

# COMMISSION OF THE EUROPEAN COMMUNITIES

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**GIFT & EXCHANGE**

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Brussels, 20 October 1978

PROPOSAL FOR COUNCIL REGULATION (EEC) ON THE  
GRANTING OF AID BY THE EUROPEAN AGRICULTURAL GUIDANCE  
AND GUARANTEE FUND, GUIDANCE SECTION, IN 1978 and 1979  
PURSUANT TO REGULATION No. 17/64/EEC AND TO COUNCIL  
DIRECTIVE 77/391/EEC.

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(Presented by the Commission to the Council)

EXPLANATORY MEMORANDUM

1. During the Council's 516th session of 8 to 12 May 1978, it invited the Commission to take the necessary steps to permit the financing in 1978 and 79 of measures in the field of production structures on the basis of Regulation (EEC) No. 17/64 on complementary arrangements still to be proposed and, in the former case, to accept the presentation of individual projects by the Member States up to 1 October 1978. The financing should be by derogation of article 6 of Regulation No. 729/70 as it is necessary to have recourse to the reserves entered in Chapter 88 of the budget.

70 MEUA.

In this context, the Council noted the intention of the Commission to propose certain complementary measures to those in existence in order to be better able to take account of the particular need of Belgian, Dutch and Luxembourg agriculture and to take account, when deciding on the granting of EAGGF aid to these projects, in particular of the importance of problems met by agriculture in these Member States.

2. Article 6(4) of Regulation (EEC) No. 729/70 provides that Regulation No. 17/64/EEC shall cease to apply when expenditure on common measures by the EAGGF, Guidance Section, exceeds the annual amount made available to this Section (325 million u.a.). This will be the case in 1978.
3. After the adoption of a number of common measures, Regulation No. 17/64/EEC applies mainly to the granting of aid to projects for the improvement of agricultural infrastructures in the Community ceases to apply, except for the measures foreseen in Council Regulation (EEC) No. 1760/78 of 25.7.78, concerning a common measure for the improvement of infrastructures in certain rural zones.

Even these measures must await the approval by the Commission of the national programmes before they can be effectively applied.

4. The improvement of agricultural infrastructures remains an important Community requirement. Projects for improving structures, particularly in this field, are increased in programmes or plans which are drawn up some time before the application for aid is submitted. The sudden cessation of the flow of aid would therefore disturb these programmes and discourage local and regional initiatives. It is therefore justified to make provision for at least a transitional period during which the Regulation will remain in force so that aid can be given to the most important and urgent projects.

5. Concerning certain measures which are necessary in Benelux countries to resolve the particular problems of agriculture in these countries they could comprise of specific measures which cannot be inserted within the framework of the existing Regulation No. 17/64/EEC. It is fitting however that the Community also participate in the financing of these measures, which will necessitate the derogation to certain conditions of the regulation.

Among the specific actions considered, for Belgium in particular, is the intensification of the eradication of bovine brucellosis, a derogation to this effect shall be provided for in this regulation. This derogation is limited to the amount of the premium; it is also limited in time to the total length of the action which is 3 years.

Draft proposal for Council Regulation (EEC) No. 178  
of ..... 1978 on the granting of aid by  
the European Agricultural Guidance and Guarantee Fund,  
Guidance Section, in 1978 and 1979 pursuant to  
Regulation No. 17/64/EEC, and to Council Directive 77/391/EEC.

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THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic  
Community, and in particular Article 43

Having regard to the proposal from the Commission,

Having regard to the Opinion of the European Parliament,

Whereas, in accordance with Article 6(4) of Council Regulation (EEC)  
No. 729/70 of 21 April 1970 on the financing of the common agricultural  
policy (1) last modified by Regulation (EEC) No. 2788/72 (2), the  
provisions of part two of Council Regulation No. 17/64/EEC of 5 February  
1964 on the conditions for granting aid from the European Agricultural Guidance  
and Guarantee Fund, (3) last modified by Regulation (EEC) No. 3171/75  
(4) should cease to apply in 1978, since the expenditure of the Guidance  
Section on the financing of common measures will exceed the total annual  
appropriations available to that Section;

Whereas there is still considerable need in

the Member States for financial assistance by the Community by means  
of common measures;

Whereas it appears necessary to permit temporarily Community intervention  
in these sectors;

Whereas Regulation No. 17/64/EEC is particularly suitable for solving these  
problems, its validity should therefore be extended;

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- (1) OJ No. L 94, 28.4.1970, P. 13  
(2) OJ No. L 295, 30.12.1972, P. 1  
(3) OJ No. L34, 27.2.1964, P.586/64  
(4) OJ No. L315, 5.12.1975, P.1.

Whereas certain problems particular to agriculture of the countries of Benelux could necessitate specific measures which do not fit the present conditions laid down in Regulation No 17/64/EEC.

Whereas it would seem opportune nevertheless that the Community participates in the financing of these measures and therefore it is necessary to provide for the possibility of derogating from certain conditions laid down in Regulation No 17/64/EEC.

Whereas moreover in the framework of the national plans for the application of Council Directive (EEC) 77/391 of 17 May 1977 setting up a Community action for the eradication of bovine brucellosis, tuberculosis and leucosis (1), it would appear opportune to foresee the doubling of the slaughter premium paid in respect of certain regions with a high incidence of these diseases in the countries of the Benelux

HAS ADOPTED THIS REGULATION :

Article 1

1. By way of derogation from the provisions of Article 6(4) of Regulation (EEC) No 729/70, the provisions of Part two of Regulation No 17/64/EEC, with the exception of Articles 14 (1)(a) and 16, shall continue to apply in 1978 and 1979. These arrangements are also applicable to projects in the coastal fishing sector, alluded to in Article 1 of Regulation (EEC) No 1852/78 (2), which have not been awarded aid due to insufficient available funds.
2. By derogation to the conditions of 11 (1) and 22 (1) of Regulation No 17/64/EEC and the condition that measures to be granted aid must take the form of capital investment projects, requests for aid may be admitted following the procedure laid down in Article 19 (1) of the above-mentioned regulation to cope with the particular problems of agriculture in the countries of Benelux.
3. Applications for aid for 1978 and 1979 must be submitted to the Commission before 1 December 1978.

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(1) O.J. L145, 13.6.1977, p. 4

(2) O.J. L211, 1.8.1978, p. 30

4. The Commission shall take a decision on these applications in one or more instalments before 31 December 1979.

Article 2

In derogation to Article 7 (2) of Directive 77/391/EEC the EAGGF Guidance Section can pay to Member States of Benelux who request it in respect of certain regions particularly suffering from these bovine diseases an amount not exceeding 120 ua per cow and 60 ua per bovine other than cows, slaughtered in the framework of the actions set out in chapter I of the above mentioned directive.

Article 3

This Regulation shall enter into force on the third 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  
For the Council  
The President

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# FINANCIAL STATEMENT

DATE : 3.10.1978

1. BUDGET LINE CONCERNED : 800 and 837

CREDITS :

2. ACTION : Proposed Regulation relating to the awarding of aid from the EAGGF Guidance Section, in the framework of Regulation No. 17/64/EEC, in the years 1978 and 1979 and of Council Directive 77/391/EEC

3. LEGAL BASIS : Article 43 of the Treaty

4. OBJECTIVES : To permit the continuation of the financing of projects as defined in Article 13 of Regulation 17/64/EEC during the years 1978 and 1979

5. FINANCIAL CONSEQUENCE	PERIOD OF 12 MONTHS	CURRENT FINANCIAL YEAR (78)	FOLLOWING FINANCIAL YEAR (79)
5.0 EXPENDITURE			
- CHARGED TO THE EC BUDGET (REVENUES/INTERVENTIONS)	70 MEUA	70 MEUA See under observations	-
- CHARGED TO NATIONAL ADMINISTR.			-
- CHARGED TO OTHER NATIONAL GROUPS			-
5.1 RECEIPTS			
- FROM RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES)			-
- NATIONAL			-

	YEAR .....78.....	YEAR .....79.....	YEAR .....80.....
5.0.1 BIENNIAL PATTERN OF EXPENDITURE	Art.800 70 MEUA	-	-
	Art.837 -	-	p.m.

## 5.2 METHOD OF CALCULATION

Art.800 : Amount set out in the Minutes of the 516th Council Meeting of the 8 to 12 May 1978

Art.837 : Article 2 provides that the benefit of the action is limited to certain regions particularly suffering from the bovine diseases in question, it is considered that the original estimate of the financial consequences of Directive No. 77/391/EEC remain valid especially when taking into consideration the fact that, the original estimate of the number of animals to be slaughtered, will not be reached.

6.0 FINANCING POSSIBLE WITH CREDITS INSCRIBED IN RELEVANT CHAPTER OF CURRENT BUDGET ? /NO

6.1 FINANCING POSSIBLE BY TRANSFER BETWEEN CHAPTERS OF CURRENT BUDGET ? YES/

6.2 NECESSITY FOR A SUPPLEMENTARY BUDGET ? /NO

6.3 CREDITS TO BE WRITTEN INTO FUTURE BUDGETS ? /NO

## COMMENTS :

Regulation No. 17/64/EEC does not lay down a minimum financial participation by the Member State concerned.

It is the Commission's intention that the financial requirements of this action be met by transfers between chapters within the overall budgetary allocation for Title 8 in 1978