

# COMMISSION OF THE EUROPEAN COMMUNITIES

COM(85) 42 final

Brussels, 21 February 1985

*Handwritten:*  
441.2(62)

Proposal for a  
COUNCIL REGULATION (EEC)  
on the application of the Agreement in the form of an exchange of  
letters between the European Economic Community and the  
Portuguese Republic concerning the implementation of  
specific financial aid for improving agricultural  
and fisheries structures in Portugal

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(submitted to the Council by the Commission)

COM(85) 42 final

EXPLANATORY MEMORANDUM

1. The Community and the Portuguese Republic signed in Brussels, on 7 November 1984, an Agreement in the form of an exchange of letters concerning the implementation of specific financial aid for improving agricultural and fisheries structures in Portugal (1). The Agreement entered into force on 1 January 1985. Its implementation requires that the Community adopt certain implementing and administrative rules, notably on determining the procedure for examining and approving the projects, programmes or schemes provided for in the Agreement and on defining the detailed rules for supervising the use of the aid.
  
2. During the discussions which preceded the negotiation of the Agreement, it was agreed in the Council that, with regard to approval of the projects, programmes or schemes submitted by Portugal, the ad hoc procedure followed for implementing the Financial Protocols concluded with the Mediterranean countries would be applied. This statement was entered in the minutes of the Council meeting of 10 September 1984, Document 9043 - 1984. The same procedure had been adopted for implementing the pre-accession aid of 1980 (2).
  
3. The Commission has always considered that the ad hoc procedure was inconsistent with the role assigned to it in the Treaty regarding implementation of the budget. Accordingly, the Commission has drawn up a proposal for a regulation on the application of the Agreement, largely based on the rules it proposed in respect of the Agreement and Financial Protocols concluded by the Community with certain Mediterranean countries as well as the initial pre-accession aid for Portugal agreed in 1980. However, as the attached proposal does not contain a section on EIB loans, there are no provisions for this type of financing.

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(1) OJ L 333, 21.12.1984

(2) OJ L 349, 23.12.1980

4. It should be noted that in preparing the budget for the 1985 financial year the Commission proposed a new Item 9602 - Specific aid to improve agricultural structures in Portugal - with commitment appropriations of 50m ECU and payment appropriations of 25m ECU. The Council, which is the budgetary authority for compulsory expenditure, accepted commitments at the level requested but reduced the payment appropriations to 16 176 800 ECU. The draft budget was subsequently rejected. According to the provisions of Article 204 of the EEC Treaty and Article 8 of the Financial Regulation of 21 December 1977 the system of provisional twelfths, which is being implemented in place of the budget for the current year, applies only to "commitment and payment of expenditure of a kind already approved in principle in the last budget duly adopted". It is therefore impossible to give effect to Item 9602 at the present time. According to the provisions of the Agreement between the Community and Portugal, however, all appropriations assigned to this operation must be committed before the date of accession.

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In the light of these considerations, the Commission calls upon the Council to commence discussions on the attached proposal very rapidly with a view to taking a decision at the earliest opportunity.

**Proposal for a Council Regulation on the application of the Agreement in the form of an exchange of letters between the European Economic Community and the Portuguese Republic concerning the implementation of specific financial aid for improving agricultural and fisheries structures in Portugal**

*COM(85) 42 final*

*(Submitted by the Commission to the Council on 26 February 1985)*

(85/C 86/11)

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 209 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament,

Having regard to the opinion of the Court of Auditors,

Whereas the European Economic Community and the Portuguese Republic have concluded an Agreement in the form of an exchange of letters concerning the implementation of specific financial aid for improving agricultural and fisheries structures in Portugal<sup>(1)</sup>, hereinafter referred to as the 'Agreement';

Whereas this Agreement fixes the total amount of specific financial aid for improving agricultural and fisheries structures in Portugal at 50 million ECU, in the form of a grant;

Whereas it is necessary to lay down implementing and administrative rules which, while based on those established in respect of the Agreements and Protocols concluded by the Community with certain Mediterranean countries, take account of the specific objectives of the aid in question;

Whereas the rules for the administration of the aid should be established, the procedure for examining and approving the projects, programmes or schemes provided for in the Agreement should be determined, and the detailed rules for supervising the use of the aid should be defined;

Whereas a Committee of representatives of the Member States should be set up under the auspices of the Commission for the administration of the operations to be financed,

HAS ADOPTED THIS REGULATION:

*Article 1*

In implementing the specific financial aid to Portugal, the Commission shall ensure that the general guidelines and objectives of the Agreement are applied.

<sup>(1)</sup> OJ No L 333, 21. 12. 1984, p. 8.

*Article 2*

The appropriations for the financing of the projects, programmes or schemes provided for in the Agreement shall be administered by the Commission, in accordance with the Financial Regulation applicable to the general budget of the European Communities.

*Article 3*

However, the Commission shall adopt detailed administrative rules, having particular regard to the appointment of financial implementing bodies, and conditions guaranteeing equal competition, to the extent to which such rules are necessary for the purpose of implementing the Agreement.

*Article 4*

The implementation of the aid shall be discussed periodically by representatives of the Member States and the Commission. These discussions shall cover in particular the information obtained by the Commission from Portugal on the financing sought and on the operations which the Commission intends to submit for opinions in accordance with Article 6.

*Article 5*

1. A committee, hereinafter referred to as the 'Article 5 Committee', consisting of representatives of the Member States, shall be set up under the auspices of the Commission.

The Article 5 Committee shall be chaired by a representative of the Commission; its secretarial services shall be provided by the Commission.

2. The Committee shall adopt its own rules of procedure.

3. Within the Article 5 Committee, the votes of the Member States shall be weighted in accordance with Article 148 (2) of the EEC Treaty.

The Article 5 Committee shall act by a majority of 45 votes.

*Article 6*

1. The Article 5 Committee shall give its opinion on draft financing decisions for cooperation projects or programmes and technical assistance schemes in Portugal submitted to it by the Commission.



2. The draft financing decisions for projects, programmes or schemes shall explain their relevance in the context of Portugal's preparation for accession and shall assess the effectiveness of each project, programme or scheme by setting the effects it is expected to produce against the resources to be invested in it.

3. The assessment by the Article 5 Committee shall relate *inter alia* to the conformity of the projects, programmes or schemes with the aid objectives laid down in the Agreement.

#### Article 7

The draft financing decisions referred to in Article 6, together with the opinion of the Article 5 Committee, shall be submitted to the Commission for a decision.

The Commission shall adopt decisions which shall apply immediately. However, if the measures are not in accordance with the opinion of the Committee, they shall forthwith be communicated by the Commission to the Council. In that event, the Commission shall defer

application of the decisions which it has adopted for not more than two months from the date of such communication. The Council, acting by a qualified majority, may take a different decision within two months.

#### Article 8

1. The Commission shall ascertain, in close collaboration with the relevant authorities in Portugal, how projects financed with Community aid are used by the recipients and to what extent the objectives of the aid have been attained.

2. The Commission shall inform the Council and the European Parliament, at their request and at least once a year, of the results of the investigation provided for in paragraph 1.

#### Article 9

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

## III

(Notices)

## COMMISSION

Further notice of invitation to tender for the supply of butteroil as food aid under Regulation (EEC) No 868/85

(85/C 86/12)

Further to the general notice of invitation to tender <sup>(1)</sup> and to the information given in the Annex to Regulation (EEC) No 868/85 <sup>(2)</sup>, interested parties are informed that the butter for the manufacture of butteroil to be supplied is held in the following stores:

## BELGIË — BELGIQUE

Lot — Partie — Lot — Partita — Partij — Parti A: Perou  
200 000 kg Butteroil/boterolie = 244 000 kg boter/beurre

— PVBA Benmar  
Groot Veerle 15  
2168 Brecht  
Tel.: (03) 313 88 31  
Telex: 35 557 Benmar

## UNITED KINGDOM

Lot — Partie — Lot — Partita — Partij — Parti B: Somalie  
500 000 kg Butteroil = 625 000 kg Butter

225 tonnes at Freezeway Cold Stores, Exeter s/s, Chancel Lane  
Pinhoe, Exeter EX 4 8JS (tel. 039 26 71 35).

400 tonnes at Tempco Union Ltd, Southview Road, Willand Cullompton,  
Devon (tel. 08 84 82 00 08).

Lot — Partie — Lot — Partita — Partij — Parti K: PAM — Syrie  
815 000 kg Butteroil = 1 018 750 kg Butter

Lot K: 815 tonnes of butteroil to Syria

227 tonnes at Gracey Foods Ltd, 221 Hillhall Road, Lisburn,  
County Antrim BT27 5JO

317 tonnes at Leckpatrick Cold Stores, 47 Berryhill Road, Artigarvan, Strabane,  
County Tyrone BT82 0HN

202 tonnes at Armaghdown Creameries, 30 Rathfriland Road, Banbridge,  
County Down BT32 4BH

272,75 tonnes at North-West Frozen Foods, Glendermott Road, Londonderry  
BT47 1B9.

<sup>(1)</sup> OJ No C 208, 4. 8. 1983, p. 9.

<sup>(2)</sup> OJ No L 98, 4. 4. 1985.