

**COUNCIL REGULATION (EEC) No 1943/81**

of 30 June 1981

**on a common measure to improve the processing and marketing conditions in the cattlefeed sector in Northern Ireland**

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

sectors mentioned and of a lasting positive effect on the agricultural sector;

Having regard to the Treaty establishing the European Economic Community, and in particular Articles 42 and 43 thereof,

Whereas, in order to ensure consistency between the measures taken by the Community and those taken by the Member State concerned, it appears necessary that the Member State approve projects to be financed by the Fund and also contribute towards their financing;

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament <sup>(1)</sup>,

Whereas, in order to ensure that beneficiaries comply with the conditions imposed at the time aid from the Fund is granted, a procedure should be laid down for an effective check and for the possibility of suspending, reducing or discontinuing aid from the Fund;

Having regard to the opinion of the Economic and Social Committee <sup>(2)</sup>,

Whereas the agricultural production sectors which depend on cattlefeed are of vital importance for the agricultural economy of Northern Ireland;

Whereas aid from the Fund in the form of a capital grant of not more than 50 % of the amount of the investment constitutes an appropriate contribution to the implementation thereof;

Whereas these production sectors are, however, experiencing very serious problems, particularly on account of their dependence on external supply sources in cattlefeed; whereas an improvement in the processing and marketing activities in the cattlefeed sector may contribute towards a lasting solution to these problems;

Whereas aid from the Fund must not affect or be of such a kind as to affect conditions of competition in a manner incompatible with the principles of the Treaty; whereas, for this purpose in particular, it must neither reinforce nor create a dominant position in the common market or in a substantial part thereof, save where this proves necessary for attaining the aims of this Regulation;

Whereas the measures envisaged in this field are of a Community nature and are intended to achieve the objectives set out in Article 39 (1) (a) of the Treaty; whereas they therefore constitute a common measure within the meaning of Article 6 of Council Regulation (EEC) No 729/70 of 21 April 1970 on the financing of the common agricultural policy <sup>(3)</sup>, as last amended by Council Regulation (EEC) No 3509/80 <sup>(4)</sup>;

Whereas aid from the Fund over a period of four years amounting to an estimated six million ECU may permit the objective pursued by the common measure to be attained;

Whereas, in order to be eligible for Community financing, projects must permit the achievement of improvement and rationalization of processing and marketing structures in respect of the products in the

Whereas, for the approval of projects, a procedure should be laid down ensuring close cooperation between Member States and the Commission within the Standing Committee on Agricultural Structures, set up by Article 1 of the Council Decision of 4 December 1962 on the coordination of agricultural structural policies <sup>(5)</sup>; whereas provision should also be made for the Fund Committee referred to in Article 11 of Regulation (EEC) No 729/70 to be consulted,

<sup>(1)</sup> OJ No C 291, 10. 11. 1980, p. 82.

<sup>(2)</sup> OJ No C 230, 8. 9. 1980, p. 21.

<sup>(3)</sup> OJ No L 94, 28. 4. 1970, p. 13.

<sup>(4)</sup> OJ No L 367, 31. 12. 1980, p. 87.

<sup>(5)</sup> OJ No 136, 17. 12. 1962, p. 2892/62.

HAS ADOPTED THIS REGULATION:

*Article 1*

1. In order to improve the structural situation of farms depending on animal feed in Northern Ireland, a common measure is hereby introduced for the purpose of bringing about the modernization and rationalization of enterprises dealing with treatment, processing and marketing in the animal feed sector.

2. All the measures provided for in this Regulation shall constitute a common measure within the meaning of Article 6 (1) of Regulation (EEC) No 729/70.

3. In accordance with the provisions of Titles II and III, the Commission may grant aid for the common measure by financing projects which satisfy the conditions of Title I through the European Agricultural Guidance and Guarantee Fund, Guidance Section, hereinafter referred to as 'the Fund'.

TITLE I

Projects

*Article 2*

1. Within the meaning of this Regulation, 'project' means any project involving public, semi-public or private material investment relating wholly or in part to buildings and/or equipment intended in particular for:

- (a) rationalizing or developing facilities for storing, treatment or processing of the products of the sector referred to in Article 1 (1), including those located in harbours;
- (b) improving marketing channels;
- (c) better knowledge of the facts relating to prices and to their formation on the markets for products of the sector mentioned in Article 1 (1).

2. This Regulation shall not apply to investment at the retail level.

*Article 3*

1. The projects shall relate to the marketing of the agricultural products indicated in Annex II to the Treaty or to the production of the processed products listed in the aforesaid Annex. They shall offer adequate guarantees as to their profitability and contribute to the

long-term improvement of the situation of the sector mentioned in Article 1 (1) and, thus, to the improvement of production possibilities of farms concerned by this sector.

2. Aid from the Fund may be granted only if the beneficiary provides sufficient evidence that the conditions specified in paragraph 1 are fulfilled. Account may be taken *inter alia* of long-term supply contracts concluded with the producers of the basic agricultural products on reasonable terms for such producers.

TITLE II

Procedure for examining projects

*Article 4*

1. Applications for aid from the Fund shall be submitted through the Member State concerned before 1 May.

2. The Commission shall decide twice yearly on applications for aid submitted. Its decisions shall be taken not later than 30 June and 31 December.

Decisions which are taken during the first six months of a year shall be limited to applications for aid submitted not later than 31 December of the preceding year. Applications for aid submitted between 1 January and 30 April cannot be considered until the second half of the same year.

3. In order to be eligible for aid from the Fund, projects shall have been approved by the United Kingdom.

4. Applications for aid shall be accompanied by information making it possible to establish that the project satisfies the requirements laid down in Title I.

5. The particulars given in the applications and the form in which they are presented shall be those laid down by Regulation (EEC) No 219/78 <sup>(1)</sup>.

*Article 5*

1. The Commission shall decide on the granting of aid from the Fund, in accordance with the procedure laid down in Article 13, after consulting the Fund Committee on the financial aspects.

<sup>(1)</sup> OJ No L 35, 4. 2. 1978, p. 10.

2. The United Kingdom and the beneficiary shall be notified of the Commission's decision.

#### Article 6

1. In taking its decision, the Commission shall take account in particular of the allocation to the project concerned of any direct or indirect investment aid other than that provided for in this Regulation. To that end, the United Kingdom shall inform the Commission of any such aid.

2. Projects which receive aid under Regulation (EEC) No 355/77<sup>(1)</sup> or which may receive Community aid under other common measures within the meaning of Article 6 (1) of Regulation (EEC) No 729/70 shall not fall within the scope of this Regulation.

### TITLE III

#### Financial and general provisions

#### Article 7

1. The estimated time required for carrying out the common measure shall be four years as from 1 January 1981.

2. The estimated cost of the common measure financed by the Fund for the period 1 January 1981 to 31 December 1984 shall be six million ECU.

3. Article 6 (5) of Regulation (EEC) No 729/70 shall apply to this Regulation.

#### Article 8

1. Aid from the Fund shall consist of capital grants made in the form of one or more payments.

2. For each project, in relation to the investment made:

- (a) the financial contribution of the beneficiary shall be not less than 25 %;
- (b) the financial contribution of the United Kingdom shall be not less than 10 %;
- (c) the aid granted by the Fund shall be not more than 50 %.

#### Article 9

The granting of aid from the Fund shall not affect the conditions of competition in a manner incompatible with the principles contained in the Treaty.

#### Article 10

1. Aid from the Fund shall be granted to natural or legal persons, or groups thereof, who shall be ultimately responsible for the cost of carrying out the project.

Aid from the Fund shall be paid through agencies appointed for that purpose by the United Kingdom.

2. Throughout the period during which aid is granted from the Fund, the authority or agency appointed for that purpose by the United Kingdom shall, at the request of the Commission, forward to it all supporting documents and all documents of such a kind as to establish that the financial or other conditions laid down in respect of each project have been fulfilled. The Commission may, if necessary, carry out an on-the-spot check.

After it has consulted the Fund Committee on the financial aspects, the Commission may decide to suspend, reduce or discontinue aid from the Fund in accordance with the procedure laid down in Article 13:

- if the project has not been carried out as planned, or
- if some of the conditions laid down have not been fulfilled, or
- if the beneficiary, contrary to the details contained in his application and set out in the decision to grant aid, has neither begun the work within two years of the date of notification of that decision nor furnished adequate assurance before the end of the said period that the project will be carried out.

The United Kingdom and the beneficiary shall be notified of the decision.

The Commission shall recover any sums payment of which was not, or is no longer, justified.

3. The detailed rules for the application of this Article shall be those laid down in Regulation (EEC) No 1685/78<sup>(2)</sup>.

<sup>(1)</sup> OJ No L 51, 23. 2. 1977, p. 1.

<sup>(2)</sup> OJ No L 197, 22. 7. 1978, p. 1.

*Article 11*

1. For each project which has received aid from the Fund, the beneficiary shall forward to the Commission, through the Member State concerned, a report on the financial results of the project. This report shall be submitted within the period laid down by the Commission in its decision to grant aid.

2. If the beneficiary does not fulfil the obligation laid down in paragraph 1, the Commission, after giving the beneficiary due notice, may decide to reverse, in whole or in part, its decision to grant aid, acting in accordance with the procedure laid down in Article 13 and after consulting the Fund Committee on the financial aspects. The decision shall be communicated to the United Kingdom and to the beneficiary concerned. The Commission shall recover, in whole or in part, the sums paid.

3. Detailed rules for the application of this Article, particularly as regards the contents which the report referred to in paragraph 1 shall contain, shall be adopted in accordance with the procedure laid down in Article 13, after consultation of the Fund Committee on the financial aspects.

*Article 12*

Applications for aid from the Fund submitted to the Commission in respect of projects which were not granted aid owing to the insufficiency of available resources may, with the agreement of the applicants, be carried forward to the following financial year by the United Kingdom.

Requests that such applications be carried forward shall be submitted to the Commission within a period of 30 days from the date on which the United Kingdom receives notification of the outcome of the procedure laid down in Article 13. An application for aid may, however, be carried forward once only.

*Article 13*

1. Where the procedure laid down in this Article is to be followed, the matter shall be referred to the Standing

Committee on Agricultural Structures, either by the chairman on his own initiative or at the request of the representative of a Member State.

2. The representative of the Commission shall submit a draft of the measures to be adopted. The Standing Committee on Agricultural Structures shall deliver an opinion on those measures by a majority of 45 votes within a time limit set by the chairman according to the urgency of the matter; the votes of the Member States shall be weighted as provided for in Article 148 (2) of the Treaty. The chairman shall not vote.

3. The Commission shall adopt measures which shall be immediately applicable. However, if such measures are not in accordance with the opinion of the Standing Committee on Agricultural Structures, they shall forthwith be communicated by the Commission to the Council; in that event, the Commission may defer application of the measures which it has adopted for not more than one month from the date of such communication.

The Council, acting by a qualified majority, may take a different decision within one month.

*Article 14*

Articles 92, 93 and 94 of the Treaty shall remain applicable in respect of matters covered by this Regulation.

*Article 15*

The first decisions to grant aid under this Regulation shall be taken under the 1981 financial year.

*Article 16*

This Regulation shall enter into force on the third day following its publication in the *Official Journal of the European Communities*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Luxembourg, 30 June 1981.

*For the Council*

*The President*

G. BRAKS