

EUROPEAN ECONOMIC COMMUNITY

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PRESS RELEASE

First payments of aid from the Guarantee Section of the EAGGF

The EEC Commission has decided upon the allocation of the first instalment of aid from the Guarantee Section of the Agricultural Fund (EAGGF). The sums in question, which total 28 723 086.13 u.a., (dollars) represent the amount due for the first year of the common agricultural policy, i.e. for 1962/63. The 1965 budget included 77 022 000 u.a. for 1962/63 and 1963/64, but as the examination of the accounts for 1963/64 is not yet complete, the second instalment of aid will be paid next year.

Two classes of expenditure are eligible for aid:

Refunds on exports to non-member countries		22 261 239.99 u.a.
Support of the home market, of which:		
denaturing	3 241 359.04 u.a.	
stocks carried over at the end of the marketing year	3 220 487.10 u.a.	6 461 846.14
Aid from the Guidance Section totalled		9 056 922.00
Total expenditure of the EAGGF in 1965		<u>37 780 008.13</u>

The whole of the Fund's expenditure for 1962/63 is to be met by contributions from Member States according to the scale fixed by the Treaty for the budget (Article 200(1)).

The amount of aid that the Member States will receive from the Guarantee Section for the first year is as follows:

<u>Member State</u>	<u>Amount repaid (in u.a.)</u>	<u>%</u>
Belgium	305 308.41	1.96
Germany	1 790 150.60	6.23
France	24 479 126.22	85.23
Italy	1 280 606.02	4.46
Luxembourg	3 445.96	0.01
Netherlands	864 256.92	3.01

The payments will be made by a clearing transaction in the next few weeks.

For 1962/63, when one-sixth of eligible expenditure was to be borne by the Fund, the only sectors for which the Community had financial responsibility were cereals, pigmeat, eggs and poultrymeat. Since the autumn of 1964 three new sectors - milk products, beef and veal, rice - have been covered by the Fund. The Guidance Section differs from the Guarantee Section in that it may in principle finance operations relating to all agricultural products subject to a common organization of markets. So far it has mainly been used for dairy produce and fruit and vegetables.

Cereals

21 495 923	export refunds	
6 461 646	market support	
103 591	guidance	28 061 360

<u>Pigmeat</u>	49 743	refunds
<u>Eggs</u>	551 451	refunds
<u>Poultrymeat</u>	164 123	refunds
<u>Milk products</u>	2 100 975	guidance
<u>Fruit and vegetables</u>	1 676 365	guidance
<u>Improvement of production structures</u>	4 146 602	guidance