽³⁹⁾ may also not be suitable for review under the simplified procedure. In particular, this can occur where one or more of the parties to the concentration hold an individual or combined market share of 30 % or more in any product market in which there is no horizontal overlap or vertical relationship between the parties to the concentration but which is neighbouring to a market where another party to the concentration is active ⁽⁴⁰⁾. Determining neighbouring markets should be carried out in line with point 14 of this Notice.

C.6. *Circumstances set out in the Commission's Guidelines on the assessment of horizontal and non-horizontal mergers and other special circumstances*

18. The Commission is less likely to apply the simplified procedure if any of the special circumstances set out in the Commission's Guidelines on the assessment of horizontal mergers and non-horizontal mergers ⁽⁴¹⁾ and/or in this Section are present. These includes circumstances where:
 - (a) the market is already concentrated (in particular where less than three competitors, in addition to the parties to the concentration, have meaningful market presence) ⁽⁴²⁾;

⁽³⁸⁾ As with all other notifications, the Commission may revoke the short-form decision if it is based on incorrect information for which one of the undertakings concerned is responsible, as set out in Article 6(3)(a) of the Merger Regulation.

⁽³⁹⁾ Product markets qualify as closely related neighbouring markets when the products are complementary to each other or when they belong to a range of products that is generally purchased by the same set of customers for the same end use.

⁽⁴⁰⁾ See point 25 and Section V of the Guidelines on non-horizontal mergers.

⁽⁴¹⁾ See Guidelines on horizontal mergers and Guidelines on non-horizontal mergers.

⁽⁴²⁾ See Guidelines on horizontal mergers, point 17 and Guidelines on non-horizontal mergers, point 36. Market presence can be considered meaningful when a competitor has a share of 5 % or more.

- (b) the market share thresholds set out in points 5 or 8 of this Notice are exceeded in terms of capacity or production in markets where these metrics could be important ⁽⁴³⁾;
- (c) one of the parties to the concentration is a recent entrant ⁽⁴⁴⁾;
- (d) overlaps arise in markets where products are highly differentiated ⁽⁴⁵⁾;
- (e) the proposed concentration would eliminate an important actual or potential competitive force ⁽⁴⁶⁾;
- (f) the proposed concentration would combine two important innovators ⁽⁴⁷⁾;
- (g) the proposed concentration involves a firm that has promising pipeline products ⁽⁴⁸⁾;
- (h) the concentration would eliminate potential competition ⁽⁴⁹⁾;
- (i) there are indications that the proposed concentration would enable the parties to the concentration to hinder their competitors' expansion, hamper rivals' access to supplies or markets, or increase barriers to entry ⁽⁵⁰⁾;
- (j) the merged entity would, by integrating, gain access to commercially sensitive information on the upstream or downstream activities of its rivals ⁽⁵¹⁾;
- (k) the parties to the concentration are active in markets that belong to different levels of a value chain without being in a vertical relationship, and the individual or combined market shares are 30 % or higher in at least one of these markets.

19. The Commission may revert to a full assessment under the normal procedure where an issue of coordination under Article 2(4) of the Merger Regulation arises ⁽⁵²⁾.

C.7. *Change from joint to sole control*

20. The Commission's experience to date has shown that a change from joint to sole control may exceptionally require closer investigation, a full decision or both. A particular competition concern could arise in circumstances where a former joint venture is integrated into the group or network of its remaining single controlling shareholder, with the removal of any constraints previously exercised by the potentially diverging incentives of the other controlling shareholders and the adoption by the former joint venture of a less competitive market strategy. For example, in a scenario in which undertaking A and undertaking B jointly control a joint venture C, a concentration where A acquires sole control of C may give rise to competition concerns if: (i) C is a direct competitor of A; (ii) C and A hold a substantial combined market position; and (iii) this removes a degree of independence previously held by C ⁽⁵³⁾. In cases where such scenarios require closer analysis, the Commission may revert to the normal procedure ⁽⁵⁴⁾.

21. The Commission may also revert to the normal procedure where neither the Commission nor the competent authorities of Member States have reviewed the prior acquisition of joint control of the joint venture in question.

⁽⁴³⁾ See Commission decision of 19 September 2019, Case M.8674, *BASF/Solvay's Polyamide Business*, recital 475.

⁽⁴⁴⁾ See Guidelines on horizontal mergers, point 37.

⁽⁴⁵⁾ See Guidelines on horizontal mergers, point 28.

⁽⁴⁶⁾ See Guidelines on horizontal mergers, point 37 and Guidelines on non-horizontal mergers, points 7 and 26(c).

⁽⁴⁷⁾ See Guidelines on horizontal mergers, point 38 and Guidelines on non-horizontal mergers, point 26(a).

⁽⁴⁸⁾ See Guidelines on horizontal mergers, point 38 and Guidelines on non-horizontal mergers, point 26(a).

⁽⁴⁹⁾ See Guidelines on horizontal mergers, point 58.

⁽⁵⁰⁾ See Guidelines on horizontal mergers, point 36 and Guidelines on non-horizontal mergers, points 29, 49, and 75.

⁽⁵¹⁾ See Guidelines on non-horizontal mergers, point 78.

⁽⁵²⁾ See Guidelines on horizontal mergers, points 39 seq. and Guidelines on non-horizontal mergers, point 26.

⁽⁵³⁾ Commission decision of 17 December 2008, Case M.5141, *KLM/Martinair*, recitals 14-22.

⁽⁵⁴⁾ Commission decision of 18 September 2002, Case M.2908, *Deutsche Post/DHL (II)*.

C.8. *Substantiated competition concerns raised by Member States or third parties*

22. The Commission will revert to the normal procedure where a Member State or a European Free Trade Association state expresses substantiated competition concerns about the notified concentration within 15 working days from the receipt of the copy of the notification or where a third party expresses substantiated competition concerns within the time limit laid down for such comments.

C.9. *Referral requests*

23. The simplified procedure will not apply if a Member State requests the referral of a notified concentration under Article 9 of the Merger Regulation or if the Commission accepts a request from one or more Member States for referral of a notified concentration under Article 22 of the Merger Regulation.

C.10. *Pre-notification referrals at the request of the notifying parties*

24. Subject to the safeguards and exclusions set out in Section II.C of this Notice, the Commission may apply the simplified procedure to concentrations where:
- (a) following a reasoned submission under Article 4(4) of the Merger Regulation, the Commission decides not to refer the case to a Member State;
 - (b) following a reasoned submission under Article 4(5) of the Merger Regulation, the case is referred to the Commission.

III. PROCEDURAL PROVISIONS

A. **Concentrations that may be notified directly without pre-notification contacts**

25. Under the Merger Regulation, notifying parties are entitled to notify a concentration at any time, provided the notification is complete. The possibility to engage in pre-notification contacts is a service offered by the Commission to notifying parties on a voluntary basis to prepare the formal merger review procedure. Pre-notification contacts can be extremely valuable to both the notifying parties and the Commission in determining the precise amount of information required in a notification. In most cases, pre-notification contacts result in significantly reducing the information required.
26. Based on the Commission's experience in applying the simplified procedure, certain categories of concentrations eligible to be reviewed under the simplified procedure (among those listed in point 5 of this Notice) may be reviewed within a shorter timeframe than the 25 working days set out in Article 10(1) of the Merger Regulation. This is because those concentrations typically require less investigation. For example, concentrations falling under point 5(a) or 5(c) may be reviewed under a further streamlined 'super-simplified' procedure as described in this point. According to that super-simplified procedure, those concentrations must be notified by completing the relevant sections of the Short Form CO ⁽⁵⁵⁾ (in particular Section 7 indicating the type of simplified treatment). The notifying parties are invited to notify the concentration directly without any pre-notification contacts.

B. **Pre-notification contacts in concentrations giving rise to horizontal overlaps or non-horizontal relationships**

27. The notifying parties are strongly encouraged to engage in pre-notification contacts in cases giving rise to horizontal overlaps or non-horizontal relationships between the activities of the parties to the concentration (including pipeline products). This includes cases falling under points 5, 8 or 9 of this Notice, provided that the activities of the parties to the concentration overlap horizontally, are vertically related or belong to closely related neighbouring markets. For example, pre-notification contacts are strongly encouraged for a concentration falling under point 5(b) that gives rise to horizontal overlaps or non-horizontal relationships between the parties' activities. Such pre-notification contacts would be particularly important if the criteria in point 5(d) are not met for one or more markets.

⁽⁵⁵⁾ See Annex II to the Implementing Regulation.

28. In cases giving rise to horizontal overlaps or non-horizontal relationships between the activities of the parties to the concentration, pre-notification contacts should be initiated at least 2 weeks before the expected date of notification.

C. Case team allocation request

29. Before formally submitting a notification under the simplified procedure, the notifying parties must submit a case team allocation request. The request must indicate the type of concentration, the point of this Notice under which the concentration falls, and the expected date of notification. In the cases identified in point 27 where the notifying parties notify the concentration directly with no or very few pre-notification contacts, the case team allocation request must be submitted at least 1 week before the expected date of notification.

D. Short-form decision

30. If the Commission is satisfied that the concentration fulfils the criteria for the simplified procedure (see points 5, 8 and 9), it will usually issue a short-form decision. This includes cases not giving rise to any competition concerns where it receives a notification under Form CO ⁽⁶⁾. The concentration will thus be declared compatible with the internal market within 25 working days from the date of notification, under Article 10(1) and (6) of the Merger Regulation. The Commission will try to issue a short-form decision as soon as possible following the expiry of the 15-working-day period during which Member States may request referral of a notified concentration under Article 9 of the Merger Regulation. However, in the period leading up to the 25-working-day deadline, the Commission has the option to revert to a normal procedure and so launch investigations and/or adopt a full decision if it judges such action appropriate. In such cases, the Commission may also consider the notification to be materially incomplete under Article 5(2) of the Implementing Regulation if it has not received a Form CO.

E. Publication of the short-form decision

31. The Commission will publish a notice of the fact of the short-form decision in the *Official Journal of the European Union* as it does for full-clearance decisions. The public version of the short-form decision will be made available on the website of the Directorate-General for Competition. The short-form decision will contain: (i) the information about the notified concentration published in *the Official Journal of the European Union* at the time of notification (names of the parties to the concentration, their country of origin, nature of the concentration and economic activities concerned); and (ii) a statement that the concentration is compatible with the internal market because it falls within one or more of the categories described in this Notice, with the applicable category or categories explicitly identified.

F. Markets falling under point 5(d) or point 8 in decisions issued under the normal procedure

32. Certain concentrations reviewed under the normal procedure may give rise to horizontal overlaps or vertical relationships meeting the conditions laid down in point 5(d) of this Notice. Certain concentrations reviewed under the normal procedure may also give rise to horizontal overlaps or vertical relationships meeting the conditions laid down in point 8 of this Notice. The final decision in these cases will not contain a detailed assessment of such horizontal overlaps or vertical relationships. In this respect, the final decision will contain a statement that certain horizontal overlaps or vertical relationships fall within one or more of the categories described in this Notice, with the applicable category or categories explicitly identified.
33. The Commission may decide to include a detailed assessment of the horizontal overlaps or vertical relationships identified in point 32 if any of the safeguards and exclusions set out in Section II.C of this Notice apply.

⁽⁶⁾ See Annex I to the Implementing Regulation.

IV. ANCILLARY RESTRICTIONS

34. The simplified procedure is not suitable for concentrations in which the undertakings concerned explicitly request an assessment of restrictions that are directly related to and necessary for the implementation of the concentration.
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COMMUNICATION FROM THE COMMISSION**Communication pursuant to Articles 3(2), 13(3), 20, and 22 of Commission Implementing Regulation (EU) 2023/914 implementing Council Regulation (EC) No 139/2004 on the control of concentrations between undertakings and repealing Commission Regulation (EC) No 802/2004**

(2023/C 160/02)

Articles 3(2), 13(3), 20, and 22 of Commission Implementing Regulation (EU) 2023/914 of 20 April 2023 implementing Council Regulation (EC) No 139/2004 on the control of concentrations between undertakings (the 'Implementing Regulation')⁽¹⁾ require notifications, reasoned submissions, comments on the Commission's objections, commitments offered by the undertakings concerned and the Form RM to be submitted to the Commission in the format set out in the *Official Journal of the European Union*.

In this document, the Commission specifies, pursuant to Articles 3(2), 13(3), 20, and 22 of the Implementing Regulation, the format in which notifications, reasoned submissions, comments on the Commission's objections, commitments offered by the undertakings concerned and the Form RM (the 'documents') should be submitted.

1. Method of transmitting documents to the Commission

1. Transmissions of Documents under 10 gigabytes in size should be sent electronically using EU Send Web ('EU Send'), the Commission's online exchange platform for secure transmission of documents⁽²⁾. EU Send requires prior registration and prescribes size limitations to documents transmitted through the system that are subject to change. If a transmission is under 10 gigabytes in size but exceeds the size limitations of EU Send, it should be sent in several parts.
2. Transmissions sent using EU Send must be accompanied by a transmittal form, provided by EU Send. The transmittal form must be completed correctly.
3. Transmissions of more than 10 gigabytes in size may be hand delivered or sent by registered post to DG Competition in the Commission using hard disk drives, formatted in Microsoft Windows-compatible, uncompressed data in a USB 2.0 or 3.0 external enclosure.
4. Documents sent by registered post or delivered by hand should be addressed to DG Competition at the address published on DG Competition's Internet: ⁽³⁾. Addressing documents to other Commission departments may result in delays.

2. Signing documents electronically

5. This section sets out technical specifications for the signature of documents submitted electronically (where a signature is required). This applies to documents sent using EU Send and to those delivered to the Commission on external storage devices.
6. To be considered valid, documents submitted electronically must be signed using at least one Qualified Electronic Signature (QES) complying with the requirements set out in Regulation (EU) No 910/2014 (the 'eIDAS Regulation')⁽⁴⁾. Only QES are explicitly recognised to have legal effect equivalent to that of hand-written signatures in all Member States. Therefore, other types of electronic signatures, such as scanned signatures or Advanced Electronic Signatures as set out in the eIDAS Regulation, that do not meet the requirements of QES, are not accepted.

⁽¹⁾ OJ L 119, 5.5.2023, p. 22.

⁽²⁾ For instructions on how to use EU Send (also called eTrustEx), see https://ec.europa.eu/competition-policy/mergers/practical-information_en

⁽³⁾ https://ec.europa.eu/competition-policy/mergers/practical-information_en

⁽⁴⁾ Regulation (EU) No 910/2014 of the European Parliament and of the Council of 23 July 2014 on electronic identification and trust services for electronic transactions in the internal market and repealing Directive 1999/93/EC, available at https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv%3AOJ.L_.2014.257.01.0073,01.ENG

7. The format of the QES must comply with one of the formats referenced in Commission Implementing Decision (EU) 2015/1506 ^(?) or their latest specifications as these are published by the European Telecommunications Standards Institute.
8. Qualified Trust Services may be obtained from Qualified Trust Service Providers (QTSPs) as set out in the eIDAS Regulation. QTSPs are commercial service providers and qualified members of the EU's Trust Scheme. QTSPs are listed in the Trusted List Browser ^(?).
9. Any digital or hardware equipment used to implement a QES, such as qualified electronic certificates and qualified electronic signature devices, must be purchased by and remain the responsibility of the sender.
10. The Commission will validate QES-signed documents. To increase confidence that a QES will be successfully validated by DG Competition, it is possible to test its validity by involving a QTSP who provides a paid qualified validation service ^(?). The Commission's Digital Signature Services web application may also be used for demonstration purposes ^(?). For the avoidance of doubt, this platform must not be used to submit any case-related documents or any confidential or case-specific information.
11. Signed documents must not be encrypted or contain any certificates, other than QES-related certificates.
12. The QES metadata must match the contact details of the signatory. When using one or several QES to sign a document, please provide, for information purposes, the contact details of the signatory with the indication '[e-signed]' at the end of the document. A visual representation of the electronic signature is optional and brings no additional legal value.
13. Modifying a signed document will invalidate any existing electronic signatures. The document therefore should not be modified after introducing one or more QES.
14. Documents electronically signed using a QES must not be locked or password-protected. This will enable the Commission's dedicated software to access the document and verify the validity of the QES.

3. Technical specifications of documents submitted electronically

15. This section sets out technical specifications for documents submitted electronically, including transmissions sent using EU Send and those delivered on external storage devices.
16. All documents submitted in electronic format must be scanned for and free of viruses before submission. The Commission will delete any infected files and dispose of any infected external storage media. Deleted or disposed files may make the submission invalid or incomplete.
17. Documents submitted using EU Sign must not be encrypted. For documents delivered on external storage devices, encryption is strongly encouraged. Encryption should be implemented only on the storage device. Individual documents stored on the device should not be password-protected. Decryption passwords should be sent separately.

^(?) Commission Implementing Decision (EU) 2015/1506 of 8 September 2015 laying down specifications relating to formats of advanced electronic signatures and advanced seals to be recognised by public sector bodies pursuant to Articles 27(5) and 37(5) of Regulation (EU) No 910/2014 of the European Parliament and of the Council on electronic identification and trust services for electronic transactions in the internal market (OJ L 235, 9.9.2015, p. 37).

^(?) QTSPs by Member State are listed here: <https://esignature.ec.europa.eu/efda/tl-browser/#/screen/home>. Only QTSPs with the tag 'QCert for ESig' can provide a qualified certificate for electronic signature, which is required for QES.

^(?) QTSPs by Member State are listed here: <https://esignature.ec.europa.eu/efda/tl-browser/#/screen/home>. QTSPs indicated as 'QVal for QESig' can provide qualified validation service for qualified electronic signature.

^(?) The Commission's Digital Signature Services web application: <https://ec.europa.eu/cefdigital/DSS/webapp-demo/validation>

18. All documents must be in Portable Document Format (PDF) or spreadsheet (XLSX) format (subject to point 21 below). Documents in PDF must be searchable, either as digitally created PDFs or by having been scanned for optical character recognition (OCR). Documents in XLSX format must be submitted with all underlying data unredacted and all underlying formulas and algorithms intact.
19. The filename of documents should be defined so that the relevant section in the Form CO, Short Form CO, Form RS or Form RM is easily identifiable. Each document filename should also contain the number of the proceeding for which the submission is made. Document filenames must not include special or non-Latin characters, and the complete path must be limited to 250 characters.
20. Every page in a PDF must be marked with corporate identification and consecutive document control numbers (e.g. ABC-00000001).

4. Additional specifications for internal documents submitted as part of Section 5.4 of the Form CO

21. Documents must be submitted in native format (i.e. not converted into PDF to be submitted to the Commission as part of the Form CO).
22. Emails and other files must be submitted as separate files (they should not be in 'pst', '.zip' or '.nsf' formats). nsf files should be converted into any 'single' email format (such as '.msg' or '.eml').
23. Documents must be transmitted in whole and unredacted. All underlying metadata must be intact. No deduplication or email threading software may be used.

5. Alternative methods to sign and submit documents to DG Competition

24. If EU Send is unavailable due to maintenance or technical reasons beyond the Commission's control, contact immediately the EU Send IT support team (COMP-EU-SEND@ec.europa.eu). Do not use this email address to submit any documents or discuss any confidential or case-specific information.
25. Where transmission via EU Send is not technically possible and the Commission exceptionally allows other means of transmission to be used, documents under 10 gigabytes in size may be hand delivered or sent by registered post to DG Competition. Use external storage devices, such as USB, CD, or DVD, or hard disk drives formatted in Microsoft Windows-compatible, uncompressed data in a USB 2.0 or 3.0 external enclosure. These documents must be digitally signed with a QES.
26. If signing documents with a QES is not feasible, and the Commission exceptionally allows other means of signature to be used, a hand-signed paper copy of the complete submission may be hand delivered or sent by registered post to DG Competition. In this case, the submission must be accompanied by two digital copies of the full submission on external storage devices (such as USB, CD, or DVD, or external hard disk drives formatted in Microsoft Windows-compatible, uncompressed data in a USB 2.0 or 3.0 external enclosure) for information. The submission must also be accompanied by a hand-signed declaration stating that the signed paper copy and digital copies are identical.

6. Date of applicability

27. The instructions in this communication will be applicable as of the day of the entry into force of the Implementing Regulation.
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IV

(Notices)

NOTICES FROM EUROPEAN UNION INSTITUTIONS, BODIES, OFFICES AND AGENCIES

EUROPEAN COMMISSION

Euro exchange rates ⁽¹⁾

4 May 2023

(2023/C 160/03)

1 euro =

Currency	Exchange rate	Currency	Exchange rate		
USD	US dollar	1,1074	CAD	Canadian dollar	1,5072
JPY	Japanese yen	148,92	HKD	Hong Kong dollar	8,6909
DKK	Danish krone	7,4503	NZD	New Zealand dollar	1,7668
GBP	Pound sterling	0,88015	SGD	Singapore dollar	1,4695
SEK	Swedish krona	11,3410	KRW	South Korean won	1 465,69
CHF	Swiss franc	0,9802	ZAR	South African rand	20,1357
ISK	Iceland króna	150,10	CNY	Chinese yuan renminbi	7,6538
NOK	Norwegian krone	11,8282	IDR	Indonesian rupiah	16 263,59
BGN	Bulgarian lev	1,9558	MYR	Malaysian ringgit	4,9313
CZK	Czech koruna	23,460	PHP	Philippine peso	61,286
HUF	Hungarian forint	373,94	RUB	Russian rouble	
PLN	Polish zloty	4,5905	THB	Thai baht	37,430
RON	Romanian leu	4,9295	BRL	Brazilian real	5,5194
TRY	Turkish lira	21,5825	MXN	Mexican peso	19,8208
AUD	Australian dollar	1,6585	INR	Indian rupee	90,5495

⁽¹⁾ Source: reference exchange rate published by the ECB.

NOTICES FROM MEMBER STATES

COMMUNICATION FROM THE GOVERNMENT OF THE REPUBLIC OF POLAND

concerning Directive 94/22/EC of the European Parliament and of the Council on the conditions for granting and using authorizations for the prospection, exploration and production of hydrocarbons

(2023/C 160/04)

Public invitation to bid for a concession for the prospection and exploration of oil and natural gas deposits and the extraction of oil and natural gas in the 'Gryfice' area

SECTION I: LEGAL BASIS

1. Article 49h(2) of the Geological and Mining Law Act (Journal of Laws (*Dziennik Ustaw*) 2022, item 1072, as amended)
2. Cabinet Regulation of 28 July 2015 on bidding for concessions for the prospection and exploration of hydrocarbon deposits and the extraction of hydrocarbons, and concessions for the extraction of hydrocarbons (Journal of Laws 2015, item 1171)
3. Directive 94/22/EC of the European Parliament and of the Council of 30 May 1994 on the conditions for granting and using authorizations for the prospection, exploration and production of hydrocarbons (OJ L 164, 30.6.1994, p. 3; Special edition in Polish: Chapter 6, Volume 2, p. 262)

SECTION II: ENTITY INVITING BIDS

Name: Ministry of Climate and Environment

Postal address: ul. Wawelska 52/54 00-922 Warszawa, Poland

Tel. +48 223692449

Fax +48 223692460

Internet: www.gov.pl/web/klimat

SECTION III: SUBJECT OF THE PROCEDURE

1. Type of activities for which the concession is to be granted:

Concession for the prospection and exploration of oil and natural gas deposits and the extraction of oil and natural gas in the 'Gryfice' area, part of concession blocks Nos 62, 82 and 83.

2. Area within which the activities are to be conducted:

The boundaries of the area covered by this bidding procedure are defined by lines joining points with the following coordinates in the PL-1992 coordinate system:

Point No	X [PL-1992]	Y [PL-1992]
1	691 055,17	219 674,19
2	692 737,14	221 619,12
3	693 771,09	224 785,26
4	695 846,05	233 241,52
5	697 800,71	239 098,78
6	689 034,77	237 808,88

Point No	X [PL-1992]	Y [PL-1992]
7	688 700,54	245 043,47
8	687 684,41	264 181,99
9	684 723,09	259 134,45
10	673 948,18	266 614,09
11	675 598,09	237 055,20
12	673 865,95	223 383,30
13	673 409,40	219 824,29
14	677 185,11	213 499,78
15	687 174,95	217 946,87
16	685 637,43	221 987,20
17	688 367,49	223 047,42
18	689 636,16	219 042,50

with the exception of the polygon defined by the following points 19 to 23:

Point No	X [PL-1992]	Y [PL-1992]
19	679 335,20	223 870,95
20	679 746,86	224 268,31
21	679 040,45	224 478,55
22	678 251,69	224 485,63
23	678 251,81	224 056,04

The surface area of the vertical projection of the area covered by this bidding procedure is 747,96 km². The lower boundary of the area is at a depth of 5 000 m below ground level (BGL).

The aim of the works to be carried out in Carboniferous and Permian formations is to document and extract oil and natural gas in the area described above.

3. Time-limit for the submission of bids:

Bids must be submitted to the headquarters of the Ministry of Climate and the Environment no later than 12:00 CET/CEST on the last day of the 180-day period commencing on the day following the date of publication of the notice in the *Official Journal of the European Union*.

4. Detailed bid specifications, including the bid evaluation criteria and a specification of their weighting, ensuring that the conditions referred to in Article 49k of the Geological and Mining Law Act of 9 June 2011 are fulfilled:

Bids may be submitted by entities in respect of which a decision has been issued confirming the positive outcome of a qualification procedure, as provided for in Article 49a(16)(1) of the Geological and Mining Law Act, independently, or as the operator if several entities are applying jointly for the concession.

The tender committee will evaluate the proposals received on the basis of the following criteria:

30 % - scope and schedule of the proposed geological works, including geological operations, or mining operations;

- 20 % - scope and schedule of the mandatory collection of samples obtained during geological operations, including drill cores;
- 20 % - financial capacities offering an adequate guarantee that activities relating to the prospection and exploration of hydrocarbon deposits and to the extraction of hydrocarbons will be carried out, and in particular the sources and methods for financing the intended activities, including the share of own funds and external financing;
- 20 % - the proposed technology for conducting geological works, including geological operations, or mining operations, using innovative elements developed for this project;
- 5 % - technical capacities for the prospection and exploration of hydrocarbon deposits and for the extraction of hydrocarbons, and in particular the availability of appropriate technical, organisational, logistical and human resources potential (including 2 % for the scope of collaboration, with regard to the development and implementation of innovative solutions for the prospection, exploration and extraction of hydrocarbons, with scientific bodies conducting research into the geology of Poland and analytical tools, technologies and methods for prospecting hydrocarbon deposits which take account of the specificity of Polish geological conditions and which may be applied in those conditions);
- 5 % - experience in the prospection and exploration of hydrocarbon deposits or the extraction of hydrocarbons, ensuring safe operation, the protection of human and animal life and health, and environmental protection.

If, following the evaluation of applications on the basis of the criteria specified above, two or more bids obtain the same score, the amount of the fee for the establishment of mining usufruct rights due during the prospection and exploration phase will be used as an additional criterion allowing a final choice to be made between the bids concerned.

5. **Minimum scope of geological information:**

When submitting a bid there is no requirement to demonstrate the right to use geological information.

When entering the extraction phase, an undertaking is obliged to provide evidence of the existence of the right to use geological information to the extent necessary for the pursuit of its activities.

6. **Commencement date of activities:**

The activities covered by the concession shall commence within 14 days from the date on which the decision granting the concession becomes final.

7. **Conditions for the granting of the concession:**

Under Article 49x(2a) of the Geological and Mining Law Act, a successful bidder carrying out activities consisting of the prospection, exploration or extraction of hydrocarbons from deposits within maritime areas of the Republic of Poland is obliged to provide security for claims that may arise as a result of such activities. The security shall be established after the date on which the decision approving the mining facility operations plan referred to in Article 108(11) of the Geological and Mining Law Act is delivered and before the date on which the operation of the mining facility begins.

The amount of the security for activities carried out on the basis of the mining facility operations plan is PLN 80 000 000 (in words: eighty million zlotys).

If the competent district mining office approves further mining facility operations plans, including new geological operations (drilling of boreholes), the amount of the security shall increase stepwise by PLN 40 000 000 (in words: forty million zlotys) for each new borehole drilled.

The following forms of security will be accepted:

1. security in monetary form;

2. bank sureties or cooperative savings and credit union sureties; the institution's obligation must always be a monetary obligation;
3. bank guarantees;
4. insurance guarantees;
5. sureties issued by any of the entities referred to in Article 6b(5)(2) of the Act of 9 November 2000 establishing the Polish Agency for Enterprise Development (Journal of Laws 2020, item 299);
6. bills of exchange guaranteed by a bank or a cooperative savings and credit union;
7. liens on securities issued by the Treasury;
8. third-party liability insurance.

8. **Minimum scope of geological works, including geological operations, or mining operations:**

Geophysical surveys of 50 km (length of excitation line) with 2D seismic tests or of 25 km² (extraction area) with 3D seismic tests.

Drilling of a borehole to a maximum depth of 5 000 m (true vertical depth – TVD), with mandatory coring of prospective intervals.

9. **Period for which the concession is to be granted:**

The concession period is 30 years, including:

- 1) a prospection and exploration phase of 5 years' duration, starting from the date on which the concession is granted;
- 2) an extraction phase of 25 years' duration, starting from the date on which an investment decision is obtained.

10. **specific conditions for carrying out the activities and for ensuring public safety, public health, environmental protection and rational management of deposits:**

The geophysical surveys shall commence within 24 months from the date on which the decision granting the concession becomes final.

The geological operations (borehole drilling) shall commence within 42 months from the date on which the decision granting the concession becomes final.

Because the bidding area is located partly within the boundaries of internal maritime waters and the maritime waters coastal strip (technical and protection zones), the detailed conditions for carrying out the activity are laid down pursuant to the order of the Director of Szczecin Maritime Office of 21 October 2022 (ref.: GPG-I.6211.78.22.DW (8):

1. a prohibition on operations in bodies of water used for navigation and for ensuring navigational safety; the boundaries of these waters are determined on the basis of:
 - 1) Paragraphs 3(1) and 4(1) of Order No 5 of the Director of Szczecin Maritime Office of 8 August 2017 establishing the infrastructure providing access to seaports in Dziwnów, Kamień Pomorski, Lubin, Mrzeżyno, Nowe Warpno, Police, Stepnica, Trzebież, Wapnica and Wolin, and to jetties and piers at Międzyzdroje, Niechorze and Rewal (Journal of Laws of Zachodniopomorskie Province 2017, item 3487 as amended);
 - 2) Paragraph 164(1) of Order No 3 of the Director of Szczecin Maritime Office of 26 July 2013 setting out port regulations (Journal of Laws of Zachodniopomorskie Province 2013, item 2932 as amended)in the area consisting of internal maritime waters;
2. a prohibition on the erection of permanent facilities that have the status of artificial islands, structures or installations for the extraction of hydrocarbons within the meaning of Article 23 of the Act of 21 March 1991 on the maritime areas of the Republic of Poland and maritime administration (Journal of Laws 2022, item 457 as amended) in the area covered by internal maritime waters;

3. a requirement to lay cables and pipelines at a depth of at least 3 m below the bed of a body of water where pipelines are intended to be used for the prospection, exploration and extraction of hydrocarbon deposits from internal maritime waters.

Implementation of the concession work programme must not infringe landowners' rights and does not eliminate the need to comply with other requirements laid down in legislation, in particular the Geological and Mining Law Act, and requirements regarding spatial planning, environmental protection, agricultural land and forests, nature, waters and waste.

Category C is the minimum exploration category for oil and natural gas deposits.

11. Model agreement on the establishment of mining usufruct rights:

The model agreement is attached as an annex hereto.

12. Information concerning the amount of the fee for establishing mining usufruct rights:

The minimum amount of the fee for establishing mining usufruct rights for the 'Gryfice' area during the five-year base period is PLN 183 235,24 (in words: one hundred and eighty-three thousand, two hundred and thirty-five zlotys, twenty-four grosz) per annum.

Detailed terms of payment are to be found in the annex referred to in point 10.

13. Information concerning requirements to be met by bids and documents required from bidders:

1. Bids should specify:

- 1) the name (business name) and the registered office of the bidder;
- 2) the subject of the bid, together with a description specifying the area within which the concession is to be granted and mining usufruct rights are to be established;
- 3) the period for which the concession is to be granted, the duration of the prospection and exploration phase and the commencement date of the activities;
- 4) the aim, scope and nature of geological works, including geological operations, or mining operations, and information about the works to be carried out to achieve the intended objective and the technologies to be used;
- 5) a schedule, broken down into years, for geological works, including geological operations, and the scope of such works;
- 6) the scope and schedule of the mandatory collection of samples obtained during geological operations, including drill cores, as referred to in Article 82(2)(2) of the Geological and Mining Law Act;
- 7) rights held by the bidder to the real property (area) within which the intended activities are to be carried out, or the right for the establishment of which that entity is applying;
- 8) a list of areas covered by nature conservation schemes; this requirement does not concern projects for which an environmental permit is required;
- 9) the way in which the adverse environmental impacts of the intended activities are to be counteracted;
- 10) the scope of the geological information available to the bidder;
- 11) experience in the prospection and exploration of hydrocarbon deposits or the extraction of hydrocarbons, including ensuring safe operation, the protection of human and animal life and health, and environmental protection;
- 12) technical capacities for, respectively, the prospection and exploration of hydrocarbon deposits and the extraction of hydrocarbons, and in particular the availability of appropriate technical, organisational, logistical and human resources potential;

- 13) financial capacities offering an adequate guarantee that activities relating to, respectively, the prospection and exploration of hydrocarbon deposits and the extraction of hydrocarbons will be carried out, and in particular the sources and methods of financing the intended activities, including the share of own funds and external financing;
 - 14) the proposed technology for conducting geological works, including geological operations, or mining operations;
 - 15) the proposed amount of the fee for establishing mining usufruct rights, this being not less than the amount specified in the notice launching the bidding procedure;
 - 16) if a bid is submitted jointly by several entities, it must additionally specify:
 - a) the names (business names) and the registered offices of all the entities submitting the bid;
 - b) the operator;
 - c) the percentage shares in the costs of geological works, including geological operations, proposed in the cooperation agreement.
 - 17) the form of security established under point 7.
2. Bids submitted in a bidding procedure should meet the requirements and conditions laid down in the notice launching that bidding procedure.
 3. The following documents are to be enclosed with bids:
 - 1) evidence of the existence of the circumstances described in the bid, in particular extracts from the relevant registers;
 - 2) proof that a deposit has been lodged;
 - 3) a copy of the decision confirming the positive outcome of a qualification procedure, as provided for in Article 49a(17) of the Geological and Mining Law Act;
 - 4) graphical annexes prepared in accordance with the requirements relating to mining maps, indicating the country's administrative boundaries;
 - 5) written undertakings to make technical resources available to the entity taking part in the bidding procedure if other entities' technical resources are used when implementing the concession;
 - 6) two copies of the geological operations project file.
 4. Bidders may, on their own initiative, provide additional information in their bids or attach additional documents thereto.
 5. Documents submitted by bidders should be originals or certified true copies of originals as provided for in the Code of Administrative Procedure. This requirement does not apply to copies of documents which are to be attached to bids and were created by the concession authority.
 6. Documents drawn up in a foreign language should be submitted together with a translation into Polish by a sworn translator.
 7. Bids are to be submitted in a sealed envelope or a sealed package bearing the name (business name) of the bidder and indicating the subject of the bidding procedure.
 8. Bids submitted after the expiry of the time limit for the submission of bids will be returned to the bidders unopened.
- 14. Information concerning the manner of lodging a deposit, the amount of the deposit and the payment date:**
- Bidders are required to lodge a deposit of PLN 1 000 (in words: one thousand zlotys and zero grosz) before the expiry of the time limit for the submission of bids.

SECTION IV: ADMINISTRATIVE INFORMATION

IV.1) Bid evaluation committee

A bid evaluation committee is appointed by the concession authority for the purpose of conducting the bidding procedure and selecting the most advantageous bid. The composition and rules of procedure of the committee are specified in the Cabinet Regulation of 28 July 2015 on bidding procedures for concessions for the prospection and exploration of hydrocarbon deposits and the extraction of hydrocarbons, and for concessions for the extraction of hydrocarbons (Journal of Laws 2015, item 1171). The bid evaluation committee submits a report on the bidding procedure to the concession authority for approval. Together with bids and all documents related to the bidding procedure, the report is open to other entities submitting bids.

IV.2) Additional clarifications

Within 14 days from the date of publication of the notice, an interested entity may ask the concession authority to provide clarifications concerning the detailed bid specifications. Within 14 days from the receipt of the request, the concession authority will publish the clarifications in the *Biuletyn Informacji Publicznej* (Public Information Bulletin), on the page of the administrative office subordinate to that authority.

IV.3) Additional information

Full information about the area covered by the bidding procedure has been compiled by the Polish Geological Service in the Geological Data Pack for the bidding procedure for the prospection and exploration of oil and natural gas deposits and for the extraction of oil and natural gas in the bidding area 'Gryfice' ('Pakiet danych geologicznych do postępowania przetargowego na poszukiwanie i rozpoznawanie złóż ropy naftowej i gazu ziemnego oraz wydobywanie ropy naftowej i gazu ziemnego ze złóż. Obszar przetargowy "Gryfice"'), which is available on the website of the Ministry of Climate and the Environment at the following address: <https://bip.mos.gov.pl/koncesje-geologiczne/przetargi-na-koncesje-na-poszukiwanie-rozpoznawanie-i-wydobywanie-weglowodorow/piata-runda-przetargow-2021/>

and from

Departament Geologii i Koncesji Geologicznych [Geology and Geological Concessions Department]
Ministerstwo Klimatu i Środowiska [Ministry of Climate and Environment]
ul. Wawelska 52/54
00-922 Warszawa
POLAND

Tel. +48 223692449

Fax +48 223692460

AGREEMENT

establishing mining usufruct rights for the prospection and exploration of oil and natural gas deposits and the extraction of oil and natural gas in the 'Gryfice' area, hereinafter referred to as 'the Agreement'

concluded at Warsaw on between:

the Treasury, represented by the Minister for Climate and the Environment, for and on behalf of whom acts under power of attorney No hereinafter referred to as '**the Treasury**',

and

..... (name of undertaking) having its registered office at (full address), registered on under KRS (National Court Register) No, share capital, represented by, hereinafter referred to as '**the Holder of Mining Usufruct Rights**',

hereinafter each referred to singly as a '**Party**' or jointly as '**the Parties**',

and reading as follows:

Section 1

1. The Treasury, as exclusive owner of the substrata of the Earth's crust covering the area within the rural municipalities of Świerzno, Karnice, Rewal and Brojce and the urban-rural municipalities of Wolin, Kamień Pomorski, Dziwnów, Golczewo, Płoty, Trzebiatów and Gryfice in Zachodniopomorskie Province, the boundaries of which are defined by lines joining points 1 to 18 having the following coordinates in the PL-1992 coordinate system:

Point No	X [PL-1992]	Y [PL-1992]
1	691 055,17	219 674,19
2	692 737,14	221 619,12
3	693 771,09	224 785,26
4	695 846,05	233 241,52
5	697 800,71	239 098,78
6	689 034,77	237 808,88
7	688 700,54	245 043,47
8	687 684,41	264 181,99
9	684 723,09	259 134,45
10	673 948,18	266 614,09
11	675 598,09	237 055,20
12	673 865,95	223 383,30
13	673 409,40	219 824,29
14	677 185,11	213 499,78
15	687 174,95	217 946,87
16	685 637,43	221 987,20
17	688 367,49	223 047,42
18	689 636,16	219 042,50

with the exception of the polygon defined by the following points 19 to 23:

Point No	X [PL-1992]	Y [PL-1992]
19	679 335,20	223 870,95
20	679 746,86	224 268,31
21	679 040,45	224 478,55
22	678 251,69	224 485,63
23	678 251,81	224 056,04

hereby establishes mining usufruct rights for the Holder of Mining Usufruct Rights in the area described above, limited above by the lower boundary of surface land properties and below at a depth of 5 000 m, provided that the Holder of Mining Usufruct Rights obtains a concession for the prospection and exploration of oil and natural gas deposits and the extraction of oil and natural gas in the 'Gryfice' area within one year from the date of the Agreement being concluded.

2. If the condition of obtaining the concession referred to in paragraph 1 is not met, the obligations arising under the Agreement shall expire.
3. Within the rock mass area specified in paragraph 1, the Holder of Mining Usufruct Rights may:
 - 1) in Carboniferous and Permian formations, carry out activities relating to the prospection and exploration of oil and natural gas deposits;
 - 2) in the rest of the area, carry out any operations and activities that are necessary in order to gain access to the Carboniferous and Permian formations.
4. The surface area of the vertical projection of the area described above is 747.96 km².
5. The mining usufruct rights shall entitle the Holder of Mining Usufruct Rights to use the area specified in paragraph 1 on an exclusive basis for the prospection and exploration of oil and natural gas, as well as for carrying out all operations and activities necessary for this purpose within that area in accordance with the legislation in force, in particular the Geological and Mining Law Act of 9 June 2011 (Journal of Laws (*Dziennik Ustaw*) 2022, item 1072, as amended), and decisions issued pursuant thereto.

Section 2

The Holder of Mining Usufruct Rights declares that it raises no objections to the factual and legal status of the subject of the mining usufruct rights.

Section 3

1. The Agreement shall take effect on the date on which the concession is obtained.
2. The mining usufruct rights shall be established for a period of 30 years, including 5 years for the prospection and exploration phase and 25 years for the extraction phase, subject to Sections 8(2) and 10.
3. The mining usufruct rights shall expire if the concession expires, is withdrawn or becomes invalid, irrespective of the reason.

Section 4

The Holder of Mining Usufruct Rights undertakes to notify the Treasury in writing of any changes resulting in a change of name, registered office and address or organisational form, changes in registration and identification numbers, the transfer of the concession to another entity by operation of law, the filing of a bankruptcy petition, a declaration of bankruptcy or the initiation of restructuring proceedings. The Treasury may require that the necessary explanations be provided in such cases. Notification shall take place within 30 days from the date on which the circumstances referred to above occur.

Section 5

The Agreement shall be without prejudice to the rights of third parties, in particular owners of land, and the Holder of Mining Usufruct Rights shall not be exempt from the need to comply with requirements provided for by law, in particular those relating to the prospection and exploration of minerals and the protection and use of environmental resources.

Section 6

The Treasury reserves the right to establish within the area referred to in Section 1(1) mining usufruct rights for the purpose of carrying out activities other than those specified in the Agreement, in a manner which does not infringe the rights of the Holder of Mining Usufruct Rights.

Section 7

1. The Holder of Mining Usufruct Rights shall pay the Treasury the following fee for the mining usufruct rights in the area specified in Section 1(1) for each year of the prospection and exploration phase of mining usufruct (counted as 12 consecutive months):
 - a) PLN (amount) (in words: zlotys) for the first year of usufruct, counting from the date on which the Agreement took effect, within 30 days from the beginning of that year of mining usufruct;
 - b) PLN (amount) (in words: zlotys) for the second year of usufruct, counting from the date on which the Agreement took effect, within 30 days from the beginning of that year of mining usufruct;
 - c) PLN (amount) (in words: zlotys) for the third year of usufruct, counting from the date on which the Agreement took effect, within 30 days from the beginning of that year of mining usufruct;
 - d) PLN (amount) (in words: zlotys) for the fourth year of usufruct, counting from the date on which the Agreement took effect, within 30 days from the beginning of that year of mining usufruct;
 - e) PLN (amount) (in words: zlotys) for the fifth year of usufruct, counting from the date on which the Agreement took effect, within 30 days from the beginning of that year of mining usufruct;

— subject to the provisions of paragraph 2.
2. If the date for payment of the fee due for a given year of mining usufruct falls between 1 January and 1 March, the Holder of Mining Usufruct Rights shall pay the fee by 1 March. However, if the fee is subject to indexation in accordance with paragraphs 3 to 5, the Holder of Mining Usufruct Rights shall pay it no earlier than the date on which the index referred to in paragraph 3 is announced, after taking that index into account.
3. The fee specified in paragraph 1 shall be indexed to the average annual consumer price indices set for the period from the conclusion of the Agreement until the year preceding the date for payment of the fee, as announced by the President of Statistics Poland in the Polish Official Gazette (*Monitor Polski*). If this index for a particular year is less than or equal to zero, there shall be no indexation for that year.
4. If the date for payment of the fee falls in the same calendar year as that in which the Agreement was concluded, the fee shall not be indexed.
5. If the Agreement was concluded and took effect in the year preceding the year in which the date for payment of the fee falls, the fee shall not be indexed if the Holder of Mining Usufruct Rights pays it by the end of the calendar year in which the Agreement is concluded and takes effect.
6. If the Holder of Mining Usufruct Rights loses the mining usufruct rights established under the Agreement before the time limit specified in Section 3(2) expires, the Holder of Mining Usufruct Rights shall be required to pay the fee for the entire year of usufruct in which these rights were lost. If, however, the mining usufruct rights are lost as a result of the concession being withdrawn or for the reasons specified in Section 10(1), (3) or (4), the Holder of Mining Usufruct

Rights shall pay the fee for the entire usufruct period of the prospection and exploration phase specified in Section 3(1) and (2), indexed in accordance with paragraph 3 and without prejudice to the contractual penalty referred to in Section 10(2). The fee shall be paid within 30 days from the date on which the mining usufruct rights were lost. The loss of usufruct rights shall not release the Holder of Mining Usufruct Rights from environmental obligations relating to the subject of the mining usufruct rights, in particular obligations relating to the protection of deposits.

7. The Holder of Mining Usufruct Rights shall pay the fee for the mining usufruct rights into the bank account of the Ministry of Climate and the Environment at the Warsaw branch of the National Bank of Poland, No 07 1010 1010 0006 3522 3100 0000, including the following communication on the transfer order: 'Ustanowienie użytkowania górniczego w związku z udzieleniem koncesji na poszukiwanie i rozpoznawanie złóż ropy naftowej i gazu ziemnego oraz wydobywanie ropy naftowej i gazu ziemnego ze złóż w obszarze "Gryfice" ("Establishment of mining usufruct rights in connection with the granting of a concession for the prospection and exploration of oil and natural gas deposits and the extraction of oil and natural gas in the 'Gryfice' area").

The date of payment shall be the date on which the Treasury's account is credited.

8. The fee specified in paragraph 1 shall not be subject to tax on goods and services (VAT). If legislation is amended with the result that the activities which are the subject of the Agreement are subject to taxation, or if the interpretation of legislation changes with the result that those activities are subject to VAT, the amount of the fee shall be increased by the amount of tax due.
9. The Treasury shall notify the Holder of Mining Usufruct Rights in writing of changes to the account number referred to in paragraph 7.
10. The fee for the establishment of mining usufruct rights shall be payable to the Treasury irrespective of the income which the Holder of Mining Usufruct Rights earns from using those rights.
11. The Holder of Mining Usufruct Rights shall send to the Treasury, within 7 days from the payment date, copies of proof of payment of the fee referred to in paragraph 1 for the establishment of the mining usufruct rights.

Section 8

1. After the Holder of Mining Usufruct Rights obtains an investment decision specifying the conditions for the extraction of oil and natural gas, the Parties shall, within 30 days from the date of that decision, sign an addendum to the Agreement specifying the conditions for the implementation of the Agreement during the extraction phase and the amount of the fee for mining usufruct rights in the area specified in Section 1(1) for each year of mining usufruct during the extraction phase.
2. If the addendum referred to in paragraph 1 has not been concluded within 30 days of the date of the investment decision specifying the conditions for the extraction of oil or natural gas, the mining usufruct rights shall expire.

Section 9

The Holder of Mining Usufruct Rights may exercise the mining usufruct rights established in Section 1(1) only after obtaining written consent from the Treasury.

Section 10

1. If the Holder of Mining Usufruct Rights infringes obligations laid down in the Agreement, the Treasury may, subject to the provisions of paragraphs 3 and 4, terminate the Agreement with immediate effect, without the Holder of Mining Usufruct Rights being entitled to make any property claims. However, the Agreement may not be terminated if the Holder of Mining Usufruct Rights has infringed obligations under the Agreement owing to force majeure.

2. If the Agreement is terminated for the reasons specified in paragraphs 1 or 4, the Holder of Mining Usufruct Rights shall pay the Treasury a contractual penalty of 25 % of the fee for the entire prospection and exploration phase of mining usufruct, as specified in Section 3(1) and (2), indexed in accordance with Section 7(3).
3. If the Holder of Mining Usufruct Rights delays payment of the fee by more than 7 days beyond the deadlines specified in Section 7(1) or (2), the Treasury shall request that the Holder of Mining Usufruct Rights pay the outstanding fee within 7 days from the receipt of the request, failing which the Agreement will be terminated with immediate effect.
4. If the Holder of Mining Usufruct Rights fails to inform the Treasury of any of the events referred to in Section 4 within 30 days of their occurrence, the Treasury may impose on the Holder of Mining Usufruct Rights a contractual penalty of 5 % of the fee for the entire prospection and exploration phase of mining usufruct for each instance of failure to provide information, or terminate the Agreement in whole or in part, subject to 30 days' notice effective at the end of the calendar month.
5. The Holder of Mining Usufruct Rights shall be bound by the Agreement until the date of expiry, withdrawal or invalidity of the concession and may not terminate the Agreement.
6. Termination of the Agreement shall be done in writing, failing which the termination will be invalid.
7. The Parties agree that if the Treasury terminates the Agreement, the fee paid for the mining usufruct rights referred to in Section 7(1) shall not be reimbursed.
8. The Treasury reserves the right to seek compensation in excess of the amount of contractual penalties on general terms if the amount of damage incurred by the Treasury exceeds the contractual penalties.

Section 11

1. The Parties have provided the following contact details for correspondence:
 - 1) Treasury:
Ministerstwo Klimatu i Środowiska [Ministry of Climate and the Environment], ul. Wawelska 52/54, 00-922 Warszawa;
 - 2) Holder of Mining Usufruct Rights:
(address).
2. The Parties are obliged to inform each other in writing without delay of any change to the contact details indicated in paragraph 1. Such a change shall not require an addendum to the Agreement. Correspondence sent to a Party's most recently provided contact address shall be deemed to have been effectively served on the other Party.
3. Each of the Parties shall serve correspondence on the other Party in person, by courier or by registered letter, using the contact details most recently provided by the Party.
4. Registered letters sent to the most recently provided address of a Party and returned by the post office or courier company owing to the addressee not having collected it on time will be treated as having been effectively served once 14 days have passed from the first delivery attempt.

Section 12

1. The parties shall not be liable for failure to comply with obligations under the Agreement resulting from force majeure if it can be proven that damage caused by force majeure influenced the failure to comply with the obligations. 'Force majeure' shall mean an external event that the Parties could not have predicted or prevented that makes it impossible for the Agreement to be implemented in whole or in part, permanently or for a given period, which a Party could not have counteracted by exercising due diligence and which did not result from errors or negligence on the part of the Party affected by it.

2. In the event of force majeure, the Parties shall immediately make every effort to agree on a course of action.

Section 13

The Holder of Mining Usufruct Rights may apply for extension of the Agreement, in whole or in part, and must do so in writing, failing which the application will be invalid.

Section 14

If the Agreement is terminated, the Holder of Mining Usufruct Rights shall not be entitled to make any claims against the Treasury for an increase in the value of the subject of the mining usufruct rights.

Section 15

Any disputes arising out of the Agreement shall be resolved by the ordinary court having geographical jurisdiction over the seat of the Treasury.

Section 16

This Agreement shall be governed by Polish law, in particular the provisions of the Geological and Mining Law Act and of the Civil Code.

Section 17

The Holder of Mining Usufruct Rights shall bear the costs of concluding the Agreement.

Section 18

Amendments to the Agreement shall be made in writing, failing which they will be invalid.

Section 19

The Agreement has been drawn up in three identical copies (one copy for the Holder of Mining Usufruct Rights and two copies for the Treasury).

Treasury

Holder of Mining Usufruct Rights

Communication from the Government of the Republic of Poland concerning Directive 94/22/EC of the European Parliament and of the Council on the conditions for granting and using authorizations for the prospection, exploration and production of hydrocarbons

(2023/C 160/05)

Public invitation to bid for a concession for the prospection and exploration of oil and natural gas deposits and the extraction of oil and natural gas in the 'Kartuzy' area

SECTION I: LEGAL BASIS

1. Article 49h(2) of the Geological and Mining Law Act (Journal of Laws (*Dziennik Ustaw*) 2022, item 1072, as amended)
2. Cabinet Regulation of 28 July 2015 on bidding for concessions for the prospection and exploration of hydrocarbon deposits and the extraction of hydrocarbons, and concessions for the extraction of hydrocarbons (Journal of Laws 2015, item 1171)
3. Directive 94/22/EC of the European Parliament and of the Council of 30 May 1994 on the conditions for granting and using authorizations for the prospection, exploration and production of hydrocarbons (OJ L 164, 30.6.1994, p. 3; Special edition in Polish: Chapter 6, Volume 2, p. 262)

SECTION II: ENTITY INVITING BIDS

Name: Ministry of Climate and the Environment

Postal address: ul. Wawelska 52/54, 00-922 Warszawa, Poland

Tel. +48 22 3692449, Fax: +48 22 3692460

Internet: www.gov.pl/web/klimat

SECTION III: SUBJECT OF THE PROCEDURE

1. **Type of activities for which the concession is to be granted:**
Concession for the prospection and exploration of oil and natural gas deposits and the extraction of oil and natural gas in the 'Kartuzy' area, part of concession block No 49.
2. **Area within which the activities are to be conducted:**
The boundaries of the area covered by this bidding procedure are defined by the lines joining points with the following coordinates in the PL-1992 coordinate system:

Point No	X [PL-1992]	Y [PL-1992]
1	709 648,50	467 438,93
2	709 994,91	434 842,34
3	737 770,93	435 133,01
4	737 259,22	467 502,29
5	720 361,13	467 514,79

The surface area of the vertical projection of the area covered by this bidding procedure is 900,35 km². The lower boundary of the area is at a depth of 5 000 m below ground level (BGL).

The aim of the works to be carried out in Cambrian, Ordovician and Silurian formations is to document and extract oil and natural gas in the area described above.

3. **Time limit, not less than 90 days from the date of publication of the notice, and place for the submission of bids:**

Bids must be submitted to the headquarters of the Ministry of Climate and the Environment no later than 12:00 CET/CEST on the last day of the 180-day period commencing on the day following the date of publication of the notice in the *Official Journal of the European Union*.

4. **Detailed bid specifications, including the bid evaluation criteria and a specification of their weighting, ensuring that the conditions referred to in Article 49k of the Geological and Mining Law Act of 9 June 2011 are fulfilled:**

Bids may be submitted by entities in respect of which a decision has been issued confirming the positive outcome of a qualification procedure, as provided for in Article 49a(16)(1) of the Geological and Mining Law Act, independently or, if several entities are applying jointly for the concession, as the operator.

The tender committee will evaluate the proposals received on the basis of the following criteria:

- 30 % - scope and schedule of the geological works, including geological operations, or mining operations proposed;
- 20 % - scope and schedule of the mandatory collection of samples obtained during geological operations, including drill cores;
- 20 % - financial capacities offering an adequate guarantee that activities relating to the prospection and exploration of hydrocarbon deposits and the extraction of hydrocarbons will be carried out, and in particular the sources and methods of financing the intended activities, including the share of own funds and external financing;
- 20 % - the proposed technology for conducting geological works, including geological operations, or mining operations, using innovative elements developed for this project;
- 5 % - technical capacities for the prospection and exploration of hydrocarbon deposits and the extraction of hydrocarbons, and in particular the availability of appropriate technical, organisational, logistical and human resources potential (including 2 % for the scope of collaboration, with regard to the development and implementation of innovative solutions for the prospection, exploration and extraction of hydrocarbons, with scientific bodies conducting research into the geology of Poland and into analytical tools, technologies and methods for prospecting hydrocarbon deposits which take account of the specificity of Polish geological conditions and which may be applied in those conditions);
- 5 % - experience in the prospection and exploration of hydrocarbon deposits or the extraction of hydrocarbons, ensuring safe operation, the protection of human and animal life and health, and environmental protection.

If, following the evaluation of applications on the basis of the criteria specified above, two or more bids obtain the same score, the amount of the fee for the establishment of mining usufruct rights due during the prospection and exploration phase will be used as an additional criterion allowing a final choice to be made between the bids concerned.

5. **Minimum scope of geological information:**

When submitting a bid there is no requirement to demonstrate the right to use geological information.

When entering the extraction phase, an undertaking is obliged to provide evidence of the right to use geological information to the extent necessary for the pursuit of its activities.

6. **Commencement date of activities:**

The activities covered by the concession shall commence within 14 days from the date on which the decision granting the concession becomes final.

7. **Minimum scope of geological works, including geological operations, or mining operations:**

Geophysical surveys of 100 km (length of excitation line) with 2D seismic tests or of 50 km² (extraction area) with 3D seismic tests.

Drilling of a borehole to a maximum depth of 5 000 m (true vertical depth – TVD), with mandatory coring of prospective intervals.

8. **Period for which the concession is to be granted:**

The concession period is 30 years, including:

- 1) a prospection and exploration phase of 5 years' duration, starting from the date on which the concession is granted;
- 2) an extraction phase of 25 years' duration, starting from the date on which an investment decision is obtained.

9. **Specific conditions for carrying out the activities and for ensuring public safety, public health, environmental protection and rational management of deposits:**

The geophysical surveys shall commence within 24 months from the date on which the decision granting the concession becomes final.

The geological operations (borehole drilling) shall commence within 42 months from the date on which the decision granting the concession becomes final.

Implementation of the concession work programme must not infringe landowners' rights and does not eliminate the need to comply with other requirements laid down in legislation, in particular the Geological and Mining Law Act, and requirements regarding spatial planning, environmental protection, agricultural land and forests, nature, waters and waste.

Category C is the minimum exploration category for oil and natural gas deposits.

10. **Model agreement on the establishment of mining usufruct rights:**

The model agreement is attached as an annex hereto.

11. **Information concerning the amount of the fee for establishing mining usufruct rights:**

The minimum amount of the fee for establishing mining usufruct rights for the 'Gryfice' area [sic] during the five-year base period is PLN 220 567,74 (in words: two hundred and twenty thousand, five hundred and sixty-seven zlotys, seventy-four grosz) per annum.

Detailed terms of payment are to be found in the annex referred to in point 10.

12. **Information concerning requirements to be met by bids and documents required from bidders:**

1. Bids should specify:

- 1) the name (business name) and the registered office of the bidder;
- 2) the subject of the bid, together with a description specifying the area within which the concession is to be granted and mining usufruct rights are to be established;
- 3) the period for which the concession is to be granted, the duration of the prospection and exploration phase and the commencement date of the activities;
- 4) the aim, scope and nature of geological works, including geological operations, or mining operations, and information about the works to be carried out to achieve the intended objective and the technologies to be used;

- 5) a schedule, broken down into years, for geological works, including geological operations, and the scope of such works;
 - 6) the scope and schedule of the mandatory collection of samples obtained during geological operations, including drill cores, as referred to in Article 82(2)(2) of the Geological and Mining Law Act;
 - 7) rights held by the bidder to the real property (area) within which the intended activities are to be carried out, or the right for the establishment of which that entity is applying;
 - 8) a list of areas covered by nature conservation schemes; this requirement does not concern projects for which an environmental permit is required;
 - 9) the way in which the adverse environmental impacts of the intended activities are to be counteracted;
 - 10) the scope of the geological information available to the bidder;
 - 11) experience in the prospection and exploration of hydrocarbon deposits or the extraction of hydrocarbons, including ensuring safe operation, the protection of human and animal life and health, and environmental protection;
 - 12) technical capacities for, respectively, the prospection and exploration of hydrocarbon deposits and the extraction of hydrocarbons, and in particular the availability of appropriate technical, organisational, logistical and human resources potential;
 - 13) financial capacities offering an adequate guarantee that activities relating to, respectively, the prospection and exploration of hydrocarbon deposits and the extraction of hydrocarbons will be carried out, and in particular the sources and methods of financing the intended activities, including the share of own funds and external financing;
 - 14) the proposed technology for conducting geological works, including geological operations, or mining operations;
 - 15) the proposed amount of the fee for establishing mining usufruct rights, this being not less than the amount specified in the notice launching the bidding procedure;
 - 16) if a bid is submitted jointly by several entities, it must additionally specify:
 - a) the names (business names) and the registered offices of all the entities submitting the bid;
 - b) the operator;
 - c) the percentage shares in the costs of geological works, including geological operations, proposed in the cooperation agreement.
2. Bids submitted in a bidding procedure should meet the requirements and conditions laid down in the notice launching that bidding procedure.
3. The following documents are to be enclosed with bids:
- 1) evidence of the existence of the circumstances described in the bid, in particular extracts from the relevant registers;
 - 2) proof that a deposit has been lodged;
 - 3) a copy of the decision confirming the positive outcome of a qualification procedure, as provided for in Article 49a(17) of the Geological and Mining Law Act;
 - 4) graphical annexes prepared in accordance with the requirements relating to mining maps, indicating the country's administrative boundaries;
 - 5) written undertakings to make technical resources available to the entity taking part in the bidding procedure if other entities' technical resources are used when implementing the concession;
 - 6) two copies of the geological operations project file.

4. Bidders may, on their own initiative, provide additional information in their bids or attach additional documents thereto.
5. Documents submitted by bidders should be originals or certified true copies of originals as provided for in the Code of Administrative Procedure. This requirement does not apply to copies of documents which are to be attached to bids and were created by the concession authority.
6. Documents drawn up in a foreign language should be submitted together with a translation into Polish by a sworn translator.
7. Bids are to be submitted in a sealed envelope or a sealed package bearing the name (business name) of the bidder and indicating the subject of the bidding procedure.
8. Bids submitted after the expiry of the time limit for the submission of bids will be returned to the bidders unopened.

13. **Information concerning the manner of lodging a deposit, the amount of the deposit and the payment date:**

Bidders are required to lodge a deposit of PLN 1 000 (in words: one thousand zlotys and zero grosz) before the expiry of the time limit for the submission of bids.

SECTION IV: ADMINISTRATIVE INFORMATION

IV.1) **Bid evaluation committee**

A bid evaluation committee is appointed by the concession authority for the purpose of conducting the bidding procedure and selecting the most advantageous bid. The composition and rules of procedure of the committee are specified in the Cabinet Regulation of 28 July 2015 on bidding procedures for concessions for the prospection and exploration of hydrocarbon deposits and the extraction of hydrocarbons, and for concessions for the extraction of hydrocarbons (Journal of Laws 2015, item 1171). The bid evaluation committee submits a report on the bidding procedure to the concession authority for approval. Together with bids and all documents related to the bidding procedure, the report is open to other entities submitting bids.

IV.2) **Additional clarifications**

Within 14 days from the date of publication of the notice, an interested entity may ask the concession authority to provide clarifications concerning the detailed bid specifications. Within 14 days from the receipt of the request, the concession authority will publish the clarifications in the Biuletyn Informacji Publicznej (Public Information Bulletin), on the page of the administrative office subordinate to that authority.

IV.3) **Additional information**

Full information about the area covered by the bidding procedure has been compiled by the Polish Geological Service in the Geological Data Pack for the bidding procedure for the prospection and exploration of oil and natural gas deposits and for the extraction of oil and natural gas in the bidding area 'Kartuzy' ('Pakiet danych geologicznych do postępowania przetargowego na poszukiwanie i rozpoznawanie złóż ropy naftowej i gazu ziemnego oraz wydobywanie ropy naftowej i gazu ziemnego ze złóż. Obszar przetargowy "Kartuzy)'), which is available on the website of the Ministry of Climate and the Environment at the following address: <https://bip.mos.gov.pl/koncesje-geologiczne/przetargi-na-koncesje-na-poszukiwanie-rozpoznawanie-i-wydobywanie-weglowodorow/piata-runda-przetargow-2021/>

and at

Departament Geologii i Koncesji Geologicznych [Geology and Geological Concessions Department]

Ministerstwo Klimatu i Środowiska [Ministry of Climate and the Environment]

ul. Wawelska 52/54

00-922 Warszawa

POLAND

Tel. +48 223692449

Fax +48 223692460

AGREEMENT establishing mining usufruct rights for the prospection and exploration of oil and natural gas deposits and the extraction of oil and natural gas in the 'Kartuzy' area, hereinafter referred to as 'the Agreement'

concluded at Warsaw on between:

the **Treasury, represented by the Minister for Climate and the Environment**, for and on behalf of whom acts under power of attorney No hereinafter referred to as '**the Treasury**'),

and

..... (name of undertaking) having its registered office at (full address), registered on under KRS (National Court Register) No, share capital, represented by, hereinafter referred to as '**the Holder of Mining Usufruct Rights**',

hereinafter each referred to singly as a '**Party**' or jointly as '**the Parties**', and reading as follows:

Section 1

1. The Treasury, as exclusive owner of the substrata of the Earth's crust covering the area within the rural municipalities of Kolbudy, Przywidz, Stężyca, Chmielno, Sierakowice, Somonino, Przodkowo, Linia, Szemud, Wejherowo, Łęczycze and Luzino, the urban-rural municipalities of Żukowo and Kartuzy and the cities of Gdynia and Gdańsk in Pomorskie Province, the boundaries of which are defined by lines joining points 1 to 5 having the following coordinates in the PL-1992 coordinate system:

Point No	X [PL-1992]	Y [PL-1992]
1	709 648,50	467 438,93
2	709 994,91	434 842,34
3	737 770,93	435 133,01
4	737 259,22	467 502,29
5	720 361,13	467 514,79

hereby establishes mining usufruct rights for the Holder of Mining Usufruct Rights in the area described above, limited above by the lower boundary of surface land properties and below at a depth of 5 000 m, provided that the Holder of Mining Usufruct Rights obtains a concession for the prospection and exploration of oil and natural gas deposits and the extraction of oil and natural gas in the 'Kartuzy' area within one year from the date of the Agreement being concluded.

2. If the condition of obtaining the concession referred to in paragraph 1 is not met, the obligations arising under the Agreement shall expire.
3. Within the rock mass area specified in paragraph 1, the Holder of Mining Usufruct Rights may:
 - 1) in Cambrian, Ordovician and Silurian formations, carry out activities relating to the prospection and exploration of oil and natural gas deposits;
 - 2) in the rest of the area, carry out any operations and activities that are necessary in order to gain access to the Cambrian, Ordovician and Silurian formations.

4. The surface area of the vertical projection of the area described above is 900.35 km².
5. The mining usufruct rights shall entitle the Holder of Mining Usufruct Rights to use the area specified in paragraph 1 on an exclusive basis for the prospection and exploration of oil and natural gas, as well as for carrying out all operations and activities necessary for this purpose within that area in accordance with the legislation in force, in particular the Geological and Mining Law Act of 9 June 2011 (Journal of Laws (*Dziennik Ustaw*) 2022, item 1072, as amended), and decisions issued pursuant thereto.

Section 2

The Holder of Mining Usufruct Rights declares that it raises no objections to the factual and legal status of the subject of the mining usufruct rights.

Section 3

1. The Agreement shall take effect on the date on which the concession is obtained.
2. The mining usufruct rights shall be established for a period of 30 years, including 5 years for the prospection and exploration phase and 25 years for the extraction phase, subject to Sections 8(2) and 10.
3. The mining usufruct rights shall expire if the concession expires, is withdrawn or becomes invalid, irrespective of the reason.

Section 4

The Holder of Mining Usufruct Rights undertakes to notify the Treasury in writing of any changes resulting in a change of name, registered office and address or organisational form, changes in registration and identification numbers, the transfer of the concession to another entity by operation of law, the filing of a bankruptcy petition, the declaration of bankruptcy or the initiation of restructuring proceedings. The Treasury may require that the necessary explanations be provided in such cases. Notification shall take place within 30 days from the date on which the circumstances referred to above occur.

Section 5

The Agreement shall be without prejudice to the rights of third parties, in particular owners of land, and the Holder of Mining Usufruct Rights shall not be exempt from the need to comply with requirements provided for by law, in particular those relating to the prospection and exploration of minerals and the protection and use of environmental resources.

Section 6

The Treasury reserves the right to establish within the area referred to in Section 1(1) mining usufruct rights for the purpose of carrying out activities other than those specified in the Agreement, in a manner which does not infringe the rights of the Holder of Mining Usufruct Rights.

Section 7

1. The Holder of Mining Usufruct Rights shall pay the Treasury the following fee for the mining usufruct rights in the area specified in Section 1(1) for each year of the prospection and exploration phase of mining usufruct (counted as 12 consecutive months):
 - a) PLN (amount) (in words: zlotys) for the first year of usufruct, counting from the date on which the Agreement took effect, within 30 days from the beginning of that year of mining usufruct;
 - b) PLN (amount) (in words: zlotys) for the second year of usufruct, counting from the date on which the Agreement took effect, within 30 days from the beginning of that year of mining usufruct;

- c) PLN (amount) (in words: zlotys) for the third year of usufruct, counting from the date on which the Agreement took effect, within 30 days from the beginning of that year of mining usufruct;
- d) PLN (amount) (in words: zlotys) for the fourth year of usufruct, counting from the date on which the Agreement took effect, within 30 days from the beginning of that year of mining usufruct;
- e) PLN (amount) (in words: zlotys) for the fifth year of usufruct, counting from the date on which the Agreement took effect, within 30 days from the beginning of that year of mining usufruct;

– subject to the provisions of paragraph 2.

2. If the date for payment of the fee due for a given year of mining usufruct falls between 1 January and 1 March, the Holder of Mining Usufruct Rights shall pay the fee by 1 March. However, if the fee is subject to indexation in accordance with paragraphs 3 to 5, the Holder of Mining Usufruct Rights shall pay it no earlier than the date on which the index referred to in paragraph 3 is announced, after taking that index into account.
3. The fee specified in paragraph 1 shall be indexed to the average annual consumer price indices set for the period from the conclusion of the Agreement until the year preceding the date for payment of the fee, as announced by the President of Statistics Poland in the Polish Official Gazette (*Monitor Polski*). If this index for a given year is less than or equal to zero, there shall be no indexation for that year.
4. If the date for payment of the fee falls in the same calendar year as that in which the Agreement was concluded, the fee shall not be indexed.
5. If the Agreement was concluded and took effect in the year preceding the year in which the date for payment of the fee falls, the fee shall not be indexed if the Holder of Mining Usufruct Rights pays it by the end of the calendar year in which the Agreement is concluded and takes effect.
6. If the Holder of Mining Usufruct Rights loses the mining usufruct rights established under the Agreement before the time limit specified in Section 3(2) expires, the Holder of Mining Usufruct Rights shall be required to pay the fee for the entire year of usufruct in which these rights were lost. If, however, the mining usufruct rights are lost as a result of the concession being withdrawn or for the reasons specified in Section 10(1), (3) or (4), the Holder of Mining Usufruct Rights shall pay the fee for the entire usufruct period of the prospection and exploration phase specified in Section 3(1) and (2), indexed in accordance with paragraph 3 and without prejudice to the contractual penalty referred to in Section 10(2). The fee shall be paid within 30 days from the date on which the mining usufruct rights were lost. The loss of usufruct rights shall not release the Holder of Mining Usufruct Rights from environmental obligations relating to the subject of the mining usufruct rights, in particular obligations relating to the protection of deposits.
7. The Holder of Mining Usufruct Rights shall pay the fee for the mining usufruct rights into the bank account of the Ministry of Climate and the Environment at the Warsaw branch of the National Bank of Poland, No 07 1010 1010 0006 3522 3100 0000, including the following communication on the transfer order: 'Ustanowienie użytkowania górniczego w związku z udzieleniem koncesji na poszukiwanie i rozpoznawanie złóż ropy naftowej i gazu ziemnego oraz wydobywanie ropy naftowej i gazu ziemnego ze złóż w obszarze "Kartuzy" (Establishment of mining usufruct rights in connection with the granting of a concession for the prospection and exploration of oil and natural gas deposits and the extraction of oil and natural gas in the "Kartuzy" area).

The date of payment shall be the date on which the Treasury's account is credited.

8. The fee specified in paragraph 1 shall not be subject to tax on goods and services (VAT). If legislation is amended with the result that the activities which are the subject of the Agreement are subject to taxation, or if the interpretation of legislation changes with the result that those activities are subject to VAT, the amount of the fee shall be increased by the amount of tax due.

9. The Treasury shall notify the Holder of Mining Usufruct Rights in writing of changes to the account number referred to in paragraph 7.
10. The fee for the establishment of mining usufruct rights shall be payable to the Treasury irrespective of the income which the Holder of Mining Usufruct Rights earns from using those rights.
11. The Holder of Mining Usufruct Rights shall send the Treasury, within 7 days from the payment date, copies of proof of payment of the fee referred to in paragraph 1 for the establishment of the mining usufruct rights.

Section 8

1. After the Holder of Mining Usufruct Rights obtains an investment decision specifying the conditions for the extraction of oil and natural gas, the Parties shall, within 30 days from the date of that decision, sign an addendum to the Agreement specifying the conditions for the implementation of the Agreement during the extraction phase and the amount of the fee for mining usufruct rights in the area specified in Section 1(1) for each year of mining usufruct during the extraction phase.
2. If, within 30 days of the date of the investment decision specifying the conditions for the extraction of oil or natural gas the addendum referred to in paragraph 1 has not been concluded, the mining usufruct rights shall expire.

Section 9

The Holder of Mining Usufruct Rights may exercise the mining usufruct rights established in Section 1(1) only after obtaining written consent from the Treasury.

Section 10

1. If the Holder of Mining Usufruct Rights infringes obligations laid down in the Agreement, the Treasury may, subject to the provisions of paragraphs 3 and 4, terminate the Agreement with immediate effect, without the Holder of Mining Usufruct Rights being entitled to make any property claims. However, the Agreement may not be terminated if the Holder of Mining Usufruct Rights has infringed obligations under the Agreement owing to force majeure.
2. If the Agreement is terminated for the reasons specified in paragraphs 1 or 4, the Holder of Mining Usufruct Rights shall pay the Treasury a contractual penalty of 25 % of the fee for the entire prospection and exploration phase of mining usufruct, as specified in Section 3(1) and (2), indexed in accordance with Section 7(3).
3. If the Holder of Mining Usufruct Rights delays payment of the fee by more than 7 days beyond the deadlines specified in Section 7(1) or (2), the Treasury shall request that the Holder of Mining Usufruct Rights pay the outstanding fee within 7 days from the receipt of the request, failing which the Agreement will be terminated with immediate effect.
4. If the Holder of Mining Usufruct Rights fails to inform the Treasury of the events referred to in Section 4 within 30 days of their occurrence, the Treasury may impose on the Holder of Mining Usufruct Rights a contractual penalty of 5 % of the fee for the entire prospection and exploration phase of mining usufruct for each instance of failure to provide information, or terminate the Agreement in whole or in part, subject to 30 days' notice effective at the end of the calendar month.
5. The Holder of Mining Usufruct Rights shall be bound by the Agreement until the date of expiry, withdrawal or invalidity of the concession and may not terminate the Agreement.
6. The Agreement shall be terminated in writing, failing which the termination will be invalid.

7. The Parties agree that if the Treasury terminates the Agreement, the fee paid for the mining usufruct rights referred to in Section 7(1) shall not be reimbursed.
8. The Treasury reserves the right to seek compensation in excess of the amount of contractual penalties on general terms if the amount of damage incurred by the Treasury exceeds the contractual penalties.

Section 11

1. The Parties have provided the following contact details for correspondence:
 - 1) Treasury:
Ministerstwo Klimatu i Środowiska [Ministry of Climate and the Environment], ul. Wawelska 52/54, 00-922 Warszawa;
 - 2) Holder of Mining Usufruct Rights:
(address).
2. The Parties are obliged to inform each other in writing without delay of any change to the contact details indicated in paragraph 1. Such a change shall not require an addendum to the Agreement. Correspondence sent to a Party's most recently provided contact address shall be deemed to have been effectively served on the other Party.
3. Each of the Parties shall serve correspondence on the other Party in person, by courier or by registered letter using the contact details most recently provided by the Party.
4. Registered letters sent to the most recently provided address of a Party and returned by the post office or courier company owing to the addressee not having collected it on time will be treated as having been effectively served once fourteen days have passed from the first delivery attempt.

Section 12

1. The parties shall not be liable for failure to comply with obligations under the Agreement resulting from force majeure if it can be proven that damage caused by force majeure influenced the failure to comply with the obligations. 'Force majeure' shall mean an external event that the Parties could not have predicted or prevented that makes it impossible for the Agreement to be implemented in whole or in part, permanently or for a given period, which a Party could not have counteracted by exercising due diligence and which did not result from errors or negligence on the part of the Party affected by it.
2. In the event of force majeure, the Parties shall immediately make every effort to agree on a course of action.

Section 13

The Holder of Mining Usufruct Rights may apply for extension of the Agreement, in whole or in part, and must do so in writing, failing which the application will be invalid.

Section 14

If the Agreement is terminated, the Holder of Mining Usufruct Rights shall not be entitled to make any claims against the State Treasury for an increase in the value of the subject of the mining usufruct rights.

Section 15

Any disputes arising out of the Agreement shall be resolved by the ordinary court having geographical jurisdiction over the seat of the Treasury.

Section 16

This Agreement shall be governed by Polish law, in particular the provisions of the Geological and Mining Law Act and of the Civil Code.

Section 17

The Holder of Mining Usufruct Rights shall bear the costs of concluding the Agreement.

Section 18

Amendments to the Agreement shall be made in writing, failing which they will be invalid.

Section 19

The Agreement has been drawn up in three identical copies (one copy for the Holder of Mining Usufruct Rights and two copies for the Treasury).

Treasury

Holder of Mining Usufruct Rights

Communication from the Government of the Republic of Poland concerning Directive 94/22/EC of the European Parliament and of the Council on the conditions for granting and using authorizations for the prospection, exploration and production of hydrocarbons

(2023/C 160/06)

Public invitation to bid for a concession for the prospection and exploration of oil and natural gas deposits and the extraction of oil and natural gas in the 'Gorzów Wielkopolski S' area

SECTION I: LEGAL BASIS

1. Article 49h(2) of the Geological and Mining Law Act (Journal of Laws (*Dziennik Ustaw*) 2022, item 1072, as amended)
2. Cabinet Regulation of 28 July 2015 on bidding for concessions for the prospection and exploration of hydrocarbon deposits and the extraction of hydrocarbons, and concessions for the extraction of hydrocarbons (Journal of Laws 2015, item 1171)
3. Directive 94/22/EC of the European Parliament and of the Council of 30 May 1994 on the conditions for granting and using authorizations for the prospection, exploration and production of hydrocarbons (OJ L 164, 30.6.1994, p. 3; Special edition in Polish: Chapter 6, Volume 2, p. 262)

SECTION II: ENTITY INVITING BIDS

Name: Ministry of Climate and the Environment

Postal address: ul. Wawelska 52/54, 00-922 Warszawa, Poland

Tel. +48 223692449

Fax +48 223692460

Internet: www.gov.pl/web/klimat

SECTION III: SUBJECT OF THE PROCEDURE

1) **Type of activities for which the concession is to be granted:**

Concession for the prospection and exploration of oil and natural gas deposits and the extraction of oil and natural gas in the 'Gorzów Wielkopolski S' area, part of concession block No 183.

2) **Area within which the activities are to be conducted:**

The boundaries of the area covered by this bidding procedure are defined by lines joining points with the following coordinates in the PL-1992 coordinate system:

Point No	X [PL-1992]	Y [PL-1992]
1	549 450,19	244 711,63
2	546 785,65	241 113,57
3	540 242,75	241 894,16
4	540 873,53	247 572,85
5	546 430,59	247 861,28
6	547 712,18	259 199,82
7	540 414,53	256 580,45
8	531 745,15	262 931,15

Point No	X [PL-1992]	Y [PL-1992]
9	531 753,26	263 057,74
10	521 496,05	262 559,19
11	521 556,67	262 436,44
12	521 365,66	247 695,31
13	528 872,38	239 725,61
14	528 621,24	236 900,92
15	527 049,18	228 863,08
16	540 948,98	229 635,49
17	547 125,25	229 978,70
18	550 209,91	230 150,11

with the exception of the polygon defined by the following points 19 to 26:

Point No	X [PL-1992]	Y [PL-1992]
19	537 338,87	235 938,86
20	537 381,70	235 451,89
21	537 161,68	235 262,61
22	536 191,17	234 978,91
23	535 945,30	236 140,79
24	536 032,11	236 456,84
25	536 631,59	236 671,44
26	537 053,67	236 400,94

The surface area of the vertical projection of the area covered by this bidding procedure is 691,38 km². The lower boundary of the area is at a depth of 4 000 m below ground level (BGL).

The aim of the works to be carried out in Permian formations is to document and extract oil and natural gas deposits in the area described above.

3) **Time limit, not less than 90 days from the date of publication of the notice, and place for the submission of bids:**

Bids must be submitted to the headquarters of the Ministry of Climate and the Environment no later than 12:00 CET/CEST on the last day of the 180-day period commencing on the day following the date of publication of the notice in the *Official Journal of the European Union*.

4) **Detailed bid specifications, including the bid evaluation criteria and a specification of their weighting, ensuring that the conditions referred to in Article 49k of the Geological and Mining Law Act of 9 June 2011 are fulfilled:**

Bids may be submitted by entities in respect of which a decision has been issued confirming the positive outcome of a qualification procedure, as provided for in Article 49a(16)(1) of the Geological and Mining Law Act, independently, or as the operator if several entities are applying jointly for the concession.

The tender committee will evaluate the proposals received on the basis of the following criteria:

30 % - scope and schedule of the proposed geological works, including geological operations, or mining operations;

- 20 % - scope and schedule of the mandatory collection of samples obtained during geological operations, including drill cores;
- 20 % - financial capacities offering an adequate guarantee that activities relating to, respectively, the prospection and exploration of hydrocarbon deposits and the extraction of hydrocarbons will be carried out, and in particular the sources and methods for financing the intended activities, including the share of own funds and external financing;
- 20 % - the proposed technology for conducting geological works, including geological operations, or mining operations, using innovative elements developed for this project;
- 5 % - technical capacities for, respectively, the prospection and exploration of hydrocarbon deposits and the extraction of hydrocarbons, and in particular the availability of appropriate technical, organisational, logistical and human resources potential (including 2 % for the scope of collaboration, with regard to the development and implementation of innovative solutions for the prospection, exploration and extraction of hydrocarbons, with scientific bodies conducting research into the geology of Poland and analytical tools, technologies and methods for prospecting hydrocarbon deposits which take account of the specificity of Polish geological conditions and which may be applied in those conditions);
- 5 % - experience in the prospection and exploration of hydrocarbon deposits or the extraction of hydrocarbons, ensuring safe operation, the protection of human and animal life and health, and environmental protection.

If, following the evaluation of applications on the basis of the criteria specified above, two or more bids obtain the same score, the amount of the fee for the establishment of mining usufruct rights due during the prospection and exploration phase will be used as an additional criterion allowing a final choice to be made between the bids concerned.

5) **Minimum scope of geological information:**

When submitting a bid there is no requirement to demonstrate the right to use geological information.

When entering the extraction phase, an undertaking is obliged to provide evidence of the existence of the right to use geological information to the extent necessary for the pursuit of its activities.

6) **Commencement date of activities:**

The activities covered by the concession shall commence within 14 days from the date on which the decision granting the concession becomes final.

7) **Minimum scope of geological works, including geological operations, or mining operations:**

Geophysical surveys of 80 km (length of excitation line) with 2D seismic tests or of 50 km² (extraction area) with 3D seismic tests.

Drilling of a borehole to a maximum depth of 4 000 m (true vertical depth – TVD), with mandatory coring of prospective intervals.

8) **Period for which the concession is to be granted:**

The concession period is 30 years, including:

- 1) a prospection and exploration phase of 5 years' duration, starting from the date on which the concession is granted;
- 2) an extraction phase of 25 years' duration, starting from the date on which an investment decision is obtained.

9) **Specific conditions for carrying out the activities and for ensuring public safety, public health, environmental protection and rational management of deposits:**

The geophysical surveys shall commence within 24 months from the date on which the decision granting the concession becomes final.

The geological operations (borehole drilling) shall commence within 42 months from the date on which the decision granting the concession becomes final.

Implementation of the concession work programme must not infringe landowners' rights and does not eliminate the need to comply with other requirements laid down in legislation, in particular the Geological and Mining Law Act, and requirements regarding spatial planning, environmental protection, agricultural land and forests, nature, waters and waste.

Category C is the minimum exploration category for oil and natural gas deposits.

10) **Model agreement on the establishment of mining usufruct rights:**

The model agreement is attached as an annex hereto.

11) **Information concerning the amount of the fee for establishing mining usufruct rights:**

The minimum amount of the fee for establishing mining usufruct rights for the 'Gorzów Wielkopolski S' area during the five-year base period is PLN 169 374,27 (in words: one hundred and sixty-nine thousand, three hundred and seventy-four zlotys, twenty-seven grosz) per annum.

Detailed terms of payment are to be found in the annex referred to in point 10.

12) **Information concerning requirements to be met by bids and documents required from bidders:**

1. Bids should specify:

- 1) the name (business name) and the registered office of the bidder;
- 2) the subject of the bid, together with a description specifying the area within which the concession is to be granted and mining usufruct rights are to be established;
- 3) the period for which the concession is to be granted, the duration of the prospection and exploration phase and the commencement date of the activities;
- 4) the aim, scope and nature of geological works, including geological operations, or mining operations, and information about the works to be carried out to achieve the intended objective and the technologies to be used;
- 5) a schedule, broken down into years, for geological works, including geological operations, and the scope of such works;
- 6) the scope and schedule of the mandatory collection of samples obtained during geological operations, including drill cores, as referred to in Article 82(2)(2) of the Geological and Mining Law Act;
- 7) rights held by the bidder to the real property (area) within which the intended activities are to be carried out, or the right for the establishment of which that entity is applying;
- 8) a list of areas covered by nature conservation schemes; this requirement does not concern projects for which a decision on environmental conditions is required;
- 9) the way in which the adverse environmental impacts of the intended activities are to be counteracted;
- 10) the scope of the geological information available to the bidder;
- 11) experience in the prospection and exploration of hydrocarbon deposits or the extraction of hydrocarbons, ensuring safe operation, the protection of human and animal life and health, and environmental protection;

- 12) technical capacities for, respectively, the prospection and exploration of hydrocarbon deposits and the extraction of hydrocarbons, and in particular the availability of appropriate technical, organisational, logistical and human resources potential;
 - 13) financial capacities offering an adequate guarantee that activities relating to, respectively, the prospection and exploration of hydrocarbon deposits and the extraction of hydrocarbons will be carried out, and in particular the sources and methods of financing the intended activities, including the share of own funds and external financing;
 - 14) the proposed technology for conducting geological works, including geological operations, or mining operations;
 - 15) the proposed amount of the fee for establishing mining usufruct rights, this being not less than the amount specified in the notice launching the bidding procedure;
 - 17) if a bid is submitted jointly by several entities, it must additionally specify:
 - a) the names (business names) and the registered offices of all the entities submitting the bid;
 - b) the operator;
 - c) the percentage shares in the costs of geological works, including geological operations, proposed in the cooperation agreement.
2. Bids submitted in a bidding procedure should meet the requirements and conditions laid down in the notice launching that bidding procedure.
 3. The following documents are to be enclosed with bids:
 - 1) evidence of the existence of the circumstances described in the bid, in particular extracts from the relevant registers;
 - 2) proof that a deposit has been lodged;
 - 3) a copy of the decision confirming the positive outcome of a qualification procedure, as provided for in Article 49a(17) of the Geological and Mining Law Act;
 - 4) graphical annexes prepared in accordance with the requirements relating to mining maps, indicating the country's administrative boundaries;
 - 5) written undertakings to make technical resources available to the entity taking part in the bidding procedure if other entities' technical resources are used when implementing the concession;
 - 6) two copies of the geological operations project file.
 4. Bidders may, on their own initiative, provide additional information in their bids or attach additional documents thereto.
 5. Documents submitted by bidders should be originals or certified true copies of originals as provided for in the Code of Administrative Procedure. This requirement does not apply to copies of documents which are to be attached to bids and were created by the concession authority.
 6. Documents drawn up in a foreign language should be submitted together with a translation into Polish by a sworn translator.
 7. Bids are to be submitted in a sealed envelope or a sealed package bearing the name (business name) of the bidder and indicating the subject of the bidding procedure.
 8. Bids submitted after the expiry of the time limit for the submission of bids will be returned to the bidders unopened.
- 13) **Information concerning the manner of lodging a deposit, the amount of the deposit and the payment date:**
- Bidders are required to lodge a deposit of PLN 1 000 (in words: one thousand zlotys and zero grosz) before the expiry of the time limit for the submission of bids.

SECTION IV: ADMINISTRATIVE INFORMATION

IV.1) **Bid evaluation committee**

A bid evaluation committee is appointed by the concession authority for the purpose of conducting the bidding procedure and selecting the most advantageous bid. The composition and rules of procedure of the committee are specified in the Cabinet Regulation of 28 July 2015 on bidding procedures for concessions for the prospection and exploration of hydrocarbon deposits and the extraction of hydrocarbons, and for concessions for the extraction of hydrocarbons (Journal of Laws 2015, item 1171). The bid evaluation committee submits a report on the bidding procedure to the concession authority for approval. Together with bids and all documents related to the bidding procedure, the report is open to other entities submitting bids.

IV.2) **Additional clarifications**

Within 14 days from the date of publication of the notice, an interested entity may ask the concession authority to provide clarifications concerning the detailed bid specifications. Within 14 days from the receipt of the request, the concession authority will publish the clarifications in the *Biuletyn Informacji Publicznej* (Public Information Bulletin), on the page of the administrative office subordinate to that authority.

IV.3) **Additional information**

Full information about the area covered by the bidding procedure has been compiled by the Polish Geological Service in the Geological Data Pack for the bidding procedure for the prospection and exploration of oil and natural gas deposits and for the extraction of oil and natural gas in the bidding area 'Gorzów Wielkopolski S' ('Pakiet danych geologicznych do postępowania przetargowego na poszukiwanie i rozpoznawanie złóż ropy naftowej i gazu ziemnego oraz wydobywanie ropy naftowej i gazu ziemnego ze złóż. Obszar przetargowy "Gorzów Wielkopolski S"'), which is available on the website of the Ministry of Climate and the Environment at the following address: <https://bip.mos.gov.pl/koncesje-geologiczne/przetargi-na-wydobywanie-weglowodorow/piata-runda-przetargow-2021/> koncesje-na-poszukiwanie-rozpoznawanie-i-

and from:

Departament Geologii i Koncesji Geologicznych [Geology and Geological Concessions Department]
Ministerstwo Klimatu i Środowiska [Ministry of Climate and the Environment]
ul. Wawelska 52/54
54 00-922 Warszawa
POLAND

Tel. +48 223692449

Fax +48 223692460

AGREEMENT

establishing mining usufruct rights for the prospection and exploration of oil and natural gas deposits and the extraction of oil and natural gas in the 'Gorzów Wielkopolski S' area, hereinafter referred to as 'the Agreement'

concluded at Warsaw on between:

the **Treasury, represented by the Minister for Climate and the Environment**, for and on behalf of whom acts under power of attorney No hereinafter referred to as '**the Treasury**',

and

..... (name of undertaking) having its registered office at (full address), registered on under KRS (National Court Register) No, share capital, represented by, hereinafter referred to as '**the Holder of Mining Usufruct Rights**',

hereinafter each referred to singly as a '**Party**' or jointly as '**the Parties**',

and reading as follows:

Section 1

1. The Treasury, as exclusive owner of the substrata of the Earth's crust covering the area within the rural municipalities of Lubiszyn, Bogdaniec, Deszczno, Santok, Krzeszyce and Bledzew, the urban-rural municipalities of Witnica, Lubniewice and Skwierzyna, and the town of Gorzów Wielkopolski in Lubuskie Province, the boundaries of which are defined by the lines joining points (1) to (18) having the following coordinates in the PL-1992 coordinate system:

Point No	X [PL-1992]	Y [PL-1992]
1	549 450,19	244 711,63
2	546 785,65	241 113,57
3	540 242,75	241 894,16
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6	547 712,18	259 199,82
7	540 414,53	256 580,45
8	531 745,15	262 931,15
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10	521 496,05	262 559,19
11	521 556,67	262 436,44
12	521 365,66	247 695,31
13	528 872,38	239 725,61
14	528 621,24	236 900,92
15	527 049,18	228 863,08

Point No	X [PL-1992]	Y [PL-1992]
16	540 948,98	229 635,49
17	547 125,25	229 978,70
18	550 209,91	230 150,11

with the exception of the polygon defined by the following points 19 to 26:

Point No	X [PL-1992]	Y [PL-1992]
19	537 338,87	235 938,86
20	537 381,70	235 451,89
21	537 161,68	235 262,61
22	536 191,17	234 978,91
23	535 945,30	236 140,79
24	536 032,11	236 456,84
25	536 631,59	236 671,44
26	537 053,67	236 400,94

hereby establishes mining usufruct rights for the Holder of Mining Usufruct Rights in the area described above, limited above by the lower boundary of surface land properties and below at a depth of 4 000 m, provided that the Holder of Mining Usufruct Rights obtains a concession for the prospection and exploration of oil and natural gas deposits and the extraction of oil and natural gas in the 'Gorzów Wielkopolski S' area within one year from the date of the Agreement being concluded.

2. If the condition of obtaining the concession referred to in paragraph 1 is not met, the obligations arising under the Agreement shall expire.
3. Within the rock mass area specified in paragraph 1, the Holder of Mining Usufruct Rights may:
 - 1) in Permian formations, carry out activities relating to the prospection and exploration of oil and natural gas deposits;
 - 2) in the rest of the area, carry out any works and activities that are necessary in order to gain access to the Permian formations.
4. The surface area of the vertical projection of the area described above is 691.38 km².
5. The mining usufruct rights shall entitle the Holder of Mining Usufruct Rights to use the area specified in paragraph 1 on an exclusive basis for the prospection and exploration of oil and natural gas, as well as for carrying out all operations and activities necessary for this purpose within that area in accordance with the legislation in force, in particular the Geological and Mining Law Act of 9 June 2011 (Journal of Laws (*Dziennik Ustaw*) 2022, item 1072, as amended), and decisions issued pursuant thereto.

Section 2

The Holder of Mining Usufruct Rights declares that it raises no objections to the factual and legal status of the subject of the mining usufruct rights.

Section 3

1. The Agreement shall take effect on the date on which the concession is obtained.
2. The mining usufruct rights shall be established for a period of 30 years, including 5 years for the prospection and exploration phase and 25 years for the extraction phase, subject to Sections 8(2) and 10.
3. The mining usufruct rights shall expire if the concession expires, is withdrawn or becomes invalid, irrespective of the reason.

Section 4

The Holder of Mining Usufruct Rights undertakes to notify the Treasury in writing of any changes resulting in a change of name, registered office, address or organisational form, changes in registration and identification numbers, the transfer of the concession to another entity by operation of law, the filing of a bankruptcy petition, the declaration of bankruptcy or the initiation of restructuring proceedings. The Treasury may require that the necessary explanations be provided in such cases. Notification shall take place within 30 days from the date on which the circumstances referred to above occur.

Section 5

The Agreement shall be without prejudice to the rights of third parties, in particular owners of land, and the Holder of Mining Usufruct Rights shall not be exempt from the need to comply with requirements provided for by law, in particular those relating to the prospection and exploration of minerals and the protection and use of environmental resources.

Section 6

The Treasury reserves the right to establish within the area referred to in Section 1(1) mining usufruct rights for the purpose of carrying out activities other than those specified in the Agreement, in a manner which does not infringe the rights of the Holder of Mining Usufruct Rights.

Section 7

1. The Holder of Mining Usufruct Rights shall pay the Treasury the following fee for the mining usufruct rights in the area specified in Section 1(1) for each year of the prospection and exploration phase of mining usufruct (counted as 12 consecutive months):
 - a) PLN (amount) (in words: zlotys) for the first year of usufruct, counting from the date on which the Agreement took effect, within 30 days from the beginning of that year of mining usufruct;
 - b) PLN (amount) (in words: zlotys) for the second year of usufruct, counting from the date on which the Agreement took effect, within 30 days from the beginning of that year of mining usufruct;
 - c) PLN (amount) (in words: zlotys) for the third year of usufruct, counting from the date on which the Agreement took effect, within 30 days from the beginning of that year of mining usufruct;
 - d) PLN (amount) (in words: zlotys) for the fourth year of usufruct, counting from the date on which the Agreement took effect, within 30 days from the beginning of that year of mining usufruct;
 - e) PLN (amount) (in words: zlotys) for the fifth year of usufruct, counting from the date on which the Agreement took effect, within 30 days from the beginning of that year of mining usufruct;— subject to the provisions of paragraph 2.
2. If the date for payment of the fee due for a given year of mining usufruct falls between 1 January and 1 March, the Holder of Mining Usufruct Rights shall pay the fee by 1 March. However, if the fee is subject to indexation in accordance with paragraphs 3 to 5, the Holder of Mining Usufruct Rights shall pay it no earlier than the date on which the index referred to in paragraph 3 is announced, after taking that index into account.

3. The fee specified in paragraph 1 shall be indexed to the average annual consumer price indices set for the period from the conclusion of the Agreement until the year preceding the date for the payment of the fee, as announced by the President of Statistics Poland in the Polish Official Gazette (*Monitor Polski*). If this index for a given year is less than or equal to zero, there shall be no indexation for that year.
4. If the date for payment of the fee falls in the same calendar year as that in which the Agreement was concluded, the fee shall not be indexed.
5. If the Agreement was concluded and took effect in the year preceding the year in which the date for payment of the fee falls, the fee shall not be indexed if the Holder of Mining Usufruct Rights pays it by the end of the calendar year in which the Agreement is concluded and takes effect.
6. If the Holder of Mining Usufruct Rights loses the mining usufruct rights established under the Agreement before the time limit specified in Section 3(2) expires, the Holder of Mining Usufruct Rights shall be required to pay the fee for the entire year of usufruct in which these rights were lost. If, however, the mining usufruct rights are lost as a result of the concession being withdrawn or for the reasons specified in Section 10(1), (3) or (4), the Holder of Mining Usufruct Rights shall pay the fee for the entire usufruct period of the prospection and exploration phase specified in Section 3(1) and (2), indexed in accordance with paragraph 3 and without prejudice to the contractual penalty referred to in Section 10(2). The fee shall be paid within 30 days from the date on which the mining usufruct rights were lost. The loss of usufruct rights shall not release the Holder of Mining Usufruct Rights from environmental obligations relating to the subject of the mining usufruct rights, in particular obligations relating to the protection of deposits.
7. The Holder of Mining Usufruct Rights shall pay the fee for the mining usufruct rights into the bank account of the Ministry of Climate and the Environment at the Warsaw branch of the National Bank of Poland, No 07 1010 1010 0006 3522 3100 0000, including the following communication on the transfer order: 'Ustanowienie użytkowania górniczego w związku z udzieleniem koncesji na poszukiwanie i rozpoznawanie złóż ropy naftowej i gazu ziemnego oraz wydobywanie ropy naftowej i gazu ziemnego ze złóż w obszarze "Gorzów Wielkopolski S" ('Establishment of mining usufruct rights in connection with the granting of a concession for the prospection and exploration of oil and natural gas deposits and the extraction of oil and natural gas in the "Gorzów Wielkopolski S' area").

The date of payment shall be the date on which the Treasury's account is credited.
8. The fee specified in paragraph 1 shall not be subject to tax on goods and services (VAT). If legislation is amended with the result that the activities which are the subject of the Agreement are subject to taxation, or if the interpretation of legislation changes with the result that those activities are subject to VAT, the amount of the fee shall be increased by the amount of tax due.
9. The Treasury shall notify the Holder of Mining Usufruct Rights in writing of changes to the account number referred to in paragraph 7.
10. The fee for the establishment of mining usufruct rights shall be payable to the Treasury irrespective of the income which the Holder of Mining Usufruct Rights earns from using those rights.
11. The Holder of Mining Usufruct Rights shall send the Treasury, within 7 days from the payment date, copies of proof of payment of the fee referred to in paragraph 1 for the establishment of the mining usufruct rights.

Section 8

1. After the Holder of Mining Usufruct Rights obtains an investment decision specifying the conditions for the extraction of oil and natural gas, the Parties shall, within 30 days from the date of that decision, sign an addendum to the Agreement specifying the conditions for the implementation of the Agreement during the extraction phase and the amount of the fee for mining usufruct rights in the area specified in Section 1(1) for each year of mining usufruct during the extraction phase.

2. If, within 30 days of the date of the investment decision specifying the conditions for the extraction of oil or natural gas the addendum referred to in paragraph 1 has not been concluded, the mining usufruct rights shall expire.

Section 9

The Holder of Mining Usufruct Rights may exercise the mining usufruct rights established in Section 1(1) only after obtaining written consent from the Treasury.

Section 10

1. If the Holder of Mining Usufruct Rights infringes obligations laid down in the Agreement, the Treasury may, subject to the provisions of paragraphs 3 and 4, terminate the Agreement with immediate effect, without the Holder of Mining Usufruct Rights being entitled to make any property claims. However, the Agreement may not be terminated if the Holder of Mining Usufruct Rights has infringed obligations under the Agreement owing to force majeure.
2. If the Agreement is terminated for the reasons specified in paragraphs 1 or 4, the Holder of Mining Usufruct Rights shall pay the Treasury a contractual penalty of 25 % of the fee for the entire prospection and exploration phase of mining usufruct, as specified in Section 3(1) and (2), indexed in accordance with Section 7(3).
3. If the Holder of Mining Usufruct Rights delays payment of the fee by more than 7 days beyond the deadlines specified in Section 7(1) or (2), the Treasury shall request that the Holder of Mining Usufruct Rights pay the outstanding fee within 7 days from the receipt of the request, failing which the Agreement will be terminated with immediate effect.
4. If the Holder of Mining Usufruct Rights fails to inform the Treasury of the events referred to in Section 4 within 30 days of their occurrence, the Treasury may impose on the Holder of Mining Usufruct Rights a contractual penalty of 5 % of the fee for the entire prospection and exploration phase of mining usufruct for each instance of failure to provide information, or terminate the Agreement in whole or in part, subject to 30 days' notice effective at the end of the calendar month.
5. The Holder of Mining Usufruct Rights shall be bound by the Agreement until the date of expiry, withdrawal or invalidity of the concession and may not terminate the Agreement.
6. The Agreement shall be terminated in writing, failing which the termination will be invalid.
7. The Parties agree that if the Treasury terminates the Agreement, the fee paid for the mining usufruct rights referred to in Section 7(1) shall not be reimbursed.
8. The Treasury reserves the right to seek compensation in excess of the amount of contractual penalties on general terms if the amount of damage incurred by the Treasury exceeds the contractual penalties.

Section 11

1. The Parties have provided the following contact details for correspondence:
 - 1) Treasury:
Ministerstwo Klimatu i Środowiska [Ministry of Climate and the Environment], ul. Wawelska 52/54, 00-922 Warszawa;
 - 2) Holder of Mining Usufruct Rights:
(address).
2. The Parties are obliged to inform each other in writing without delay of any change to the contact details indicated in paragraph 1. Such a change shall not require an addendum to the Agreement. Correspondence sent to a Party's most recently provided contact address shall be deemed to have been effectively served on the other Party.

3. Each of the Parties shall serve correspondence on the other Party in person, by courier or by registered letter using the contact details most recently provided by the Party.
4. Registered letters sent to the most recently provided address of a Party and returned by the post office or courier company owing to the addressee not having collected it on time will be treated as having been effectively served once fourteen days have passed from the first delivery attempt.

Section 12

1. The parties shall not be liable for failure to comply with obligations under the Agreement resulting from force majeure if it can be proven that damage caused by force majeure influenced the failure to comply with the obligations. 'Force majeure' shall mean an external event that the Parties could not have predicted or prevented that makes it impossible for the Agreement to be implemented in whole or in part, permanently or for a given period, which a Party could not have counteracted by exercising due diligence and which did not result from errors or negligence on the part of the Party affected by it.
2. In the event of force majeure, the Parties shall immediately make every effort to agree on a course of action.

Section 13

The Holder of Mining Usufruct Rights may apply for extension of the Agreement, in whole or in part, and must do so in writing, failing which the application will be invalid.

Section 14

If the Agreement is terminated, the Holder of Mining Usufruct Rights shall not be entitled to make any claims against the State Treasury for an increase in the value of the subject of the mining usufruct rights.

Section 15

Any disputes arising out of the Agreement shall be resolved by the ordinary court having geographical jurisdiction over the seat of the Treasury.

Section 16

This Agreement shall be governed by Polish law, in particular the provisions of the Geological and Mining Law Act and of the Civil Code.

Section 17

The Holder of Mining Usufruct Rights shall bear the costs of concluding the Agreement.

Section 18

Amendments to the Agreement shall be made in writing, failing which they will be invalid.

Section 19

The Agreement has been drawn up in three identical copies (one copy for the Holder of Mining Usufruct Rights and two copies for the Treasury).

Treasury

Holder of Mining Usufruct Rights

Communication from the Government of the Republic of Poland concerning Directive 94/22/EC of the European Parliament and of the Council on the conditions for granting and using authorizations for the prospection, exploration and production of hydrocarbons

(2023/C 160/07)

Public invitation to bid for a concession for the prospection and exploration of oil and natural gas deposits and the extraction of oil and natural gas in the 'Siedlce W' area

SECTION I: LEGAL BASIS

1. Article 49h(2) of the Geological and Mining Law Act (Journal of Laws (*Dziennik Ustaw*) 2022, item 1072, as amended)
2. Cabinet Regulation of 28 July 2015 on bidding for concessions for the prospection and exploration of hydrocarbon deposits and the extraction of hydrocarbons, and concessions for the extraction of hydrocarbons (Journal of Laws 2015, item 1171)
3. Directive 94/22/EC of the European Parliament and of the Council of 30 May 1994 on the conditions for granting and using authorizations for the prospection, exploration and production of hydrocarbons (OJ L 164, 30.6.1994, p. 3; Special edition in Polish: Chapter 6, Volume 2, p. 262)

SECTION II: ENTITY INVITING BIDS

Name: Ministry of Climate and the Environment

Postal address: ul. Wawelska 52/54, 00-922 Warszawa, Poland

Tel. +48 22 3692449

Fax +48 22 3692460

Internet: www.gov.pl/web/klimat

SECTION III: SUBJECT OF THE PROCEDURE

1) **Type of activities for which the concession is to be granted:**

Concession for the prospection and exploration of oil and natural gas deposits and the extraction of oil and natural gas in the 'Siedlce W' area, part of concession blocks Nos 216, 217, 236 and 237.

2) **Trea within which the activities are to be conducted:**

The boundaries of the area covered by this bidding procedure are defined by lines joining points with the following coordinates in the PL-1992 coordinate system:

Point No	X [PL-1992]	Y [PL-1992]
1	508 667,07	687 397,04
2	508 667,07	722 038,06
3	474 026,06	722 038,06
4	474 026,06	687 397,04

The surface area of the vertical projection of the area covered by this bidding procedure is 1 200,00 km². The lower boundary of the area is at a depth of 3 500 m below ground level (BGL).

The aim of the works to be carried out in Cambrian, Ordovician and Silurian formations is to document and extract oil and natural gas in the area described above.

3) **Time limit, not less than 90 days from the date of publication of the notice, and place for the submission of bids:**

Bids must be submitted to the headquarters of the Ministry of Climate and the Environment no later than 12:00 CET/CEST on the last day of the 180-day period commencing on the day following the date of publication of the notice in the *Official Journal of the European Union*.

4) **Detailed bid specifications, including the bid evaluation criteria and a specification of their weighting, ensuring that the conditions referred to in Article 49k of the Geological and Mining Law Act of 9 June 2011 are fulfilled:**

Bids may be submitted by entities in respect of which a decision has been issued confirming the positive outcome of a qualification procedure, as provided for in Article 49a(16)(1) of the Geological and Mining Law Act, independently, or as the operator if several entities are applying jointly for the concession.

The tender committee will evaluate the proposals received on the basis of the following criteria:

- 30 % - scope and schedule of the proposed geological works, including geological operations, or mining operations;
- 20 % - scope and schedule of the mandatory collection of samples obtained during geological operations, including drill cores;
- 20 % - financial capacities offering an adequate guarantee that activities relating to, respectively, the prospection and exploration of hydrocarbon deposits and the extraction of hydrocarbons will be carried out, and in particular the sources and methods of financing the intended activities, including the share of own funds and external financing;
- 20 % - the proposed technology for conducting geological works, including geological operations, or mining operations, using innovative elements developed for this project;
- 5 % - technical capacities for, respectively, the prospection and exploration of hydrocarbon deposits and the extraction of hydrocarbons, and in particular the availability of appropriate technical, organisational, logistical and human resources potential (including 2 % for the scope of collaboration, with regard to the development and implementation of innovative solutions for the prospection, exploration and extraction of hydrocarbons, with scientific bodies conducting research into the geology of Poland and analytical tools, technologies and methods for prospecting hydrocarbon deposits which take account of the specificity of Polish geological conditions and which may be applied in those conditions);
- 5 % - experience in the prospection and exploration of hydrocarbon deposits or the extraction of hydrocarbons, ensuring safe operation, the protection of human and animal life and health, and environmental protection.

If, following the evaluation of applications on the basis of the criteria specified above, two or more bids obtain the same score, the amount of the fee for the establishment of mining usufruct rights due during the prospection and exploration phase will be used as an additional criterion allowing a final choice to be made between the bids concerned.

5) **Minimum scope of geological information:**

When submitting a bid there is no requirement to demonstrate the right to use geological information.

When entering the extraction phase, an undertaking is obliged to provide evidence of the existence of the right to use geological information to the extent necessary for the pursuit of its activities.

6) **Commencement date of activities:**

The activities covered by the concession shall commence within 14 days from the date on which the decision granting the concession becomes final.

7) **Minimum scope of geological works, including geological operations, or mining operations:**

Geophysical surveys of 150 km (length of excitation line) with 2D seismic tests or of 50 km² (extraction area) with 3D seismic tests.

Drilling of a borehole to a maximum depth of 3 500 m (true vertical depth – TVD), with mandatory coring of prospective intervals.

8) **Period for which the concession is to be granted:**

The concession period is 30 years, including:

- 1) a prospection and exploration phase of 5 years' duration, starting from the date on which the concession is granted;
- 2) an extraction phase of 25 years' duration, starting from the date on which an investment decision is obtained.

9) **Specific conditions for carrying out the activities and for ensuring public safety, public health, environmental protection and rational management of deposits:**

The geophysical surveys shall commence within 24 months from the date on which the decision granting the concession becomes final.

The geological operations (borehole drilling) shall commence within 42 months from the date on which the decision granting the concession becomes final.

Implementation of the concession work programme must not infringe landowners' rights and does not eliminate the need to comply with other requirements laid down in legislation, in particular the Geological and Mining Law Act, and requirements regarding spatial planning, environmental protection, agricultural land and forests, nature, waters and waste.

Category C is the minimum exploration category for oil and natural gas deposits.

10) **Model agreement on the establishment of mining usufruct rights:**

The model agreement is attached as an annex hereto.

11) **Information concerning the amount of the fee for establishing mining usufruct rights:**

The minimum amount of the fee for establishing mining usufruct rights for the 'Gryfice' area [sic] during the five-year base period is PLN 293 976,00 (in words: two hundred and ninety-three thousand, nine hundred and seventy-six zlotys, zero grosz) per annum.

Detailed terms of payment are to be found in the annex referred to in point 10.

12) **Information concerning requirements to be met by bids and documents required from bidders:**

1. Bids should specify:

- 1) the name (business name) and the registered office of the bidder;
- 2) the subject of the bid, together with a description specifying the area within which the concession is to be granted and mining usufruct rights are to be established;
- 3) the period for which the concession is to be granted, the duration of the prospection and exploration phase and the commencement date of the activities;
- 4) the aim, scope and nature of geological works, including geological operations, or mining operations, and information about the works to be carried out to achieve the intended objective and the technologies to be used;
- 5) a schedule, broken down into years, for geological works, including geological operations, and the scope of such works;

- 6) the scope and schedule of the mandatory collection of samples obtained during geological operations, including drill cores, as referred to in Article 82(2)(2) of the Geological and Mining Law Act;
 - 7) rights held by the bidder to the real property (area) within which the intended activities are to be carried out, or the right for the establishment of which that entity is applying;
 - 8) a list of areas covered by nature conservation schemes; this requirement does not concern projects for which a decision on environmental conditions is required;
 - 9) the way in which the adverse environmental impacts of the intended activities are to be counteracted;
 - 10) the scope of the geological information available to the bidder;
 - 11) experience in the prospection and exploration of hydrocarbon deposits or the extraction of hydrocarbons, ensuring safe operation, the protection of human and animal life and health, and environmental protection;
 - 12) technical capacities for, respectively, the prospection and exploration of hydrocarbon deposits and the extraction of hydrocarbons, and in particular the availability of appropriate technical, organisational, logistical and human resources potential;
 - 13) financial capacities offering an adequate guarantee that activities relating to, respectively, the prospection and exploration of hydrocarbon deposits and the extraction of hydrocarbons will be carried out, and in particular the sources and methods of financing the intended activities, including the share of own funds and external financing;
 - 14) the proposed technology for conducting geological works, including geological operations, or mining operations;
 - 15) the proposed amount of the fee for establishing mining usufruct rights, this being not less than the amount specified in the notice launching the bidding procedure;
 - 17) if a bid is submitted jointly by several entities, it must additionally specify:
 - a) the names (business names) and the registered offices of all the entities submitting the bid;
 - b) the operator;
 - c) the percentage shares in the costs of geological works, including geological operations, proposed in the cooperation agreement.
2. Bids submitted in a bidding procedure should meet the requirements and conditions laid down in the notice launching that bidding procedure.
3. The following documents are to be enclosed with bids:
- 1) evidence of the existence of the circumstances described in the bid, in particular extracts from the relevant registers;
 - 2) proof that a deposit has been lodged;
 - 3) a copy of the decision confirming the positive outcome of a qualification procedure, as provided for in Article 49a(17) of the Geological and Mining Law Act;
 - 4) graphical annexes prepared in accordance with the requirements relating to mining maps, indicating the country's administrative boundaries;
 - 5) written undertakings to make technical resources available to the entity taking part in the bidding procedure if other entities' technical resources are used when implementing the concession;
 - 6) two copies of the geological operations project file.
4. Bidders may, on their own initiative, provide additional information in their bids or attach additional documents thereto.

5. Documents submitted by bidders should be originals or certified true copies of originals as provided for in the Code of Administrative Procedure. This requirement does not apply to copies of documents which are to be attached to bids and were created by the concession authority.
6. Documents drawn up in a foreign language should be submitted together with a translation into Polish by a sworn translator.
7. Bids are to be submitted in a sealed envelope or a sealed package bearing the name (business name) of the bidder and indicating the subject of the bidding procedure.
8. Bids submitted after the expiry of the time limit for the submission of bids will be returned to the bidders unopened.

13) **Information concerning the manner of lodging a deposit, the amount of the deposit and the payment date:**

Bidders are required to lodge a deposit of PLN 1 000 (in words: one thousand zlotys and zero grosz) before the expiry of the time limit for the submission of bids.

SECTION IV: ADMINISTRATIVE INFORMATION

IV.1) **Bid evaluation committee**

A bid evaluation committee is appointed by the concession authority for the purpose of conducting the bidding procedure and selecting the most advantageous bid. The composition and rules of procedure of the committee are specified in the Cabinet Regulation of 28 July 2015 on bidding procedures for concessions for the prospection and exploration of hydrocarbon deposits and the extraction of hydrocarbons, and for concessions for the extraction of hydrocarbons (Journal of Laws 2015, item 1171). The bid evaluation committee submits a report on the bidding procedure to the concession authority for approval. Together with bids and all documents related to the bidding procedure, the report is open to other entities submitting bids.

IV.2) **Additional clarifications**

Within 14 days from the date of publication of the notice, an interested entity may ask the concession authority to provide clarifications concerning the detailed bid specifications. Within 14 days from the receipt of the request, the concession authority will publish the clarifications in the *Biuletyn Informacji Publicznej* (Public Information Bulletin), on the page of the administrative office subordinate to that authority.

IV.3) **Additional information**

Full information about the area covered by the bidding procedure has been compiled by the Polish Geological Service in the Geological Data Pack for the bidding procedure for the prospection and exploration of oil and natural gas deposits and for the extraction of oil and natural gas in the bidding area 'Siedlce W' ('Pakiet danych geologicznych do postępowania przetargowego na poszukiwanie i rozpoznawanie złóż ropy naftowej i gazu ziemnego oraz wydobywanie ropy naftowej i gazu ziemnego ze złóż. Obszar przetargowy "Siedlce W"'), which is available on the website of the Ministry of Climate and the Environment at the following address: <https://bip.mos.gov.pl/koncesje-geologiczne/przetargi-na-koncesje-na-poszukiwanie-rozpoznawanie-i-wydobywanie-weglowodorow/piata-runda-przetargow-2021/>

and from:

Departament Geologii i Koncesji Geologicznych [Geology and Geological Concessions Department]
Ministerstwo Klimatu i Środowiska [Ministry of Climate and the Environment] ul. Wawelska 52/54
54 00-922 Warszawa
POLAND

Tel. +48 223692449

Fax +48 223692460

AGREEMENT establishing mining usufruct rights for the prospection and exploration of oil and natural gas deposits and the extraction of oil and natural gas in the ‘Siedlce W’ area, hereinafter referred to as ‘the Agreement’

concluded at Warsaw on between:

the **Treasury, represented by the Minister for Climate and the Environment**, for and on behalf of whom acts under power of attorney No hereinafter referred to as **‘the Treasury’**),

and

..... (name of undertaking) having its registered office at (full address), registered on under KRS (National Court Register) No, share capital, represented by, hereinafter referred to as **‘the Holder of Mining Usufruct Rights’**,

hereinafter each referred to singly as a **‘Party’** or jointly as **‘the Parties’**, and reading as follows:

Section 1

1. The Treasury, as exclusive owner of the substrata of the Earth’s crust covering the area within the rural municipalities of Korytnica, Wierzbno, Liw, Grębków, Sokołów Podlaski, Bielany, Dobre, Jakubów, Ceglów, Kotuń, Mokobody, Siedlce, Skórzec, Suchożebry, Wiśniew and Wodynie, the urban-rural municipalities of Kałuszyn and Mrozy, and the towns of Sokołów Podlaski, Węgrów and Siedlce in Mazowieckie Province, the boundaries of which are defined by lines joining points 1 to 4 having the following coordinates in the PL-1992 coordinate system:

Point No	X [PL-1992]	Y [PL-1992]
1	508 667,07	687 397,04
2	508 667,07	722 038,06
3	474 026,06	722 038,06
4	474 026,06	687 397,04

hereby establishes mining usufruct rights for the Holder of Mining Usufruct Rights in the area described above, limited above by the lower boundary of surface land properties and below at a depth of 3 500 m, provided that the Holder of Mining Usufruct Rights obtains a concession for the prospection and exploration of oil and natural gas deposits and the extraction of oil and natural gas in the ‘Siedlce W’ area within one year from the date of the Agreement being concluded.

2. If the condition of obtaining the concession referred to in paragraph 1 is not met, the obligations arising under the Agreement shall expire.
3. Within the rock mass area specified in paragraph 1, the Holder of Mining Usufruct Rights may:
 - 1) in Cambrian, Ordovician and Silurian formations, carry out activities relating to the prospection and exploration of oil and natural gas deposits;
 - 2) in the rest of the area, carry out any operations and activities that are necessary in order to gain access to the Cambrian, Ordovician and Silurian formations.
4. The surface area of the vertical projection of the area described above is 1 200,00 km².

5. The mining usufruct rights shall entitle the Holder of Mining Usufruct Rights to use the area specified in paragraph 1 on an exclusive basis for the prospection and exploration of oil and natural gas, as well as for carrying out all operations and activities necessary for this purpose within that area in accordance with the legislation in force, in particular the Geological and Mining Law Act of 9 June 2011 (Journal of Laws (Dziennik Ustaw) 2022, item 1072, as amended), and decisions issued pursuant thereto.

Section 2

The Holder of Mining Usufruct Rights declares that it raises no objections to the factual and legal status of the subject of the mining usufruct rights.

Section 3

1. The Agreement shall take effect on the date on which the concession is obtained.
2. The mining usufruct rights shall be established for a period of 30 years, including 5 years for the prospection and exploration phase and 25 years for the extraction phase, subject to Sections 8(2) and 10.
3. The mining usufruct rights shall expire if the concession expires, is withdrawn or becomes invalid, irrespective of the reason.

Section 4

The Holder of Mining Usufruct Rights undertakes to notify the Treasury in writing of any changes resulting in a change of name, registered office and address or organisational form, changes in registration and identification numbers, the transfer of the concession to another entity by operation of law, the filing of a bankruptcy petition, the declaration of bankruptcy or the initiation of restructuring proceedings. The Treasury may require that the necessary explanations be provided in such cases. Notification shall take place within 30 days from the date on which the circumstances referred to above occur.

Section 5

The Agreement shall be without prejudice to the rights of third parties, in particular owners of land, and the Holder of Mining Usufruct Rights shall not be exempt from the need to comply with requirements provided for by law, in particular those relating to the prospection and exploration of minerals and the protection and use of environmental resources.

Section 6

The Treasury reserves the right to establish within the area referred to in Section 1(1) mining usufruct rights for the purpose of carrying out activities other than those specified in the Agreement, in a manner which does not infringe the rights of the Holder of Mining Usufruct Rights.

Section 7

1. The Holder of Mining Usufruct Rights shall pay the Treasury the following fee for the mining usufruct rights in the area specified in Section 1(1) for each year of the prospection and exploration phase of mining usufruct (counted as 12 consecutive months):
 - a) PLN (amount) (in words: zlotys) for the first year of usufruct, counting from the date on which the Agreement took effect, within 30 days from the beginning of that year of mining usufruct;
 - b) PLN (amount) (in words: zlotys) for the second year of usufruct, counting from the date on which the Agreement took effect, within 30 days from the beginning of that year of mining usufruct;
 - c) PLN (amount) (in words: zlotys) for the third year of usufruct, counting from the date on which the Agreement took effect, within 30 days from the beginning of that year of mining usufruct;

- d) PLN (amount) (in words: zlotys) for the fourth year of usufruct, counting from the date on which the Agreement took effect, within 30 days from the beginning of that year of mining usufruct;
- e) PLN (amount) (in words: zlotys) for the fifth year of usufruct, counting from the date on which the Agreement took effect, within 30 days from the beginning of that year of mining usufruct;

— subject to the provisions of paragraph 2.

2. If the date for payment of the fee due for a given year of mining usufruct falls between 1 January and 1 March, the Holder of Mining Usufruct Rights shall pay the fee by 1 March. However, if the fee is subject to indexation in accordance with paragraphs 3 to 5, the Holder of Mining Usufruct Rights shall pay it no earlier than the date on which the index referred to in paragraph 3 is announced, after taking that index into account.
3. The fee specified in paragraph 1 shall be indexed to the average annual consumer price indices set for the period from the conclusion of the Agreement until the year preceding the date for payment of the fee, as announced by the President of Statistics Poland in the Polish Official Gazette (Monitor Polski). If this index for a given year is less than or equal to zero, there shall be no indexation for that year.
4. If the date for payment of the fee falls in the same calendar year as that in which the Agreement was concluded, the fee shall not be indexed.
5. If the Agreement was concluded and took effect in the year preceding the year in which the date for payment of the fee falls, the fee shall not be indexed if the Holder of Mining Usufruct Rights pays it by the end of the calendar year in which the Agreement is concluded and takes effect.
6. If the Holder of Mining Usufruct Rights loses the mining usufruct rights established under the Agreement before the time limit specified in Section 3(2) expires, the Holder of Mining Usufruct Rights shall be required to pay the fee for the entire year of usufruct in which these rights were lost. If, however, the mining usufruct rights are lost as a result of the concession being withdrawn or for the reasons specified in Section 10(1), (3) or (4), the Holder of Mining Usufruct Rights shall pay the fee for the entire usufruct period of the prospection and exploration phase specified in Section 3(1) and (2), indexed in accordance with paragraph 3 and without prejudice to the contractual penalty referred to in Section 10(2). The fee shall be paid within 30 days from the date on which the mining usufruct rights were lost. The loss of usufruct rights shall not release the Holder of Mining Usufruct Rights from environmental obligations relating to the subject of the mining usufruct rights, in particular obligations relating to the protection of deposits.
7. The Holder of Mining Usufruct Rights shall pay the fee for the mining usufruct rights into the bank account of the Ministry of Climate and the Environment at the Warsaw branch of the National Bank of Poland, No 07 1010 1010 0006 3522 3100 0000, including the following communication on the transfer order: 'Ustanowienie użytkowania górniczego w związku z udzieleniem koncesji na poszukiwanie i rozpoznawanie złóż ropy naftowej i gazu ziemnego oraz wydobywanie ropy naftowej i gazu ziemnego ze złóż w obszarze "Siedlce W"' ('Establishment of mining usufruct rights in connection with the granting of a concession for the prospection and exploration of oil and natural gas deposits and the extraction of oil and natural gas in the "Siedlce W" area').

The date of payment shall be the date on which the Treasury's account is credited.

8. The fee specified in paragraph 1 shall not be subject to tax on goods and services (VAT). If legislation is amended with the result that the activities which are the subject of the Agreement are subject to taxation, or if the interpretation of legislation changes with the result that those activities are subject to VAT, the amount of the fee shall be increased by the amount of tax due.
9. The Treasury shall notify the Holder of Mining Usufruct Rights in writing of changes to the account number referred to in paragraph 7.

10. The fee for the establishment of mining usufruct rights shall be payable to the Treasury irrespective of the income which the Holder of Mining Usufruct Rights earns from using those rights.
11. The Holder of Mining Usufruct Rights shall send the Treasury, within 7 days from the payment date, copies of proof of payment of the fee referred to in paragraph 1 for the establishment of the mining usufruct rights.

Section 8

1. After the Holder of Mining Usufruct Rights obtains an investment decision specifying the conditions for the extraction of oil and natural gas, the Parties shall, within 30 days from the date of that decision, sign an addendum to the Agreement specifying the conditions for the implementation of the Agreement during the extraction phase and the amount of the fee for mining usufruct rights in the area specified in Section 1(1) for each year of mining usufruct during the extraction phase.
2. If, within 30 days of the date of the investment decision specifying the conditions for the extraction of oil or natural gas the addendum referred to in paragraph 1 has not been concluded, the mining usufruct rights shall expire.

Section 9

The Holder of Mining Usufruct Rights may exercise the mining usufruct rights established in Section 1(1) only after obtaining written consent from the Treasury.

Section 10

1. If the Holder of Mining Usufruct Rights infringes obligations laid down in the Agreement, the Treasury may, subject to the provisions of paragraphs 3 and 4, terminate the Agreement with immediate effect, without the Holder of Mining Usufruct Rights being entitled to make any property claims. However, the Agreement may not be terminated if the Holder of Mining Usufruct Rights has infringed obligations under the Agreement owing to force majeure.
2. If the Agreement is terminated for the reasons specified in paragraphs 1 or 4, the Holder of Mining Usufruct Rights shall pay the Treasury a contractual penalty of 25 % of the fee for the entire prospection and exploration phase of mining usufruct, as specified in Section 3(1) and (2), indexed in accordance with Section 7(3).
3. If the Holder of Mining Usufruct Rights delays payment of the fee by more than 7 days beyond the deadlines specified in Section 7(1) or (2), the Treasury shall request that the Holder of Mining Usufruct Rights pay the outstanding fee within 7 days from the receipt of the request, failing which the Agreement will be terminated with immediate effect.
4. If the Holder of Mining Usufruct Rights fails to inform the Treasury of the events referred to in Section 4 within 30 days of their occurrence, the Treasury may impose on the Holder of Mining Usufruct Rights a contractual penalty of 5 % of the fee for the entire prospection and exploration phase of mining usufruct for each instance of failure to provide information, or terminate the Agreement in whole or in part, subject to 30 days' notice effective at the end of the calendar month.
5. The Holder of Mining Usufruct Rights shall be bound by the Agreement until the date of expiry, withdrawal or invalidity of the concession and may not terminate the Agreement.
6. The Agreement shall be terminated in writing, failing which the termination will be invalid.
7. The Parties agree that if the Treasury terminates the Agreement, the fee paid for the mining usufruct rights referred to in Section 7(1) shall not be reimbursed.

8. The Treasury reserves the right to seek compensation in excess of the amount of contractual penalties on general terms if the amount of damage incurred by the Treasury exceeds the contractual penalties.

Section 11

1. The Parties have provided the following contact details for correspondence:
 - 1) Treasury:
Ministerstwo Klimatu i Środowiska [Ministry of Climate and the Environment], ul. Wawelska 52/54, 00-922 Warszawa;
 - 2) Holder of Mining Usufruct Rights:
(address).
2. The Parties are obliged to inform each other in writing without delay of any change to the contact details indicated in paragraph 1. Such a change shall not require an addendum to the Agreement. Correspondence sent to a Party's most recently provided contact address shall be deemed to have been effectively served on the other Party.
3. Each of the Parties shall serve correspondence on the other Party in person, by courier or by registered letter using the contact details most recently provided by the Party.
4. Registered letters sent to the most recently provided address of a Party and returned by the post office or courier company owing to the addressee not having collected it on time will be treated as having been effectively served once fourteen days have passed from the first delivery attempt.

Section 12

1. The parties shall not be liable for failure to comply with obligations under the Agreement resulting from force majeure if it can be proven that damage caused by force majeure influenced the failure to comply with the obligations. 'Force majeure' shall mean an external event that the Parties could not have predicted or prevented that makes it impossible for the Agreement to be implemented in whole or in part, permanently or for a given period, which a Party could not have counteracted by exercising due diligence and which did not result from errors or negligence on the part of the Party affected by it.
2. In the event of force majeure, the Parties shall immediately make every effort to agree on a course of action.

Section 13

The Holder of Mining Usufruct Rights may apply for extension of the Agreement, in whole or in part, and must do so in writing, failing which the application will be invalid.

Section 14

If the Agreement is terminated, the Holder of Mining Usufruct Rights shall not be entitled to make any claims against the State Treasury for an increase in the value of the subject of the mining usufruct rights.

Section 15

Any disputes arising out of the Agreement shall be resolved by the ordinary court having geographical jurisdiction over the seat of the Treasury.

Section 16

This Agreement shall be governed by Polish law, in particular the provisions of the Geological and Mining Law Act and of the Civil Code.

Section 17

The Holder of Mining Usufruct Rights shall bear the costs of concluding the Agreement.

Section 18

Amendments to the Agreement shall be made in writing, failing which they will be invalid.

Section 19

The Agreement has been drawn up in three identical copies (one copy for the Holder of Mining Usufruct Rights and two copies for the Treasury).

Treasury

Holder of Mining Usufruct Rights

V

(Announcements)

PROCEDURES RELATING TO THE IMPLEMENTATION OF COMPETITION
POLICY

EUROPEAN COMMISSION

Prior notification of a concentration
(Case M.11111 – UBS / CREDIT SUISSE)

(Text with EEA relevance)

(2023/C 160/08)

1. On 26 April 2023, the Commission received notification of a proposed concentration pursuant to Article 4 of Council Regulation (EC) No 139/2004 ⁽¹⁾.

This notification concerns the following undertakings:

- UBS Group AG ('UBS', Switzerland),
- Credit Suisse Group AG ('Credit Suisse', Switzerland).

UBS and Credit Suisse will enter into a full merger within the meaning of Article 3(1)(a) of the Merger Regulation.

The concentration is accomplished by way of a merger agreement resulting in the absorption of Credit Suisse by UBS. UBS will be the surviving entity.

2. The business activities of the undertakings concerned are the following:

- UBS is a multinational investment bank and financial services company founded and headquartered in Switzerland, and active globally. UBS' businesses comprise wealth management, asset management, investment banking services, and retail and corporate banking.
- Credit Suisse is a multinational investment bank and financial services company founded and headquartered in Switzerland, and active globally. Credit Suisse's businesses comprise wealth management, asset management, investment banking services, and retail and corporate banking.

3. On preliminary examination, the Commission finds that the notified transaction could fall within the scope of the Merger Regulation. However, the final decision on this point is reserved.

4. The Commission invites interested third parties to submit their possible observations on the proposed operation to the Commission.

Observations must reach the Commission not later than 10 days following the date of this publication. The following reference should always be specified:

M.11111 – UBS / CREDIT SUISSE

⁽¹⁾ OJ L 24, 29.1.2004, p. 1 (the 'Merger Regulation').

Observations can be sent to the Commission by email or by post. Please use the contact details below:

Email: COMP-MERGER-REGISTRY@ec.europa.eu

Postal address:

European Commission
Directorate-General for Competition
Merger Registry
1049 Bruxelles/Brussel
BELGIQUE/BELGIË

OTHER ACTS

EUROPEAN COMMISSION

Publication of an application for approval of an amendment, which is not minor, to a product specification pursuant to Article 50(2)(a) of Regulation (EU) No 1151/2012 of the European Parliament and of the Council on quality schemes for agricultural products and foodstuffs

(2023/C 160/09)

This publication confers the right to oppose the amendment application pursuant to Article 51 of Regulation (EU) No 1151/2012 of the European Parliament and of the Council ⁽¹⁾ within three months from the date of this publication.

APPLICATION FOR APPROVAL OF AN AMENDMENT TO THE PRODUCT SPECIFICATION OF PROTECTED DESIGNATIONS OF ORIGIN/PROTECTED GEOGRAPHICAL INDICATIONS WHICH IS NOT MINOR

Application for approval of an amendment in accordance with the first subparagraph of Article 53(2), of Regulation (EU) No 1151/2012**‘LOS PEDROCHES’****EU No: PDO-ES-0506-AM02 – 29.7.2021****PDO (X) PGI ()****1. Applicant group and legitimate interest**

Consejo Regulador de la Denominación de Origen Protegida ‘Los Pedroches’ [Regulatory Board for the ‘Los Pedroches’ Protected Designation of Origin]

C/ Pozoblanco No 3, 14440 Villanueva de Córdoba (Córdoba), Spain

Tel. +34 957121084; Fax +34 957121084

Email: informacion@jamondolospedroches.es

The Regulatory Board for the ‘Los Pedroches’ Protected Designation of Origin is a non-profit organisation recognised by the competent authority in the Member State as the managing body for the ‘Los Pedroches’ protected designation of origin by way of the Order of the Regional Ministry of Agriculture and Fisheries of Andalusia ⁽²⁾ of 30 January 1998, and governed by its current regulation, adopted by way of the Order of the Regional Ministry of 12 February 2018. It represents the operators involved in the production of the product covered by the PDO, is governed by the principles of democracy and representation of the economic and sectorial interests included in the PDO, and pays particular attention to minorities, representing the various interests equally. The Regulatory Board therefore has the legal capacity to submit this amendment application in accordance with national legislation, specifically Article 13(2)(a) of Government of Andalusia Law 2/2011 of 25 March 2011 on fisheries and food quality.

2. Member State or Third Country

Spain

⁽¹⁾ OJ L 343, 14.12.2012, p. 1.

⁽²⁾ Competent national authority as referred to in Article 36 of Regulation (EU) No 1151/2012.

3. Heading in the product specification affected by the amendment

- Name of product
- Description of product
- Geographical area
- Proof of origin
- Method of production
- Link
- Labelling
- Other [Checks on compliance with the specifications and legislative requirements]

4. Type of amendment(s)

- Amendment to product specification of a registered PDO or PGI not to be qualified as minor in accordance with the third subparagraph of Article 53(2) of Regulation (EU) No 1151/2012.
- Amendment to product specification of registered PDO or PGI for which a Single Document (or equivalent) has not been published not to be qualified as minor in accordance with the third subparagraph of Article 53(2) of Regulation (EU) No 1151/2012.

5. Amendment(s)

On 12 January 2014, Royal Decree 4/2014 of 10 January 2014 approving the quality standard for Iberian meat, ham, shoulder and sirloin (hereinafter the 'Quality Standard' or 'Iberian Quality Standard') entered into force in Spain, repealing and replacing the previous Royal Decree 1469/2007 of 2 November 2007 of the same title. This Quality Standard provides for standardisation in the sector, with mandatory requirements for Iberian pig products that opt to use the indications regulated therein, as is the case for hams and shoulders covered by the 'Los Pedroches' PDO.

We are therefore requesting a series of amendments to the specification for the PDO, concerning the sections 'Description of product', 'Geographical area', 'Proof of origin', 'Method of production', 'Link' and 'Labelling', with the sole aim of bringing it into line with the current requirements of the Iberian Quality Standard as regards the conditions for managing the pigs, the breed factor and the sales descriptions of the products, and with a view to providing operators with a comprehensive document. Furthermore, all references to Royal Decree 1469/2007 of 2 November 2007 have been replaced by references to Royal Decree 4/2014 of 10 January 2014.

Despite these amendments, the conditions laid down in the original PDO specification that are more restrictive than those laid down in the Quality Standard have been maintained, specifically those regarding the management of the pigs (principally their diet and exercise) and the minimum percentage of Iberian purity, which give the raw material the essential characteristics necessary for the production of unique and distinct products such as 'Los Pedroches' PDO hams and shoulders.

Other amendments that are not the result of changes to the Iberian Quality Standard have been requested at the initiative of the Regulatory Board, and relate mainly to the production process. The justification for these amendments is given throughout this document.

5.1. Description of product

1. The original specification provided for the possibility of using pigs that are a minimum of 75 % Iberian breed (according to the legal classification established by Royal Decree 1469/2007 of 2 November 2007, now repealed) in the production of hams and shoulders covered by the PDO. Despite the fact that the current Iberian Quality Standard (adopted by Royal Decree 4/2014 of 10 January 2014) still allows pigs that are 75 % Iberian breed to be used to produce hams and shoulders marketed as 'Iberian', the specification limits the cuts for certification under the PDO to those from pigs with 100 % Iberian genetic purity. The option to use pigs that have been cross-bred with other, non-native breeds has therefore been removed.

Accordingly, the following description from the original specification (Section B.2, 'Eligible breeds'):

'The only kind of pig suitable for providing cuts for the manufacture of hams and shoulders protected by the "Los Pedroches" protected designation of origin is the Iberian breed of pig, of all strains, which is at least 75 % Iberian pig and at most 25 % Duroc or Duroc Jersey, as required by Royal Decree No 1469/2007 of 2 November 2007 adopting the quality standard for Iberian meat, ham, shoulder ham and sirloin, or the law that replaces it [...]

has been replaced by the following description in the new specification:

'The only pigs suitable for providing cuts for the manufacture of hams and shoulders under the "Los Pedroches" protected designation of origin are pigs of 100 % Iberian breed in accordance with Royal Decree 4/2014 of 10 January 2014 adopting the quality standard for Iberian meat, ham, shoulder ham and sirloin, [...]

In the single document the following paragraph in Section 4.2, 'Description', has been deleted (old format or summary sheet):

'The type of livestock suitable for supplying cuts for the manufacture of hams and shoulders protected by the designation of origin is the Iberian breed of pig, of all strains. Pigs that are at least 75 % Iberian and at most 25 % Duroc or Duroc Jersey are allowed, provided they come from pure Iberian sows as specified in Royal Decree 1469/2007 of 2 November 2007.'

Reason:

This change, which is justified by the possibility of laying down stricter requirements in the specification than those laid down by general legislation, is intended to limit the production covered by the PDO to products of the highest commercial quality within the sector. The Iberian pig (which is native to the Iberian Peninsula) is a rural breed, perfectly adapted to the climate and life on the *dehesa* [*wooded pastureland specific to central and southern Spain consisting of grassland featuring herbaceous species, used for grazing cattle, goats, and sheep, and tree species belonging to the genus Quercus (oak), such as the holm oak (Quercus ilex sp. ballota)*], which produces meat with high fat marbling and an intense aroma and taste. Consumers, who recognise the singular nature of 'Iberian' hams and shoulders, are increasingly aware of the different commercial classifications that exist based on the pigs' genetic purity and on their diet, with preference being given to products from 100 % Iberian pigs. Furthermore, this amendment will help preserve the purity of the Iberian breed.

2. As regards pigs suitable for supplying cuts for the production of hams and shoulders covered by the PDO, the following requirement in the original specification (Section B.2, 'Eligible breeds'):

'and has spent every stage of its life in the geographical area defined and delimited in this document, from birth to final fattening'

has been replaced by the following requirement:

'and has undergone all stages of production in the geographical area defined and delimited in this document.'

Consequently, in the product specification, the following paragraph (Section D.1, 'Source, marking and inspection of the animals'):

'The whole life of the pigs, from birth to final fattening, has taken place and is completed in holdings recorded in the registers of the Regulatory Board for the "Los Pedroches" protected designation of origin, and therefore in the sphere of production of this protected designation of origin.'

has been replaced by:

'Every production stage that the pigs undergo has taken place and is completed in holdings recorded in the registers of the Regulatory Board for the "Los Pedroches" protected designation of origin, and therefore in the sphere of production of this protected designation of origin.'

Finally, this amendment also affects the following sections of the summary sheet: 4.2, 'Description' (which required that each animal 'has spent every stage of its life in the geographical area defined and delimited in this document, from birth to final fattening'), 4.3, 'Geographical area' (according to which 'the pigs [...] are born, reared and fattened' in the defined area) and 4.4, 'Proof of origin' (which required that 'every stage of life of the pigs, from birth and rearing to final fattening, takes place in the defined territory'). In place of this, Section 3.4, 'Specific steps in production that must take place in the identified geographical area', of the new single document specifies that the steps are as follows:

'All stages of production take place within the geographical area. These are as follows:

- Rearing and fattening the pigs, the legs of which are used to make the product covered.
- Slaughtering the animal and cutting up the meat.
- All preparation stages, which include: salting, washing, resting, drying/maturing and ageing in storehouses.'

Reason:

The original wording of the specification required not only that all stages of the production of the hams and shoulders take place in the defined geographical area, but also that the pigs providing the raw materials for the product (the carcasses, in particular the forelegs and hind legs) be born in the defined geographical area. This stage was not included in the initial drafting of the Order of the Regional Ministry of Agriculture and Fisheries of 30 January 1998 approving the Regulation governing the 'Los Pedroches' designation of origin and its Regulatory Board, published in the *Official Gazette of the Government of Andalusia* on 21 February 1998, Article 5 of which provides as follows:

'The production area in which the pigs whose legs are subsequently used to produce hams and shoulders covered by the "Los Pedroches" designation of origin are reared and fattened consists of the *dehesas* populated with holm oaks, cork oaks and gall oaks [...]

The requested amendment refers to the production stages (instead of the livestock's life stages), limiting the performance of these stages to the defined geographical area and removing the restriction on the pigs' place of birth, which was not technically justified.

Specifically, as explained in the section of the specification entitled 'Geographical area' or the section of the single document entitled 'Specific steps in production that must take place in the identified geographical area', the production steps that must take place in the geographical area are the rearing and final fattening of the pigs, plus all production stages.

In this case, the birth of the piglets is a stage in the life of the animal (as reflected in the original specification), but not a production stage of hams and shoulders covered by the PDO. This is also supported by the fact that these piglets may be used for purposes other than being slaughtered for products covered by the PDO (consumption as fried suckling pig, for example), as well as the fact that the genetic requirement they have to meet (100 % Iberian breed in the case of the PDO) is not affected by their place of birth.

Furthermore, as explained in the specific section on the link, it is the way the pigs are managed, in particular the pannage fattening process after weaning (highlighting the impact that *dehesa* pastures have on the pigs' diet), which is important in achieving the final product and gives it its characteristics. However, the pigs' place of birth is not relevant in achieving the product, nor does it affect the quality of the product.

In addition, a technical study ('Report on the irrelevance of the place of birth and of the rearing system on the final quality of the pigs covered by the "Los Pedroches" PDO' by Dr Vicente Rodríguez Estévez, DVM, PhD, Department of Animal Production of the University of Córdoba), supported by existing literature, concluded *inter alia* that the requirement for the pigs to be born in the defined geographical area "has no technical basis in relation to the final product's quality characteristics, as it does not affect them; instead they crucially depend on the food consumed by the pig during the last 2 or 3 months of life, i.e. the pastures and acorns influenced by the physical environment of Los Pedroches and neighbouring areas."

The removal of the requirement that the pigs be born exclusively within the boundaries of the geographical area is also justified by the need to preserve the biological and environmental value of the *dehesa*. Rearing Iberian pigs in their early stage of life outside traditional *dehesa* holdings has the advantage that it avoids the negative environmental impact that breeders, traditionally confined to small areas of the *dehesa*, otherwise have on this location without bringing any advantages or resulting in a higher quality or more distinct animal. It should also be borne in mind that piglet production has become significantly more intensive and professional, resulting in overstocking of livestock which, among other detrimental effects on the *dehesa*, generates excess slurry or excrement, threatening the *dehesa*'s soil and trees.

Finally, the removal of this requirement will help to reduce the problem of inbreeding among the pigs used to obtain the protected product, which is the result of small-scale production of piglets on traditional holdings with a reduced herd of breeders, and which may have a negative impact on the efficiency of the production process and even on the quality of the final product. Its main effects include lower birth and growth rates, as well as the emergence of deformities, resulting in lower ovulation in sows and higher prenatal mortality rates, thus increasing the risk of the species' extinction.

3. The current Iberian Quality Standard has dropped the 'Recebo' grade of hams and shoulders, and the specification and single document have therefore been amended accordingly.

Therefore, the following grade of cut covered by the specification has been removed (Section B.3, 'Grades of cuts'):

— "Recebo" Iberian hams and shoulders: from pigs which, after a period of pannage on *dehesas* in our region and fed exclusively on acorn and grass, have gained a minimum additional weight of 29 kg and for which it is necessary, while maintaining the same grazing system, to supplement the diet with a daily ration of cereal and legume-based feed checked and authorised by the Regulatory Board, whose fatty acid values for subcutaneous fat according to gas chromatography are within the parameters for "Recebo". These parameters are decided by the Regulatory Board for the "Los Pedroches" protected designation of origin for each marketing year. In order to ensure a sufficient supply of acorns, the stock density for pigs under the "Recebo" category of the "Los Pedroches" protected designation of origin must not exceed 2 Iberian pigs per hectare, although this density may be reduced following the acorn capacity calculation carried out by assessors of this Regulatory Board's Inspection Body. These cuts are identified with a red seal and the "Recebo" label of the "Los Pedroches" protected designation of origin.'

In the single document the following paragraph has been deleted (Section 4.2, 'Description' – old format):

— "Recebo" Iberian hams and shoulders: from pigs which, after a period of pannage on *dehesas* in our region and fed exclusively on acorn and grass, have gained a minimum additional weight of 8.75 kg and for which it is necessary, while maintaining the same grazing system, to supplement the diet with a daily ration of cereal and legume-based feed checked and authorised by the Regulatory Board, whose fatty acid values for subcutaneous fat according to gas chromatography are within the parameters for "Recebo". In order to ensure a sufficient supply of acorns, the stock density for pigs under the "Recebo" category of the "Los Pedroches" designation of origin must not exceed 2 Iberian pigs per hectare.'

4. The definitions of the categories 'de Bellota' and 'Cebo de Campo' have been amended to 'Bellota 100 % Ibérico' and 'Cebo de Campo 100 % Ibérico'.

Accordingly, the following paragraphs of the specification (Section B.3, 'Grades of cuts'):

'The hams and shoulders are classified as follows according to their feed, in accordance with Royal Decree No 1469/2007 of 2 November 2007:

— "Bellota" Iberian hams and shoulders: from pigs fattened in the final stage under the pannage grazing system on *dehesas* in our region and fed exclusively on acorns and grass, whose fatty acid values for subcutaneous fat according to gas chromatography are within the parameters for "Bellota". These parameters are decided by the Regulatory Board for the "Los Pedroches" protected designation of origin for each marketing year. ... These cuts are identified with a black seal and the "Bellota" label of the "Los Pedroches" protected designation of origin. [...]

- “Cebo de Campo” Iberian hams and shoulders: from pigs which have been fattened in the final stage by grazing on *dehesas* in our region, principally on natural resources from the *dehesa*, such as grass, pastureland or stubble depending on the season, supplemented if necessary by a daily ration of [...] feed [...] These cuts are identified with a yellow seal and the “Cebo de Campo” label of the “Los Pedroches” protected designation of origin.’

have been replaced by:

‘The hams and shoulders are classified as follows according to their breed and feed, in accordance with Royal Decree No 4/2014 of 10 January 2014:

- “Bellota 100 % Ibérico” hams and shoulders: from 100 % genetically pure pigs of the Iberian breed in compliance with Royal Decree No 4/2014 of 10 January 2014 and fattened in the final stage under the pannage grazing system on *dehesas* in our region and fed exclusively on acorns and grass. [...] These cuts are identified with a black seal and the “Bellota 100 % Ibérico” label of the “Los Pedroches” protected designation of origin.
- “Cebo de Campo 100 % Ibérico” hams and shoulders: from 100 % genetically pure Iberian pigs under Royal Decree No 4/2014 of 10 January 2014 which have been fattened by grazing on the *dehesas* in our region, principally on natural resources from the *dehesa*, such as grass, pastureland or stubble depending on the season, supplemented if necessary by a daily ration of [...] feed [...] These cuts are identified with a green seal and a “Cebo de Campo 100 % Ibérico” label of the “Los Pedroches” protected designation of origin.’

In the single document, the following paragraphs (Section 4.2, ‘Description’ – old format):

‘The cuts are those from the various kinds of pig, classified according to their breed and the type of feed they have been given during their final fattening stage, in accordance with Royal Decree 1469/2007 of 2 November 2007. They are divided into three grades:

- “Bellota” Iberian hams and shoulders: from pigs fattened in the final stage under the pannage grazing system on the *dehesa* and fed exclusively on acorns and grass, whose fatty acid values for subcutaneous fat according to gas chromatography are within the parameters for “Bellota”. In order to ensure a sufficient supply of acorns, the stock density for pigs under the “Bellota” category of the “Los Pedroches” designation of origin must not exceed 1 Iberian pig per hectare.

[...]

- “Cebo de Campo” hams and shoulders: from pigs which have been fattened by grazing on the *dehesas* in our region, principally on natural resources from the grassland, such as grass, pastureland or stubble depending on the season, supplemented if necessary by a daily ration of cereal and legume-based feed checked and authorised by the Regulatory Board. In order to ensure a sufficient supply of natural resources on the *dehesa*, the stock density for pigs under the “Cebo de Campo” category of the “Los Pedroches” designation of origin must not exceed 12 Iberian pigs per hectare.’

are replaced by the following (Section 3.2, ‘Description of the product’ – current format):

‘The various cuts are classified according to the breed and the type of feed the pigs have been given during their final fattening stage, as follows:

- “Bellota 100 % Ibérico” hams and shoulders: from 100 % Iberian pigs fattened in the final stage under the pannage grazing system on the *dehesa* and fed exclusively on acorns and grass.
- “Cebo de Campo 100 % Ibérico” hams and shoulders: from 100 % Iberian pigs which have been fattened by grazing on the *dehesas* in our region, principally on natural resources from the *dehesa* and supplemented if necessary by a daily ration of feed.’

Reason:

Alongside the feed factor, the Iberian Quality Standard has introduced the breed factor when classifying the products, with the obligation to identify the percentage of Iberian breed in the pigs used to produce the products. Since the product specification for the PDO is limited to 100 % Iberian products, the categories ‘de Bellota’ and ‘Cebo de Campo’ have had to be redefined as ‘Bellota 100 % Ibérico’ and ‘Cebo de Campo 100 % Ibérico’.

5. The option has been added to reduce the maximum stock density for pigs per hectare in accordance with the parameters laid down in the Quality Standard for the 'de Bellota' category.

Accordingly, the following paragraph of the specification (Section B.3, 'Grades of cuts'):

'In order to ensure a sufficient supply of acorns, the stock density for pigs under the "de Bellota" category of the "Los Pedroches" designation of origin must not exceed 1 Iberian pig per hectare, although this density may be reduced following the acorn capacity calculation carried out by assessors of the Inspection Body of this Regulatory Board.'

has been replaced by:

'In order to ensure a sufficient supply of acorns, the stock density for pigs under this category of the "Los Pedroches" designation of origin must not exceed 1 Iberian pig per hectare, although this density may be reduced according to the provisions of the Annex to Royal Decree 4/2014 of 10 January 2014, concerning the maximum allowable stock density determined by the forest cover on the "SIGPAC" (Geographical Information System for Agricultural Parcels) LPIS enclosure – see Section E.1 of this document – or by the acorn capacity calculation carried out each year by assessors of the Inspection Body of this Regulatory Board.'

This amendment also affects Section 4.2, 'Description', of the old single document, which similarly stated that 'the stock density for pigs under the "Bellota" category of the "Los Pedroches" designation of origin must not exceed 1 Iberian pig per hectare'.

Reason:

With regard to the requirements laid down for the 'de Bellota' category, the original specification provided for the option to reduce the stipulated maximum stock density of 1 pig per hectare based on the acorn capacity calculation carried out by assessors of the Inspection Body. This density inspection responds to the need to ensure that the pigs are fed using the acorns and to improve their contribution to the *dehesa* ecosystem.

In order to bring the specification into line with the Iberian Quality Standard, the option has been added to reduce the maximum stock density of pigs per hectare in accordance with the parameters set out in the Annex to the Quality Standard entitled 'Maximum allowable stock density determined by the forest cover on the SIGPAC (Geographical Information System for Agricultural Parcels) LPIS enclosure'. SIGPAC is a Spanish government application (Ministry of Agriculture, Fisheries and Food) which makes it possible to geographically identify the parcels (in this case, located in the area defined in the PDO specification) that are used by livestock, as well as their aerial surface area covered by trees belonging to the genus *Quercus* sp. which produce acorns.

6. The minimum weight laid down in the Quality Standard for 100 % Iberian hams and shoulders has been introduced, both in the specification (Section B.4 'Physical and organoleptic characteristics') and in the single document (Section 3.2, 'Description of product' – current format):

'Minimum weight of 5,75 kg for hams and 3,7 kg for shoulders.'

Reason:

The Iberian Quality Standard regulates the minimum weight of hams and shoulders to be marketed under the designation 'Ibérico'. This description (which corresponds to the minimum weight laid down by the Quality Standard for 100 % Iberian hams and shoulders) has therefore been included among the physical characteristics of the product.

7. The option has been added to leave the hoof on the hams and shoulders when sold whole. The following paragraph of the specification (Section B.4, 'Physical and organoleptic characteristics') and of the single document (Section 3.2, 'Description of product' – current format) has therefore been amended:

'External appearance: long, slender shape with the typical "corte serrano" V-cut. The hoof is kept on to aid identification.'

by means of the following clarification:

'External appearance: long, slender shape with the typical "corte serrano" V-cut. When they are sold whole, the hoof is kept on to aid identification.'

Reason:

The original specification, as part of the physical characteristics of the product, required the hoof to be kept in order to facilitate its identification.

Keeping the hoof on Iberian hams and shoulders is effectively a distinguishing sign, but it only makes sense to do so when the cuts are marketed whole, which is how the majority are traditionally put on the market. However, the original specification also provided for the option to sell the products in de-boned, portioned or sliced form (forms which are also maintained in the new specification), in which case it is not possible to keep the hoof as part of its external appearance.

5.2. *Geographical area*

1. The following sentence in the product specification (Section C, 'Geographical area'):

'Every stage of the life of the pigs, from birth and rearing to final fattening, takes place in this territory and is inspected by the Regulatory Board. Similarly, all the stages of production of the Iberian hams and shoulders, from slaughter and quartering of Iberian pigs to their subsequent curing and maturing, take place here.'

has been replaced by:

'Every production stage that the pigs undergo – rearing and final fattening – takes place in this territory and is inspected by the Inspection Body. Similarly, all the stages of production of the Iberian hams and shoulders, from slaughter and quartering of Iberian pigs to their subsequent curing and maturing, take place here.'

In the single document (Section 4.3, 'Geographical area'), the following sentence:

'The area in which the pigs whose cuts are used in the preparation of hams and shoulders covered by the "Los Pedroches" designation of origin are born, reared and fattened and the entire production, slaughtering and butchering of the Iberian pigs and the salting, curing, drying and maturing of the cuts takes place consists of [...]'

has been replaced as follows:

'The area in which the pigs whose cuts are used in the preparation of hams and shoulders covered by the "Los Pedroches" protected designation of origin are reared and fattened and the entire production, slaughtering and butchering of the Iberian pigs and the salting, curing, drying and maturing of the cuts takes place consists of [...]'

Reason:

This amendment is justified by the reasons already set out in amendment No 2 to the 'Description of the product'.

Furthermore, the original specification erroneously stated the various stages are 'inspected by the Regulatory Board', whereas in actual fact this task is carried out by the Inspection Body. This error has been corrected in the proposed new wording.

5.3. *Proof of origin*

1. As a result of removing the 'Recebo' category of hams and shoulders in accordance with the Iberian Quality Standard (see again amendment No 3 to the 'Description of the product'), the following paragraph of the specification (Section D.2, 'Identification, marking and inspection of the cuts'):

'e) These hams and shoulders must be identified by a seal, numbered sequentially for each marketing year and for each of the three categories of feed defined above in this specification.'

has been replaced by the following:

'e) These hams and shoulders must be identified by a seal, numbered sequentially for each marketing year and for each of the two categories of feed defined above in this specification.'

Similarly, the following paragraph of the specification (Section D.6, 'Origin of the pigs' feed):

'With regard to this final fattening stage, three categories can be distinguished. In each of them, the distinctiveness in the quality of the products is determined by the natural substances on which the pigs freely graze on the *dehesa* in each season.'

has been replaced by the following (Section D.5, 'Origin of the pigs' feed):

'With regard to this final fattening stage, the following categories can be distinguished. In each of them, the distinctiveness in the quality of the products is determined by the natural substances on which the pigs freely graze on the *dehesa* in each season.'

In the same section, the following paragraph has been deleted from the specification:

"Recebo": During the final fattening, there is a stage where the diet is exclusively acorn and grass, in which the pigs gain a minimum additional weight of 29 kg, and a further stage in which the pigs follow a system of grazing on the *dehesas* of the holdings registered under this protected designation of origin on a diet of grass and other natural substances, supplemented as necessary with feed authorised and monitored by the Regulatory Board. The proportion of the feed originating in the geographical area defined and delimited in this document is at least 85 %.'

2. The analytical testing of fatty acids using gas chromatography technology has been removed.

The following paragraph of the specification has been deleted (Section D.3, 'Analytical tests):

'D.3. Analytical tests.

In addition to the necessary on-the-spot checks, gas chromatography analysis of fatty acids is carried out on fat obtained from the rump of Iberian pigs at the time of slaughter, as set out in Order PRE/3844/2004 of 18 November 2014 establishing the official methods for the taking of samples from the carcasses of Iberian pigs and the method of analysis for determining the composition of fatty acids of the total lipids of the subcutaneous adipose tissue of Iberian pigs, in order to verify that the analytical parameters are within those established for each type of feed.

As a consequence, the subsections that follow it have been renumbered ("D.3", "D.4", etc.).'

Reason:

The characteristics of the fat of Iberian pigs depend on the type of feed received in their final fattening stage. The analysis that has been used recently to distinguish the qualities of feed has been analysis of the fatty acid profiles of the fat using gas chromatography techniques.

Results of recent studies in this sector have shown that determining the fatty acid profile using gas chromatography is not a reliable scientific method for classifying livestock by the different types of feed that Iberian pigs might receive. It has been found that this method of analysing the fatty acid profile gives rise to a large number of 'false positives' (pigs classified as 'Bellota' that have been fattened with feed) and 'false negatives' (pigs not classified as 'Bellota' that have been fattened through pannage). This confirms the great variability in factors aside from their feed in the final fattening stage that influence the final lipid profile of the pigs, such as the composition of the feed in the preparatory feeding stage before final fattening or the varying quantity and quality of the acorns across different pannage seasons.

In addition, in recent years animal feed companies have developed feeds for Iberian pigs that are enriched in mono-unsaturated fatty acids, principally oleic acid (up to 70 per cent of the total fatty acids). These give a fatty acid profile in pigs fattened exclusively with feed that is similar to that provided by pannage. However, the former have not been given this traditional form of feeding, and the final products obtained are clearly different in quality and classification.

The above has led the Spanish Ministry of Agriculture, Fisheries and Food to remove this analysis from the Iberian Quality Standard.

3. The following paragraph of the original specification (Section D.5, 'Identification, marking and inspection of the production in portions'):

'The registered processing plants must apply to the Regulatory Board to de-bone, portion or slice hams or shoulders that have obtained certification under the "Los Pedroches" protected designation of origin, 24 hours in advance.'

has been amended as follows (Section D.4, 'Identification, marking and inspection of the production in portions'):

'Registered operators must apply to the Regulatory Board to de-bone, portion or slice hams or shoulders that have obtained certification under the "Los Pedroches" protected designation of origin before starting the operation.'

Reason:

This change is due only to matters of organisation relating to operators and the Regulatory Board ('operators' in the new wording is synonymous with 'processing plants'). It is sufficient for operators to communicate with and apply to the Regulatory Board regarding these operations (de-boning, portioning and/or slicing) prior to their execution, without having to adhere to the requirement that these applications are submitted 24 hours in advance, i.e. they may carry out operations even if done with shorter notice.

4. In the section on the feed given to the pigs used to produce products with the designation 'Cebo de Campo' (Section D.5, 'Origin of the pigs' feed', of the new product specification and Section D.6 of the same name in the old product specification), while maintaining the requirement that 'the proportion of the feed originating in the geographical area defined and delimited in this document is at least 65 %', the following paragraph of the specification:

'In any case, the feed on which the pigs covered by this protected designation of origin are fed is produced entirely within the geographical area defined in this document.'

has been replaced by the following:

'The feed on which the pigs covered by this protected designation of origin are fed is essentially produced within the geographical area defined in this document. The feed is made up of a mixture of mainly cereals (wheat, barley and maize) and to a lesser extent legumes (peas and soya beans). A significant proportion of the ingredients comes from traditional production within the geographical area, but a minor proportion of the ingredients, such as soya, does not. This means that it is not technically possible for the feed to come entirely from the defined geographical area; it has therefore been permitted to add feed sourced from outside the area.'

In any case, the traditional grazing system required by the system of rearing and fattening itself, and the fact that only a small amount of the feed may be produced outside the territory, ensures that the percentage of total ingested dry matter which originated inside the geographical area – in the case of "Cebo de Campo" pigs (whose food is supplemented by feed) – is significantly above the minimum allowed by the applicable legislation (Article 1(1) of Commission Delegated Regulation (EU) No 664/2014 of 18 December 2013).'

In addition, the following content has been added to the single document in Section 3.3, 'Feed and raw materials':

'Raw materials

Pork legs from:

- "Bellota" pigs: final feeding diet based exclusively on acorns and grass on the *dehesas* of the defined geographical area. Thus, the feed is fully sourced in the defined geographical area described in this document.
- "Cebo de Campo" pigs: in their final fattening stage the pigs are reared by grazing on the *dehesas* of the defined geographical area and fed principally on natural products such as acorn remains, grass or cereal stubble depending on the season. This is supplemented with feed where necessary. The proportion of the feed originating in the geographical area described in this document is at least 65 %.

Feed

The feed used to supplement the food of the “Cebo de Campo” pigs is made up of a mixture of mainly cereals (wheat, barley and maize) and to a lesser extent legumes (peas and soya beans). A significant proportion of the ingredients comes from traditional production within the geographical area, but a minor proportion of the ingredients, such as soya, does not. This means that it is not technically possible for the feed to come entirely from the defined geographical area; it has therefore been permitted to add feed sourced from outside the area.

In any case, the traditional grazing system required by the system of rearing and fattening itself, and the fact that only a small amount of the feed may be produced outside the territory, ensures that the percentage of total ingested dry matter which originated inside the geographical area – in the case of “Cebo de Campo” pigs (whose food is supplemented by feed) – is significantly above the minimum allowed by the applicable legislation (Article 1(1) of Commission Delegated Regulation (EU) No 664/2014 of 18 December 2013).’

Reason:

As explained in the new text itself, it is not technically possible for 100 % of the feed used to come from the defined geographical area as some of its minor components, such as soya, are not produced locally. In any case, the supporting circumstances provided for in the second subparagraph of Article 1(1) of Commission Delegated Regulation (EU) No 664/2014 of 18 December 2013 are fulfilled: (i) neither the quality of the product nor its specific characteristics stemming from the geographical environment are affected, as these are due to the part of the pigs’ diet based on the *dehesa*’s grazing resources, and (ii) the quantity of feed from outside the defined geographical area in no case exceeds 50 % of dry matter on an annual basis.

5. The redundancy in relation to the percentage of feed from the defined geographical area has been removed from the text. In the same section (Section D.6, ‘Origin of the pigs’ feed’, in the old product specification), the paragraph:

‘Until they arrive at this final fattening stage, the Iberian pigs are fed by grazing on the *dehesas* of the holdings registered in this protected designation of origin, with natural substances from the *dehesa* such as grass, pasture or cereal stubble depending on the season. This is supplemented with very small rations of feed authorised and monitored by the Regulatory Board. The aim of this stage is to develop a pig of advanced age and very low weight, with a high bone mass and very low levels of fat, so that it will subsequently fatten in the final stage, which is the one that determines the quality of the cuts. The proportion of the feed throughout this stage originating in the geographical area defined and delimited in this document is at least 65 %.’

has been replaced by the following paragraph (Section D.5, ‘Origin of the pigs’ feed’, of the new product specification):

‘Until they arrive at this final fattening stage, the Iberian pigs are fed by grazing on the *dehesas* of the holdings registered in this protected designation of origin, with natural substances from the *dehesa* such as grass, pasture or cereal stubble depending on the season. This is supplemented with very small rations of feed authorised and monitored by the Regulatory Board. The aim of this stage is to develop a pig of advanced age and very low weight, with a high bone mass and very low levels of fat, so that it will subsequently fatten in the final stage, which is the one that determines the quality of the cuts.’

This amendment also affects Section 3.3, “Feed and raw materials”, of the single document, which states, in the case of “Cebo de Campo” pigs, “the proportion of the feed originating in the geographical area defined and delimited in this document is at least 65 %”.

Reason:

The last sentence has been deleted: The proportion of the feed throughout this stage originating in the geographical area defined and delimited in this document is at least 65 %. The reason for this is that it is redundant, since that requirement already appears in the immediately preceding paragraph on the ‘Cebo de Campo’ category. This minimum percentage of feed originating in the geographical area applies only to that category, as for the ‘Bellota’ category, 100 % of the feed during this phase must come from the defined geographical area.

6. In the single document, the section 'Proof of origin' has been removed entirely in order to align with the new format provided for in Annex VI to Commission Implementing Regulation (EU) No 668/2014 of 13 June 2014.

5.4. Method of production

1. In the specification, in Section E.1, 'Farming practices and types of pig', under subheading (a), 'Cerdo de Bellota', the following paragraphs:

'Weight at the start of the pannage period: between 92 kg and 115 kg (between 8 and 10 Spanish *arrobas*).

[...]

Final date for slaughter: 31 March, exceptionally 15 April.

[...]

Maximum stock density: 1 Iberian pig per hectare of *dehesa*.'

have been amended to read as follows:

'Weight of batch at the start of the pannage period: between 92 kg and 115 kg (between 8 and 10 Spanish *arrobas*).

[...]

The pannage period for the pigs must begin between 1 October and 15 December, with slaughter dates set between 15 December and 31 March.

[...]

The maximum allowable stock density must be set as follows in accordance with Royal Decree 4/2014 of 10 January 2014, provided that it does not exceed the maximum stock density of 1 Iberian pig per hectare of *dehesa*:

Covered woodland area in the LPIS plots making up the holding (Percentage)	Maximum allowable stock density on the holding (Pigs per ha)
Up to 10	0,25
Up to 15	0,42
Up to 20	0,58
Up to 25	0,75
Up to 30	0,92
Up to 35	1
More than 35	1'

The following paragraph has also been added:

'The enclosures and plots used for this kind of feeding are defined in Royal Decree 4/2014 of 10 January 2014 (i.e. they must be identified in the pannage layer in the "SIGPAC" LPIS system), provided that they are within the territory defined in this specification.'

Reason:

These changes have been made solely for the purpose of bringing the PDO specification into line with the new Iberian Quality Standard, which lays down requirements regarding the maximum allowable stock density for pigs used to make products with the 'de Bellota' designation and also regulates the date for the start of pannage and the slaughter date.

2. As a result of the removal of the 'Recebo' category of hams and shoulders from the Iberian Quality Standard, the following paragraph has been deleted from the specification (Section E.1, 'Farming practices and types of pig'):

"Recebo" pigs have the following characteristics:

— Minimum age at slaughter: 14 months.

- Weight at the start of the pannage period: between 92 kg and 115 kg (between 8 and 10 Spanish *arrobas*).
- After gaining a minimum of 29 kg (2,5 *arrobas*) exclusively from acorns and grass, final fattening will be done exclusively with pasture, natural substances and feed authorised and monitored by the Regulatory Board, which must be mainly cereals and legumes.
- The last date for slaughter is 15 May.
- Maximum stock density: 2 Iberian pigs per hectare of *dehesa*.'

The word 'Recebo' has also been deleted from following paragraph:

'[...] authorised feeds produced in the geographical area defined and delimited in this document for use in the "Recebo" and "Cebo de Campo" categories [...]

It now reads as follows:

'[...] authorised feeds produced in the geographical area defined and delimited in this document for use in the "Cebo de Campo" category [...]

3. The wording has been brought into line with the legislation in force on the registration of establishments in the animal feed sector.

The following paragraph of the specification (Section E.1, 'Farming practices and types of pig):

'The Regulatory Board has laid down a positive list of authorised feeds produced in the geographical area defined and delimited in this document for use in the "Recebo" and "Cebo de Campo" categories based on their composition, which must be mainly cereals and legumes. It has checked their composition against Royal Decree No 1191/1998 on the registration of animal feed sector establishments.'

has been amended to read as follows:

'The Regulatory Board must check that the authorised feed has been produced in the geographical area delimited and defined in this document for use in the "Cebo de Campo" category based on their composition, which must be mainly cereals and legumes. It must also verify compliance with the provisions of Royal Decree 629/2019 of 31 October 2019 on the general register of establishments in the animal feed sector, the conditions for approving or registering such establishments and national entry points, the activities of feed operators and the National Coordination Committee for Animal Feed.'

Reason:

As a result of the repeal of Royal Decree 1191/1998 of 12 June 1998 on the authorisation and registration of establishments and intermediaries in the animal feed sector, the wording has been brought into line with the new legislation.

4. The following sentence has been deleted from the specification (Section E.2, 'With regard to slaughter and quartering):

'The pigs must arrive at the abattoir at least 12 hours before slaughter, in order to eliminate fatigue from transport and ensure a minimum level of muscular glycogen reserves.'

Reason:

This deletion is due to the fact that keeping the pigs in the abattoir for more than 24 hours (the original specification provided for a minimum period of 12 hours) is contrary to European animal welfare guidelines. It is therefore more appropriate to require merely that the pigs be received and kept in the abattoir in accordance with the applicable technical and health regulations.

5. The following paragraph in the original specification (Section E.2, 'With regard to slaughter and quartering):

'Limbs from carcasses weighing less than 110 kg must be discarded.'

has been replaced by:

'Limbs from carcasses weighing less than 108 kg must be discarded.'

Reason:

The reason for this change is to bring the PDO specification into line with the new Iberian Quality Standard, which establishes the minimum carcass weight depending on the breed of pig. For 100 % Iberian pigs, the Quality Standard provides for a minimum carcass weight of 108 kg. This constitutes a reduction of only 2 kg compared to the minimum weight laid down in the original PDO specification (110 kg), which has a minimal influence on the final weight of the cured cuts and has no influence on the quality of the final product. This change is therefore justified simply by the fact that exact correlation with the Quality Standard makes carcass management easier.

6. With regard to the process of resting the cuts, the following paragraph of the specification (Section E.3, 'With regard to industrial processing'):

'How long the cuts remain in the cold rooms depends on their weight and may be between 30 and 90 days.'

has been amended to read as follows:

'How long the cuts remain in the cold rooms depends on their weight and may be between 30 and 90 days. However, this stage can be further extended, overlapping with the drying/maturing stage, to achieve the natural environmental conditions of temperature and relative humidity necessary to guarantee the product is correctly prepared in the traditional manner.'

Reason:

The proposed new wording is better aligned with the traditional production practices and customs in the PDO territory as a result of its particular climate. Historically, the temperatures in this area are more extreme than in other ham and shoulder production areas in Spain, which affects the temperature in the natural drying sheds, making them higher in the summer months and lower in winter. As a result of the high temperatures in the summer months, it may be necessary to allow the cuts a period of adjustment between the post-salting room and the natural drying shed, where temperatures can reach 30 °C. This will make it possible to avoid sudden fluctuations in the temperature and relative humidity conditions experienced by the hams and shoulders when moving from one stage to the other, as this could result in unevenly cured cuts.

7. With regard to the process of drying/maturing the cuts, the following paragraph of the specification (Section E.3, 'With regard to industrial processing'):

'This process is estimated to last some 6 months.'

has been replaced by the following:

'This process is estimated to last between 6 months and 1 year.'

Reason:

The new wording is better aligned with the traditional practices and customs in the production of hams and shoulders in the PDO territory, without affecting the quality or specific character of the products. Establishing a range ('between 6 months and 1 year') provides greater clarity than estimating the usual length of time ('some 6 months').

8. The minimum curing periods have been brought into line with the new Iberian Quality Standard by replacing the following paragraph of the specification on the storehouse ageing process (Section E.3, 'With regard to industrial processing'):

'The cuts are aged in the storehouse for a minimum of 18 months from the start of the production process for the hams, and 12 months for the shoulder cuts.'

with the following paragraph:

'The cuts are aged in the storehouse for a minimum of 2 years from the start of the production process for the hams and 1 year for the shoulder cuts.'

Similarly, the following paragraph in Section 4.2, 'Description', of the old single document:

'Minimum curing time is 12 months for the shoulders and 18 months for the hams.'

is replaced by the following (Section 3.2, 'Description of the product'):

'Minimum curing time is 1 year for the shoulders and 2 years for the hams.'

Reason:

As a result of the minimum curing periods laid down in the new Iberian Quality Standard, it is necessary to increase the ageing time for hams, which in no way reduces the quality requirements.

9. The following paragraph in the specification (Section E.3, 'With regard to industrial processing') and in the single document (Section 3.5, 'Specific rules concerning slicing, grating, packaging, etc. of the product the registered name refers to') on the handling of the finished product:

'Registered storehouses may be authorised to market the de-boned "Los Pedroches" hams and shoulders as "centre cuts", "slices" or "portions", provided there is a guarantee that the provenance of the product is not restricted to the area of production and preparation.'

has been amended to read as follows:

"Los Pedroches" PDO hams and shoulders may be presented for sale boneless, as centre cuts, slices or portions, provided that they are packaged and their origin can be identified. This operation may be carried out by operators that have accepted and comply with the operating protocol established by the Regulatory Board to guarantee the product's traceability, origin, identification and final quality, and are entered for this purpose in the Regulatory Board's registers.'

Reason:

To provide greater guarantees on maintaining the traceability of the product.

10. In the single document, the section 'Method of production' has been removed entirely in order to align with the new format provided for in Annex VI to Commission Implementing Regulation (EU) No 668/2014 of 13 June 2014.

5.5. Link

1. The section on the link has been rewritten.

The following explanation in Section F, 'Link with the geographical environment', of the specification (and the equivalent explanation in Section 4.6, 'Link', of the summary sheet):

'In the area known geographically as "Los Pedroches", and in general across the entire northern area of the province of Córdoba, there are roughly 300 000 hectares of holm oak *dehesa*, which constitutes 10 % of the national total, some 3 million hectares. As part of this system of agriculture, forestry and grazing, livestock have been reared in an extensive farming system since ancient times, the most outstanding example of which is the rearing and farming of Iberian pigs, making the most of the nutritional potential of the acorn. Without the presence of the pigs, this ecosystem would likely disappear.

This fertile forest, which in the past covered a large part of the Mediterranean region, has been reduced to a number of areas of Spain, such as the one in question, due to doubts about its economic viability. These *dehesas* were bought from the Crown in the 16th century and were mostly auctioned off for farming under various systems, including pannage. Subsequently, in the 19th century, the lands were taken out of the ownership of the church or the nobility and put on the market; however, their cultivation remained supervised which, together with subsequent legislation governing the felling of trees and the stewardship of oak woods, has enabled this ecosystem to survive until today.

The current density of trees of the genus "*Quercus*" on the "Los Pedroches" *dehesa* varies between 40 and 50 per hectare. The practice of sowing cereals on the *dehesa* is being abandoned in the eastern part of the district, although it has been preserved in the west. In general, every 8th year is a mast year. The average acorn harvest in our region is around 1 000 kg/ha.

The Iberian pig is without doubt the animal best adapted to the pannage system due to its behaviour, which makes it naturally suited for this system. This animal, finished on this feeding system, is the only one capable of providing the industry with the raw material for producing meat products which are so popular with end consumers.

This rearing system lasts for a minimum of 15 months, the last 4 or 5 of which are used for pannage. This stage begins at the end of October or the beginning of November depending on the year and may last until the beginning of March. In it, the animals complete their fattening, making use in an entirely natural way and under a free-range system of the fruit of the holm oak, cork oak and gall oak – the acorn – and the natural pastures that exist at this time of year in this area. It is important to note that this is the only *dehesa* area in which the gall oak produces fruit. The acorn from this species ripens some 20 days earlier than for the rest of the “*Quercus*” genus, thus bringing the pannage period forward for the Iberian pig. This is hugely significant for the characteristics of the products covered by the protected designation of origin. It should be noted that the pigs in the “Los Pedroches” area are the only ones who feed to a significant extent on the acorns of this tree, which is significant in terms of the link between the product and the area covered by the protected designation of origin.

The most common strains of Iberian pig within the district in question are the *lampiño*, the *negra entrepelada*, the *retinta* and the *torbiscal*. We would also like to highlight the efforts currently being made to recover the “negro de Los Pedroches” strain, a variety native to our district which almost died out but which we are now trying to bring back.

From the historical production data for this animal collected by the Ministry of Agriculture, Fisheries and Rural Development of the Andalusian Government, we can deduce that, in our production area, some 50 000 pigs are fattened on acorns every year, with this figure fluctuating depending on the amount of fruit produced on the *dehesa* in each year.

This type of livestock management, the salient feature of which is the aforementioned traditional pannage as the final fattening stage, ensures the laying-down of fat whose melting point lowers as more acorns are consumed, which gives the cuts their much sought-after aroma and succulence, and the physical exercise taken by the pigs gives it a denser muscular texture through which the fat is more evident.

The extraordinary sensory quality of the hams and shoulders covered by the protected designation of origin is therefore associated with a system of farming which is unique and exclusive on a global scale – namely the aforementioned grazing system – using to good effect the natural resources of the *dehesa* for the final fattening stage, principally acorns and grass, which is the essential factor giving the product fat of a type which it is impossible to imitate by any other production method.

On the *dehesas* in the north of the province of Córdoba, we find the highest percentage of holm oaks compared with other species in the genus *Quercus* sp. anywhere on the Iberian Peninsula. This is significant in terms of the type of acorn that the pigs eat in the geographical area covered by the protected designation of origin.

The importance of the *dehesa* pasture in the diet of the Iberian pigs raised in extensive farming systems on the *dehesa* should also be noted as a factor which characterises and differentiates the finished product protected by this designation of origin and thus the product’s link with the geographical area. The quantity and type of vegetation present on the *dehesas* of “Los Pedroches” throughout the year is unusual, as it is different to the vegetation present on the other *dehesas*. Again, this shows the importance of the acorns and the pastures in a specific area in setting the product apart and determining its final organoleptic properties.

In fact, the market alone is proof of the excellence of “Los Pedroches” hams and shoulders, given that a large proportion of the animals selected, reared and fattened in the area in order to obtain food with high nutritional quality have traditionally been exported to other parts of the country, in which they were slaughtered. Their subsequent preparation and marketing gave them significant added value.

However, this situation, which held back the district’s economy, is changing, and in the 1980s increasing numbers of undertakings began to set up in the district, transforming the Iberian pig carcasses produced in our region and concentrating on preparation and marketing, especially of the better cuts of the pig.

The future success of these undertakings lies in their perfect understanding of the fact that the culinary quality of the Iberian pig's finer products comes from rounding off the intrinsic quality of the raw material with artisanal production techniques. Their greatest achievement has been to take the production techniques that have been established and developed in our district over the years and adapt them to modern industrial processes, while still respecting the basic essence of each of the steps involved in creating the ham, from the requirement to let the animals rest to the final presentation to consumers. Furthermore, the development of all these techniques has introduced improvements, such as being able to control potential climate impacts, eliminating the harmful effects that may arise in some years and monitoring and standardising the product across several marketing cycles.

Production is based on individual treatment and inspection of each piece, an average altitude of approximately 700 m above sea level and the cold and dry continental climate which prevails in the area during the production season.

This entire process provides us with a finished product that has a marbled appearance when cut and an aroma and juiciness unmatched by any other preserved meat in the world. Not only does the market recognise these points, but the particular quality of the "Los Pedroches" hams and shoulders due to their precise origin is also acknowledged scientifically.'

have been replaced by the following in Section F, 'Link with the geographical environment', of the specification:

'The link with the geographical area is based on natural factors, on the specific characteristics of the product and on the specific production method used in the defined geographical area. Specifically, the particular ecosystem of the geographical area has an influence on the system in which the animals are reared and allows them to be fed using a range of natural resources which determine the organoleptic characteristics of the final product. Furthermore, the production process, mainly the drying and maturing stages that take place in a natural environment and take advantage of the climate conditions in the area, also determines the development of the aroma and taste of the product.

As regards the natural conditions, in the area known geographically as "Los Pedroches", and in general across the entire northern area of the province of Córdoba, there are roughly 300 000 hectares of holm oak *dehesa*, which constitutes 10 % of the national total, some 3 million hectares. This particular system of agriculture, forestry and grazing has allowed livestock to be reared in an extensive farming system since ancient times, the most outstanding example of which is the rearing and farming of Iberian pigs, making the most of the nutritional potential of the acorn. Without the presence of the pigs, this ecosystem would likely disappear.

The natural conditions specific to the area therefore firstly affect the system in which the animals are reared, enabling them to finish fattening by making the most, in a completely natural way and in an extensive farming system, of the fruit of the holm oak, cork oak and gall oak – the acorn – and the natural pastures offered by the *dehesa*. It should be borne in mind that the Iberian pig, due to its behaviour, is the animal best adapted to natural pannage feeding.

The most common strains of Iberian pig within the district are the *lampiño*, the *negra entrepelada*, the *retinta* and the *torbiscal*. We would also like to highlight the efforts currently being made to recover the "negro de Los Pedroches" strain, a variety native to our area.

Furthermore, "Los Pedroches" is the only *dehesa* area in which the gall oak produces fruit. The acorn from this species ripens some 20 days earlier than for the rest of the "*Quercus*" genus, allowing the pannage period for the Iberian pigs to be brought forward. This stage begins at the end of October or in early November, depending on the year, and can last until the beginning of March. As explained, the animals finish fattening using the area's natural resources and, in this particular case, feed heavily on the acorns of the trees in question.

In this way, the diet of the animals that provide the raw material used to produce the hams and shoulders covered by the PDO is characterised by the type of acorns they consume, bearing in mind that the *dehesas* in the north of the province of Córdoba contain the highest percentage of holm oak, compared with other species of the genus "*Quercus*", in the whole Iberian Peninsula. The animals' diet is also characterised by the pasture, grass, stubble and other natural substances on the *dehesa*.

Finally, this type of extensive grazing system, the key feature of which is pannage, provides the hams and shoulders covered by the PDO with a range of branched hydrocarbons from the acorns and grass consumed by the pigs, as well as fat with a lower melting point than other animal fats. This demonstrates the impact that the natural factors present in the area have on the quality and specific characteristics of the product obtained.

These circumstances, together with a subsequent production process that depends to a large extent on the natural climate conditions in the area, particularly the stages that take place in natural drying sheds and storehouses, give rise to the compounds responsible for the characteristic flavour and aroma of the “Los Pedroches” hams and shoulders, as explained below.

The defined geographical area (in the north of the province of Córdoba and consisting of municipalities located in Valle de Los Pedroches, Valle del Guadiato and Sierra de Córdoba, all above 300 metres and with an average altitude of some 700 metres above sea level) has its own climate, distinct from that of the rest of the province and of Andalusia. The area is located at the heart of the Sierra Morena, bordered to the south by a series of mountain ranges forming part of the Sierra Morena. To the west and north-west, it is bordered by the River Zújar; to the north, by the River Guadalmez; and to the east, by the River Yeguas. These are all supported by low mountain ranges which contrast with the large plain that makes up the district as a whole. The area's distinct climate is a result of its isolated nature owing to the Sierra Morena and Cordilleras Béticas mountain ranges.

The climate type is subhumid Mediterranean, albeit marked by continentality, with long and cold winters bringing harsh frost and irregular rainfall, and hot and dry summers. The continental aspect manifests itself mainly in the rainfall system and in the daily and annual temperature fluctuations, the latter being quite wide and with marked differences between summer and winter. Clear days or days with few clouds predominate, and the average number of hours of sunshine is over 2 500 per year.

Temperatures vary greatly from one season to another, and even during the day. However, the temperature is uniform throughout the area, with average temperatures ranging from 26 °C to 27 °C in summer and 7 °C to 8 °C in winter. During the summer period, and in particular in July and August, the highest temperatures occur, sometimes exceeding 35 °C during the day, while at night it falls to 18-20 °C. In winter, temperatures are significantly lower, ranging from an average maximum of between 10 °C and 15 °C to an average minimum of between -2 °C and 2 °C.

These climate conditions allow the ham to be dried in natural drying sheds. The cuts are hung up and exposed to the surrounding climate conditions, while the necessary temperature and humidity levels are achieved by simply opening and closing the windows. This stage results in colour stability and dries the ham to a degree that ensures its final stability. It also encourages the formation of compounds responsible for the ham's flavour (free amino acids) and aroma (proteolysis and lipid degradation processes). To this end, the ham is exposed to progressively higher temperatures and lower relative humidity; it should be borne in mind that this phase usually coincides with the summer season, which results in gradual increases in temperature from 15-18 °C to 28-30 °C and a relative humidity of 60-80 %. This increase in temperature enhances salt diffusion and dehydration, leading to balanced salt levels and water availability between external and internal areas, and releasing proteolysis products, which inhibit water activity (a_w).

Finally, the hams and shoulders are moved to the storehouses where the final curing stage takes place, and are slowly matured. In this final stage, the chemical process that began in the previous stage continues, as do the reactions that generate the compounds responsible for the meat's characteristic flavour and aroma. The lower temperature, relative humidity and a_w cause the products of the intense hydrolysis of lipids and proteins to condense. These are compounds with low molecular weight and high taste and aroma potential: peptides, amino acids and amines from protein hydrolysis, and free fatty acids, aldehydes, ketones, alcohols, esters and hydrocarbons from lipid hydrolysis and oxidation. As explained above, a range of branched hydrocarbons from plant products, acorns and grass, which form part of the pigs' diet, are also present.

Finally, these factors of the production process (mainly temperature, water activity and salt concentration) determine the microbial population on the surface of the cured hams and shoulders, consisting mainly of yeasts, moulds and micrococcaceae, which are most suited to the environmental conditions achieved. These have an influence on the organoleptic characteristics of the final product through the volatile products they generate. In this respect, there is scientific evidence demonstrating the role played by microorganisms in the proteolytic and lipolytic processes that take place during the maturation of ham from Iberian pigs (Núñez et al., 1998, Rodríguez et al., 1998) and their contribution to the development of the meat's aroma and flavour (Martín et al., 2004, 2006; Andrade, 2009).'

and by the same content in Section 5, 'Link with the geographical area', of the single document, with the exception of the ninth paragraph, which has been worded more succinctly:

'The defined geographical area (consisting of municipalities located in Valle de Los Pedroches, Valle del Guadiato and Sierra de Córdoba, all above 300 metres and with an average altitude of some 700 metres above sea level) has its own climate, distinct from that of the rest of the province and of Andalusia, which is a result of its isolated nature owing to the Sierra Morena and Cordilleras Béticas mountain ranges.'

Reason:

The purpose of this amendment is to highlight the impact that the area and the production conditions present in the area have during production in the natural environment, and the influence they have on the final product's specific characteristics, in addition to the importance of the *dehesas* and the extensive farming system in which the final fattening of the pigs takes place, which was already highlighted in the original specification. These aspects relating to the curing stage, which have an undeniable impact on the final product's characteristics (as highlighted in a study and technical report on the 'Influence of the production area on the curing of "Los Pedroches" PDO Iberian ham' by the RDI department of the CICAP Technology Centre) had been wrongly omitted from the section on the link in the original specification.

The amendment also serves to clearly establish the causal link between the product and the factors present in the geographical area while avoiding references which are generic or too vague.

5.6. Labelling

1. The indication of the pigs' breed and feed on the labelling of the products has been included. The following paragraph of the specification (Section H, 'Labelling'):

'[...] which must bear the words "Denominación de Origen Protegida Los Pedroches" and show the grade to which the cut, ham or shoulder belongs, together with the category of feed.'

and the following paragraph of the single document (Section 4.8, 'Labelling'):

'[...] bearing the words "Denominación de Origen "Los Pedroches"" and the category to which the cut in question belongs.'

have been replaced by the following (Section H, 'Labelling', of the new specification and Section 3.6, 'Specific rules concerning labelling of the product the registered name refers to', of the new single document):

'[...] bearing the words "Denominación de Origen Protegida "Los Pedroches"" and the grade to which the cut in question belongs (ham or shoulder), together with the category of breed and feed.'

Reason:

The Quality Standard imposes an obligation to indicate the pig's Iberian breed percentage on the labelling of the products, as a result of which a reference to the breed has been included.

2. The official PDO logo, which identifies all protected hams and shoulders, has been reproduced in both the specification and the single document:

The label must also bear the official PDO logo (reproduced below):



5.7. Checks on compliance with the specification

1. The information in the following paragraphs of the specification (Section G, 'Checks on compliance with the specification') has been updated:

'Checks on compliance with the specifications prior to marketing of the product are carried out in accordance with Council Regulation (EC) No 510/2006 of 20 March 2006.

The competent inspection body is the Directorate-General for Industry and Agri-food Quality of Andalusia's regional Ministry of Agriculture and Fisheries – C/ Tabladilla, s/n, 41071 Seville, Spain; tel. +34 955032278; fax +34 955032112; email: dgipa.cap@juntadeandalucia.es.

Information on the bodies tasked with checking compliance with the requirements set out in the specification may be found at the following address:

<http://www.juntadeandalucia.es/agriculturaypesca/portal/areas-tematicas/industrias-agroalimentarias/calidad-y-promocion-agroalimentaria/denominaciones-de-calidad/jamones-y-paletas.html>.'

They have been replaced by:

'Before the product is placed on the market, it is subject to product specification compliance checks as required by Regulation (EU) No 1151/2012 of the European Parliament and of the Council of 21 November 2012 on quality schemes for agricultural products and foodstuffs.

The competent authority designated as responsible for the checks is the Directorate-General for Agri-food Industry, Innovation and the Food Supply Chain of the Ministry of Agriculture, Fisheries, Water and Rural Development of the Government of the Autonomous Community of Andalusia, C/ Tabladilla, s/n, 41071 Seville; tel. +34 955032278; fax +34 955032112; email: dgiica.cagpds@juntadeandalucia.es.

Information on the bodies tasked with checking compliance with the requirements set out in the specification may be found at the following address:

<https://www.juntadeandalucia.es/organismos/agriculturaganaderiapescaydesarrollosostenible/areas/industrias-agroalimentarias/calidad/paginas/denominaciones-calidad-jamones-paletas.html>

Reason:

This section has been amended due to changes to the name of the competent authority, the applicable EU legislation and the link concerning the information on the entities responsible for checking compliance with the specification.

2. In the single document, the section 'Inspection Body' has been removed in order to align with the new format provided for in Annex VI to Commission Implementing Regulation (EU) No 668/2014 of 13 June 2014.

5.8. Legislative requirements

Section I, 'Legislative requirements', has been deleted as it is not one of the sections that must be included in the specification under Article 7 of Regulation (EU) No 1151/2012 of the European Parliament and of the Council of 21 November 2012 on quality schemes for agricultural products and foodstuffs.

SINGLE DOCUMENT

'LOS PEDROCHES'

EU No: PDO-ES-0506-AM02 - 29.7.2021

PDO (X) PGI ()

1. **Name(s)**

'Los Pedroches'

2. **Member State or Third Country**

Spain

3. Description of the agricultural product or foodstuff

3.1. Type of product

Class 1.2. Meat products (cooked, salted, smoked, etc.)

3.2. Description of product to which the name in (1) applies

The characteristics of the 'Los Pedroches' PDO hams and shoulders at the end of the production process are as follows:

- External appearance: long, slender shape with the typical 'corte serrano' V-cut. When they are sold whole, the hoof is kept on to aid identification.
- Minimum weight of 5,75 kg for hams and 3,7 kg for shoulders.
- Characteristic colour ranging from pink to purplish-red, marbled appearance when cut.
- The meat is not very salty or sweet in flavour. The meat is dry in flavour. The aroma is pleasant and intense, with a hint of roasted or dry nuts, which is typical of this kind of product.
- The texture is not very fibrous.
- The fat is glossy and pinkish-white or with yellowish tinges; it is aromatic, with a pleasant taste; and its consistency varies according to the proportion of acorns in the diet.

The various cuts are classified according to the breed and the type of feed the pigs have been given during their final fattening stage, as follows:

- 'Bellota 100 % Ibérico' hams and shoulders: from 100 % Iberian pigs fattened in the final stage in a pannage grazing system on the *dehesa* and fed exclusively on acorns and grass.
- 'Cebo de Campo 100 % Ibérico' hams and shoulders: from 100 % Iberian pigs which have been fattened by grazing on the *dehesas* in our region, principally on natural resources from the *dehesa* and supplemented if necessary by a daily ration of feed.

Minimum curing time is 1 year for the shoulders and 2 years for the hams.

3.3. Feed (for products of animal origin only) and raw materials (for processed products only)

The raw materials

Pork legs from:

- 'Bellota' pigs: final feeding diet based exclusively on acorns and grass on the *dehesas* of the defined geographical area. Thus, the feed is fully sourced in the defined geographical area described in this document.
- 'Cebo de Campo' pigs: in their final fattening stage the pigs are reared by grazing on the *dehesas* of the defined geographical area and fed principally on natural products such as acorn remains, grass or cereal stubble depending on the season. This is supplemented with feed where necessary. The proportion of the feed originating in the geographical area described in this document is at least 65 %.

Feed

The feed used to supplement the food of the 'Cebo de Campo' pigs is made up of a mixture of mainly cereals (wheat, barley and maize) and to a lesser extent legumes (peas and soya beans). A significant proportion of the ingredients comes from traditional production within the geographical area, but a minor proportion of the ingredients, such as soya, does not. This means that it is not technically possible for the feed to come entirely from the defined geographical area; it has therefore been permitted to add feed sourced from outside the area.

As explained in Section 5 of this document, it is the pasture resources of the *dehesa* that determine the quality of both the material used to make the hams and shoulders covered by the PDO, and also of the product itself. The use of feed from outside the area does not therefore affect the quality of the product associated with the geographical environment.

In any case, the traditional grazing system required by the system of rearing and fattening itself, and the fact that only a small amount of the feed may be produced outside the territory, ensures that the percentage of total ingested dry matter which originated inside the geographical area – in the case of ‘Cebo de Campo’ pigs (whose food is supplemented by feed) – is significantly above the minimum allowed by the applicable legislation (Article 1(1) of Commission Delegated Regulation (EU) No 664/2014 of 18 December 2013).

3.4. *Specific steps in production that must take place in the identified geographical area*

All stages of production take place within the geographical area. These are as follows:

- Rearing and fattening the pigs, the legs of which are used to make the product covered.
- Slaughtering the animal and cutting up the meat.
- All preparation stages, which include: salting, washing, resting, drying/maturing and ageing in storehouses.

3.5. *Specific rules concerning slicing, grating, packaging, etc. of the product the registered name refers to*

‘Los Pedroches’ PDO hams and shoulders may be presented for sale boneless, as centre cuts, slices or portions, provided that they are packaged and their origin can be identified. This operation may be carried out by operators that have accepted and comply with the operating protocol established by the Regulatory Board to guarantee the product’s traceability, origin, identification and final quality, and are entered for this purpose in the Regulatory Board’s registers.

3.6. *Specific rules concerning labelling of the product the registered name refers to*

The Regulatory Board must affix a secondary label to each cut, so that it is fully visible and in such a way as to prevent reuse, bearing the words ‘Denominación de Origen Protegida “Los Pedroches”’ and the grade to which the cut in question belongs (ham or shoulder), along with the category of breed and feed.

The label must also bear the official PDO logo (reproduced below):



4. **Concise definition of the geographical area**

The area in which the pigs whose cuts are used in the preparation of hams and shoulders covered by the ‘Los Pedroches’ protected designation of origin are reared and fattened, and in which the entire production, slaughtering and butchering of the Iberian pigs and the salting, curing, drying and maturing of the cuts takes place, consists of the following municipalities in the province of Córdoba:

Alcaracejos, Añora, Belalcázar, Bémez, Los Blázquez, Cardeña, Conquista, Dos Torres, Espiel, Fuente La Lancha, Fuente Obejuna, La Granjuela, El Guijo, Hinojosa del Duque, Pedroche, Peñarroya-Pueblonuevo, Pozoblanco, Santa Eufemia, Torrecampo, Valsequillo, Villanueva de Córdoba, Villanueva del Duque, Villanueva del Rey, Villaralto and El Viso, and at altitudes above 300 metres in the municipalities of Adamuz, Hornachuelos, Montoro, Obejo, Posadas, Villaharta and Villaviciosa.

5. **Link with the geographical area**

The link with the geographical area is based on natural factors, on the specific characteristics of the product and on the specific production method used in the defined geographical area. Specifically, the particular ecosystem of the geographical area has an influence on the system in which the animals are reared and allows them to be fed using a range of natural resources which determine the organoleptic characteristics of the final product. Furthermore, the production process, mainly the drying and maturing stages that take place in a natural environment and take advantage of the climate conditions in the area, also determines the development of the aroma and taste of the product.

As regards the natural conditions, in the area known geographically as 'Los Pedroches', and in general across the entire northern area of the province of Córdoba, there are roughly 300 000 hectares of holm oak *dehesa*, which constitutes 10 % of the national total, some 3 million hectares. This particular system of agriculture, forestry and grazing has allowed livestock to be reared in an extensive farming system since ancient times, the most outstanding example of which is the rearing and farming of Iberian pigs, making the most of the nutritional potential of the acorn. Without the presence of the pigs, this ecosystem would likely disappear.

The natural conditions specific to the area therefore firstly affect the system in which the animals are reared, enabling them to finish fattening by making the most, in a completely natural way and in an extensive farming system, of the fruit of the holm oak, cork oak and gall oak – the acorn – and the natural pastures offered by the *dehesa*. It should be borne in mind that the Iberian pig, due to its behaviour, is the animal best adapted to natural pannage feeding.

The most common strains of Iberian pig within the district are the *lampiño*, the *negra entrepelada*, the *retinta* and the *torbiscal*. We would also like to highlight the efforts currently being made to recover the 'negro de Los Pedroches' strain, a variety native to our area.

Furthermore, 'Los Pedroches' is the only *dehesa* area in which the gall oak produces fruit. The acorn from this species ripens some 20 days earlier than for the rest of the '*Quercus*' genus, allowing the pannage period for the Iberian pigs to be brought forward. This stage begins at the end of October or in early November, depending on the year, and can last until the beginning of March. As explained, the animals finish fattening using the area's natural resources and, in this particular case, feed heavily on the acorns of the trees in question.

In this way, the diet of the animals that provide the raw material used to produce the hams and shoulders covered by the PDO is characterised by the type of acorns they consume, bearing in mind that the *dehesas* in the north of the province of Córdoba contain the highest percentage of holm oak, compared with other species of the genus '*Quercus*', in the whole Iberian Peninsula. The animals' diet is also characterised by the pasture, grass, stubble and other natural substances on the *dehesa*.

Finally, this type of extensive grazing system, the key feature of which is pannage, provides the hams and shoulders covered by the PDO with a range of branched hydrocarbons from the acorns and grass consumed by the pigs, as well as fat with a lower melting point than other animal fats. This demonstrates the impact that the natural factors present in the area have on the quality and specific characteristics of the product obtained.

These circumstances, together with a subsequent production process that depends to a large extent on the natural climate conditions in the area, particularly the stages that take place in natural drying sheds and storehouses, give rise to the compounds responsible for the characteristic flavour and aroma of the 'Los Pedroches' hams and shoulders, as explained below.

The defined geographical area (consisting of municipalities located in Valle de Los Pedroches, Valle del Guadiato and Sierra de Córdoba, all above 300 metres and with an average altitude of some 700 metres above sea level) has its own climate, distinct from that of the rest of the province and of Andalusia, which is a result of its isolated nature owing to the Sierra Morena and Cordilleras Béticas mountain ranges.

The climate type is subhumid Mediterranean, albeit marked by continentality, with long and cold winters bringing harsh frost and irregular rainfall, and hot and dry summers. The continental aspect manifests itself mainly in the rainfall system and in the daily and annual temperature fluctuations, the latter being quite wide and with marked differences between summer and winter. Clear days or days with few clouds predominate, and the average number of hours of sunshine is over 2 500 per year.

Temperatures vary greatly from one season to another, and even during the day. However, the temperature is uniform throughout the area, with average temperatures ranging from 26 °C to 27 °C in summer and 7 °C to 8 °C in winter. During the summer period, and in particular in July and August, the highest temperatures occur, sometimes exceeding 35 °C during the day, while at night it falls to 18-20 °C. In winter, temperatures are significantly lower, ranging from an average maximum of between 10 °C and 15 °C to an average minimum of between -2 °C and 2 °C.

These climate conditions allow the ham to be dried in natural drying sheds. The cuts are hung up and exposed to the surrounding climate conditions, while the necessary temperature and humidity levels are achieved by simply opening and closing the windows. This stage results in colour stability and dries the ham to a degree that ensures its final stability. It also encourages the formation of compounds responsible for the ham's flavour (free amino acids) and aroma (proteolysis and lipid degradation processes). To this end, the ham is exposed to progressively higher temperatures and lower relative humidity; it should be borne in mind that this phase usually coincides with the summer season, which results in gradual increases in temperature from 15-18 °C to 28-30 °C and a relative humidity of 60-80 %. This increase in temperature enhances salt diffusion and dehydration, leading to balanced salt levels and water availability between external and internal areas, and releasing proteolysis products, which inhibit water activity (a_w).

Finally, the hams and shoulders are moved to the storehouses where the final curing stage takes place, and are slowly matured. In this final stage, the chemical process that began in the previous stage continues, as do the reactions that generate the compounds responsible for the meat's characteristic flavour and aroma. The lower temperature, relative humidity and a_w cause the products of the intense hydrolysis of lipids and proteins to condense. These are compounds with low molecular weight and high taste and aroma potential: peptides, amino acids and amines from protein hydrolysis, and free fatty acids, aldehydes, ketones, alcohols, esters and hydrocarbons from lipid hydrolysis and oxidation. As explained above, a range of branched hydrocarbons from plant products, acorns and grass, which form part of the pigs' diet, are also present.

Finally, these factors of the production process (mainly temperature, water activity and salt concentration) determine the microbial population on the surface of the cured hams and shoulders, consisting mainly of yeasts, moulds and micrococcaceae, which are most suited to the environmental conditions achieved. These have an influence on the organoleptic characteristics of the final product through the volatile products they generate. In this respect, there is scientific evidence demonstrating the role played by microorganisms in the proteolytic and lipolytic processes that take place during the maturation of ham from Iberian pigs (Núñez et al., 1998, Rodríguez et al., 1998) and their contribution to the development of the meat's aroma and flavour (Martín et al., 2004, 2006; Andrade, 2009).

Reference to publication of the specification

https://juntadeandalucia.es/sites/default/files/inline-files/2022/08/Pliego_modificado_Los_Pedroches.pdf

Publication of a communication of approval of a standard amendment to a product specification for a name in the wine sector referred to in Article 17(2) and (3) of Commission Delegated Regulation (EU) 2019/33

(2023/C 160/10)

This communication is published in accordance with Article 17(5) of Commission Delegated Regulation (EU) 2019/33 ⁽¹⁾.

COMMUNICATING THE APPROVAL OF A STANDARD AMENDMENT

‘Cariñena’

PDO-ES-A0043-AM03

Date of communication: 6.2.2023

DESCRIPTION OF AND REASONS FOR THE APPROVED AMENDMENT

1. Inclusion of two municipalities to the demarcated geographical area for the PDO

Description:

The geographical area has been extended to include the municipalities Fuendetodos and Vistabella de Huerva, which are adjacent to the demarcated geographical area for the ‘Cariñena’ PDO.

This amendment concerns Section 4 (Demarcation of the geographical area) of the specification, and Section 6 (Demarcated geographical area) of the single document.

In accordance with Article 14 of Commission Delegated Regulation (EU) 2019/33 and based on the causes and reasons, the amendments described in this document are not considered to be Union amendments, as they do not include a change in the name of the protected designation of origin; consist of a change, a deletion or an addition of a category of grapevine product; or void the link or entail further restrictions on the marketing of the product. In view of the above, it is considered to be a standard amendment.

Reason:

The terroir studies carried out, mainly based on analysing the soil and climate characteristics in both municipalities, have allowed to determine the agronomic potential of the area being included in the PDO. The conclusion is that there are no significant differences from the existing geographical area.

The characteristics of the wine-growing areas analysed in Fuendetodos are markedly similar to one of the terroir units that make up the ‘Cariñena’ PDO, particularly the limestone plateau soil profiles. The climate indices were found to be consistent with those of climate zone D in the PDO.

As for the municipality of Vistabella, it has been determined that there are two distinct areas that are consistent with those described for the PDO: hillside soils containing slate and quartzite, and mid-slope and incline soils. The conclusion reached in the study is that the climate data for this municipality are also similar to those provided for climate zone D in the PDO.

⁽¹⁾ OJ L 9, 11.1.2019, p. 2.

2. Inclusion of a white grape variety (secondary)

Description:

The Cariñena Blanca grape variety has been added to the list of secondary varieties set out in the product specification for the PDO.

This amendment concerns Section 6 (Grape variety(ies) from which the wine is made) of the specification. The single document is not affected because it is a secondary variety.

In accordance with Article 14 of Commission Delegated Regulation (EU) 2019/33 and based on the causes and reasons, the amendments described in this document are not considered to be Union amendments, as they do not include a change in the name of the protected designation of origin; consist of a change, a deletion or an addition of a category of grapevine product; or void the link or entail further restrictions on the marketing of the product. In view of the above, it is considered to be a standard amendment.

Reason:

Order AGM/1312/2022 of 13 September 2022 included the name Cariñena Blanca as a synonym of Carignan Blanc in the list of grape varieties authorised for winemaking in Aragon.

This variety is highly suited to the specific conditions of the designation in terms of yield and oenological characteristics. It is markedly aromatic and consistent with the typical sensorial profile of white wines covered by the 'Cariñena' PDO.

SINGLE DOCUMENT

1. Name of the product

Cariñena

2. Geographical indication type

PDO – Protected Designation of Origin

3. Categories of grapevine products

1. Wine
3. Liqueur wine
5. Quality sparkling wine
8. Semi-sparkling wine
16. Wine from overripe grapes

4. Description of the wine(s)

1. *White wines, rosé wines*

CONCISE TEXTUAL DESCRIPTION

Appearance: clear

— White wine: greenish straw, pale yellow, straw yellow or yellow in colour.

— Rosé wine: onion skin, salmon pink, pink, strawberry pink or violet pink in colour.

Aroma: fruity, aroma of wood if the wine has been in contact with it, no faults.

Taste: medium acidity, low sweetness, no faults.

* Maximum sulphur dioxide: 240 mg/l if the sugar content \geq 5 g/l

** Where no limits have been specified, those set out in the applicable EU legislation must be followed.

General analytical characteristics	
Maximum total alcoholic strength (in % volume)	
Minimum actual alcoholic strength (in % volume)	9
Minimum total acidity	4,5 grams per litre expressed as tartaric acid
Maximum volatile acidity (in milliequivalents per litre)	13,3
Maximum total sulphur dioxide (in milligrams per litre)	180

2. *Red wines*

CONCISE TEXTUAL DESCRIPTION

Appearance: clear, with colour ranging between violet red, purple red, garnet and cherry red.

Aroma: fruity, red fruits, aroma of wood if the wine has been in contact with it, no faults.

Taste: medium acidity, low sweetness, medium astringency, no faults.

* Maximum sulphur dioxide: 180 mg/l if the sugar content \geq 5 g/l

** Where no limits have been specified, those set out in the applicable EU legislation must be followed.

General analytical characteristics	
Maximum total alcoholic strength (in % volume)	
Minimum actual alcoholic strength (in % volume)	9
Minimum total acidity	4,5 grams per litre expressed as tartaric acid
Maximum volatile acidity (in milliequivalents per litre)	13,3
Maximum total sulphur dioxide (in milligrams per litre)	140

3. *Liqueur wine*

CONCISE TEXTUAL DESCRIPTION

Appearance: clear

— White wine: yellow, amber yellow or golden yellow in colour.

— Red wine: violet red, purple red, garnet or cherry red in colour.

Aroma: ripe fruit, wood if the wine has been in contact with it, no faults.

Taste: warm mouthfeel (alcohol noticeable) and sweetness, no faults.

* Maximum sulphur dioxide: 200 mg/l if the sugar content \geq 5 g/l.

** Where no limits have been specified, those set out in the applicable EU legislation must be followed.

General analytical characteristics	
Maximum total alcoholic strength (in % volume)	
Minimum actual alcoholic strength (in % volume)	15
Minimum total acidity	3,5 grams per litre expressed as tartaric acid
Maximum volatile acidity (in milliequivalents per litre)	15
Maximum total sulphur dioxide (in milligrams per litre)	150

4. *Quality sparkling wine*

CONCISE TEXTUAL DESCRIPTION

Appearance: clear with carbon dioxide bubbles.

- White wine: greenish straw, pale yellow, straw yellow or yellow in colour.
- Rosé wine: onion skin, salmon pink, pink, strawberry pink or violet pink in colour.
- Red wine: violet red, purple red, garnet, cherry red or ruby red.

Aroma: fruity, no faults.

Taste: feeling of carbon dioxide in the mouth (refreshing tang), slightly acidic (fresh) taste, no faults.

* Where no limits have been specified, those set out in the applicable EU legislation must be followed.

General analytical characteristics	
Maximum total alcoholic strength (in % volume)	
Minimum actual alcoholic strength (in % volume)	10
Minimum total acidity	4,5 grams per litre expressed as tartaric acid
Maximum volatile acidity (in milliequivalents per litre)	10,83
Maximum total sulphur dioxide (in milligrams per litre)	160

5. *Semi-sparkling wine*

CONCISE TEXTUAL DESCRIPTION

Appearance: clear with carbon dioxide bubbles.

- White wine: greenish straw, pale yellow, straw yellow or yellow in colour.
- Rosé wine: onion skin, salmon pink, pink, strawberry pink or violet pink in colour.
- Red wine: violet red, purple red, garnet, cherry red or ruby red.

Aroma: fruity, no faults.

Taste: feeling of carbon dioxide in the mouth (refreshing tang), slightly acidic (fresh) taste, no faults.

* White and rosé wines: maximum sulphur dioxide 180 mg/l: if the sugar content ≥ 5 g/l, then 240 mg/l.

* Red wine: maximum sulphur dioxide 140 mg/l: if the sugar content ≥ 5 g/l, then 180 mg/l.

** Where no limits have been specified, those set out in the applicable EU legislation must be followed.

General analytical characteristics	
Maximum total alcoholic strength (in % volume)	
Minimum actual alcoholic strength (in % volume)	7
Minimum total acidity	4,5 grams per litre expressed as tartaric acid
Maximum volatile acidity (in milliequivalents per litre)	13,3
Maximum total sulphur dioxide (in milligrams per litre)	

6. *Wine from overripe grapes (late harvest)*

CONCISE TEXTUAL DESCRIPTION

Appearance: clear

— White wine: greenish straw, pale yellow, straw yellow or yellow in colour.

— Rosé wine: onion skin, salmon pink, pink, strawberry pink or violet pink in colour.

— Red wine: violet red, purple red, garnet, cherry red or ruby red.

Aroma: ripe fruit, wood if the wine has been in contact with it, no faults.

Taste: warm mouthfeel (alcohol noticeable), sweetness depending on sugar content, no faults.

* White and rosé wines: maximum sulphur dioxide 180 mg/l: if the sugar content ≥ 5 g/l, then 240 mg/l.

* Red wine: maximum sulphur dioxide 140 mg/l: if the sugar content ≥ 5 g/l, then 180 mg/l.

** Where no limits have been specified, those set out in the applicable EU legislation must be followed.

General analytical characteristics	
Maximum total alcoholic strength (in % volume)	
Minimum actual alcoholic strength (in % volume)	13
Minimum total acidity	4,5 grams per litre expressed as tartaric acid
Maximum volatile acidity (in milliequivalents per litre)	15
Maximum total sulphur dioxide (in milligrams per litre)	

7. *Wine from overripe grapes (naturally sweet)*

CONCISE TEXTUAL DESCRIPTION

Appearance: clear

— White wine: greenish straw, pale yellow, straw yellow or yellow in colour.

— Rosé wine: onion skin, salmon pink, pink, strawberry pink or violet pink in colour.

— Red wine: violet red, purple red, garnet, cherry red or ruby red.

Aroma: ripe fruit, wood if the wine has been in contact with it, no faults.

Taste: medium-high sweetness. No faults.

* White and rosé wines: maximum sulphur dioxide 180 mg/l: if the sugar content \geq 5 g/l, then 240 mg/l.

* Red wine: maximum sulphur dioxide 140 mg/l: if the sugar content \geq 5 g/l, then 180 mg/l.

** Where no limits have been specified, those set out in the applicable EU legislation must be followed.

General analytical characteristics

Maximum total alcoholic strength (in % volume)	
Minimum actual alcoholic strength (in % volume)	13
Minimum total acidity	4,5 grams per litre expressed as tartaric acid
Maximum volatile acidity (in milliequivalents per litre)	15
Maximum total sulphur dioxide (in milligrams per litre)	

5. **Wine-making practices**

a. *Essential oenological practices*

Specific oenological practice

Only healthy grape bunches that have reached a suitable stage of ripeness and which are likely to have an alcohol content of at least 9 % are used to make the wines covered by the PDO.

Sufficient pressure shall be applied to extract the must or wine and separate it from the marc, so that the yield (combination of devatting and pressing operations) is not greater than 74 litres of wine for each 100 kilograms of grapes.

Cultivation method

The planting density must be at least 1 500 vines per hectare distributed evenly across the plantation.

b. *Maximum yields*

1. Red grape varieties

62,9 hectolitres per hectare

2. Red grape varieties

8 500 kilograms of grapes per hectare

3. White grape varieties

66,6 hectolitres per hectare

4. White grape varieties

9 000 kilograms of grapes per hectare

6. Demarcated geographical area

Municipalities: Aguarón, Aladrén, Alfamén, Almonacid de la Sierra, Alpartir, Cariñena, Cosuenda, Encinacorba, Fuendetodos, Longares, Mezalocha, Muel, Paniza, Tosos, Villanueva de Huerva and Vistabella de Huerva.

7. Wine grapes variety(ies)

CABERNET SAUVIGNON

CHARDONNAY

GARNACHA BLANCA

GARNACHA TINTA

MACABEO - VIURA

MAZUELA - CARIÑENA

MERLOT

SYRAH

TEMPRANILLO

8. Description of the link(s)

The vineyards of Aragon originate from the region known as Celtiberia, the location of the Roman town of Carae (nowadays, Cariñena), whose inhabitants are known to have drunk wine mixed with honey back in the third century BC. As early as 1696, planting was restricted on the basis of quality to the municipalities currently covered by this PDO.

The characteristics of the different soils in the geographical area, combined with the low rainfall, extreme temperatures and the prevailing northerly wind known as the 'cierzo' make up a selective ecosystem where vines have been kept for centuries, resulting in an end product that is specific and uniquely adapted to the environment from which it originates.

The varieties used are well-adapted to the existing soil and climate conditions, resulting in a number of wines that are specific in terms of their physico-chemical and sensorial properties, which form the hallmarks of the wines produced from the authorised varieties.

WINE

The way in which the different soils in the geographical area have evolved according to the specific characteristics of the local area, together with the climate and the different varieties, combine to produce well-balanced wines with intense, fresh aromas that have good structure and a long finish.

LIQUEUR WINE

Liqueur wine is part of the history of wine-making in this geographical area, thanks to the climate conditions with high daytime temperatures and scarce rainfall, which result in very high sugar harvest, particularly in the case of late vintages.

QUALITY SPARKLING WINE

This oenological process based on the traditional method has been practised in the wineries in the area since the early 20th century. The extreme temperatures and richness of the limestone soil allow to grow varieties that give the wines body and balance. The scarce rainfall and hours of sunshine lead to a natural alcoholic strength that allows to make quality sparkling wines with the specified alcohol content values.

SEMI-SPARKLING WINE

The natural alcoholic strength, slight acidity and the intensity of the fruity aromas obtained in semi-sparkling wines are due to the hours of sunshine enabling optimal sun exposure, combined by the stark differences in temperature due to the continental climate in the area and the low risk of rainfall while the grapes are ripening.

WINE FROM OVERRIPE GRAPES

The practice of delaying the harvest in the geographical area for the 'Cariñena' protected designation of origin to obtain grapes with a higher sugar content gives these wines their characteristic aroma of ripe fruit, as well as the prevailing sweet or warm notes, on account of the alcohol content. This balance is achieved by leaving the grapes in the sun during the long ripening period.

9. Essential further conditions (packaging, labelling, other requirements)

Legal framework:

In national legislation

Type of further condition:

Additional provisions relating to labelling

Description of the condition:

The commercial labels of each registered winery must be notified to the Regulatory Board as regards the requirements listed in this product specification for their inclusion in the labels register.

One of the following expressions must be printed on the labels:

'Denominación de Origen "Cariñena"' (a traditional term within the meaning of Regulation (EC) No 1308/2013) or 'Denominación de Origen Protegida "Cariñena"'. Products intended for consumption must bear guarantee seals, which are numbered and issued by the Regulatory Board. They must be affixed at the registered winery in such a way that they cannot be reused.

Legal framework:

In national legislation

Type of further condition:

Packaging within the demarcated geographical area

Description of the condition:

Transportation and bottling outside the production area pose risks for the quality of the wine. Bottling in the area of origin allows the product's characteristics and quality to be preserved.

Bottling is an important operation and strict requirements must be respected. Bottling must therefore take place in the area demarcated in the specification, in order to preserve all of the physico-chemical and organoleptic properties.

Link to the product specification

https://www.aragon.es/documents/20127/60698006/Pliego_de_condiciones_DOP_Cari%C3%B1ena_vc_2022.pdf/4c84782b-a115-c455-0319-42216ec432da?t=1666097211187

Publication of an application for registration of a name pursuant to Article 50(2)(b) of Regulation (EU) No 1151/2012 of the European Parliament and of the Council on quality schemes for agricultural products and foodstuffs

(2023/C 160/11)

This publication confers the right to oppose the application pursuant to Article 51 of Regulation (EU) No 1151/2012 of the European Parliament and of the Council ⁽¹⁾ within 3 months from the date of this publication.

PRODUCT SPECIFICATION OF A TRADITIONAL SPECIALITY GUARANTEED

‘Twaróg wędzony’

EU No: TSG-PL-2779 – 29.6.2021

Member State or Third Country: Poland

1. Name of product

‘Twaróg wędzony’

2. Type of product [as in Annex XI]

Class 1.3. Cheeses

3. Grounds for registration

3.1. Whether the product

- results from a mode of production, processing or composition corresponding to traditional practice for that product or foodstuff;
- is produced from raw materials or ingredients that are those traditionally used.

‘Twaróg wędzony’ (smoked curd cheese) is a special type of unripened cottage cheese with a traditional production history of about 40 years. The production method, appearance, colour and taste give ‘twaróg wędzony’ its traditional character.

The production method is based on traditional processes:

- hot smoking of the cheese with smoke from the burning of wood of selected deciduous trees;
- dry salting of the cheese or immersion of the cheese in brine.

Smoking plays a special role in the production process. This method is not commonly used for sour (curd) cheeses produced in Poland, as their relatively low dry matter content makes the smoking process more difficult. It is thanks to smoking and salting (salting curd cheeses is not a common practice in Poland) that the product acquires its specific taste and aroma.

3.2. Whether the name

- has been traditionally used to refer to the specific product;
- identifies the traditional character or specific character of the product.

The name ‘twaróg wędzony’ reflects the specificity of the product, which is the result of the smoking process.

⁽¹⁾ OJ L 343, 14.12.2012, p. 1.

4. Description

- 4.1. Description of the product to which the name referred to in point 1 applies, including its main physical, chemical, microbiological or organoleptic characteristics showing the product's specific character (Article 7(2) of Commission Implementing Regulation (EU) No 668/2014 of 13 June 2014 laying down detailed rules for the application of Regulation (EU) No 1151/2012 of the European Parliament and of the Council on quality schemes for agricultural products and foodstuffs (OJ L 179, 19.6.2014), hereinafter 'Commission Implementing Regulation (EU) No 668/2014')

'Twaróg wędzony' (smoked curd cheese) is a special type of unripened cottage cheese in the shape of a small cylindrical block weighing 250 g to 300 g, or a parallelepiped block with a unit weight of 200 g to 300 g. It has the characteristic colour of products smoked naturally on wood of deciduous trees (ranging from creamy yellow to light brown). The cheese is made from cow's milk. In the case of spicy 'twaróg wędzony', aromatic particles (e.g. garlic salt, garlic, black pepper, pepper, fennel, nigella or cumin) are visible on the surface and the cross section of the cheese. The use-by date is 30 days from the date of production.

'Twaróg wędzony' has the following organoleptic and physico-chemical characteristics:

Characteristics	Requirements
Taste and smell	Slightly sour, slightly salty to salty, smoked flavour. Where a product contains additives (spices), distinct flavour of the spices used.
Texture and consistency	Uniform mass, a slightly crumbly or slightly hard mass is allowed; cracks between the grains are allowed.
Colour	White to cream-coloured cheese mass, colour of the surface ranging from creamy yellow to light brown, not uniform
Active acidity (pH)	Not less than 4,2
Salt content (%)	For a self-pressed product: Not more than 3,0 For a pressed product: Not more than 2,0
Water content (%)	Not more than 70 %
Fat content (%)	For a self-pressed product: 17,0 ± 3,0 For a pressed product: 9,0 ± 1,5

In addition to giving the product its smoky taste and smell, the smoking process extends its use-by date, which distinguishes it from other sour (curd) cheeses. This is the combined result of the increased temperature during the smoking process, the salting process and the properties of the smoke.

- 4.2. Description of the production method of the product to which the name under point 1 applies that the producers must follow including, where appropriate, the nature and characteristics of the raw materials or ingredients used, and the method by which the product is prepared (Article 7(2) of Commission Implementing Regulation (EU) No 668/2014)

STAGE I

Raw material sourcing

The raw material for the production of 'twaróg wędzony' is raw cow's milk.

Storage of raw milk

The milk may be stored at a temperature below 8 °C for a maximum of 24 hours prior to production.

STAGE II

Heating of the milk, degassing, centrifugation and standardisation of the fat

The raw milk is heated in a heat exchanger to a temperature of approximately 65 °C, at which point it is degassed. The fat is then separated using a degreasing centrifuge. After centrifugation, the fat content of the milk is standardised to a minimum of 3,5 % for the production of self-pressed 'twaróg wędzony' or a minimum of 1,6 % for the production of pressed 'twaróg wędzony'.

Pasteurisation of the milk

The milk is pasteurised at a temperature of between 74 °C and 80 °C for 45 seconds.

Cooling

After pasteurisation, the milk is cooled to a temperature of approximately 20 °C to 30 °C, which is the temperature used for inoculating the milk when producing curd cheeses (see stage III). The milk is placed in a curdling vat.

STAGE III

Inoculation

Cultures of mesophilic lactic bacteria are added to the milk as starter cultures. Depending on the specificity of the bacterial cultures used and the season, inoculation is performed at a temperature of 20-30 °C, with lower temperatures in summer and higher temperatures in winter. The milk contained in the vat is mixed for 15 to 30 minutes after the cultures have been added.

Coagulation

The milk coagulates within 12 to 18 hours, depending on the temperature applied and the type of bacterial cultures added. Fermentation continues until a pH of less than 4,65 is reached. The processing of the curd is preceded by an assessment of its firmness by the cheesemaker, who breaks it manually. If the curd breaks cleanly, it is ready for cutting, which is the next production stage.

Curd processing

The curd is sliced carefully and set aside for a few minutes. The whey is released from the surface of the curd after it has been cut. The next step in processing consists in mixing at increasing intensity as the curd drains. Heating starts at an initial rate of temperature increase of approximately 1 °C to 2 °C every 10 minutes. The mass of the curd is typically heated to approximately 8 °C to 10 °C above the temperature at which the cultures are added (inoculation). During the heating process, it is mixed regularly. The cheesemaker decides when to end the heating process on the basis of an organoleptic assessment of the extent to which the curd grain has dried. The curd is then left to rest for a few minutes to separate the whey from the curd grain (the grains rise to the surface, the whey accumulates in the lower part of the vat). The processing of the curd takes between 1 and a half hours and 2 hours.

Draining the whey

At the end of heating process, the whey is removed in a quantity corresponding to 60 % of the milk used for production.

Preliminary draining and pouring-out of the curd

The curd is placed in a press (in the production of pressed 'twaróg wędzony') or in homogenisation equipment (in the production of self-pressed 'twaróg wędzony') where the whey is first separated from the curd grains.

In the case of a curd containing additives, vegetables or spices are added at this stage. The following additives are permitted, with the maximum amounts per 100 kg of finished product indicated in brackets:

- garlic salt (0,25 kg),
- dried crushed garlic (0,3 kg),
- ground or crushed natural pepper (0,3 kg),
- pepper mixed with herbs (0,5 kg),
- fennel seeds (0,5 kg),

- cumin seeds (0,5 kg),
- sweet or hot paprika powder (in various proportions, 0,8 kg in total),
- nigella seeds (0,25 kg).

Cumin or fennel seeds must be blanched in boiling water before being added.

The above additives may be mixed together, in which case the maximum levels of additives per 100 kg of finished product are added up. The total weight of the additives must not exceed 1 kg per 100 kg of finished product.

At this stage, up to 1 kg of salt per 100 kg of finished product may be added to the curd. If garlic salt is added, the amount of salt added at this stage of production must not exceed 0,75 kg per 100 kg of finished product.

Self-pressing in moulds or pressing in presses

For the production of 'twaróg wędzony' self-pressed in moulds: the homogenised grain is poured into moulds, which are then stacked (placed on top of each other). After being initially drained for no more than 30 minutes, the preformed curds in the moulds are turned over and further drained of whey in a cold store.

In the case of pressed 'twaróg wędzony', the curds are poured manually into straining cloths placed on top of each other under the presses. The portions thus prepared are pressed with a force of approximately 10 N/kg of cheese, and the force is gradually increased to 30 N/kg. The pressing time is between 30 and 60 minutes, depending on how dry the grain has become as a result of the heating process. After pressing, the cheese is removed from the draining cloths and cut into rectangles.

At this stage, the cheeses are given their final shape:

- in the case of self-pressed curds, a cylinder with a diameter of approximately 10 cm and a unit weight of 250 g to 300 g;
- in the case of pressed 'twaróg wędzony', a rectangular parallelepiped with a base size of approximately 12 by 8 cm and weighing approximately 250 g.

After self-pressing or pressing, the moisture content of the curd cheese must be less than 70 %.

The cheese is then placed in a cold store. The cooling time depends on the time it takes for the cheese to reach a temperature below 15 °C, but it must not exceed 24 hours.

STAGE IV

Salting

The self-pressed cheese is salted in brine. 'Twaróg wędzony' may then be described as 'brined'. The cheese is immersed in a brine tank and kept there for the time needed to obtain a salt content of around 1,5 %, which is usually between one dozen and several dozen minutes. The duration of the salting process depends on the salt content of the brine: the higher the concentration, the shorter the salting time. The initial salt content of the brine should be approximately 21 %.

The salting of the pressed cheese involves sprinkling salt on both sides of the cheese uniformly and rubbing its surface. The cheese must then be cooled and dried by air flow to a temperature of 2 °C to 8 °C. The cheese must be turned over during cooling and drying.

STAGE V

Smoking

The cheese is placed on smoking trolleys with perforated racks (the perforations allow the smoke to reach the surface of the cheese in contact with the rack). The trolleys with the cheese are placed in smoke-filled smoking chambers. Smoke from burning beech and alder wood is used for smoking: natural smoke generators and beech or alder wood chips may be used for smoking. Smoking takes place at a temperature of between 40 °C and 65 °C and is carried out until the typical colour of the finished product is obtained.

Cooling

The cheese smoked on trolleys is transported from the smoking rooms to separate cold stores, where it is cooled to below 15 °C, usually for 12 to 24 hours.

STAGE VI

Packaging

After cooling, the smoked curd cheese is packaged in a modified atmosphere (a mixture of nitrogen and carbon dioxide) or using reduced-pressure packaging.

Activities prohibited in the production process

- the use of smoke preparations for smoking,
- cold smoking of the cheese.

4.3. Description of the key elements establishing the product's traditional character (Article 7(2) of Commission Implementing Regulation (EU) No 668/2014)

The key elements proving the product's traditional character shall include the main elements that have remained unchanged, with precise and well-documented references.

Curd cheese (twaróg⁽²⁾) is a milk product that has been produced in Poland for several hundred years, based on the acidification of milk, its subsequent heating, whey separation, and pressing. Curd cheeses are typical products of central and eastern European countries. The Polish term 'twaróg' has no equivalent in the languages of western European countries, and typical Polish curd cheeses are not known in these countries.

As can be seen from Jan Licznerski's book *Serowarstwo* ('Cheesemaking'), published for the first time in 1922, 'since time immemorial, Poles everywhere have produced what are called "gomółki" from curd cheese and dried them to produce reserves'. 'Gomółki' are flattened balls or cakes made from curd cheese that have been dried to preserve them⁽³⁾.

The development of cheese production in Poland took place mainly in the 18th and 19th centuries, due to the migration of the 'Olender' settlers (the name given to immigrants from the Netherlands, Prussia and Germany), who introduced the rearing of lowland cattle, together with various milk-processing and cheese-making techniques. The Olenders' economy was based mainly on the rearing of dairy cows and the associated dairy production, in particular cheese production.

It is undeniable that curd cheese was the first product to be made from milk. This type of sour cheese, the simplest to make, has remained virtually unchanged to this day.

The most important aspect for understanding the specificities of cheesemaking in the 18th and 19th centuries is that the term 'twaróg' was used for both the product obtained by acid coagulation (with native lactic fermenting bacteria or after the addition of an acid) and the curd separated with the aid of rennet from calves' stomachs. The latter was described as a 'sweet milk curd'⁽⁴⁾.

In historical literature, the terms for curd cheeses and rennet cheeses are used interchangeably. It is only through the detailed descriptions of the making of the cheeses and the production techniques involved that we have precise information about the product in question. In the book *Z badań nad żywieniem ludu Łódzkiego (1880-1939)* ('On research into the food of the people of Łódź (1880-1939)'), held by the Archaeological and Ethnographic Museum in Łódź, Jan Piotr Dekowski describes the technology for producing the modern 'twaróg', describing it as 'cheese' made from curdling milk from which the whey has been drained. The author adds that the resulting 'twaróg' was salted and that spices were sometimes added.

⁽²⁾ The Polish term 'twaróg' refers to a casein mass, coagulated using the acid or rennet acid method and appropriately dried, with a water content of up to 65-75 %.

⁽³⁾ J. Licznerski, *Serowarstwo*, Warsaw, 1922.

⁽⁴⁾ In his book *Teorya Gospodarowania Wewnętrzznego, czyli Zbiór Wiadomości potrzebnych gospodyniom, dla użytku Instytutów -eńskich* ('Theory of Internal Management – The collection of information needed by housewives, for use by women's institutes'), published in 1837, Antoni Waga mentions the following.

Attempts to find methods to extend the shelf life of curd cheeses through drying, salting, smoking and storage under appropriate conditions are typical of the time. We can also see various forms of culinary use of the curd, typically involving the addition of salt, spices and vegetables.

The first references to the smoking of the curd (then known as ‘common cheese’) can be found in Antoni Waga’s book from 1837 ⁽⁵⁾. The author writes that the common cheese can acquire a pleasant taste by smoking, which also preserves it from mould and rot. He also warns against smoking the curd at excessive temperatures, which could cause bubbles to form or the product to disintegrate. This observation remains valid; the choice of the appropriate temperature and smoking time requires technological knowledge and experience. At the time, juniper branches were used. However, as technology evolved, this wood was replaced by wood from deciduous trees (beech and alder). This was due to technical progress: wood smoking using conifers gives a bitter taste and dark colour and causes the deposition of viscous substances that are harmful to human health.

The 1971 handbook by Tadeusz Obrusiewicz, entitled *Technologia mleczarstwa. Część II*. (Dairy Products Technology. Part II), refers to ‘*twaróg wędzony*’ made in such a way as to extend its shelf life and give it new, pleasant organoleptic characteristics.

The industrial manufacture of curd cheeses is based on the original techniques formerly used in households and on small farms.

The traditional character of the curd cheese production technique is determined by the following elements ⁽⁶⁾:

- the type of raw material: skimmed milk, standardised milk fat content;
- the extent of heat treatment of the milk: generally short-term pasteurisation at a temperature of approximately 74 °C for a dozen seconds or between 80 °C and 85 °C for a period ranging from a few seconds to a dozen seconds;
- the protein (mainly casein) precipitation method: indirect acidification by acidification of the milk (to a pH of approximately 4,6) using lactic fermentation bacteria;
- the method of processing the curd or coagulated granular mass: size, degree of drying and range of change in the pH of the grain;
- the extent of the final processing of the curd: draining, pressing.

The technique used to make curds for ‘*twaróg wędzony*’ has remained faithful to tradition thanks to the following specific technical activities described, for example, in Instruction No 342 of 1976 on the production of unripened curd cheese, issued by the Central Union of Polish Dairy Cooperatives:

- use of milk with a standardised fat content as raw material,
- short-term pasteurisation,
- coagulation with lactic acid produced by lactic fermentation bacteria – duration of the process between 12 and 18 hours,
- cutting of the curd, mixing and heating/drying of the grain,
- pressing or self-pressing of the cheese.

The technique used to make the product called ‘*twaróg wędzony*’ on an industrial scale was introduced in the early 1980s. That production technique was described in Technical Manual No 256/83 published by the Poznań Provincial Union of Dairy Cooperatives, and the quality requirements were laid down in manufacturing standard Zn-83/CZSML/A-85, published in 1983 by WZSML in Poznań. Given the specific characteristics of the centrally planned economy, this standard was applicable to workshops producing “‘*twaróg wędzony*” throughout the country’. Until now, the production of ‘*twaróg wędzony*’ has followed all the technical protocols laid down in the above-mentioned manual covering the activities related to salting and smoking that give the product its specific characteristics.

⁽⁵⁾ *Idem*.

⁽⁶⁾ E. Pijanowski, J. Gaweł, *Zarys chemii i technologii mleczarskiej, tom III* (‘Outline of dairy chemistry and technology, Volume III’), PWRiR, Warsaw, 3rd edition, amended in 1986, pp. 222-223.

Other sources referring to 'twaróg wędzony' are based on the manufacturing standard and the technical manual.

In an article entitled 'Twarogi kwasowe – przetwórstwo' ('Sour fresh cheeses – Production'), published in the specialist press (*Przegląd Mleczarski*, 2008), the expert Krzysztof Bohdziewicz notes that, in curd cheese production, traditionally the main aim was to extend the shelf life of the cheese, whereas nowadays it is to increase the product's nutritional value and commercial attractiveness. 'Twaróg wędzony' within the meaning of the 1983 manufacturing standard is cited as being part of this type of product. The article also refers to the salting of the product and the possible addition of spices.

As regards the procedures described in the manual and the 1983 standard, two types of salting prior to smoking have been permitted over the years: dry salting of the cheese (for pressed cheeses) and salting by immersion in brine (for self-pressed cheeses). Both techniques refer to traditional methods of cheese production ⁽⁷⁾. The introduction of the method of salting by immersion in brine has improved the quality standards of the product without affecting the characteristics of the final product.

Smoking, in addition to salting and drying, is considered to be one of the oldest methods of preserving food. Nowadays, when the methods of chilling, freezing, freeze-drying, sterilisation and preservation are widely used to preserve food, the smoking process has lost much of its importance as a means of preserving food, whereas its role as a traditional means of processing prepared foods has been strengthened.

'Twaróg wędzony' is smoked using wood of deciduous trees. In the commercial production of 'twaróg wędzony', the smoke is produced in a stack connected by smoke pipes to an appropriate smoking chamber, where the curd cheeses are placed on special racks. New smoking equipment has come into use over the years, including natural smoke generators and beech and alder smoke chips. As a result, the process has become safer, allowing for greater standardisation of the smoking system while preserving the specific characteristics and properties of the product and the traditional method of hot smoking. This is currently the production method used.

In this way, the original character and specific characteristics of the product are preserved, since the curd salting process and hot smoking with wood from deciduous trees have consistently been considered to be fundamental to the unique quality of the product, which is so appreciated by consumers.

⁽⁷⁾ E. Pijanowski, J. Gaweł, *Zarys chemii i technologii mleczarskiej, tom III* ('Outline of dairy chemistry and technology, Volume III'), PWRiR, Warsaw, 3rd edition, amended in 1986, pp. 117-123.

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