

# COMMISSION OF THE EUROPEAN COMMUNITIES

COM(76) 527 final.

Brussels, 7 October 1976.

## PROPOSAL FOR A COUNCIL REGULATION (EEC)

temporarily suspending certain national and Community  
aids in the milk and milk products sector

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(submitted to the Council by the Commission)

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Proposal for a  
COUNCIL REGULATION (EEC)

temporarily suspending certain national and Community aids  
in the milk and milk products sector

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 the proposal from the Commission,

Having regard to the opinion of the European Parliament,

Whereas there is a serious imbalance on the market in milk,

Whereas this calls for a set of measures capable of restoring balance to  
the market, whereas the impact of these measures might be adversely  
affected by further investment in the production, processing and  
marketing of cow's milk, and whereas accordingly all national aids  
for such investment should be temporarily discontinued;

Whereas the national aids referred to in Article 92(2) of the Treaty,  
and those for investment in mountain and hill regions and in the  
less-favoured areas delimited under Council Directive 75/268/EEC of  
28 April 1975 on farming in mountain and hill regions and certain  
less-favoured areas,<sup>1</sup> meet special needs, and whereas so too do national aids  
for research on and investment in new products calculated to increase sales  
outlets for milk;

Whereas the investment aids provided for in Council Directive No  
72/159/EEC of 17 April 1972 on the modernization of farms<sup>2</sup> should be  
confined to farms the development plans for which are not such as to  
make for any great intensification of milk production;

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<sup>1</sup>OJ No L 128, 19.6.1975, p.1.

<sup>2</sup>OJ No L 96, 23.4.1972, p.1.

HAS ADOPTED THIS REGULATION:

Article 1

1. Without prejudice to Article 92(2) of the Treaty, no aid shall be granted by Member States or from State funds for investment relating to:
  - production of cow's milk;
  - processing or marketing of cow's milk or milk products, including collection, packaging and preparation of those products.
2. The above prohibition shall not apply to aids for research on or investment in new products calculated to increase sales outlets for milk.

Article 2

The provisions in Directive No 72/159/EEC concerning the granting of investment aids shall be suspended with respect to milk production. Notwithstanding, the investment aids referred to in Article 8 thereof may be granted to farms possessing dairy cattle provided that under the development plan not less than 80% of the fodder needed to feed the cattle is produced on the farm itself and that on completion of the plan the number of dairy cattle does not exceed 1.3 cows per hectare of the area farmed.

Article 3

Article 1(1) and Article 2 shall not apply to farms in mountain and hill regions and other less-favoured areas within the meaning of Directive No 75/268/EEC.

Article 4

This Regulation shall enter into force on the day of its publication. It shall apply to applications lodged with the competent authorities in the Member States from 1 October 1976. It shall apply until 30 June 1979.

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

Done at

For the Council  
The President