

COUNCIL REGULATION (EC) No 2611/95
of 25 October 1995

establishing the possibility of national aid being granted in compensation for losses of agricultural income caused by monetary movements in other Member States

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to the proposal from the Commission ⁽¹⁾,

Having regard to the opinion of the European Parliament ⁽²⁾,

Whereas monetary movements have influenced the agricultural market particularly in the first half of 1995; whereas certain producers may have suffered from losses of income caused by significant monetary movements in Member States other than the one in which they produce;

Whereas, where such losses of income are objectively established, temporary national aid which does not favour a particular type of production may be granted to compensate for the loss actually established; whereas it is necessary for the Community to take measures to enable the common agricultural policy to be coherently implemented;

Whereas these exceptional measures are justified solely on the basis of the specific objectives, circumstances and features of the common agricultural policy,

HAS ADOPTED THIS REGULATION:

Article 1

Where it can be justified on the basis of facts that agricultural producers of given production sectors have suffered considerable losses of revenue in a Member State because of significant monetary movements which have occurred in other Member States since the beginning of the 1994/95 marketing year and no later than 31 December

1995, flat-rate compensatory aid, reducing over three years, may be granted to the producers in question on the basis of national financing.

The compensatory aid shall at the most be equal to the aforementioned loss of income and may not be granted in the form of an amount linked to production other than that of a fixed period corresponding to that in which the income was lost. It may not be so directed as to favour a particular type of production in the sector concerned nor be dependent on production subsequent to that fixed period.

Member States shall determine the amounts and detailed rules of this aid and notify them to the Commission for approval. The procedural provisions of Article 93 of the Treaty shall apply without taking account of the criteria in Article 92.

Article 2

If, during the three-year period in which aid may be granted, a trend in prices due to monetary movements is recorded before the second or third annual tranche is paid, which offsets the losses on which the aid was based, the Commission shall decide, after consulting the Member State concerned, to reduce appropriately or abolish the remaining tranches.

Article 3

A Member State may not notify an aid project under this Regulation after 30 June 1996.

Article 4

This Regulation shall enter into force on the seventh 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, 25 October 1995.

For the Council

The President

L. ATIENZA SERNA

⁽¹⁾ OJ No C 252, 28. 9. 1995, p. 7.

⁽²⁾ OJ No C 287, 30. 10. 1995.