

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(82) 515 final

Brussels, 30 July 1982

Proposal for a

COUNCIL REGULATION (EEC)

on granting and financing aid granted by Member States to
producers' organizations in the fishery products sector

(submitted to the Council by the Commission)

COM(82) 515 final

Explanatory memorandum

- I. The new Regulation (EEC) No 3796/81 on the common organization of the market in fishery products, incorporating provisions previously laid down in Article 6 of Regulation 100/76, authorizes the Member States, under certain conditions, to grant producers' organizations aids designed to encourage their formation and facilitate their operation.

The new regulation also includes a new provision: the possibility of granting increased aids for five years whenever the constitution of a producers' organization leads to an improvement in production and marketing structures.

The Commission now proposes that in regions where there are no producers' organizations, especially Greece, the mere fact of the establishment of such an organization should be regarded ipso facto as leading to an improvement in production and marketing structures, since the mere formation of such an organization constitutes in this particular case progress beyond the previous situation.

On the other hand, in Member States or areas of a Member State where there are already producers' organizations, the establishment of new organizations must, if it is to yield an improvement in production and marketing structures and thus create entitlement to increased aids, meet supplementary criteria, namely that of further rationalization of fishery activities and that of better concentration of supply.

In order to avoid certain improper practices, and, in particular, the break-up of producers' organizations having already qualified for aids solely in order to qualify for new aids on re-formation, the Commission proposes that, whenever a producers' organization is drawn from producers' organizations already recognized, the aid paid should be confined only to the administrative costs inherent in the formation of the new organization.

The Commission also proposes to update the maximum global aid amount for which an association of producers' organizations may qualify.

The present Regulation involves no other alteration to the arrangements made in Regulation No 106/76, which will be repealed.

II. The budgetary aspects of the new increased aid arrangements for the encouragement of the formation of producers' organizations have already been dealt with under the new basic regulation. The increase in supplementary expenditure chargeable to the Guidance Section of the European Agricultural Guidance and Guarantee Fund, has been estimated at about 200 000 ECUS on average, per year, beyond the average cost of 135 000 ECU per year for the former arrangement.

Proposal for a
Council Regulation (EEC)

on granting and financing aid granted by Member States to
producers' organizations in the fishery products sector

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 3796/81 of 29 December 1981 on
the common organization of the market in fishery products (1), and in parti-
cular Articles 6(6) thereof and 26(3),

Having regard to the proposal from the Commission,

Whereas the general conditions and rules for the application of aid granted
by Member States to producers' organizations and the procedure for financing
those aids from the Guidance Section of the European Agricultural Guidance and
Guarantee Fund must be adopted;

Whereas the higher aid provided for on a temporary basis in Regulation (EEC)
No 3796/81 are to be granted to producers' organizations only if their formation
brings about an improvement in production and marketing structures; whereas
the criteria for assessing such improvement should therefore be defined;

Whereas, in the case of a producers' organization formed from organizations
which are already recognized, the amount of the aid should be limited to the
cost of setting up the said organization;

(1) OJ No L 379, 31.12.1981, p. 1.

Whereas, to ensure that aid is granted and financed under consistent conditions, the methods for calculating the value of the production marketed under the auspices of the producers' organizations and the administrative expenses of these organizations should be defined; whereas this calculation must be based on reliable accounts; whereas the difficulty of having such accounts available in certain cases should be taken into account by making provision for an alternative flat-rate method in such cases;

Whereas the aid for which an association of producers' organizations is eligible should be limited to a maximum amount to take account of the fact that each of the member organizations may be eligible for aid for its formation and operation,

HAS ADOPTED THIS REGULATION:

Article 1

This Regulation lays down the general conditions and rules for granting and financing aid granted to producers' organizations in the fisheries sector, pursuant to Article 6 of Regulation (EEC) No 3796/81, hereinafter referred to as the basic Regulation.

Article 2

1. Where a producers' organization is recognized in a Member State or in an area of a Member State where no other organization whose activity relates to the same products or to similar products has yet been recognized, the formation of such organization shall be considered as bringing about, within the meaning of Article 6(2) b) of the basic Regulation, an improvement in production and marketing structures by comparison with the existing situation.

2. In cases other than that referred to in paragraph 1, a producers' organization shall be eligible for the aid provided for in Article 6(2)(b) of the basic Regulation only if it is shown to the satisfaction of the Member State concerned that the formation of such producers' organization:

- taking account of the catch plans drawn up by the organization, encourages greater rationalization of fishing activity;
- ensures greater concentration of supply of products landed by its members.

Article 3

In the case of a producers' organization formed from organizations which have already been recognized, the aid referred to in Article 6(2)(a) and (b) of the basic Regulation shall be granted only in respect of the costs relating to the drawing up of the constituting act and of the statutes of the organization thus constituted.

Article 4

For the purpose of calculating the aids referred to in Article 6(2) of the basic Regulation, account shall be taken of the marketed production:

- of producers who were members of the producers' organization on the date on which it was recognized and who were members of the organization throughout the year for which aid is claimed,
- of producers who joined the producers' organization after the date on which it was recognized and who were members of the organization throughout the last nine months of the year for which aid is claimed.

Article 5

The value of the production marketed by a producers' organization shall be calculated for each product by multiplying:

- the average production referred to in the first indent of Article 6 (3) of the basic Regulation, ascertained in accordance with the procedure laid down in Article 6 of this Regulation and expressed in 100 kilograms net,
by
- the average price per product referred to in the second indent of Article 6 (3) of the basic Regulation, ascertained in accordance with the procedure laid down in Article 7 of this Regulation and calculated per 100 kilograms net.

Article 6

For the purpose of calculating the average production referred to in the first indent of Article 5, the production marketed by producer members shall be ascertained for each of the three calendar years immediately preceding membership:

- on the basis of reliable commercial and accounting records
- or
- if such supporting evidence is not available, on the basis of a flat-rate assessment made by the competent departments of the Member State, account being taken in particular of productive capacity in terms of equipment and manpower and the result thus obtained being reduced by 10 % to cover the member's own consumption and non-commercial transactions.

Article 7

For the purpose of calculating the average price referred to in the second indent of Article 5, the average price obtained by producer members for each of the three calendar years immediately preceding membership shall be ascertained:

- on the basis of reliable commercial and accounting records
- or
- if such supporting evidence is not available, by calculating the average quotation for each product at the most representative wholesale market or the most representative port of the area in which the producers' organization concerned operates, such average quotation being the average of the representative quotations recorded during the reference year by the competent authorities of the Member State at that market or port.

Article 8

1. The administrative expenses referred to in Article 6(2) of the basic Regulation, to be taken into consideration when the maximum amount of aid granted to producers' organizations is being calculated, must be established on the basis of reliable commercial and accounting records and be approved by the competent authorities of the Member States.
2. The amount of the administrative expenses mentioned in paragraph 1 shall be determined in accordance with the procedure laid down in Article 33 of the basic Regulation.

Article 9

Aid to an association of producers' organizations may not exceed 120.000 ECU.

Article 10

1. Applications for financing must relate to expenditure incurred by Member States during a calendar year and must be submitted to the Commission annually before 1 May of the following year.
2. The Commission shall decide on these applications en bloc or separately, after consulting the Fund Committee.
3. Provisions concerning the information to be included in Member States' applications for financing, the form that such applications should take and the supporting evidence to be submitted to the Commission by Member States shall be adopted in accordance with the procedure laid down in Article 13 of Council Regulation (EEC) No 729/70 of 21 April 1970 on the financing of the common agricultural policy,¹ as last amended by Regulation (EEC) No 3509/80 .

Article 11

1. Council Regulation (EEC) No 106/76 of 19 January 1976 on granting and reimbursing aids granted by Member States to producers' organizations in the fishing industry (2). is hereby repealed.

Article 12

This Regulation shall enter into force on the third day following its publication in the Official Journal of the European Communities.

It shall apply with effect from 1 January 1982. For producers' organizations formed before that date, the procedure laid down in Regulation (EEC) No 106/76 shall remain applicable.

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

Done at Brussels, ...

For the Council
The President

(1) OJ No L 367, 31.12.1980, p. 87.

(2) OJ No L 20, 28.01.1976, p. 42.

FINANCIAL STATEMENT

DATE : 14.7.1982

1. BUDGET LINE CONCERNED : Art. 461 : Producers' Organisations in the fisheries sector 1982 : 156.000 Ecus + CREDITS :

2. ACTION : Proposal for a Council Regulation concerning the granting and financing of aids granted by Member States to producers' organisations

3. LEGAL BASIS : Regulation n° 3796/81 on the common organisation of the markets in fishery products

4. OBJECTIVES : Application of the new system of increased aid to encourage the setting up and to improve the working of the producers' organisations in the fisheries sector.

5. FINANCIAL CONSEQUENCE

5.0 EXPENDITURE

-CHARGED TO THE EC BUDGET (REPURSE/INTERVENTIONS)

-CHARGED TO NATIONAL ADMINISTRATION

-CHARGED TO OTHER NATIONAL GROUPS

5.1 RECEIPTS

-OWN RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES)

-NATIONAL

PERIOD OF 12 MONTHS

CURRENT FINANCIAL YEAR (82)

FOLLOWING FINANCIAL YEAR (83)

-

156.000

300.000

5.0.1 PLURIANNUAL PATTERN OF EXPENDITURE

YEAR ..1984..... 300.000

YEAR1985..... 300.000

YEAR1986..... 300.000

5.1.1 PLURIANNUAL PATTERN OF RECEIPTS

Commitment and payment appropriations

5.2 METHOD OF CALCULATION

Within the framework of the new basic regulations n° 3796/81 additional expenditure resulting from increased aids for the setting up for producers' organisations has already been taken into account.

6.0 FINANCING POSSIBLE WITH CREDITS INSCRIBED IN RELEVANT CHAPTER OF CURRENT BUDGET ?

YES/NO

6.1 FINANCING POSSIBLE BY TRANSFER BETWEEN CHAPTERS OF CURRENT BUDGET ?

YES/NO

6.2 NECESSITY FOR A SUPPLEMENTARY BUDGET ?

YES/NO

6.3 CREDITS TO BE WRITTEN INTO FUTURE BUDGETS ?

YES/NO

COMMENTS :