

COUNCIL REGULATION (EC) No 3669/93

of 22 December 1993

amending Regulations (EEC) No 2328/91, (EEC) No 866/90, (EEC) No 1360/78, (EEC) No 1035/72 and (EEC) No 449/69 with a view to expediting the adjustment of production, processing and marketing structures as part of the reform of the common agricultural policy

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⁾,

Having regard to the opinion of the Economic and Social Committee ⁽³⁾,

Whereas Council Regulation (EEC) No 2052/88 of 24 June 1988 on the tasks of the Structural Funds and their effectiveness and on coordination of their activities between themselves and with the operations of the European Investment Bank and the other existing financial instruments ⁽⁴⁾ has been amended by Regulation (EEC) No 2081/93 ⁽⁵⁾, particularly as regards the allocation of assistance from the Funds;

Whereas Council Regulation (EEC) No 4253/88 of 19 December 1988 laying down provisions for implementing Regulation (EEC) No 2052/88 as regards coordination of the activities of the different Structural Funds between themselves and with the operations of the European Investment Bank and the other existing financial instruments ⁽⁶⁾ has been amended by Regulation (EEC) No 2082/93 ⁽⁷⁾;

Whereas Council Regulation (EEC) No 4256/88 of 19 December 1988 laying down provisions for implementing Regulation (EEC) No 2052/88 as regards the EAGGF Guidance Section ⁽⁸⁾ has been amended by Regulation (EEC) No 2085/93 ⁽⁹⁾, particularly because certain measures are now being financed by the EAGGF Guarantee Section;

Whereas under Article 11a of Regulation (EEC) No 4256/88 the Council must, by 31 December 1993, decide on the adjustment of common measures financed under Article 2 of that Regulation with a view to attaining

the objectives laid down in Regulation (EEC) No 2052/88 and in accordance with the rules laid down in Regulations (EEC) No 2052/88 and EEC No 4253/88, and in accordance with Regulation (EEC) No 4256/88;

Whereas steps should be taken to ensure that the measures envisaged are compatible with the reform of the common agricultural policy and that, in particular, they do not result in an overall increase in production in sectors which are in surplus;

Whereas, in this regard, the aid to agricultural holdings should be adjusted with regard to the set-aside of arable land and the fixing of a stocking rate for beef cattle on holdings;

Whereas the provisions of Regulation (EEC) No 2328/91 which concern set-aside, extensification, environmental measures in sensitive areas and forestry measures should be repealed since such measures are now covered by various back-up measures under the reform of the Common Agricultural Policy decided on in 1992, without prejudice to the specific transitional provisions concerning existing measures;

Whereas special rules have been adopted for the application of investment aid on agricultural holdings in Portugal and in the territory of the new German Länder; whereas the situation as regards agricultural structures in these parts of the Community has not evolved sufficiently; whereas, therefore, certain of the provisions intended to improve the situation can justifiably be extended in an appropriate form;

Whereas, as regards the application of Council Regulations (EEC) No 2328/91 of 15 July 1991 on improving the efficiency of agricultural structures ⁽¹⁰⁾, (EEC) No 1360/78 of 19 June 1978 on producer groups and associations thereof ⁽¹¹⁾ and (EEC) No 1035/72 of 18 May 1972 on the common organization of the market in fruit and vegetables ⁽¹²⁾, the allocation of appropriations between the Member States as provided for in Article 12 (4) of Regulation (EEC) No 2052/88 results in the laying down of conditions for the Community contribution by means of Commission decisions on annual expenditure forecasts for the various measures which are specific to

⁽¹⁾ OJ No C 235, 31. 8. 1993, p. 15 and OJ No C 317, 24. 11. 1993, p. 9.

⁽²⁾ Opinion delivered on 17 December 1993 (not yet published in the Official Journal).

⁽³⁾ Opinion delivered on 26 December 1993 (not yet published in the Official Journal).

⁽⁴⁾ OJ No L 185, 15. 7. 1988, p. 9.

⁽⁵⁾ OJ No L 193, 31. 7. 1993, p. 5.

⁽⁶⁾ OJ No L 374, 31. 12. 1988, p. 1.

⁽⁷⁾ OJ No L 193, 31. 7. 1993, p. 20.

⁽⁸⁾ OJ No L 374, 31. 12. 1988, p. 25.

⁽⁹⁾ OJ No L 193, 31. 7. 1993, p. 44.

⁽¹⁰⁾ OJ No L 218, 6. 8. 1991, p. 1. Regulation as last amended by Regulation (EEC) No 870/93 (OJ No L 91, 15. 4. 1993, p. 10).

⁽¹¹⁾ OJ No L 166, 23. 6. 1978, p. 1. Regulation as last amended by Regulation (EEC) No 746/93 (OJ No L 77, 31. 3. 1993, p. 14).

⁽¹²⁾ OJ No L 118, 20. 5. 1972, p. 1. Regulation as last amended by Regulation (EEC) No 746/93 (OJ No L 77, 31. 3. 1993, p. 14).

each Member State; whereas, however, the procedure which was applicable until 31 December 1992 on fixing the rates of Community part-financing for the regions not covered by Objective 1 is to be applied until new part-financing procedures take effect;

Whereas Regulation (EEC) No 2328/91, Council Regulation (EEC) No 866/90 of 29 March 1990 on improving the processing and marketing conditions for agricultural products⁽¹⁾, Council Regulation (EEC) No 1360/78, Council Regulation (EEC) No 1035/72 and Council Regulation (EEC) No 449/69 of 11 March 1969 on the reimbursement of aid granted by Member States to organizations of fruit and vegetable producers⁽²⁾ should therefore be amended,

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EEC) No 2328/91 is hereby amended as follows:

1. In Article 1:

(a) the first subparagraph of paragraph 2 shall be amended as follows:

(i) the introductory text shall be replaced by the following:

'2. In accordance with Articles 5 (2) (b) and 11 of Regulation (EEC) No 2052/88, the EAGGF, Guidance Section, hereinafter called "the Fund", shall, acting under the common measure referred to in paragraph 1, provide part-financing for national aid schemes concerning:';

(ii) points (a), (f) and (g) shall be deleted;

(iii) point (h) shall be replaced by the following:

'(h) vocational training measures connected with the measures referred to in points (b), (c) and (d)';

(b) the second subparagraph of paragraph 2 shall be deleted;

(c) the following paragraph 3 shall be added:

'3. The Community contribution to aid under this Regulation shall be limited to the financial resources resulting from the allocation referred to in Article 12 (4) of Regulation (EEC) No 2052/88

without prejudice to Article 32 (2) of this Regulation.

To this end, Member States may limit the right of applicants to benefit from such aid according to the financial resources available.'

2. Articles 2, 3 and 4 shall be deleted.

3. The second subparagraph of Article 5 (1) shall be deleted.

4. Article 6 shall be amended as follows:

(a) the following shall be added to the first indent of paragraph 1: 'and, where necessary, with a view to adapting it to Community quality standards,';

(b) the first five subparagraphs of paragraph 4 shall be replaced by the following:

'Aid may not be granted for investments as referred to in paragraph 1 which have the effect of increasing pig places.

The place required by one breeding sow shall correspond to 6,5 fattening pig places.';

(c) paragraph 5 shall be replaced by the following:

'5. The aid referred to in paragraph 1 and granted for investments relating to the beef sector, other than aid for safeguarding the environment, shall be restricted to livestock enterprises where the beef-cattle stocking rate does not, in the final year of the plan, exceed the following number of livestock units (LU) per hectare of forage area used for feeding the cattle; 3, 2,5 and 2 LU/ha for the plans ending respectively in 1994, 1995 and 1996 or later. The limits of 2,5 and 2 LU/ha shall apply only to applications submitted as from 1 January 1994.

Where the number of animals on a holding which are to be taken into account for the determination of the stocking rate in accordance with Article 4 (g) (1) of Regulation (EEC) No 805/68 (*) does not exceed 15 LU, the maximum rate of 3 LU/ha shall apply.

The LU conversion table is given in Annex I.

(*) OJ L 148, 28. 6. 1968, p. 24.'

5. The fifth subparagraph of Article 7 (2) shall be deleted.

6. In the second subparagraph of Article 9 (4), the second and third indents are replaced by the following:

'— three times the amount per holding referred to in the first subparagraph of Article 7 (2);'

(1) OJ No L 91, 6. 4. 1990, p. 1. Regulation as amended by Regulation (EEC) No 3577/90 (OJ No L 353, 17. 12. 1990, p. 23).

(2) OJ No L 61, 12. 3. 1969, p. 2.

7. The following indent shall be inserted after the last indent of Article 12 (5):
- aid for investments in agricultural holdings not relating to field crops or stockfarming.
8. The heading of Title V shall be replaced by the following:
- TITLE V**
- Other measures to assist agricultural holdings.**
9. Article 16 shall be amended as follows:
- (a) paragraphs 1 and 2 shall be replaced by the following:
- '1. Member States may, on request, grant aid to agricultural associations for the purpose of creating or stepping up services to assist farm management and which is to help cover their management costs.
2. The aid referred to in paragraph 1 shall be granted in respect of the work of staff responsible for providing individual assistance in the technical, economic, financial and administrative management of agricultural holdings.'
- (b) paragraph 5 shall be replaced by the following:
- '5. Member States shall fix the amount of the aid referred to in paragraph 1 per member of staff employed on a full-time basis on the work specified in paragraph 2. This amount shall be spread over the first five years of each member of staff's employment; it may be spread degressively over this period. The maximum eligible total of the aid shall be ECU 54 000 for each member of staff.'
- (c) paragraph 6 shall be replaced by the following:
- '6. Member States may replace the system of aid provided for in paragraph 5 with a system of farm management aid for farmers practising farming as their main occupation who make use of the services to assist farm management referred to in paragraph 1.
- In this event, Member States shall set aid at up to a maximum of ECU 750 per holding, to be spread over at least two years.'
10. Article 18 shall be amended as follows:
- (a) the words 'retirement pension' in the first subparagraph of paragraph 1 and in paragraph 2 shall be replaced by 'retirement or early-retirement pension';
- (b) in paragraph 2, the word 'reimbursement' shall be replaced by 'part-financing'.
11. Article 19 (1) shall be amended as follows:
- (i) the first indent of (b) (i) is deleted;
- (ii) in the second sentence of (c), the words 'the aid referred to in Article 21' shall be replaced by 'the aid referred to in Regulation (EEC) No 2078/92'.
12. Articles 21 to 27 shall be deleted.
13. In the first subparagraph of Article 28 (1), the words 'Articles 3 and 5 to 16' shall be replaced by 'Articles 5 to 16'.
14. The second sentence of Article 29 (3) shall be deleted.
15. Articles 31 and 32 shall be replaced by the following:
- Article 31*
1. On the basis of the data referred to in Article 29 (2) and to ensure consistency with the allocation of appropriations between Member States pursuant to Article 12 (4) of Regulation (EEC) No 2052/88, Member States shall establish for 1994 to 1999 annual expenditure forecasts.
- These forecasts shall cover all expenditure financed by the EAGGF, Guidance Section, pursuant to:
- this Regulation;
 - Directive 72/159/EEC;
 - Directive 72/160/EEC;
 - Regulation (EEC) No 1035/72;
 - Regulation (EEC) No 1360/78;
 - Regulation (EEC) No 389/82;
 - Regulation (EEC) No 1696/71.
2. Member States shall forward, together with the annual expenditure forecasts, an aid application submitted in accordance with Article 14 (1) of Regulation (EEC) No 4253/88.
- The aid application shall include the information necessary to enable the Commission to make an evaluation and, in particular, a description of the proposed measures, their scope, including geographical coverage, their specific objectives, an indication of the bodies responsible for carrying out the measures and the beneficiaries.

To the extent that the Regulations referred to in paragraph 1 of this Article and the national implementing provisions communicated to the Commission contain a description of the measures and their specific objectives it is not necessary for the information relating thereto to appear in the aid application.

In any event the aid application shall include a breakdown of forecast expenditure between the Regulations referred to in paragraph 1 and, in the case of Regulation (EEC) No 2328/91, between the various titles of the Regulation for the entire period, together with a breakdown by year of all expenditure.

3. In the case of regions covered by Objective 1 as defined in Article 1 of Regulation (EEC) No 2052/88, the expenditure forecasts referred to in paragraph 1 shall be included in the documents relating to the programming referred to in Article 8 (7) of the said Regulation and Article 5 (2) of Regulation (EEC) No 4253/88.

4. In the case of regions not eligible under Objective 1, Member States shall transmit the expenditure forecasts referred to in paragraph 1 by 30 April 1994 at the latest, distinguishing the information relating to Objective 5 (b) areas from that relating to the rest of the territory.

Where appropriate, Member States shall draw up by 30 April at the latest an update of the expenditure forecasts and of the information submitted with the aid applications.

5. The Commission shall adopt detailed rules for the application of this Article, in accordance with the procedure laid down in Article 29 of Regulation (EEC) No 4253/88.

Article 32

1. Expenditure incurred by Member States in the framework of the measures provided for in Articles 6 to 11, 13 to 20 and 28 shall be eligible for part-financing under the Fund.

2. In the case of regions not eligible under Objective 1 as defined in Article 1 of Regulation (EEC) No 2052/88, the Commission shall, in accordance with the procedure laid down in Article 29 of Regulation (EEC) No 4253/88, decide on the conditions for a financial contribution from the Community, including the rate of community part-financing, in accordance with the criteria and limits laid down in Article 13 of Regulation (EEC) No 2052/88, so that consistency is ensured with the allocation of the appropriations between Member States pursuant to the second subparagraph of Article 12 (4) of the latter Regulation.

In order to ensure compliance with the resources available for the whole set of measures referred to in

Article 2 of Regulation (EEC) No 4256/88, the conditions referred to in the first subparagraph may be revised in accordance with the same procedure.

3. Where appropriate, the Commission shall adopt detailed rules for the application of this Article in accordance with the procedure laid down in Article 29 of Regulation (EEC) No 4253/88.

16. Article 33 is replaced by the following :

Article 33

1. Assistance shall be paid in accordance with Article 21 of Regulation (EEC) No 4253/88 ; however, in addition to the conditions listed in paragraph 4 of the said Article, payment of the balance or a refund shall be based on :

- a declaration of the expenditure effected by Member States during a calendar year, and
- a report on the application of the measures during the calendar year in question, prepared in accordance with Article 25 (4) of the said Regulation,

both of which shall be submitted to the Commission before 1 July the following year.

2. The Commission shall adopt detailed rules for the application of this Article after consulting the Committee referred to in Article 29 of Regulation (EEC) No 4253/88.

17. The following Article shall be inserted as follows :

Article 34a

The Commission shall, after consulting the Committee referred to in Article 29 of Regulation (EEC) No 4253/88, adopt detailed rules on monitoring and assessment to ensure in particular that the common measures referred to in Article 2 of Regulation (EEC) No 4256/88 are carried out in a manner consistent with the allocation of appropriations between the Member States pursuant to Article 12 (4) of Regulation (EEC) No 2054/88.

18. Article 35 shall be replaced by the following :

Article 35

1. This Regulation shall be without prejudice to the right of Member States to adopt additional aid measures in the areas covered by this Regulation, with the exception of those covered by Articles 5 to 9, 11, 12 (2), (3) and (4) and 17, on terms differing from those laid down therein, or in amounts exceeding the ceilings laid down therein, provided that Articles 92, 93 and 94 of the Treaty are not infringed.

2. Articles 92, 93 and 94 of the Treaty, with the exception of Article 92 (2), shall not apply to the aid measures governed by Articles 5 to 9, 11, 12 (2), (3) and (4) and 17 of this Regulation.'

19. Article 36 shall be replaced by the following:

Article 36

Checks shall be carried out in accordance with Article 23 of Regulation (EEC) No 4253/88.'

20. Article 37 shall be replaced by the following:

Article 37

The following special provisions shall apply to Portugal until 31 December 1995:

(a) the Commission may, when taking decisions as referred to in Article 30, authorize the Portuguese Republic, for the purposes of fixing the reference income within the meaning of Article 5 (3), to apply a correction coefficient to the average gross income of non-agricultural workers throughout Portuguese territory. This coefficient may not exceed:

- 1,7 for 1993,
- 1,5 for 1994,
- 1,3 for 1995;

(b) the Commission may, when taking decisions as referred to in Article 30, authorize the Portuguese Republic to apply Article 9 (1) to (4) to group-operated holdings of which only two-thirds of the members meet the condition referred to in Article 5 (1) (a).

At the same time, the Commission shall determine the specific terms on which aid is to be granted to such group-operated holdings;

(c) the compensatory allowance within the meaning of the Article 17 may be granted to farmers who farm at least 1 ha of utilized agricultural area in mainland Portugal.'

21. Article 38 shall be amended as follows:

(a) in paragraph 1:

(i) points (a), (b) and (c) shall be deleted;

(ii) the second subparagraph of (e) shall be replaced by the following:

'The conditions laid down in the pig production sector in Article 6 (4) referring to the number of pig places and in the second indent of the second subparagraph of Article 9 (4) shall not apply to aid granted in the context of the creation of new family holdings or the restructuring of co-operative 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.'

(iii) the following shall be added to (f):

'The ceiling laid down in the second indent of the second subparagraph of Article 9 (4) shall be increased to three times that volume of investment per holding.'

(iv) point (h) shall be deleted;

(b) paragraph 2 shall be replaced by the following:

'2. Points (d) to (g) of paragraph 1 shall apply until 31 December 1996.'

22. Article 39 shall be deleted.

Article 2

Regulation (EEC) No 866/90 is hereby amended as follows:

1. The end of the last sentence of Article 1 (1) from the word 'namely' shall be deleted.

2. The heading of Title I shall be replaced by the following:

TITLE I

Plans, Community support frameworks and selection criteria'

3. Article 2 shall be replaced by the following:

Article 2

Plans and Community support frameworks

1. In order to ensure that the marketing and processing sectors develop in a way that is consistent with Community policy, and particularly with the common agricultural policy, and to ensure the effectiveness of Community aid, the financing of investments must take place within the framework of plans designed to improve the structures relating to the various products in question, to be presented by the Member States, and on the basis of the corresponding Community support frameworks.

2. Measures under this Regulation shall be included in the plans drawn up and presented by the Member States for the Objective 1 regions, in accordance with Article 8 (7) of Regulation (EEC) No 2052/88 and Article 5 (2) of Regulation (EEC) No 4253/88.

3. In the case of regions not eligible under Objective 1, the plans referred to in paragraph 1 shall be prepared by the Member States with the information relating to Objective 5 (b) areas given separately from that relating to the rest of the territory.'

4. Article 3 shall be replaced by the following:

Article 3

Content of the plans

1. The plans referred to in Article 2 must include at least the following information:

(a) determination of the sectors covered and the reasons for such determination;

(b) the initial situation and the trends which can be inferred from it, particularly as regards:

- the importance of agriculture and the prospective outlets for agricultural products;
- the situation as regards the processing and marketing of agricultural products and in particular the existing capacity of the undertakings concerned and their geographical distribution;

(c) the plan's aims and means:

- the estimated time required for the execution of the plan, which in principle should be between three and six years;
- the needs to be met by the plan and the objectives which it is intended to achieve, in particular the capacity to be reached and the implications for agricultural undertakings;
- any aid measures established in the sector covered by the plan;
- the means proposed for achieving the objectives, particularly the total amount of investment and the financial participation of the Member State;
- the arrangements made to associate the competent environmental authorities designated by the Member State in the preparation and implementation of the measures laid down in the plan and to ensure compliance with Community rules on the environment.

2. The plans corresponding to the first phase of execution shall be submitted to the Commission by 30 April 1994 at the latest.

5. Articles 4 and 5 shall be deleted.

6. In Article 6 the terms 'in Articles 4 and 5' shall be replaced by the terms 'in Article 3.'

7. Article 7 shall be replaced by the following:

Article 7

Community support frameworks

1. The Community support frameworks relating to the plans submitted to the Commission by the

Member States shall be prepared in partnership, in accordance with the procedure laid down in Article 29 of Regulation (EEC) No 4253/88, so as to ensure consistency with the allocation of appropriations between the Member States pursuant to the second subparagraph of Article 12 (4) of Regulation (EEC) No 2052/88. In the case of regions not covered by Objective 1, the Community support frameworks may be revised annually, in accordance with the same procedure, in particular in order to keep within the resources available for all the measures referred to in Article 2 of Regulation (EEC) No 4256/88.

2. In accordance with the principles laid down in Title III of Regulation (EEC) No 4253/88, Community support frameworks shall include a statement of the priorities for Community intervention, the total amount of the financial assistance chargeable to the Fund and an indicative figure for the rate of aid envisaged as the Fund's contribution.

3. In the case of Objective 1 regions, the information specified in paragraph 2 shall be included in the Community support frameworks in accordance with Article 8 (7) of Regulation (EEC) No 2052/88.

4. In the case of regions not covered by Objective 1, the Community support frameworks must include two financial indicative tables, one of which relates to Objective 5 (b) areas and the other to the rest of the territory.'

8. Article 8 (1) shall be replaced by the following:

'1. Investments eligible for assistance from the Fund under this Regulation shall meet selection criteria fixing priorities and indicating investments which may not receive Community financing.'

9. Article 9 and 10 shall be replaced by the following:

Article 9

Forms of assistance

The Fund shall provide assistance in the implementation of the measure which is the subject of this Regulation by means of:

(a) the part-financing of operational programmes within the meaning of Article 5 (2) (a) of Regulation (EEC) No 2052/88, or

(b) the provision of global grants within the meaning of Article 5 (2) (c) of Regulation (EEC) No 2052/88.

Article 10

Applications for aid

Member States shall:

- (a) submit their aid applications in accordance with Article 14 (1) and (2) of Regulation (EEC) No 4253/88;
- (b) communicate to the Commission the laws, regulations and administrative provisions for implementing the common measure defined in Article 1 of this Regulation.

Article 10a

Single programming document

Both for regions covered by Objective 1 and for those not covered by that Objective, Member States may submit a single programming document which includes all the information required in the plans and that required in the aid applications. If they do so, the Commission shall adopt a single decision on a single document in accordance with the last subparagraph of Article 10 (1) of Regulation (EEC) No 4253/88.

10. The following shall be added at the end of Article 11 (2):

'in accordance in particular with Council Regulation (EEC) No 2092/91 of 24 June 1991 on organic production of agricultural products and indications referring thereto an agricultural products and food-stuffs (*).

(*) OJ No L 198, 22. 7. 1991, p. 1.'

11. The third indent of Article 13 shall be deleted.

12. Article 14 (2) shall be deleted.

13. In Article 15:

- (a) paragraph 1 shall be replaced by the following:

'1. The Commission shall decide on the granting of aid from the Fund in accordance with Article 14 of Regulation (EEC) No 4253/88 and, where appropriate, the second and third subparagraphs of Article 10 (1) of the said Regulation.'

- (b) paragraph 3 shall be deleted.

14. In Article 16 (3), the words, 'investments selected by the Commission for assistance from the Fund' shall be replaced by 'investments selected as eligible for assistance from the Fund'.

In Article 16 (4), the words 'referred to in Article 14 (1)' shall be deleted.

15. Article 18 shall be replaced by the following:

Article 18

Checks

Checks shall be carried out in accordance with Article 23 of Regulation (EEC) No 4253/88.'

16. Article 19 shall be replaced by the following:

Article 19

Transitional provisions

1. The operational programmes introduced at the latest by 31 December 1993 under this Regulation and which have not been granted aid from the fund may be included in the operational programmes to be financed during the period 1994/1999 provided they fulfil the criteria and conditions stipulated in this Regulation and provided they fall within a Community support framework. Article 15 (2) of Regulation (EEC) No 4253/88 shall not apply.

2. Investments eligible under this Regulation and for which work has begun between 1 July 1993 and 31 December 1993 and which it has not been possible to insert into the operational programmes referred to in paragraph 1, may be financed during the period 1994/1999, provided they fulfil the criteria and conditions stipulated in this Regulation and provided they are covered by a request for aid to be submitted by the Member State not later than 30 April 1994.

3. The criteria for choice referred to in Article 8 of this Regulation applicable to the operational programmes referred to in paragraph 1 shall be those in force at the date of receipt of the request for aid.'

17. Articles 19a, 20 and 22 shall be deleted.

Article 3

Regulation (EEC) No 1360/78 is hereby amended as follows:

1. Article 12 shall be replaced by the following:

Article 12

1. The set of measures provided for in this Regulation shall constitute a common measure within the meaning of Article 2 (1) of Regulation (EEC) No 4256/88 (*).

2. Article 1 (3) of Regulation (EEC) No 2328/91 (**) shall apply.

(*) OJ No L 374, 31. 12. 1988, p. 25.

(**) OJ No L 218, 6. 8. 1991, p. 1.'

2. Articles 14 and 15 shall be replaced by the following :

Article 14

The measures provided for in Article 10 (1), (2), (2a) and (3) of this Regulation and the aid resulting from the application of Regulation (EEC) No 389/82 shall be covered by the annual expenditure forecasts referred to in Article 31 (1) of Regulation (EEC) No 2328/91 (*).

Article 15

1. Assistance shall be paid in accordance with Article 21 of Regulation (EEC) No 4253/88 (**). However, in addition to the conditions listed in paragraph 4 of the said Article, payment of the balance or refund shall be based on :

- a declaration of the expenditure effected by Member States during a calendar year, and
- a report on the application of the measures during the calendar year in question, prepared in accordance with Article 25 (4) of the said Regulation,

both of which shall be submitted to the Commission before 1 July of the following year.

2. The Commission shall adopt detailed rules for the application of this Article after consulting the Committee referred to in Article 29 of Regulation (EEC) No 4253/88.

(*) OJ No L 218, 6. 8. 1991, p. 1.

(**) OJ No L 374, 31. 12. 1988, p. 1.

Article 4

Regulation (EEC) No 1035/72 is hereby amended as follows :

1. The second subparagraph of Article 14 b (2) shall be deleted.

2. Article 36 shall be replaced by the following :

Article 36

1. The provisions laid down by regulation on the financing of the common agricultural policy shall apply to the market in the products referred to in Article 1.

2. Aid granted by the Member States in accordance with Article 14 (1), (2) and (3) and Article 14 b (1) and (2) shall constitute a common measure within the

meaning of Article 2 (1) of Regulation (EEC) No 4256/88 (*). This aid shall be covered by the annual expenditure forecasts referred to in Article 31 (1) of Regulation (EEC) No 2328/91 (**).

Article 1 (3) of Regulation (EEC) No 2398/91 shall apply to the aid provided for in this paragraph.

Article 36a

1. Assistance shall be paid in accordance with Article 21 of Council Regulation (EEC) No 4253/88 (**). However, in addition to the conditions listed in paragraph 4 of the said Article, payment of the balance or a refund shall be based on :

- a declaration of the expenditure effected by Member States during a calendar year, and
- a report on the application of the measures during the calendar year in question, prepared in accordance with Article 25 (4) of the said Regulation,

both of which shall be submitted to the Commission before 1 July of the following year.

2. The Commission shall adopt detailed rules for the application of this Article after consulting the Committee referred to in Article 29 of Regulation (EEC) No 4253/88.

(*) OJ No L 374, 31. 12. 1988, p. 25.

(**) OJ No L 218, 6. 8. 1991, p. 1.

(***) OJ No L 374, 31. 12. 1988, p. 1.

Article 5

Articles 1 and 7 of Regulation (EEC) No 449/69 are hereby deleted.

Article 6

This Regulation shall enter into force on 1 January 1994.

However :

1. the procedure for fixing Community part-financing rates as provided for in the first subparagraph of Article 31 (2) of Regulation (EEC) No 2328/91 prior to its amendment by this Regulation shall continue to apply throughout the territory of the Community, including the regions not covered by Objective 1 as defined in Article 1 of Regulation (EEC) No 2052/88, until such time as new rules on part-financing are laid down for the regions concerned pursuant to Article 31 (3) and Article 32 of Regulation (EEC) No 2328/91 ;

2. Articles 3 and 21 to 24 of Regulation (EEC) No 2328/91 shall continue to apply under the terms laid down in Article 11 of Council Regulation (EEC) No 2078/92 of 30 June 1992 on agricultural production methods compatible with the requirements of the protection of the environment and the maintenance of the countryside⁽¹⁾;
3. Articles 25, 26 and 27 of Regulation (EEC) No 2328/91 shall continue to apply under the terms laid down in

Article 8 of Council Regulation (EEC) No 2080/92 of 30 June 1992 instituting a Community aid scheme for forestry measures in agriculture⁽²⁾;

4. the structural derogations laid down for certain remote territories under Regulations (EEC) No 3763/91⁽³⁾, EEC No 1600/92⁽⁴⁾, EEC No 1601/92⁽⁵⁾ and EEC No 2019/93⁽⁶⁾ shall continue to apply.

Article 1 (20) shall apply with effect from 1 September 1992.

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

Done at Brussels, 22 December 1993.

For the Council

The President

J.-M. DEHOUSSE

⁽²⁾ OJ No L 215, 30. 7. 1992, p. 96.

⁽³⁾ Council Regulation (EEC) No 3763/91 of 16 December 1991 introducing specific measures in respect of certain agricultural products for the benefit of the French overseas departments (OJ No L 356, 24. 12. 1991, p. 1).

⁽⁴⁾ Council Regulation (EEC) No 1600/92 of 15 June 1992 concerning specific measures for the Azores and Madeira relating to certain agricultural products (OJ No L 173, 27. 6. 1992, p. 1). Regulation as amended by Regulation (EEC) No 3714/92 (OJ No L 378, 23. 12. 1992, p. 23).

⁽⁵⁾ Council Regulation (EEC) No 1601/92 of 15 June 1992 concerning specific measures for the Canary Islands with regard to certain agricultural products (OJ No L 173, 27. 6. 1992, p. 13). Regulation as amended by Regulation (EEC) No 3714/92 (OJ No L 378, 23. 12. 1992, p. 23).

⁽⁶⁾ Council Regulation (EEC) No 2019/93 of 19 July 1993 introducing specific measures for the smaller Aegean islands concerning certain agricultural products (OJ No L 184, 27. 7. 1993, p. 1).

⁽¹⁾ OJ No L 215, 30. 7. 1992, p. 85.