

## COUNCIL REGULATION (EEC) No 3577/90

of 4 December 1990

on the transitional measures and adjustments required in the agricultural sector as a result of German unification

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

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

Having regard to Council Regulation (EEC) No 804/68 of 27 June 1968 on the common organization of the market in milk and milk products <sup>(1)</sup>, as last amended by Regulation (EEC) No 3879/89 <sup>(2)</sup>, and in particular Articles 5c <sup>(6)</sup>, 6 <sup>(6)</sup> and 7 <sup>(4)</sup> thereof,

Having regard to Council Regulation (EEC) No 2759/75 of 29 October 1975 on the common organization of the market in pigmeat <sup>(3)</sup>, as last amended by Regulation (EEC) No 1249/89 <sup>(4)</sup>,

Having regard to Council Regulation (EEC) No 822/87 of 16 March 1987 on the common organization of the market in wine <sup>(5)</sup>, as last amended by Regulation (EEC) No 1325/90 <sup>(6)</sup>, and in particular Articles 13 <sup>(1)</sup> and <sup>(4)</sup>, 16 <sup>(7)</sup> and 80 thereof,

Having regard to the proposal from the Commission <sup>(7)</sup>,

Having regard to the opinion of the European Parliament <sup>(8)</sup>,

Having regard to the opinion of the Economic and Social Committee <sup>(9)</sup>,

Whereas the Community has adopted a body of rules implementing the common agricultural policy;

Whereas, from the date of German unification onwards, Community law will be fully applicable to the territory of the former German Democratic Republic;

Whereas to facilitate the integration of farming in the territory of the former German Democratic Republic into

the common agricultural policy, the former German Democratic Republic has been applying, in an autonomous capacity, some of the common agricultural rules since 1 July 1990;

Whereas certain adjustments must however be made to Community agricultural legislation in order to take into account the particular circumstances of the said territory;

Whereas the derogations provided for in this connection should as a general rule be temporary and cause the least possible disturbance to the operation of the common agricultural policy and the pursuit of the objectives of Article 39 of the Treaty;

Whereas measures are applied in several sectors to stabilize the markets for products in surplus; whereas the extent to which such arrangements apply to the territory of the former German Democratic Republic should be specified;

Whereas the maximum guaranteed quantities applicable in most of the sectors concerned expire not later than the end of the 1991/92 marketing year; whereas, as the figures currently available for actual consumption in the territory of the former German Democratic Republic are incomplete, the maximum guaranteed quantities should be left unchanged for the remaining period of applicability; whereas, therefore, no account should be taken of production of the said territory when Community production is being determined; whereas, however, total German production in each sector concerned must be subject to the specific rules applicable in the case of an overrun of the maximum guaranteed quantity laid down for the said sector;

Whereas certain conditions of intervention must be adjusted to take account of the specific conditions of production and farm structure in the territory of the former German Democratic Republic;

Whereas the application of the arrangements to control milk production must not jeopardize the restructuring of agricultural holdings in the territory of the former German Democratic Republic; whereas some flexibility should be introduced into the said arrangements; whereas, however, such flexibility must apply solely to holdings in the territory of the former German Democratic Republic; whereas, similarly, steps must be taken to ensure that the additional sugar quotas allocated to Germany apply solely to agriculture in the territory of the former German Democratic Republic;

<sup>(1)</sup> OJ No L 148, 28. 6. 1968, p. 13.

<sup>(2)</sup> OJ No L 378, 27. 12. 1989, p. 1.

<sup>(3)</sup> OJ No L 282, 1. 11. 1975, p. 1.

<sup>(4)</sup> OJ No L 129, 11. 5. 1989, p. 12.

<sup>(5)</sup> OJ No L 84, 24. 3. 1987, p. 1.

<sup>(6)</sup> OJ No L 132, 23. 5. 1990, p. 19.

<sup>(7)</sup> OJ No L 263, 26. 9. 1990, p. 12, as amended on 25 October 1990.

<sup>(8)</sup> Opinion delivered on 21 November 1990 (not yet published in the Official Journal).

<sup>(9)</sup> Opinion delivered on 20 November 1990 (not yet published in the Official Journal).

Whereas, when the guaranteed total quantities for milk for the territory of the former German Democratic Republic are fixed, provision must be made for a 3 % reduction similar to that effected in the Community in 1986 to take account of the trend of the milk market; whereas the producers concerned must be granted compensation for such a reduction similar to that granted to the other Community producers by Council Regulation (EEC) No 1336/86 of 6 May 1986 fixing compensation for the definitive discontinuation of milk production<sup>(1)</sup>, as last amended by Regulation (EEC) No 841/88<sup>(2)</sup>;

Whereas Regulation (EEC) No 775/87<sup>(3)</sup>, as last amended by Regulation (EEC) No 3882/89<sup>(4)</sup>, provides for the temporary suspension of part of the reference quantities referred to in Article 5c (1) of Regulation (EEC) No 804/68; whereas, when the compensation was fixed in this connection in the Community, allowance was made for the fact that the suspension was to take effect after three years of operation of the system and over a period of two years; whereas producers in the territory of the former German Democratic Republic must be subjected to a corresponding suspension of reference quantities; whereas, however, such suspension will take effect in that territory in a single step in the first year of application of the system in order to prevent additional milk product disposal expenditure;

Whereas this major saving should be taken into consideration when the level of compensation for suspension of the reference quantities in the territory of the former German Democratic Republic is fixed;

Whereas to facilitate structural change in the agricultural sector in the territory of the former German Democratic Republic, involving both the creation of family farms and the reorganization of cooperative farms, provision must be made for some temporary adjustments to the rules on the acceleration of structural adjustment in the context of the reform of the common agricultural policy (objective 5a); whereas the necessary adjustments to the rules on other structural objectives are provided for in a separate Regulation;

Whereas the measures aimed at improving the efficiency of agricultural structures in the territory of the former German Democratic Republic will in some cases have to be adopted gradually in order to prevent sudden conflicts relating both to social issues and employment and to rural and regional balance;

Whereas the restructuring of agriculture in the territory of the former German Democratic Republic requires special measures designed not only to re-organize the cooperatives but also to facilitate access by farmers to ownership of the

means of production; whereas, however, these measures must be based as far as possible on Community concepts and criteria so as to encourage free competition and prevent the creation of monopolies;

Whereas the adoption of the principles of the common agricultural policy in the territory of the former German Democratic Republic has had the effect of reducing sharply and severely the incomes of the producers concerned; whereas the Federal Republic of Germany should be authorized, temporarily, to implement a system of national aid to partially offset the income losses;

Whereas, pursuant to Council Regulation (EEC) No 855/84 of 31 March 1984 on the calculation and the dismantlement of the monetary compensatory amounts applying to certain agricultural products<sup>(5)</sup>, as amended by Regulation (EEC) No 1004/84<sup>(6)</sup>, the Federal Republic of Germany is authorized to award special aid to German producers to compensate for a fall in income due to the adjustment of the representative rate in 1984;

Whereas the rules applicable to stocks of products existing in the territory of the former German Democratic Republic on the day of German unification should be laid down; whereas it is appropriate that the Community should take over public intervention stocks at a value depreciated in accordance with the principles set out in Article 8 of Council Regulation (EEC) No 1883/78 of 2 August 1978 laying down general rules for the financing of interventions by the European Agricultural Guidance and Guarantee Fund, Guarantee Section<sup>(7)</sup>, as last amended by Regulation (EEC) No 787/89<sup>(8)</sup>; whereas the cost of such depreciation will be borne by the Federal Republic of Germany; whereas, as regards existing private stocks, any stock exceeding the normal quantity of stock must be disposed of by the Federal Republic of Germany at its own expense; whereas the Commission will ensure that these stock levels are determined on the basis of objective criteria and with the greatest possible transparency;

Whereas information on the farming situation in the territory of the former German Democratic Republic is insufficient to permit the extent of the adjustment and derogations to be laid down definitively; whereas, to take into account developments in the situation, provision should be made for a simplified procedure in accordance with the third indent of Article 145 of the Treaty so that the measures provided for in this Regulation may be adjusted and supplemented where necessary;

Whereas the integration into the Community of the territory of the former German Democratic Republic,

(1) OJ No L 119, 8. 5. 1986, p. 21.

(2) OJ No L 87, 31. 3. 1988, p. 3.

(3) OJ No L 78, 20. 3. 1987, p. 5.

(4) OJ No L 378, 27. 12. 1989, p. 6.

(5) OJ No L 90, 1. 4. 1984, p. 1.

(6) OJ No L 101, 13. 4. 1984, p. 2.

(7) OJ No L 216, 5. 8. 1978, p. 1.

(8) OJ No L 85, 30. 3. 1989, p. 1.

which requires the adoption of urgent transitional measures in the agricultural sector, will cause new and serious difficulties for certain Member States still in a period of transition and whereas this problem should therefore be resolved;

Whereas protective measures may have to be taken in the event of serious difficulties liable to jeopardize the objectives of Article 39 of the Treaty; whereas the conditions in which such measures may be taken should be specified;

Whereas this Regulation does not cover legislation on plant products, animal feedingstuffs, veterinary and zootechnical matters, Directives on the harmonization of agricultural legislation of fisheries rules which will form the subject of separate rules;

Whereas it is necessary to compile accurate statistics relating to agriculture in the territory of the former German Democratic Republic and in particular to production potential, quality and possible outlets,

HAS ADOPTED THIS REGULATION:

#### Article 1

1. To ensure the harmonious integration of farming in the territory of the former German Democratic Republic into the common agricultural policy, this Regulation lays down transitional provisions and the adjustments required to the common agricultural rules.

2. This Regulation shall apply to:

- agricultural products listed in Annex II to the Treaty,
- goods derived from the processing of agricultural products and referred to in Regulation (EEC) No 3033/80 <sup>(1)</sup>, as last amended by Regulation (EEC) No 1436/90 <sup>(2)</sup>, and Regulation (EEC) No 2783/75 <sup>(3)</sup>, as last amended by Regulation (EEC) No 4001/87 <sup>(4)</sup>.

It does not cover

- the Directives on plant health, seeds, propagating material and animal feedingstuffs, and the veterinary and zootechnical legislation covered by Directive 90/654/EEC <sup>(5)</sup>,

- the Directives on the harmonization of agricultural legislation covered by Directive 90/650/EEC <sup>(6)</sup>,
- products covered by Council Regulation (EEC) No 3796/81 of 29 December 1981 on the common organization of the market in fishery products <sup>(7)</sup>, as last amended by Regulation (EEC) No 2886/89 <sup>(8)</sup>.

#### Article 2

The adjustments and transitional measures referred to in Article 1 are set out in the Annexes I to XVI hereto.

#### Article 3

1. In order to achieve the objective of Article 1 (1), measures to supplement and adjust those provided for in this Regulation may be adopted in accordance with the procedure laid down in Article 8.

2. Supplementing and adjusting measures must be designed to ensure the coherent application of the agricultural rules in the territory of the former German Democratic Republic, with due regard for the specific circumstances and the special difficulties which are encountered in practice.

They must be consistent with the general scheme and basic principles of the agricultural rules and the provisions of this Regulation.

3. The measures referred to in paragraph 1 may be taken until 31 December 1992. They shall only apply until that date.

#### Article 4

By way of derogation from Council Regulation (EEC) No 768/89 of 21 March 1989 establishing a system of transitional aids to agricultural income <sup>(9)</sup>, the Commission may authorize the Federal Republic of Germany to introduce in the territory of the former German Democratic Republic, a system of aid to compensate for agricultural income losses in that territory as a result of the changeover to the common agricultural policy. The aid must be depressive and limited in time. It shall be repealed not later than 31 December 1993.

<sup>(1)</sup> OJ No L 323, 29. 11. 1980, p. 1.

<sup>(2)</sup> OJ No L 138, 31. 5. 1990, p. 9.

<sup>(3)</sup> OJ No L 282, 1. 11. 1975, p. 104.

<sup>(4)</sup> OJ No L 377, 31. 12. 1987, p. 44.

<sup>(5)</sup> See page 50 of this Official Journal.

<sup>(6)</sup> See page 41 of this Official Journal.

<sup>(7)</sup> OJ No L 379, 31. 12. 1981, p. 1.

<sup>(8)</sup> OJ No L 282, 2. 10. 1989, p. 95.

<sup>(9)</sup> OJ No L 84, 29. 3. 1989, p. 8.

The rules of procedure laid down in Article 93 (3) of the Treaty shall apply to aid introduced pursuant to the first subparagraph. In appraising such aid, the Commission will ensure that its effect on trade is as minimal as possible and that a harmonious transition to the common agricultural policy is assured.

This Article shall apply solely to aid notified to the Commission not later than 30 June 1992.

#### Article 5

1. Until 31 December 1992, in the event of serious difficulties liable to jeopardize the objectives of Article 39 of the Treaty or difficulties liable to cause a serious deterioration in a regional economic situation as a result of German unification, any Member State may apply for authorization to adopt protective measures in order to restore stability to the situation or to adjust the sector concerned.

2. If a situation as referred to in paragraph 1 should arise, the Commission, at the request of a Member State or on its own initiative, may decide, subject to compliance with the Treaty, to take the necessary measures, which shall be notified to the Member States and shall be applicable forthwith. If the Commission receives a request from a Member State which is suffering or likely to suffer serious disturbances it shall take a decision thereon within 24 hours of receipt of the request.

3. Any Member State may refer to the Council the measure taken by the Commission within three working days after the date of notification. The Council shall meet without delay. It may, by a qualified majority, amend or revoke the measure in question.

4. The measures provided for in paragraphs 1, 2 and 3 shall only apply until 31 December 1993.

#### Article 6

1. The Community shall take over the stocks held by the intervention agency of the former German Democratic Republic on the date of German unification at the value determined in accordance with Article 8 of Regulation (EEC) No 1883/78.

2. The said stocks shall be taken over only on condition that public intervention for the products in question is provided for in the Community rules and that the stocks meet the Community quality requirements as amended by this Regulation.

3. Detailed rules for applying this Article shall be adopted in accordance with the procedure laid down in Article 8.

#### Article 7

1. Any private stock of a product which is covered by a regulation on a common market organization for agricultural products, which is in free circulation in the territory of the former German Democratic Republic on the date of German unification and which exceeds the quantity which may be regarded as representing a normal carry-over stock, must be disposed of by the Federal Republic of Germany at its own expense in accordance with provisions to be laid down in accordance with the procedure referred to in paragraph 2. The concept of a normal carry-over stock shall be defined for each product in the light of the criteria and objectives specific to each market organization.

2. Detailed rules for applying this Article shall be adopted in accordance with the procedure laid down in Article 8.

#### Article 8

Where this Article is referred to, measures shall be adopted in accordance with the procedure laid down in:

- Article 38 of Regulation 136/66/EEC<sup>(1)</sup>, as last amended by Regulation (EEC) No 2902/89<sup>(2)</sup>, or, as appropriate, the corresponding Articles of the other Regulations on the common organization of agricultural markets,
- the Article providing for the adoption of detailed rules of application in another common agricultural provision, or
- Article 13 of Regulation (EEC) No 729/70<sup>(3)</sup>, as last amended by Regulation (EEC) No 2048/88<sup>(4)</sup>, for the case referred to in Article 6 (3).

#### Article 9

1. The national arrangements for limiting milk production adopted by the former German Democratic Republic must be maintained until 31 March 1991.

Article 5c of Regulation (EEC) No 804/68 shall not apply to the territory of the former German Democratic Republic until 1 April 1991. The reference quantities may be allocated provisionally for the eighth period of 12 months, provided that the amount thus allocated is not modified during the said period.

Regulation (EEC) No 1079/77<sup>(5)</sup> shall not apply to the territory of the former German Democratic Republic

<sup>(1)</sup> OJ No 172, 30. 9. 1966, p. 3025/66.

<sup>(2)</sup> OJ No L 280, 29. 9. 1989, p. 9.

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

<sup>(4)</sup> OJ No L 185, 15. 7. 1988, p. 1.

<sup>(5)</sup> OJ No L 131, 26. 5. 1977, p. 6.

during the 1990/91 marketing year. The national system of collection of the co-responsibility levy set up by the former German Democratic Republic must be maintained during the said marketing year.

2. Articles 27 to 51 of Regulation (EEC) No 822/87 shall only apply to the territory of the former German Democratic Republic as from 1 September 1991.

*Article 10*

The Federal Republic of Germany shall notify to the Commission, at the earliest opportunity, the measures

taken pursuant to the authorizations provided for in this Regulation. The Commission shall inform the Member States within the appropriate fora.

On the expiry of the periods of application of the transitional measures the Federal Republic of Germany shall draw up a report on their application; this report shall be submitted to the Commission, which shall forward it to the other Member States.

*Article 11*

This Regulation shall enter into force on 1 January 1991.

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

Done at Brussels, 4 December 1990.

*For the Council*

*The President*

G. DE MICHELIS

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**ANNEX I****CEREALS**

Council Regulation (EEC) No 2727/75 of 29 October 1975 (OJ No L 281, 1. 11. 1975, p. 1), as last amended by Regulation (EEC) No 1340/90 (OJ No L 134, 28. 5. 1990, p. 1).

The following paragraph is added to Article 4c:

'4a. When production is established as provided for in this Article, the quantities harvested in the territory of the former German Democratic Republic shall not be taken into account.'

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**ANNEX II****PEAS, FIELD BEANS AND SWEET LUPINS**

Council Regulation (EEC) No 1431/82 of 18 May 1982 (OJ No L 162, 12. 6. 1982, p. 28), as last amended by Regulation (EEC) No 1104/88 (OJ No L 110, 29. 4. 1988, p. 16).

The following paragraph is added to Article 3a of Regulation (EEC) No 1431/82:

'3a. When production is estimated and established, the quantities harvested on the territory of the former German Democratic Republic shall not be taken into account for the purposes of this Article.'

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**ANNEX III****SOYA BEANS**

Council Regulation (EEC) No 1491/85 of 23 May 1985 (OJ No L 151, 10. 6. 1985, p. 15), as last amended by Regulation (EEC) No 2217/88 (OJ No 197, 26. 7. 1988, p. 11).

The following paragraph is added to Article 3a of Regulation (EEC) No 1491/85:

'3a. When production is estimated and established, the quantities harvested on the territory of the former German Democratic Republic shall not be taken into account for the purposes of this Article.'

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**ANNEX IV****COLZA, RAPE AND SUNFLOWER SEEDS**

Council Regulation No 136/66/EEC of 22 September 1966 (OJ No 172, 30. 9. 1966, p. 3025/66), as last amended by Regulation (EEC) No 2902/89 (OJ No L 280, 29. 9. 1989, p. 2).

The following paragraph shall be added to Article 27a of Regulation No 136/66/EEC:

'3a. When production is estimated and established, the quantities harvested on the territory of the former German Democratic Republic shall not be taken into account for the purposes of this Article.'

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## ANNEX V

## SUGAR

Council Regulation (EEC) No 1785/81 of 30 June 1981 (OJ No L 177, 1. 7. 1981, p. 4), as last amended by Regulation (EEC) No 1069/89 (OJ No L 114, 27. 4. 1989, p. 1).

1. The following Article is inserted, with effect from 1 July 1990:

*'Article 24a*

1. Without prejudice to Article 24 (2), in the case of Germany an additional region shall be constituted for the purposes of applying the quota system to sugar-producing undertakings established in the said region which produced sugar before 1 July 1990 and continue to do so thereafter.

The region corresponds, for the purposes of this Regulation, to the territory of the former German Democratic Republic.

2. For the allocation of A and B quotas to the undertakings referred to in paragraph 1, the basic quantities shall be as follows:

- (a) basic quantity A: 647 703 tonnes of white sugar;  
(b) basic quantity B: 199 297 tonnes of white sugar.

3. The A quota of each sugar-producing undertaking referred to in paragraph 1 shall be determined by applying to the average annual quantity of sugar produced by the undertaking concerned during the 1984/85 to 1988/89 marketing years within the meaning of Article 2 (1), hereinafter referred to as the reference production, a coefficient representing the ratio between the basic quantity A referred to in paragraph 2 and the sum of the reference production quantities of the undertakings in the region defined in paragraph 1.

However, for the 1990/91 marketing year, where the sugar-producing undertaking did not exist as such before 1 July 1990, the reference production referred to in the first subparagraph shall be established by taking into account production during the period referred to in the said subparagraph from each factory making up as from 1 July 1990 the sugar-producing undertaking concerned.

4. The B quota of each sugar-producing undertaking referred to in paragraph 1 shall be equal to 30,77 % of its A quota determined in accordance with paragraph 3.

5. Article 25 shall apply only to transfers between the sugar-producing undertakings referred to in paragraph 1.

6. Detailed rules for applying this Article shall, where necessary, be adopted in accordance with the procedure laid down in Article 41.'

2. The following paragraph is added to Article 46:

'7. During the 1990/91, 1991/92 and 1992/93 marketing years, the Federal Republic of Germany shall be authorized to grant adaptation aid to sugar-producing undertakings referred to in Article 24a (1) under the following conditions.

The aid may be granted only in respect of the quantity of A and B sugar as defined in Article 24 (1) and produced by the undertakings referred to in Article 24a (1).

The aid shall be limited to DM 320 million for the period referred to in the first subparagraph and may not exceed, per undertaking, 20 % of the investment made'.

## ANNEX VI

## MILK AND MILK PRODUCTS

- I. Council Regulation (EEC) No 804/68 of 27 June 1968 (OJ No L 148, 28. 6. 1968, p. 13), as last amended by Regulation (EEC) No 3879/89 (OJ No L 378, 27. 12. 1989, p. 1)

In Article 5c (3):

1. the first subparagraph is replaced by the following:

'The sum of the reference quantities referred to in paragraph 1, subject to paragraph 4, may not exceed the guaranteed total quantity specified in the second subparagraph.'

2. the aline 'Germany 23 423' in the second subparagraph is replaced by the following:

'Germany 30 227  
(of which 6 804 for the territory of the former German Democratic Republic)'

3. in the third subparagraph, point (d), the following sentence is added:

'However, in the case of Germany for the 12-month period between 1 April 1991 to 31 March 1992, the guaranteed total quantity is hereby fixed as follows in thousands of tonnes:

Germany 29 118,960  
(of which 6 599,880 for the territory of the former German Democratic Republic)'

- II. Council Regulation (EEC) No 985/68 of 15 July 1968 (OJ No L 169, 18. 7. 1968, p. 1), as last amended by Regulation (EEC) No 1185/90 (OJ No L 119, 11. 5. 1990, p. 31)

The third indent of point (b) of Article 1 (3) is replaced by the following:

'— graded "Markenbutter" as regards German butter, or, until 31 December 1992, "Export Qualität" as regards butter produced in the territory of the former German Democratic Republic.'

- III. Council Regulation (EEC) No 1014/68 of 20 July 1968 (OJ No L 173, 22. 7. 1968, p. 4), as last amended by Regulation (EEC) No 1272/79 (OJ No L 161, 29. 6. 1979, p. 13)

In Article 1 (1):

— the words 'and, during the 1968/1969 and 1969/1970 milk years, by the roller processes' are deleted,

— the following subparagraph is added:

'However, until the end of the 1992/93 milk year, the German intervention agency shall buy in first-quality skimmed milk powder manufactured by the roller processes provided it has been produced in the territory of the former German Democratic Republic and complies with the requirements specified in (a) and (b) of the first subparagraph. During the 1990/91 marketing year, the intervention price for skimmed milk powder manufactured by the roller processes shall be ECU 163,81 per 100 kg.'

- IV. Council Regulation (EEC) No 857/84 of 31 March 1984 (OJ No L 90, 1. 4. 1984, p. 13), as last amended by Regulation (EEC) No 1183/90 (OJ No L 119, 11. 5. 1990, p. 27)

1. In the second subparagraph of Article 2 (1),

— in point (a), 'Member States other than Spain' is replaced by 'Member States other than Spain and, from 1 April 1991, Germany as regards the territory of the former German Democratic Republic',

— the following point is added:

'(c) for the territory of the former German Democratic Republic, the reference quantity referred to in the first subparagraph shall be equal to the quantity of milk or milk equivalent delivered or purchased during the 1989 calendar year, weighted by a percentage established so as not to exceed the guaranteed quantity defined in Article 5c of Regulation (EEC) No 804/68.'

2. In the first subparagraph of point 3 of Article 3, the following sentence is added:

'In the territory of the former German Democratic Republic, such producers shall, at their request, obtain the taking into account of another calendar reference year within the 1987 to 1989 period.'



## 3. The following subparagraph is added to Article 4a (1):

'However, the provisions of the preceding subparagraph shall not apply to the territory of the German Democratic Republic and the other territories of Germany.'

## 4. The following subparagraph is added to Article 7 (1):

'To allow restructuring of milk production in the territory of the former German Democratic Republic and notwithstanding the preceding subparagraphs, the Federal Republic of Germany may authorize, during the eighth 12-month period within the limits of a framework programme to be drawn up for the said territory, the transfer of reference quantities without the transfer of the corresponding land. Such a transfer may take place no more than once. In this connection, the Federal Republic of Germany shall notify to the Commission the framework programme for the said territory. The programme shall be appraised in accordance with the procedure laid down in Article 31 of Regulation (EEC) No 804/68.'

## 5. In the table in the Annex, the entry for Germany is replaced by the following:

(1 000 tonnes)

	2.4.1984 – 31.3.1985	1.4.1985 – 31.3.1986	1.4.1986 – 31.3.1987	1.4.1987 – 31.3.1988	1.4.1988 – 31.3.1989	1.4.1989 – 31.3.1990	1.4.1990 – 31.3.1991	1.4.1991 – 31.3.1992
'Germany	305	130	130	94,400	93,100	93,100	93,100	153,100
Of which <sup>(1)</sup>	—	—	—	—	—	—	—	60,000

<sup>(1)</sup> For the territory of the former German Democratic Republic.'

## V. Council Regulation (EEC) No 1336/68 of 6 May 1986 (OJ No L 119, 8. 5. 1986, p. 21), as last amended by Regulation (EEC) No 841/88 (OJ No L 87, 31. 3. 1988, p. 8)

## 1. The following Article is added:

*Article 4a*

Articles 1, 2 and 3 shall apply to producers in the territory of the former German Democratic Republic subject to the following provisions:

- the reduction in milk production must be 204 120 tonnes and must be effective by 31 March 1991 at the latest;
- the Federal Republic of Germany is authorized to pay compensation of a single amount not exceeding ECU 42 per 100 kilograms;
- the Federal Republic of Germany is authorized to grant compensation for the cessation of all or part of the production of each party concerned in relation to previous production.

The Federal Republic of Germany shall communicate to the Commission not later than 31 May 1991 all the information necessary for an appraisal of the effectiveness of the aid provided for in this Regulation.'

## 2. Article 6 is replaced by the following:

*Article 6*

The financing of the action provided for in Article 2 (1) and Article 4a shall be considered as an intervention within the meaning of Article 3 of Regulation (EEC) No 729/70.'

## VI. Council Regulation (EEC) No 775/87 of 16 March 1987 (OJ No L 78, 20. 3. 1987, p. 5), as last amended by Regulation (EEC) No 3882/89 (OJ No L 378, 27. 12. 1989, p. 6)

## 1. In the second subparagraph of Article 1 (1), 'of Regulation (EEC) No 804/68 for the third 12-month period' is replaced by 'second subparagraph of Regulation (EEC) No 804/68.'

## 2. The following paragraph is inserted in Article 2:

'1a. For producers in the territory of the former German Democratic Republic and for the eighth 12-month period, the compensation is hereby fixed at ECU 21 per 100 kilograms. This compensation shall be paid to the beneficiaries as to 50 % in the first quarter and as to the remainder in the last quarter of the period in question.'

3. Article 7 is replaced by the following:

*'Article 7*

The financing of the action provided for in Article 2 (1) and (1a), in Article 3 (2) and Article 4, third paragraph shall be considered as an intervention within the meaning of Article 3 of Regulation (EEC) No 729/80.'

VIII. Council Regulation (EEC) No 777/87 of 16 March 1987 (OJ No L 78, 20. 3. 1987, p. 10) is amended as follows:

- in Article 1 (2), the figure of 100 000 tonnes is to be replaced by 106 000 tonnes,
- in Article 1 (4), second subparagraph, the figure of 250 000 tonnes is to be replaced by 275 000 tonnes.

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ANNEX VII

BEEF AND VEAL

I. Council Regulation (EEC) No 805/68 of 27 June 1968 (OJ No L 148, 28. 6. 1968, p. 24), as last amended by Regulation (EEC) No 571/89 (OJ No L 61, 4. 3. 1989, p. 43)

In the last sentence of Article 6 (1), '220 000 tonnes' is replaced by '235 000 tonnes'.

II. Council Regulation (EEC) No 1357/80 of 5 June 1980 (OJ No L 140, 5. 6. 1980, p. 1), as last amended by Regulation (EEC) No 1187/90 (OJ No L 119, 11. 5. 1990, p. 34).

In the Annex, the following is added to the fifth indent:

'Schwarzbunte Milchrasse (SMR)'.

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ANNEX VIII

SHEEPMEAT AND GOATMEAT

Council Regulation (EEC) No 3013/89 of 25 September 1989 (OJ No L 289, 7. 10. 1989, p. 1)

The following subparagraph is added to Article 8 (2):

'When the ewe herd is estimated no account shall be taken of the number of ewes bred in the territory of the former German Democratic Republic.'

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ANNEX IX

PIGMEAT

Council Regulation (EEC) No 3220/84 of 13 November 1984 (OJ No L 301, 20. 11. 1984, p. 1), as last amended by Regulation (EEC) No 3530/86 (OJ No L 326, 21. 11. 1986, p. 8).

The following paragraph is added to Article 6:

'The Commission shall, in accordance with the procedure laid down in Article 24 of Regulation (EEC) No 2759/75, lay down the conditions for establishing prices for pigs slaughtered in the territory of the former German Democratic Republic until 31 December 1992.'

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## ANNEX X

## FRUIT AND VEGETABLES

I. Council Regulation (EEC) No 1035/72 of 18 May 1972 (OJ No L 118, 20. 5. 1972, p. 1), as last amended by Regulation (EEC) No 1193/90 (OJ No L 178, 11. 7. 1990, p. 13)

1. The following paragraph 3 is added to Article 13:

'3. The Commission shall, in accordance with the procedure laid down in Article 33, lay down, as necessary, the conditions under which Germany may grant temporary recognition, until 31 December 1992, to producers' organizations situated in the territory of the former Democratic Republic which comply with the objectives specified in paragraph 1 (a) without complying with other provisions.

This temporary recognition shall not confer on the said producers' organizations any entitlement to the launching aid referred to in Article 14.'

2. The following Article is added:

*'Article 18b*

1. For each of the products subject to the intervention arrangements, the financial compensation provided for in Article 18 shall be paid for each recognized producers' organization in the territory of the former German Democratic Republic only in respect of a volume of withdrawals of products meeting the common quality standards not exceeding 10 % of production marketed, inclusive of withdrawals, during the period up to the end of 1990/91 marketing year and during the 1991/92 marketing year of each of the products.

2. The harvest and withdrawals of each of the products in the territory of the German Democratic Republic during the periods specified in paragraph 1 shall not be taken into consideration for establishing the intervention thresholds or for establishing any overrun thereof.'

II. Council Regulation (EEC) No 1200/90 of 7 May 1990 (OJ No L 119, 11. 5. 1990, p. 63)

The following subparagraph is added to Article 2 (1):

'However, notwithstanding point (a), for beneficiaries in the territory of the former German Democratic Republic, until the end of the 1991/92 marketing year, granting of the premium for orchards exceeding 99 hectares shall be subject to an undertaking by the beneficiary to grub or have grubbed before 1 April of a specified year:

- in the case of orchards of an area between 50 and 99 hectares, all apple trees planted on an area of 25 hectares and 20 % at least of the remaining area of the orchard,
- in the case of orchards of an area greater than 99 hectares, all apple trees planted on an area of 50 hectares and 20 % at least of the remaining area of the orchard.'

## ANNEX XI

## PRODUCTS PROCESSED FROM FRUIT AND VEGETABLES

Council Regulation (EEC) No 1203/90 of 7 May 1990 (OJ No L 119, 11. 5. 1990, p. 68).

In Article 1 (1), the table is replaced by the following:

'All undertakings located in	Tomato concentrate		Tinned whole peeled tomatoes		Other tomato products	
	1990/91	1991/92	1990/91	1991/92	1990/91	1991/92
Spain	500 000	550 000	219 000	240 000	148 050	177 050
France	278 691	278 691	73 628	73 628	40 087	40 087
Greece	967 003	967 003	25 000	15 000	21 593	21 593
Italy	1 655 000	1 655 000	1 185 000	1 185 000	453 998	453 998
Portugal	747 945	832 945	14 800	19 600	32 192	42 192
Germany	—	33 700	—	—	—	1 300

## ANNEX XII

## WINE

- I. Council Regulation (EEC) No 2392/86 of 24 July 1986 (OJ No L 208, 31. 7. 1986, p. 1)

The following indent is added to Article 10:

— as appropriate, those relating to special conditions for establishing the register in the territory of the former German Democratic Republic.'

- II. Council Regulation (EEC) No 822/87 of 16 March 1987 (OJ No L 84, 24. 3. 1987, p. 1), as last amended by Regulation (EEC) No 1325/90 (OJ No L 132, 23. 5. 1990, p. 19)

1. The following subparagraph is added to Article 13 (4):

'In the case of the territory of the former German Democratic Republic the products referred to in the first subparagraph derived from wine varieties not included in the classification may circulate until 31 August 1992 on condition that they are derived from varieties traditionally grown in that territory and of the species *Vitis vinifera*.'

2. The following subparagraph is added to Article 16 (7):

'However, wine obtained by coupage before 31 August 1990 of a wine originating in a third country or in the Community with a wine derived from grapes harvested in the territory of the former German Democratic Republic and the coupage of a wine originating from a third country with a wine from the Community carried out before 3 October 1990 may be held for sale or marketed as table wine until stocks are depleted.'

3. The following sentence is added to point (e) of Annex V:

'In the territory of the former German Democratic Republic, the period of time shall run from the date of German unification for areas grubbed after 1 September 1970. This right to replant shall be restricted to 400 hectares, corresponding to the estimated area previously under vines which has ceased to be cultivated in recent decades.'

- III. Council Regulation No 823/87 of 16 March 1987 (OJ No L 84, 27. 3. 1987, p. 59), as amended by Regulation (EEC) No 2043/89 (OJ No L 202, 14. 7. 1989, p. 1)

In Article 4:

- (a) the following subparagraph is added to paragraph 1:

'For the wine-growing regions of the territory of the former German Democratic Republic, the Federal Republic of Germany shall establish the list of varieties referred to in the first subparagraph until 31 August 1992.'

- (b) the following subparagraph is added to paragraph 4:

'Until the list of varieties referred to in the second subparagraph of paragraph 1 is established, wines produced in the territory of the former German Democratic Republic, derived from varieties traditionally grown in that territory and of the species *Vitis vinifera*, shall be regarded as suitable for processing into quality wines psr.'

- IV. Council Regulation (EEC) No 2389/89 of 24 July 1989 (OJ No L 232, 9. 8. 1989, p. 1).

The first indent in Article 3 (1) is replaced by the following:

— the Regierungsbezirk or, where there is no such unit, the Land in Germany.'

## ANNEX XIII

## TOBACCO

Council Regulation (EEC) No 727/70 of 21 April 1970 (OJ No L 94, 28. 4. 1970, p. 1), as last amended by Regulation (EEC) No 1329/90 (OJ No L 132, 23. 5. 1990, p. 25)

1. The following subparagraph is inserted as sixth subparagraph in Article 4 (5):

'For the 1991 harvest, subject to application of the reduction and the correction referred to in the third subparagraph, the quantities of tobacco produced in the territory of the former German Democratic Republic shall not be taken into consideration for the calculation of the extent of overrun of the maximum guaranteed quantity for a variety or group of varieties.'

2. The following subparagraph is added to Article 7a (1):

'The first subparagraph shall not apply to tobacco varieties of the 1991 harvest grown in the territory of the former German Democratic Republic.'

## ANNEX XIV

## HOPS

Council Regulation (EEC) No 1696/71 of 26 July 1971 (OJ No L 175, 4. 8. 1971, p. 1), as last amended by Regulation (EEC) No 2780/90 (OJ No L 265, 28. 9. 1990, p. 1)

- The following subparagraph is added to Article 17 (6):

'For the territory of the former German Democratic Republic, the duration for implementation of the measure referred to in Article 8 shall be five years from the date of German unification.'

## ANNEX XV

## AGRICULTURAL STRUCTURE (Objective 5 (a))

- I. Council Regulation (EEC) No 797/85 of 12 March 1985 (OJ No L 93, 30. 3. 1985, p. 1), as last amended by Regulation (EEC) No 2176/90 (OJ No L 198, 28. 7. 1990, p. 6)

The following Article is inserted:

*'Article 32b*

1. The following special provisions shall apply to the territory of the former German Democratic Republic:

- (a) The arrangements provided for in Titles 01 and 02 shall be applied from the 1991/92 marketing year onwards.
- (b) Land planted with potatoes may qualify for set-aside assistance notwithstanding Article 1a (2).
- (c) Where the area of arable land of a holding, including, as appropriate, land planted with potatoes, as referred to in Article 1a (2), exceeds 750 hectares, the condition that not less than 20 % of the land shall be set aside as laid down in Article 1a (3) is replaced by a condition that not less than 150 hectares shall be set aside.
- (d) When family holdings are being set up
  - the condition in the first indent of Article 2 (2) shall not apply,
  - the Federal Republic of Germany may grant the aid referred to in Articles 7 and 7a to farmers below the age of 55 years. However, aid granted to farmers over the age of 40 years is not eligible under the Fund.
- (e) The conditions in the second subparagraph of Article 3 (3) and the first indent of Article 6 (4) shall not apply to aid granted in the context of the creation of new family holdings or the restructuring of cooperative holdings if the number of dairy cows on all the new or restructured holdings does not exceed the number of dairy cows held previously on the old holdings.

If the Council has not adopted, by 31 December 1990, the arrangements for applications submitted from 1 January 1991 for investment aid in the pig production sector, the conditions in Article 3 (4) and the second indent of the second subparagraph of Article 6 (4) referring to the number of pig places shall not apply to aid granted in the context of the creation of new family holdings or the restructuring of cooperative holdings if the number of pig places on all the new or restructured holdings does not exceed the number of pig places previously held on the old holdings.
- (f) The volume of investment referred to in the first subparagraph of Article 4 (2) shall be ECU 140 000 per man work unit and ECU 280 000 per holding.
- (g) In the context of the restructuring of cooperative holdings, Article 6 (5) shall also apply to associations which do not adopt the legal form of a cooperative.
- (h) A special system of aid for holdings in less-favoured areas defined according to criteria to be laid down by the Federal Republic of Germany may be applied during 1991. During this period, Title III shall not apply to the territory of the former German Democratic Republic.

Expenditure under this special system shall not be eligible under the Fund.

2. The provisions in points (b) to (g) of paragraph 1 shall apply until 31 December 1993.

Before the end of 1992 the Commission shall submit to the European Parliament and Council a report on the implementation and development of the structural action and measures. Taking account of the results achieved and of the way the situation develops, the Commission may, if necessary, submit proposals designed to make these measures more effective.'

II. Council Regulation (EEC) No 866/90 of 29 March 1990 (OJ No L 91, 6. 4. 1990, p. 1)

The following Article is inserted:

*'Article 19a*

**Transition period for the territory of the former German Democratic Republic**

Until 31 December 1991, the Commission may decide to grant assistance for operational programmes providing for investments in the territory of the former German Democratic Republic in accordance with the selection criteria referred to in Article 8 without prior establishment for that territory of sectoral plans and Community support frameworks as referred to in Articles 2 to 7.'

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ANNEX XVI

**FARM ACCOUNTANCY DATA NETWORK**

Council Regulation (EEC) No 79/65 of 15 June 1965 (OJ No 109, 23. 6. 1965, p. 1859/65), as last amended by Regulation (EEC) No 3768/85 (OJ No L 362, 31. 12. 1985, p. 8)

The following is added to the section 'Germany' in the Annex:

- 11 Berlin
  - 12 Brandenburg
  - 13 Mecklenburg-Vorpommern
  - 14 Sachsen
  - 15 Sachsen-Anhalt
  - 16 Thüringen.'
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