

COMMISSION REGULATION (EC) No 1648/2000

of 25 July 2000

laying down detailed rules for the application of Council Regulation (EEC) No 2075/92 with regard to the Community Tobacco Fund and repealing Regulation (EEC) No 2427/93

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) No 2075/92 of 30 June 1992 on the common organisation of the market in raw tobacco ⁽¹⁾, as last amended by Regulation (EC) No 1336/2000 ⁽²⁾ and in particular Article 14a thereof,

Whereas:

- (1) In accordance with Article 13(1) of Regulation (EEC) No 2075/92, a Community Tobacco Fund is set up. Detailed rules for the application of that provision should be adopted, in particular as regards fixing the deduction of 2 % of the premium.
- (2) Funding should be provided for measures to discourage smoking, and in particular for improving public awareness of the dangers of tobacco consumption.
- (3) Funding should be provided for research to steer tobacco production towards varieties and cultivation methods that result in the least possible harm to human health and are better geared to market conditions and more environment-friendly.
- (4) Support should be provided for research to create or develop alternative uses for raw tobacco.
- (5) Action should be taken to finance studies on the possibilities for producers of raw tobacco of switching to other crops or activities.
- (6) Action should be taken also to disseminate the scientific and practical results to national authorities and to the sectors concerned.
- (7) The financial resources should be allocated to the various Fund objectives in an appropriate way. However, if the funds earmarked for one or other objective are not used up in full, the initial allocation should be adjusted for the benefit of the other objectives.
- (8) The various proposals presented under the procedures adopted should be assessed in accordance with criteria that will ensure the best possible choice. Provision should be made also for projects to be carried out on the initiative and on behalf of the Commission. To that

end, a call for proposals or, as appropriate, a public invitation to tender seem the most appropriate course.

- (9) Eligibility criteria should be laid down for natural or legal persons who may present proposals.
- (10) In the interests of sound administration, the research and information projects approved by the Commission should be carried out within a specified period. The time limit originally envisaged may prove difficult to meet in exceptional cases. Provision should be made, therefore, for the time limit to be extended under certain conditions.
- (11) In order to make the best possible choice and ensure the proper implementation of the approved projects, provision should be made for the Commission to be assisted in the selection of the projects by a scientific and technical committee. The Commission should have access to the services of independent experts in assessing the projects.
- (12) In order to guarantee the proper implementation of each project accepted for financing by the Fund, it is necessary for details of the conditions of implementation to be included in the contracts concluded with the Commission. Where an application is made for an advance, contractors must lodge a security in favour of the Commission on the conditions laid down in Title III of Commission Regulation (EEC) No 2220/85 of 22 July 1985 laying down common detailed rules for the application of the system of securities for agricultural products ⁽³⁾, as last amended by Regulation (EEC) No 1932/1999 ⁽⁴⁾.
- (13) Provision should be made to prevent the unjustified cumulation of measures for the same project.
- (14) Provision should be made for payments to be recovered in certain cases, particularly in the event of irregularities.
- (15) Commission Regulation (EEC) 2427/93 of 1 September 1993 laying down detailed rules for the application of Council Regulation (EEC) No 2075/92 with regard to the Community Fund for tobacco research and information ⁽⁵⁾, as last amended by Regulation (EC) No 1620/95 ⁽⁶⁾, should be repealed as its provisions are replaced by those of this Regulation. However, it must continue to apply to projects approved before the entry into force of this Regulation.

⁽¹⁾ OJ L 215, 30.7.1992, p. 70.

⁽²⁾ OJ L 154, 27.6.2000, p. 2.

⁽³⁾ OJ L 205, 3.8.1985, p. 5.

⁽⁴⁾ OJ L 240, 10.9.1999, p. 11.

⁽⁵⁾ OJ L 223, 2.9.1993, p. 3.

⁽⁶⁾ OJ L 154, 5.7.1995, p. 12.

- (16) The measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Tobacco,

HAS ADOPTED THIS REGULATION:

Article 1

1. The Community Tobacco Fund, hereinafter called 'the Fund', shall finance research and information programmes, in accordance with this Regulation.

Such programmes may cover research and information projects, including the dissemination of the results obtained to national authorities and the sectors concerned, in the following areas:

- (a) improving public awareness of the harmful effects of tobacco consumption in any form, in particular by means of information and education; supporting the collection of data with a view to determining tobacco consumption trends and devising epidemiological studies of smoking across the Community; conducting studies on preventing smoking;
- (b) steering tobacco production towards varieties and cultivation methods that are less harmful to human health and are better geared to market conditions and more environment-friendly, mainly by creating and developing new varieties and appropriate cultivation and drying methods, examining the impact of production on the environment and diminishing its harmful effects; creating and developing alternative uses for raw tobacco; studying the possibilities for producers of raw tobacco of switching to other crops or activities.

Projects in this field must include specific measures for the targeted and widespread dissemination of the results that will allow know-how to be transferred between production zones.

2. Expenditure by the Fund in each of the two areas referred to in paragraph 1 may amount to 50 % of the total amount of the Fund.

However, where the amount available for one of those areas is not used up in full, the Commission shall reallocate the remaining amount to the other, on condition that, in the latter area, there are eligible projects still outstanding.

Article 2

Projects shall be the subject, as appropriate, of a call for proposals or a public invitation to tender, in accordance with the relevant provisions, published in the C series of the *Official Journal of the European Communities*, within the period set in the notice.

Article 3

1. Proposals for research and information projects may be submitted by any natural or legal person established in the Community who:

- possesses recognised skills and at least five years' professional experience in the field in question;
- undertakes to contribute from his own resources at least 25 % of the total financing of the project; however, projects carried out on the initiative and on behalf of the Commission shall be financed by the Fund at the rate of up to 100 % of the total cost;
- undertakes to carry out the proposed programme within the time limit laid down,
- agrees to provide regular reports on the progress of the work,
- agrees to make his accounts and other supporting documents on expenditure available for verification by the Commission,
- agrees to the conditions laid down in Articles 6, 7 and 8.

2. Research and information projects may be carried out during a period of one or more years, which may not however exceed five years from the date on which the contract is signed.

However, the time limit for implementation may be extended if the interested party requests the Commission to extend it and provides proof that, because of exceptional circumstances beyond his control, he is not able to comply with the time limit initially laid down.

Article 4

1. The Commission, with the assistance of a scientific and technical committee, shall be responsible for the management of the Fund.

2. The Scientific and Technical Committee shall be made up of nine members appointed by the Commission. Producers, on the one hand, and the public health sector, on the other, shall each be represented by at least two members. The Committee shall be chaired by the Commission. The Commission shall see to it that members of the Committee are independent as regards the projects submitted to them.

3. Projects submitted in response to a call for proposals shall be assessed by a group of independent experts selected by the Commission. The following factors shall be taken into account in the assessment:

- (a) with regard to the two areas referred to in Article 1(1), the work must be done in collaboration between natural or legal persons established in several Member States;
- (b) with regard to the area referred to in Article 1(1)(a):
 - the projects must pay particular attention to the cultural and linguistic characteristics of the Member States, notably in the case of information campaigns directed at the public at large, and to groups at risk,

- the projects must show that they have a methodology and firm scientific backing. They must be innovative and take account of work that has been carried out already and of experience gained under past or present national or Community programmes, so as to avoid any likelihood of duplication in the allocation of Community resources,
- the projects must, depending on the circumstances, contribute objectively and effectively to improving public awareness of the harmful effects on health of using tobacco or to collecting and analysing relevant epidemiological data, or ensure the rapid implementation of practical preventive measures,
- the measures must be assessed. Contractors must see to it that the results of their projects are disseminated in recognised scientific journals and/or presented at international conferences.

Priority will be given to projects covering the whole of the territory of the Community and coming from public health organisations which are recognised and/or are expressly supported by national or regional health authorities;

(c) with regard to the area referred to in Article 1(1)(b):

- the scientific and technological excellence and the innovative character of the research,
- the resources, partnership and management
- the Community value added and the potential contribution to Union policies,
- the contribution to the pursuit of the Community's social objectives,
- the prospects for the dissemination/exploitation of the results

as defined in Council Decision 1999/167/EC ⁽¹⁾.

Priority will be given to projects geared towards practical application, likely to have a rapid effect on production, and those which provide for rapid dissemination among producers of the knowledge or results obtained.

4. On the basis of the assessment, the Commission shall submit a list of the projects considered for financing to the Scientific and Technical Committee. The Committee shall deliver an opinion on the list.

5. As part of the public tendering procedure, projects to be carried out on the initiative and on behalf of the Commission, and considered for financing, shall also be submitted by the Commission to the Scientific and Technical Committee. The Committee shall deliver an opinion on those projects.

6. Pursuant to Article 5(4) of Decision 646/96/EC of the European Parliament and of the Council ⁽²⁾, the Commission shall inform the Committee referred to in Article 5 of that Decision of the projects considered for financing in the area

referred to in Article 1(1)(a) of this Regulation, accompanied by the opinion of the Scientific and Technical Committee.

7. Pursuant to Article 24 of Council Regulation (EEC) No 2075/92, the Commission shall inform the Management Committee for Tobacco of the projects considered for financing in the area referred to in Article 1(1)(b) of this Regulation, accompanied by the opinion of the Scientific and Technical Committee.

Article 5

1. On the basis of the opinions referred to in Article 4(4) and (5) of this Regulation, the Commission shall make a selection of the projects and decide on their financing by the Fund. It may decide not to proceed with any of the projects.

2. Projects accepted for financing by the Fund shall be the subject of a contract concluded by the Commission. A list of the projects financed in this way shall be published in the *Official Journal of the European Communities*.

3. The Commission shall monitor the implementation of projects accepted for financing by the Fund. It shall inform the Management Committee for Tobacco regularly of the contracts concluded and the progress of work.

4. The programme shall be the subject of evaluations, in particular during the third year following the entry into force of this Regulation. The reports shall be submitted to the Management Committee for Tobacco.

Article 6

1. Contracts shall be based on the appropriate standard contract drawn up by the Commission and shall reflect, where necessary, the various activities concerned. They shall specify in particular:

- the possibility of the payment of an advance by the Fund, within two months of the signature of the contract,
- the nature of the project deliverables necessary for obtaining subsequent payments, which shall be made in staggered instalments reflecting the progress of the work and on the basis of invoices and appropriate supporting documents,
- the deadline for submitting applications for payment of the balance following completion of the measures provided for in the contract, together with the nature of the accompanying deliverables, which shall include at least a summary of work carried out, appropriate supporting documents and an evaluation of the results obtained and how those results can be used,
- a maximum period for payments from the Fund of 60 days from the date of approval by the Commission of the project deliverables, which may be suspended by the Commission in order to carry out additional verifications.

⁽¹⁾ OJ L 64, 12.3.1999, p. 1.

⁽²⁾ OJ L 95, 1.4.1996, p. 9.

2. The payment of an advance by the Fund shall be subject to the lodging by the contractor, in favour of the Commission, of a security of an amount equivalent to 110 % of the advance, lodged in accordance with the conditions laid down in Title III of Regulation (EEC) No 2220/85. However, public institutions may be exempt from this requirement.

3. The security shall be released subject to payment of the balance of the contribution for the measures concerned.

4. Where the advance exceeds the amount due, the security shall be partially forfeit for an amount equal to the amount wrongly paid.

Article 7

Projects accepted for financing by the Fund may not receive Community financing from other sources.

Article 8

1. Where financing of a project has been wrongly paid, the Commission shall recover the amounts paid to the beneficiaries, plus interest from the date of payment to the date of actual recovery. The interest rate to be used shall be that charged by the European Central Bank on its euro operations as published in the *Official Journal of the European Communities* on the first working day of each month.

2. The amounts recovered and the interest shall be paid to the Commission and deducted from expenditure in the tobacco

sector financed by the European Agricultural Guidance and Guarantee Fund.

Article 9

The amount of the premium to be paid to producers and the reimbursement to be made by the Member States to the processors, in accordance with Articles 18 and 20 respectively of Commission Regulation (EC) No 2848/98 of 22 December 1998 laying down detailed rules for the application of Council Regulation (EEC) No 2075/92 as regards the premium scheme, production quotas and the specific aid to be granted to producer groups in the raw tobacco sector ⁽¹⁾ shall be reduced, at the time of payment, by the amount withheld referred to in Article 13(1) of Regulation (EEC) No 2075/92.

The amount thus reduced shall be declared by the Member States as expenditure of the Guarantee Section of the European Agricultural Guidance and Guarantee Fund.

Article 10

Regulation (EEC) No 2427/93 is hereby repealed. However, its provisions shall continue to apply to projects approved before the entry into force of this Regulation.

Article 11

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 Brussels, 25 July 2000.

For the Commission

Franz FISCHLER

Member of the Commission

⁽¹⁾ OJ L 358, 31.12.1998, p. 17.