Official Journal of the European Union

C 243

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II

(Information)

INFORMATION FROM EUROPEAN UNION INSTITUTIONS AND BODIES

COMMISSION

Non-opposition to a notified concentration (Case COMP/M.4748 — T-Mobile/Orange)

(Text with EEA relevance)

(2007/C 243/01)

On 20 August 2007, the Commission decided not to oppose the above notified concentration and to declare it compatible with the common market. This decision is based on Article 6(1)(b) of Council Regulation (EC) No 139/2004. The full text of the decision is available only in English and will be made public after it is cleared of any business secrets it may contain. It will be available:

- from the Europa competition website (http://ec.europa.eu/comm/competition/mergers/cases/). This
 website provides various facilities to help locate individual merger decisions, including company, case
 number, date and sectoral indexes,
- in electronic form on the EUR-Lex website under document number 32007M4748. EUR-Lex is the on-line access to European law (http://eur-lex.europa.eu).

IV

(Notices)

NOTICES FROM EUROPEAN UNION INSTITUTIONS AND BODIES

COMMISSION

Euro exchange rates (¹) 16 October 2007

(2007/C 243/02)

1 euro =

	Currency	Exchange rate		Currency	Exchange rate
USD	US dollar	1,4150	RON	Romanian leu	3,3513
JPY	Japanese yen	165,17	SKK	Slovak koruna	33,687
DKK	Danish krone	7,4528	TRY	Turkish lira	1,7314
GBP	Pound sterling	0,69650	AUD	Australian dollar	1,5929
SEK	Swedish krona	9,1538	CAD	Canadian dollar	1,3878
CHF	Swiss franc	1,6753	HKD	Hong Kong dollar	10,9724
ISK	Iceland króna	86,25	NZD	New Zealand dollar	1,8930
NOK	Norwegian krone	7,6660	SGD	Singapore dollar	2,0767
BGN	Bulgarian lev	1,9558	KRW	South Korean won	1 297,84
CYP	Cyprus pound	0,5842	ZAR	South African rand	9,7399
CZK	Czech koruna	27,526	CNY	Chinese yuan renminbi	10,6380
EEK	Estonian kroon	15,6466	HRK	Croatian kuna	7,3235
HUF	Hungarian forint	251,05	IDR	Indonesian rupiah	12 819,90
LTL	Lithuanian litas	3,4528	MYR	Malaysian ringgit	4,7862
LVL	Latvian lats	0,7030	PHP	Philippine peso	62,755
MTL	Maltese lira	0,4293	RUB	Russian rouble	35,3050
PLN	Polish zloty	3,7196	THB	Thai baht	44,424

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

V

(Announcements)

ADMINISTRATIVE PROCEDURES

EUROPEAN PERSONNEL SELECTION OFFICE (EPSO)

NOTICE OF OPEN COMPETITION EPSO/AST/43-44/07

(2007/C 243/03)

The European Personnel Selection Office (EPSO) is organising the following open competitions: EPSO/AST/43/07 and EPSO/AST/44/07 — Assistants (AST3) of Bulgarian and Romanian nationality in the following fields:

- 1. European public administration
- 2. Financial management

The competition notice is published in English, French and German only, in Official Journal C 243 A of 17 October 2007.

Full details can be found on the EPSO website: http://europa.eu/epso

PROCEDURES RELATING TO THE IMPLEMENTATION OF THE COMPETITION POLICY

COMMISSION

STATE AID — UNITED KINGDOM

State aid C 23/07 (ex N 118/07) — Vauxhall Motors Ltd — Training aid for Ellesmere Port Invitation to submit comments pursuant to Article 88(2) of the EC Treaty

(Text with EEA relevance)

(2007/C 243/04)

By means of the letter dated 10 July 2007 reproduced in the authentic language on the pages following this summary, the Commission notified the United Kingdom of its decision to initiate the procedure laid down in Article 88(2) of the EC Treaty concerning part of the abovementioned aid.

Interested parties may submit their comments on the aid in respect of which the Commission is initiating the procedure within one month of the date of publication of this summary and the following letter, to:

European Commission Directorate-General for Competition State aid registry SPA-3 6/5 B-1049 Brussels Fax (32-2) 296 12 42

These comments will be communicated to the United Kingdom. Confidential treatment of the identity of the interested party submitting the comments may be requested in writing, stating the reasons for the request.

SUMMARY

On 5 March 2007 the UK notified the Commission of its intention to grant aid to Vauxhall Motors Ltd, Ellesmere Port ('Vauxhall'), a car manufacturing plant which is a unit of Vauxhall Motors Ltd and part of General Motors Ltd. The notification was made under Article 5 of the Training Aid of Commission Regulation (EC) No 68/2001 which requires all training aid above EUR 1 million to be individually notified.

The aid is intended to support a training programme designed to improve Vauxhall's performance. The training is designed to be implemented over six years (2007 to 2012 included). The total eligible costs of the training are GBP 16 583 461. The aid would be granted by the North-West Development Agency as a direct grant of GBP 8 584 767 payable in six yearly instalments.

The Commission considers that the measure constitutes State aid within the meaning of Article 87 EC. The Commission will assess the compatibility of the aid with the common market on the basis of Article 87(3)(c) EC. In doing so, the Commission will take into consideration the guiding principles of the Training Aid Regulation. The Commission will also assess whether the aid provides a necessary incentive for the training, i.e. whether the training would not have been undertaken in the absence of aid. This criterion of 'incentive effect' is a general condition of compatibility for State aid.

At this stage, the Commission has doubts on the compatibility of the aid for the following reasons. First, it questions the incentive effect of the aid in relation to three parts of the training programme (regarding Production System Training, training in GM's Global Manufacturing System and work/study programmes for undergraduates) which the Commission considers likely to be implemented even in the absence of aid.

Second, the Commission questions the UK's view that the training to be provided within four areas of the programme (Production System Training, Global Manufacturing System, Cultural Change and Lean Manufacturing) constitutes general training within the meaning of the Training Aid Regulation, i.e. training which provides qualifications which can be transferred to other firms or sectors and for which aid can be granted with up to 50 % of eligible costs. The Commission believes that these parts of the training constitute specific training within the meaning of the Regulation (maximum aid intensity 25 %).

TEXT OF LETTER

'The Commission wishes to inform the United Kingdom that, having examined the information supplied by the UK authorities on the measure referred to above, it has decided to initiate the procedure laid down in Article 88(2) of the EC Treaty.

1. THE PROCEDURE

(1) By letter dated 28 February 2007, registered with the Commission on 6 March 2007, the UK authorities notified the Commission of the above-mentioned measure for General Motor's Vauxhall assembly plant at Ellesmere Port. The Commission requested complementary information by letter of 4 April 2007 (ref. D/51586), to which the UK authorities replied on 22 May 2007.

2. **DESCRIPTION OF THE AID**

2.1. The beneficiary

- (2) The aid recipient is Vauxhall Motors Ltd, Ellesmere Port, UK ("Vauxhall"), a car manufacturing plant which is an operating unit of Vauxhall Motors Ltd and part of General Motors Inc. ("GM"). It manufactures cars from the Opel model range (which are sold in the UK under the Vauxhall badge), currently the Astra which will terminate in 2009. Vauxhall is located in Ellesmere Port in Cheshire in the North-West region of England (1) and employs close to 2 200 workers.
- (3) Vauxhall has suffered from a long record of underperformance. Initiatives taken since 2002 have considerably improved the plant's performance. However, according to the UK, the improvements represent only the changes needed to meet the basic standards for a GM plant. In order to survive in the long term, Vauxhall needs to implement a more comprehensive change and staff development programme in order to improve productivity and build quality and make Vauxhall a class leading plant.
- (4) On 17 April 2007, GM announced that Vauxhall was amongst the European GM sites that had been selected to produce the Global Compact Vehicle, the model that will replace the Astra.

2.2. The training programme

- (5) Vauxhall intends to implement a wide-ranging training plan which breaks down into 8 individual training areas, 6 of which are considered by the UK to be eligible for training aid:
 - (a) Production System Training: This concerns training in all elements of Vauxhall's production and quality control systems. The objective is to give staff a better understanding of the build process and thus generate better standard, reduce defects and improve problem solving.
 - (b) Integrated Training Plan: This part of the training concerns the implementation of the "Global Manufacturing System" (GMS) which incorporates best practices and technologies into a common manufacturing system for GM operations. Through a series of objectives ("People Involvement", "Standardisation", "Built-in Quality", "Short Lead Time", "Continuous Improvement") the training will allow the staff of Vauxhall to build future generations of cars in a better way.
 - (c) Cultural Change: The objective of this training is to instil a sense of common purpose and collective responsibility in the workforce and to create a team culture based on excellence in production.

⁽¹) Vauxhall is located in an area which until 31 December 2006 qualified for regional aid under Article 87(3)(c) of the EC Treaty. Since 1 January 2007, the region is an unassisted area.

- (d) Dual Skilling: The purpose of this training is to develop a flexible workforce by allowing staff with a primary skill in mechanical engineering to develop electrical skills and, conversely, those with primary skills in electrical engineering to acquire mechanical skills.
- (e) Lean Manufacturing: This is a project to ensure that the principles and techniques of lean manufacturing are embedded in the workforce and that employees are fully aware of the benefits of applying these to the manufacturing process at Vauxhall. A central part of training under this heading will be the secondment of staff to another GM plant outside the UK.
- (f) Undergraduates: This is a programme whereby Vauxhall organises 12-month courses for young University students. The various programmes (e.g. "Body Planning Engineer", "Finance Analyst", "General Assembly Planning Engineer") combine learning and work experience under the supervision of a mentor. There is no contractual obligation on either party to maintain the working relationship at the end of the training.
- (6) Outside the training intended to benefit from the notified State aid are the training areas "Apprentices" (an apprenticeship scheme for young people), "Model Change" (the training needed to adapt to the production of the Global Model Vehicle) and activities related to "Training & Performance Appraisal". In addition, the UK authorities have informed the Commission that Vauxhall undertakes "routine training" in the skills necessary to the plant's normal operations.
- (7) According to the information provided by the UK, the training would consist mainly in general training, with some elements of specific training (2). The training plan will be implemented over six years (2007 to 2012 included) and will concern all employees at Vauxhall.

2.3. **The aid**

- (8) The aid would be given in the form of a direct grant of GBP 8 584 767 payable in six yearly instalments over the running time of the training programme. The aid would be implemented as an individual aid from the North West Development Agency.
- (9) According to the information provided by the UK, the eligible costs for the training and the aid break down as follows (the costs for the projects "Apprenticeships", "Model Change" and "Routine Training Budget" are not considered eligible by the UK) (3) (*):

Projects	General training Eligible costs in GBP	Specific training Eligible costs in GBP	Wage compensation in GBP	Total eligible costs in GBP	Aid in GBP	Intensity in %
Product System Training	[]	[]	[]	[]	[]	[]
Integrated Training Progr.	[]	[]	[]	[]	[]	[]
Cultural Change	[]	[]	[]	[]	[]	[]
Dual Skilling	[]	[]	[]	[]	[]	[]
Lean Manufacturing	[]	[]	[]	[]	[]	[]
Undergraduates	[]	[]	[]	[]	[]	[]
TOTAL	9 870 316	464 808	6 248 338	16 583 461	8 584 767	51,78

⁽²⁾ The notions of general and specific training are used as defined in Commission Regulation (EC) No 68/2001 of 12 January 2001 on the application of Articles 87 and 88 of the EC Treaty to training aid (OJ L 10, 13.1.2001, p. 20), referred to in this decision as "the Training Aid Regulation".

⁽³⁾ These amounts in the table are those indicated in the UK's letter of 22 May 2007. However, the Commission notes a discrepancy as regards the figures provided in the notification, at least as concerns the eligible costs for the Integrated Training Programme. The Commission expects the UK authorities to clarify this issue and provide definitive amounts for the eligible costs and the aid.

^{(*) [...]:} Confidential information.

Projects	General training Eligible costs in GBP	Specific training Eligible costs in GBP	Wage compensation in GBP	Total eligible costs in GBP	Aid in GBP	Intensity in %
Apprenticeships	[]	[]	[]	[]	[]	[]
Model Changes	[]	[]	[]	[]	[]	[]
Routine Training Budge	[]	[]	[]	[]	[]	[]

(10) According to the UK, the planned aid amounts respect the aid intensities of the Training Aid Regulation, i.e. 50 % for general training and 25 % for specific training, with an increase of 3,7 percentage points for training to disadvantaged workers within the meaning of Article 2(g) of the Training Aid Regulation (4).

3. ASSESSMENT

3.1. Qualification as State aid

- (11) According to Article 87 of the EC Treaty, any aid granted by a Member State or through State resources in any form whatsoever which distorts or threatens to distort competition by favouring certain undertakings or the production of certain goods, in so far as it affects trade between Member States, constitutes incompatible State aid unless it can be justified under Article 87(2) or (3) of the EC Treaty.
- (12) The Commission considers that the measure constitutes State aid within the meaning of Article 87(1) of the EC Treaty. The funding takes the form of a grant from the general budget of the North West region, and is thus funded from State resources. The measures are selective as they are limited to Vauxhall. They are likely to distort competition within the Community since, by relieving it of a significant part of the costs of the training, the measure will provide Vauxhall with an advantage over other competitors not receiving the aid. Finally, the market for motor vehicles is characterised by extensive trade between Member States.

3.2. Legal basis for the assessment

- (13) The UK authorities have notified the aid as individual aid under Article 5 of the Training Aid Regulation which provides that when the amount of aid granted to one enterprise for a single training project exceeds EUR 1 million, the aid is not exempted from the notification requirement of Article 88(3) EC Treaty. The Commission notes that the proposed aid in this case amounts to GBP 8 584 767, i.e. about EUR 13 million, to be paid to one enterprise, and that the training project is a single project. The Commission therefore considers that the notification requirement applies to the proposed aid, and that it has been respected by the UK.
- (14) When assessing an individual training aid which does not qualify for the exemption laid down in the Training Aid Regulation, the Commission will, in line with previous decisions (5) make an individual assessment of the aid on the basis of Article 87(3)(c) of the EC Treaty. However, for the purposes of this individual assessment the Commission will by analogy rely on the guiding principles of the Training Aid Regulation and in particular the exemption criteria laid down in its Article 4.
- (15) Moreover, the Commission will, in line with its established practice, assess whether the training aid measure is necessary to undertake the training in question. The necessity of the aid is a general condition for finding the aid compatible with the common market (6). If the aid does not lead to additional training, it cannot be considered to "promote" the economic development within the meaning of Article 87(3)(c) EC of the EC Treaty nor to correct the market imperfections that lead companies to underinvest in the training, as mentioned in recital 10 of the Training Aid Regulation.

⁽⁴⁾ At present, 37 % of workers of the company are considered to be disadvantaged. They fall mainly into the category of persons older than 45 who have not attained an upper secondary education. However, as the training will run over 6 years and as the exact number of disadvantaged workers benefiting from the training will be known only at the time the training as the Caace number of disadvantaged workers benefiting from the training will be known only at the time the training is delivered, the UK authorities intend to apply a general increase of aid intensity of 3,7 % across the board. The UK authorities have committed to verifying the actual number of disadvantaged workers in each training project ex post and to correct the applied aid intensities accordingly.

See Commission Decision 2006/938/EC of 4 July 2006 on State aid C 40/2005 ... Ford Genk (OJ C 366, 21.12.2006, p. 32) and Commission Decision of 4 April 2007 on State aid C 14/06 ... General Motors Belgium, not yet published. This follows also from paragraph 16 of the preamble of the Training Aid Regulation.

This is reiterated in point 11 of the Regulation which clarifies that it must be "ensurefeld that State aid is limited to the minimum."

⁽⁶⁾ This is reiterated in point 11 of the Regulation which clarifies that it must be "ensure[d] that State aid is limited to the minimum necessary to obtain the Community objective which market forces alone would not make possible [...]".

3.3. Compatibility with the common market

(16) In view of the information submitted by the UK, the Commission has doubts on the compatibility of the aid with the common market for the reasons indicated below.

3.3.1. Incentive effect of the aid

- (17) As indicated above, the Commission takes the view that training aid can be compatible with the common market only if it creates a necessary incentive for the funded training, in the absence of which the training would not take place. Training which is part of the normal operations of an undertaking and for which market forces alone should provide sufficient incentive will not qualify for training aid.
- (18) The UK has indicated that all training which is necessary for Vauxhall's normal operations is provided as part of "routine training", the cost of which is not included in the eligible costs of the notified aid (the same is claimed for the training necessary to adapt to the production of the Global Concept Vehicle, covered by the heading "Model Change").
- (19) According to the UK, the training covered by the notification is significantly in excess of the work required to maintain its current business and would, because of it prohibitive cost, not be undertaken by Vauxhall without the aid. The aid would thus be a necessary condition for the training.
- (20) The Commission nevertheless doubts the incentive effect of the aid on parts of the training programme:

Production System Training

- (21) In the Commission's view, this training appears to be necessary to ensure Vauxhall's normal operations. This should provide Vauxhall with sufficient incentive to undertake the training without aid.
- (22) The UK has indicated that the training in production systems which is indispensable to Vauxhall's operations is provided through "routine training" which is distinct from the Production System Training. However, the UK has not provided sufficient information to allow the Commission to verify the contents of the "routine training" and to compare it to the Production System Training to satisfy itself that the latter provides additional qualifications.
- (23) The Commission consequently doubts that the aid is necessary for Vauxhall to undertake the Production System Training.
- (24) Concerning a particular item of the Production System Training, namely lines A25.1.1 to A25.1.6 "Statutory Inspection Training", the Commission observes that any training which is required by statute will necessarily be undertaken even in the absence of State aid. The Commission would require specific explanations regarding this point.

Integrated Training Plan

- (25) The Commission understands that GMS is an integrated manufacturing system which has been developed by GM and which is common to all GM car manufacturing facilities. Training the workforce in GMS would therefore appear indispensable to Vauxhall's normal operations and should be undertaken even in the absence of the notified State aid.
- (26) The UK has indicated that GMS training has been undertaken at Vauxhall before, but that the Integrated Training Plan aims at the refreshment and extension of the skills initially learnt and that this expenditure is discretionary and would not be brought about by the simple operation of market forces.
- (27) However, the Commission considers that training in the manufacturing systems applied at Vauxhall, including appropriate refreshment courses, are essential to operations. The Commission considers that the UK authorities have failed to provide concrete information to substantiate the claim that the Integrated Training Plan goes beyond what it is necessary for Vauxhall's normal operations and would not be undertaken in the absence of the aid. The Commission consequently doubts that the notified aid, in this respect, is compatible with the common market.

Undergraduates

- (28) The UK has indicated that the programme is nonessential to Vauxhall's operations and could be curtailed without business unduly suffering. The costs of the training cannot be considered part of operating costs. Expenditure on the Undergraduate programme is discretionary and up for review every year. It is liable to budget cuts. The State aid would guarantee its continuation.
- (29) At this stage, the Commission observes that the Undergraduate programme has been in place for a number of years without State aid, which would indicate that the aid is not necessary for this training. The UK, which has stated that the Undergraduate training brings new talent into the company and is a key element of the training to be undertaken by Vauxhall, has not provided any concrete evidence that the programme will be discontinued in the absence of aid. The Commission is consequently not satisfied that the aid is compatible with the common market in this respect.

3.3.2. The distinction between general and specific training

- (30) The notions of general and specific training are defined in Article 2(e) of the Training Aid Regulation. Specific training is directly and principally applicable to the employee's present or future position in the assisted undertaking and provides qualifications which are not or only to a limited extent transferable to other firms or fields of work. General training, on the other hand, provides qualifications which are transferable to other firms or fields of work and therefore substantially improve the employability of the employee. The essential distinction between the two forms of training is thus the transferability of the acquired skills.
- (31) For the different parts of the Vauxhall training programme the UK authorities have indicated whether they consider the training to be general or specific (and, consequently, which maximum aid intensity should apply in accordance with Article 4 of the Training Aid Regulation). The Commission nevertheless questions the UK's qualifications as regards the following training projects:

Production System Training

- (32) As indicated above, this training concerns all manufacturing and quality control systems at Vauxhall. The UK has indicated that all training will be given by external trainers and concerns third party equipment which is used in other undertakings and sectors, thus providing trainees with transferable qualifications.
- (33) The Commission nevertheless considers that the UK has not provided it with sufficient information to allow it to ensure that all training provided under this heading is indeed transferable. The UK would need to provide the Commission with details on the basic "routine" training at Vauxhall so that the Commission can compare the nature of this training and assess to which extent it concerns skills which are specific to Vauxhall or GM.

Integrated Production System

- (34) As indicated above, this is, to the Commission's understanding, training in the Global Manufacturing System which was developed by GM and is applied at GM facilities.
- (35) The UK argues that GMS is based on a set of principles applicable to any business situation which involves a regular process. The underlying principles are applied both within and outside the automotive sector. The employees would thus acquire a set of skills which will make them capable of performing more efficiently with any employer. In addition, some specific elements of training have been identified and notified as specific training.
- (36) The Commission nevertheless questions whether training into a proprietary manufacturing system can be considered to provide transferable qualifications. Although certain underlying notions may be widely shared, the Commission considers that the training, insofar as it concerns the application of these notions to a concrete production process, is likely to be specific. The Commission would therefore require more detailed information on this training and how closely linked it is to practical applications in the GM manufacturing process.

Cultural Change

- (37) The Commission notes that the UK authorities have not submitted any details on the content and expected output of the training under this heading as, on their own account, this information is not yet available. In spite of this, the UK authorities claim that all training provided under this heading is general training within the meaning of the Training Aid Regulation.
- (38) However, the Commission has doubts about the transferability of skills acquired as part of a "cultural change" which in the words of the UK authorities is specifically focused on "jointly improving the key production metrics of the plant relating to cost and quality". In view of this objective and the notification's statements that "individual cultures widely vary between different organisations" and that "there is no optimal culture which can be easily and quickly adopted" the Commission doubts that this part of the training programme provides skills which are transferable by individual employees to other firms or fields of work. The Commission consequently doubts that training fitting the description given by the UK authorities constitutes general training.

Lean Manufacturing

- (39) The UK has argued that the principles of lean manufacturing are generally applied across the manufacturing industry and that, once acquired by the trainee, provide qualifications which are widely transferable.
- (40) Although the notion of lean manufacturing may rest on a body of generally applicable principles and techniques, the Commission nevertheless doubts whether this training can be dissociated from its practical application at Vauxhall or within the GM group at large, and thus whether the qualifications it provides are largely transferable by individual employees to other firms or fields of work. The Commission consequently doubts that this constitutes general training (7).

4. CONCLUSION

In the light of the foregoing considerations, the Commission, acting under the procedure laid down in Article 88(2) of the EC Treaty, requests the United Kingdom to submit its comments and to provide all such information as may help to assess the aid, within one month of the date of receipt of this letter.

It requests your authorities to forward a copy of this letter to the potential recipient of the aid immediately.

The Commission wishes to remind the United Kingdom that Article 88(3) of the EC Treaty has suspensory effect, and would draw your attention to Article 14 of Council Regulation (EC) No 659/1999, which provides that all unlawful aid may be recovered from the recipient.

The Commission warns the United Kingdom that it will inform interested parties by publishing this letter and a meaningful summary of it in the *Official Journal of the European Union*. It will also inform the EFTA Surveillance Authority by sending a copy of this letter. All such interested parties will be invited to submit their comments within one month of the date of such publication.'

⁽⁷⁾ The Commission points out that in the above-mentioned decision in Ford Genk, training on "Lean organisation" was considered to be specific training.

OTHER ACTS

COMMISSION

Publication of an application pursuant to Article 6(2) of Council Regulation (EC) No 510/2006 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs

(2007/C 243/05)

This publication confers the right to object to the application pursuant to Article 7 of Council Regulation (EC) No 510/2006 (1). Statements of objection must reach the Commission within six months from the date of this publication.

SUMMARY

COUNCIL REGULATION (EC) No 510/2006

'CHAMOMILLA BOHEMICA'

EC No: CZ/PDO/005/0411/28.10.2004

PDO (X) PGI()

This summary sets out the main elements of the product specification for information purposes.

1. Responsible department in the Member State:

Name: Úřad průmyslového vlastnictví

Address: Antonína Čermáka 2a

CZ-160 68 Praha 6

Tel. (420) 220 383 111
Fax (420) 224 324 718
E-mail: posta@upv.cz

2. Group:

Name: LEROS, s.r.o., zastupující skupinu producentů

Address: U Národní galerie 470

CZ-150 00 Praha 5-Zbraslav

Tel. (420) 257 898 111
Fax (420) 257 921 328
E-mail: leros@leros.cz

Composition: Producers/processors (X) Other ()

Type of product:

Class 1.8: Other Annex I products

⁽¹⁾ OJ L 93, 31.3.2006, p. 12.

4. Specification:

(Summary of requirements under Article 4(2) of Regulation (EC) No 510/2006)

4.1. Name: 'Chamomilla Bohemica'

The designation 'Chamomilla Bohemica' is the traditional name for the flowerhead of true camomile from the area of Bohemia.

4.2. Description: The dried flowerhead of true camomile (flos Chamomilla vulgaris) — Matricariae flos, Matricaria recutita (L.) Rauschert, Chamomilla recutita (L.) Rauschert.

'Chamomilla Bohemica' is distinguished by its essential oil content of up to 1 %; the main active constituent of this is chamazulene, which occurs in the drug in average amounts of 0,06-0,07 %. In view of these characteristics 'Chamomilla Bohemica' is superior to drugs from other geographical areas and also exceeds the quality requirements laid down for flowerheads of true camomile by the 1997 Czech Pharmacopoeia and the 2002 Czech Pharmacopoeia. According to the 2004 Supplement to the 2002 Czech Pharmacopoeia, it should contain 'at least 4 ml of blue-coloured essential oil per kilogram of dried drug and at least 0,25 % of total apigenin 7-glucoside, calculated with reference to the dried drug. The main constituents of the essential oil are sesquiterpenes (about 50 % of the essential oil, (-)-α-bisabolol, bisabolol oxide A and B, and (-)-bisabolon oxide A). Another constituent of the essential oil is chamazulene (the minimum content is 0,035 %). In addition to essential oil, the drug contains coumarins (umbelliferone, herniarin), flavonoids (apigenin 7-glucoside and derivatives thereof, luteolin, quercetin, isorhamnetin) in amounts of at least 0,01 % and azulenes in amounts of at least 0,02 %. Flavonoids have spasmolytic effects and occur in amounts of 0,015 %. Spiroethers have bacteriostatic and fungicidal effects and account for 0,03 %'. 'Chamomilla Bohemica' must not show traces of an essential oil which produces a brown colour during thin layer chromatography testing and must have an average chamazulene content of 0,06-0,07 %. It is marketed in the form of tea in bags and loose tea in 50 g packs or, for wholesale purposes, in 14 kg packs.

4.3. Geographical area: Bohemia, namely the entire Prague, Central Bohemian, South Bohemian, Plzeň, Karlovy Vary, Ústí nad Labem, Liberec, Hrádec Králové and Pardubice Regions and, in the Vysočina Region, the districts of Havlíčkův Brod, Jihlava and Pelhřimov, in accordance with Constitutional Act No 347/1997 Coll. on establishing higher territorial self-governing units and amending Constitutional Act of the Czech National Council No 1/1993 Coll., the Constitution of the Czech Republic, as amended.

The areas for growing 'Chamomilla Bohemica' in Bohemia are defined by the following soil and climatic conditions: loamy-sandy soil (according to the classification of chernozems, brown earths and illimerised soils), pH factor 7,3-8,1. Climatic conditions — average annual rainfall of 500-700 mm/ m^2 , altitude of 230-480 m.

4.4. Proof of origin: Processors keep a register of suppliers, who are subjected to checks at each stage of the camomile flowerhead production process: sowing, growing, harvesting, drying, storing and processing. Registers are also kept of purchasers of the finished product.

Compliance with the specification is checked by the local inspectorate of the State Agricultural and Food Inspection Authority.

- 4.5 Method of production: Camomile is an extremely adaptable crop, but contains substances which react strongly to environmental conditions through the influence of specific factors, including the following:
 - Preparation for sowing camomile is not demanding in terms of precursor crops, requiring only
 medium ploughing, harrowing to level the ground and weed-free soil.
 - Sowing precision sowing machinery is used and the area is subsequently rolled; the rate of sowing is 20 g per are.
 - Growing season during the growing season, compound artificial fertilisers (e.g. NPK or Cererit) are applied.
 - Harvesting and post-harvest treatment as soon as the flowers have bloomed, they are harvested by hand or by means of special self-propelled machinery marketed under the brand names Neset and Unag; they are dried at a recommended temperature of 40 °C and subsequently treated on post-harvest lines comprising a system of sorting and cleaning equipment.

In this connection, it is necessary to adhere to the specified growing area in order to guarantee the specific properties of the raw materials, as referred to in Section 4.2.

- Storage and packaging the camomile produced is stored in dry, dark warehouses with good ventilation, and is packaged in paper bags of a standard weight and labelled; these operations, including the final consumer packaging, need not be carried out in the defined area, but must comply with the standards and rules in force.
- 4.6. Link: Camomile of an exceptional quality was already being grown before the 1950s in the Czech lands but it was mainly during that decade, on account of a sharp increase in foreign demand, that it became necessary to distinguish this crop from other camomile produce and the name 'Chamomilla Bohemica' became accepted usage. The name has come to be the symbol for the production of this camomile, with its typical properties (see Section 4.2), which are guaranteed by the specific natural conditions. Its uniqueness derives from a combination of factors in the growing areas, such as the climate, soil and methods of harvesting (average rainfall of 500-700 mm/m², soil pH of 7,3-8,1 and loamy-sandy soil type). The quality of the yield is influenced mainly by the appropriate soil type selected and the amount of rainfall. In addition, the altitude and hours of sunshine are factors which substantially influence the essential oil and chamazulene content. On account of its quality, 'Chamomilla Bohemica' has been successful at a number of fairs and exhibitions, such as SALIMA and Země živitelka, where it was awarded the title 'Kvalitní výrobek' (quality product). With a view to harvesting the camomile in a more gentle manner, special machinery marketed under the brand names Neset and Unag has been developed.

In the Czech Republic, the designation of origin 'Chamomilla Bohemica' has been registered under No 84 since 21 January 1975 and it is also protected under a bilateral agreement with Portugal.

4.7. Inspection body:

Name: Státní zemědělská a potravinářská inspekce — inspektorát v Praze

Address: Za opravnou 4

CZ-150 00 Praha 5

Tel. (420) 257 199 511 Fax (420) 257 199 529 E-mail: praha@szpi.gov.cz

and the other local inspectorates responsible in the different production and processing areas.

4.8. Labelling: The designation 'Chamomilla Bohemica' must be clearly indicated on the front of the packaging (in capital letters).