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COMMISSION OF THE EUROPEAN COMMUNITIES

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PROPOSAL FOR A COUNCIL DECISION

SERIALS UNIT

correcting Decision 77/343/EEC amending Decision
76/402/EEC on the level of interest rate subsidy,
provided for by Directive 72/159/EEC on the moder-
nisation of farms, to be applied in Italy

(submitted to the Council by the Commission)

EXPLANATORY MEMORANDUM

On the 24th January 1977, the Italian Government requested that the Commission make a proposal to the Council authorizing the Italian Republic to raise the level of interest rate subsidies pursuant to Article 8 paragraph 2 of the Council Directive of 17th April 1972 concerning the modernisation of farms (72/159/EEC) (1) in the areas scheduled within the meaning of Directive 75/268/EEC (2) on mountain and hill farming and farming in certain less-favoured areas to 12 %.

The Commission submitted such a proposal to the Council on 24th March 1977. The Council took a decision on 25th April 1977 (Council Decision 77/343/EEC) (3).

An error crept into this Decision, namely that permission was requested and approved only for the mountain areas and not for the other less-favoured areas within the meaning of Council Directive 75/268/EEC. The purpose of this proposal is to correct this error.

(1) O.J. n° L 96, 23.4.1972, pg.1

(2) O.J. n° L 128, 19.5.1975, pg. 1

(3) O.J. n° L 120, 13.5.1977, pg. 21

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nisation of farms, to be applied in Italy

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Directive 72/159/EEC of 17 April 1972 on the modernisation of farms (1), and in particular the second subparagraph of Article 8 (2) thereof,

Having regard to the proposal from the Commission,

Whereas a close examination has shown that an error has occurred in Council Decision 77/343/EEC of 25 April 1977 amending Decision 76/402/EEC on the level of interest rate subsidy, provided for by Directive 72/159/EEC on the modernisation of farms, to be applied in Italy (2) and that it is important that it be corrected,

HAS ADOPTED THIS DECISION :

(1) O.J. n° L 96, 23.4.1972, p. 1

(2) O.J. n° L 120, 13.5.1977, p. 21

(3) O.J. n° L 108, 26.4.1971, p. 39

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Article 1

The text of Article 1 of Council Decision 76/402/EEC of 6 April 1976 on the level of interest rate subsidy, provided for by Directive 72/159/EEC on the modernisation of farms, to be applied in Italy ⁽³⁾ is with effect from 7 December 1976 replaced by the following :

"Article 1

The Italian Republic is hereby authorized to increase the interest rate subsidy provided for in the first subparagraph of article 8 (2) of Directive 72/159/EEC to :

- 12 % in the areas laid down within the meaning of Directive 75/268/EEC on mountain and hill farming and farming in certain less favoured areas
- 11 % in the Mezzogiorno and the less favoured regions of central and northern Italy, other than those referred to in the first indent;
- 9 % for the other regions."

Article 2

This Decision is addressed to the Italian Republic.

Done at

For the Council

FINANCIAL STATEMENT

DATE : 18-7-1977

1. BUDGET LINE CONCERNED : 8100

2. ACTION : Proposition for Council Decision, to modify the Council's Decision 76/402/EEC, relating to the level of interest rate subsidies laid down in Directive 72/159/EEC, concerning the modernisation of farms, to be applied in Italy.

3. LEGAL BASIS : Article 6 of Council Regulation 729/70/EEC of 28 April 1970, relating to the financing of the common agricultural policy.

4. OBJECTIVES : Due to the relatively high interest rates of Italian loans, the Government of Italy wish to encourage an increased investment in the framework of the modernisation of farms by granting higher interest rate subsidies to those farmers situated in the less favoured areas as set out in Directive 75/273/EEC. Nevertheless the minimum charges as laid down in the Directive to be borne by the beneficiary are respected.

5. FINANCIAL CONSEQUENCE	FOR THE MARKETING YEAR	CURRENT FINANCIAL YEAR (77)	FOLLOWING FINANCIAL YEAR (78)
5.0 EXPENDITURE			
-CHARGED TO THE EC BUDGET (REPAIRS/INTERVENTIONS)		-	5,5
-CHARGED TO NATIONAL ADMINISTR.		29,2	29,2
-CHARGED TO OTHER NATIONAL GROUPS		-	-
5.1 RECEIPTS			
-ON RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES)		-	-
-NATIONAL		-	-

	YEAR ..1978.....	YEAR ..1979.....	YEAR ..1980.....
5.0.1 PLURIANNUAL PATTERN OF EXPENDITURE	5,5 Mua	7,3 Mua	7,3 Mua
5.1.1 PLURIANNUAL PATTERN OF RECEIPTS	-	-	-

5.2 METHOD OF CALCULATION

1. The proposed Italian law has not changed the ceilings of expenditure fixed for those directives. As these ceilings have already been taken into consideration in the calculation of the global estimates for the directive, this proposed change cannot increase the costs to FEOGA as these are already estimated at the maximum.
2. The main budgetary effect of this proposition will be to insure that the costs estimated by the Italian Government Services are achieved.

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

None

COMMENTS :