COMMISSION DECISION

of 31 January 1989

approving a specific programme for the milk and milk products sector notified by the Spanish Governement pursuant to Council Regulation (EEC) No 355/77

(Only the Spanish text is authentic)

(89/127/EEC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 355/77 of 15 February 1977 on common measures to improve the conditions under which agricultural and fishery products are processed and marketed (1), as last amended by Regulation (EEC) No 1760/87 (2), and in particular Article 5 thereof,

Whereas on 23 July 1987 the Spanish Government forwarded a specific programme concerning the milk and milk products sector and submitted supplementary information on 8 December 1987 and 3 May 1988,

Whereas the aim of this specific programme is to rationalize and adapt the processing and marketing of milk and milk products so as to increase the competitiveness of the sector and add value to its production; whereas it therefore constitutes a programme within the meaning of Article 2 of Regulation (EEC) No 355/77;

Whereas in view of the need to provide the consumers with a longer lasting product, it would be appropriate to amplify point B.1 11 bis (a) of the Commission criteria for the choice of projects to be financed under Regulation (EEC) No 355/77 (3) to allow the programme to include investments connected with UHT milk provided that in accordance with the above point of the criteria, outlets exist;

Whereas in view of the situation on the market for milk, approval of the programme cannot include investment projects which provide for an increase in milk-processing capacity, unless evidence is furnished to show that equivalent capacities are being closed down; which relate to butter, whey powder, milk powder, butteroil, lactose, casein, or caseinates; which relate to other products entailing EAGGF Guarantee Section expenditure that cannot be justified in view of the market situation;

Whereas approval of this programme does not extend to investments relating to whey except when such investments concern the process of thickening this by-product for animal feed;

Whereas approval of this programme will not allow the financing of the largest items of expenditure not directly related to one of the eligible products but only those parts which concerne products not excluded by the abovementioned criteria;

Whereas approval of this programme cannot include investments in research and development;

Whereas approval of this programme will only allow the financing of those projects of a significant economic size;

Whereas approval of this programme does not extend to investments concerning products not listed in Anenex II to the Treaty;

Whereas the programme contains sufficient information as prescribed by Article 3 of Regulation (EEC) No 355/77 to show that the aims set out in Article 1 of that Regulation can be achieved in the milk and milk products sector in Spain;

Whereas the estimated time for the implementation of this programme does not exceed the period mentioned in Article 3 (1) (g) of the Regulation;

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

HAS ADOPTED THIS DECISION:

Article 1

1. The programme for the processing and marketing of milk and milk products submitted by the Spanish Government on 23 July 1987, concerning which further particulars were provided on 8 December and 3 May 1988 pursuant to Council Regulation (EEC) No 355/77, is hereby approved.

(1) OJ No L 51, 23. 2. 1977, p. 1.
(2) OJ No L 167, 26. 6. 1987, p. 1.
(3) OJ No C 79, 26. 3. 1987, p. 3.

2. Such approval does not extend to investments in :

— milk-processing capacity increases, unless evidence is furnished to show that equivalent capacities are being closed down,

— butter, whey powder, milk powder, butteroil, lactose, casein or caseinates,

— other products entailing EAGGF Guarantee Section expenditure that cannot be justified in view of the market situation,

— whey, beyond its thickening for animal feed,

— items, of expenditure not directly related to one of the eligible products,

— research and development,

— the manufacture of non-Annex II products.

3. Approval of this programme also covers investments relating to UHT milk.

Article 2

This Decision is addressed to the Kingdom of Spain.

Done at Brussels, 31 January 1989.

For the Commission

Ray MAC SHARRY

Member of the Commission