COMMISSION DECISION

of 16 December 1988

on aid granted to agricultural producers in the Federal Republic of Germany

(Only the German text is authentic)

(89/11/EEC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Decision 88/402/EEC of 30 June 1988 on aid granted to farmers in the Federal Republic of Germany (1), and in particular Article 2 (2) thereof,

Whereas, to offset reductions in prices when expressed in national currency, and resulting farm income losses suffered in Germany because of the adaptation of agricultural conversion rates from 1988/89 onwards in accordance with Annex III to Council Regulation (EEC) No 1678/85 of 11 June 1985 fixing the conversion rates to be applied in agriculture (2) as last amended by Regulation (EEC) No 3765/88 (3), Article 2a of that Regulation stipulates that a special national aid may be paid to German farmers from 1 January 1989 onwards;

Whereas Article 1 of Decision 88/402/EEC laid down conditions and detailed rules governing the payment of this special national aid; whereas the Commission has responsibility to verify that measures adopted for the implementation of the aid scheme comply with the said provisions;

Whereas on 28 October 1988 the Federal Republic of Germany notified to the Commission a draft Law entitled 'Gesetz zur Förderung der bäuerlichen Landwirtschaft', one purpose of which is to introduce the aid scheme; whereas the national provisions put forward in this respect comply with the conditions laid down in Article 1 of Decision 88/402/EEC and may therefore be approved, with the exception of the rule allowing for the grant of aid for farmland attracting aid under the arable land set-aside scheme instituted by Article 1 of Regulation (EEC) No 797/85 (4), as last amended by Regulation (EEC) No 1137/88 (5); whereas such a combination of aids could well lead to overruns beyond the ceilings set for the aids granted under the said scheme;

Whereas the Commission must be in a position to monitor closely the practical implementation of the aid scheme, as any subsequent change, notably as regards the unit amount approved, cannot be made without Commission endorsement,

HAS ADOPTED THIS DECISION:

Article 1

The provisions set out in the draft Law entitled 'Gesetz zur Förderung der bäuerlichen Landwirtschaft', notified by the Federal Republic of Germany on 28 October 1988, are hereby found to be, in so far as they concern the aids provided for therein, in compliance with the conditions set out in Article 1 of Decision 88/402/EEC, and are therefore hereby approved, subject to the following reservations:

(a) any subsequent adjustment to the unit amount under Section 3 (2) of the Law may not be such as to lead to an amount per hectare exceeding DM 90;

(b) farmland attracting aid under Article 1a of Regulation (EEC) No 797/85 may not rank for consideration for grant of the aids referred to in this Decision.

Article 2

Before 1 April of each year, the Federal Republic of Germany shall submit to the Commission a report on the operation during the preceding year of the aid scheme referred to in Article 1, and in particular on actual expenditure disbursed in this connection.

Article 3

This Decision is addressed to the Federal Republic of Germany.

Done at Brussels, 16 December 1988.

For the Commission

Frans ANDRIESSEN

Vice-President

(1) OJ No L 195, 23. 7. 1988, p. 70.
(2) OJ No L 164, 24. 6. 1985, p. 11.
(3) OJ No L 330, 2. 12. 1988, p. 15.
(4) OJ No L 93, 30. 3. 1985, p. 1.
(5) OJ No L 108, 29. 4. 1988, p. 1.