COMMISSION DECISION

of 27 November 1974

on the reform of agricultural structures in the Grand Duchy of Luxembourg pursuant to Council Directives No 72/159/EEC and No 72/160/EEC

(Only the French text is authentic)

(75/8/EEC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community ;

Having regard to Council Directive No 72/159/EEC (1) of 17 April 1972 on the modernization of farms, and in particular Article 18 (3) thereof ;

Having regard to Council Directive No 72/160/EEC (2) of 17 April 1972 concerning measures to encourage the cessation of farming and the reallocation of utilized agricultural area for the purpose of structural improvement, and in particular Article 9 (3) thereof ;

Whereas on 17 June 1974 and on 27 June 1974 the Luxembourg Government, pursuant to Article 17 (4) of Directive No 72/159/EEC and to Article 8 (4) of Directive No 72/160/EEC, notified the following provisions :

— Grand-Ducal Regulation of 21 May 1974 on the modernization of farms in pursuance of the Agricultural Guidance Law of 23 April 1965 and of Directive No 72/159/EEC,

— Law of 10 May 1974 introducing measures of social and economic redeployment in the agricultural, commercial and small business sectors ;

Whereas Article 18 (3) of Directive No 72/159/EEC and Article 9 (3) of Directive No 72/160/EEC require the Commission to determine whether, having regard to the objectives of those Directives and to the need for a proper connection between the various measures, the draft provisions so notified comply with those Directives and thus satisfy the conditions for financial contribution to common measures within the meaning of Article 15 of Directive No 72/159/EEC and Article 6 of Directive No 72/160/EEC ;

Whereas the objective of Directive No 72/159/EEC is to encourage the creation and development of farms which are capable through the adoption of rational methods of production of ensuring that persons working on them have an income comparable to that received for non-agricultural work and enjoy acceptable working conditions ;

Whereas Directive No 72/159/EEC accordingly requires the Member States to introduce selective incentives to farmers who produce a farm development plan showing that on completion of the development period the farm will be capable of attaining as a minimum, for at least one man-work unit, a level of earned income from agricultural production comparable to that received for non-agricultural work ;

Whereas the measures provided for in the abovementioned Grand-Ducal Regulation of 21 May 1974 to assist farms with a development plan comply with the objectives of Directive No 72/159/EEC ;

Whereas under Article 23 of Directive No 72/159/EEC the Grand Duchy of Luxembourg has the power to maintain until 31 December 1975 the measures now in force in respect of farms which do not comply with the conditions set out in Articles 2 and 4 of Directive No 72/159/EEC ;

Whereas the objective of Directive No 72/160/EEC is to make sufficient vacant land available for the formation of farms of appropriate size and structure as provided in Article 4 of Council Directive No 72/159/EEC on the modernization of farms ;

Whereas to achieve this objective Member States are consequently required :

— under Article 2 (1) (a) of Directive No 72/160/EEC, to grant annuities to farmers aged between 55 and 65, practising farming as their main occupation, who cease farming,

— under Article 2 (1) (b) of Directive No 72/160/EEC, to grant farmers premiums, such premiums not to be eligible for assistance and to be calculated by reference to the utilized agricultural area released,

— under Article 2 (1) (c) of Directive No 72/160/EEC, to grant annuities to permanent hired or family workers aged between 55 and 65 who are employed on farms on which the farmer benefits from any measure provided for under Article 2 (1) (a) or (b) of the Directive ;

Whereas the granting of such annuities or premiums is subject to the condition that the recipient cease working in agriculture and that, where the recipient is a farmer, at least 85 % of his land be either sold or

(1) OJ No L 96, 23. 4. 1972, p. 1.
(2) OJ No L 96, 23. 4. 1972, p. 9.

leased to farms which are undergoing modernization pursuant to Directive No 72/159/EEC, or that it be withdrawn permanently from agricultural use or sold or leased to a land agency, which must put the land to one of the abovementioned uses ;

Whereas Member States may vary the amount of an annuity or premium, or refuse to grant the same, on the ground of the age and/or means of a prospective beneficiary ;

Whereas Member States may reduce annuities granted to permanent hired or family workers by the amount of any unemployment benefit received by the beneficiary ;

Whereas the abovementioned law of 10 May 1974 complies with the objective of Directive No 72/160/EEC ;

Whereas the EAGGF Committee has been consulted on the financial aspects ;

Whereas the measures provided for in this Decision are in accordance with the Opinion of the Standing Committee on Agricultural Structure,

HAS ADOPTED THIS DECISION :

Article 1

1. The Grand-Ducal Regulation of 21 May 1974 on the modernization of farms, as notified by the Government of Luxembourg and adopted in pursuance of the Agricultural Guidance Law of 23 April 1965 and of Directive No 72/159/EEC, satisfies the conditions for financial contribution by the Community to common measures within the meaning of Article 15 of Directive No 72/159/EEC.

2. The Law of 10 May 1974 introducing measures of social and economic redeployment in the agricultural and small business sectors as notified by the Government of Luxembourg, satisfies the conditions for financial contribution by the Community to common measures within the meaning of Article 6 of Directive No 72/160/EEC.

Article 2

Financial contribution by the Community shall be confined to eligible expenditure arising in connection with aids granted in pursuance of decisions taken on or after 10 May 1974.

Article 3

This Decision is addressed to the Grand Duchy of Luxembourg.

Done at Brussels, 27 November 1974.

For the Commission

The President

François-Xavier ORTOLI