II

(Acts whose publication is not obligatory)

COMMISSION

COMMISSION DECISION

of 27 January 1997

authorizing Finland to grant certain aids in the horticultural, flowers and plants sectors

(Only the Finnish text is authentic)

(97/128/EC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to the Act of Accession of Austria, Finland and Sweden, and in particular Article 140 thereof,

Whereas the Commission may under the above Article authorize Austria and Finland to grant the specific aids listed in Annex XIV to the Act of Accession for which it has established the initial level and rate of decrease; whereas the Annex includes aids supplementary to those provided for in Article 12 (2) of Regulation (EEC) No 2328/91 of 15 July 1991 on improving the efficiency of agricultural structures [1], as last amended by Regulation (EC) No 2387/95 [2]; whereas the aids in question must not give rise to an increase in overall production capacities and must be granted within the individual production limits established in accordance with the procedure laid down in Article 29 of Regulation (EEC) No 2328/91;

Whereas, on 12 July 1996 Finland notified the Commission of the aid scheme it itends implementing in the horticultural, flowers and plants sectors under the above provisions;

Whereas the aids in question, the budget for which is estimated at Fmk 22,5 million per year and which are granted in the form of an interest rate subsidy (5 % for a maximum of 30 years for 70 % of the total investment, with a ceiling equal to 30 % of the total investment) or in the form of a capital grant (a maximum of 30 % of the total investment) to cover the costs involved in expanding installations or the cost of materials needed to increase production capacity, comply with the conditions laid down in Annex XIV to the Act of Accession;

Whereas these aids will be granted within the individual limits set by Commission Decision C(96) 2876 of 4 December 1996 on improving the efficiency of agricultural structures in Finland under Regulation (EEC) No 2328/91; whereas, since these aids are accompanied by adequate arrangements to monitor the trend in production capacities they should not therefore result in an increase in overall production capacity as recorded in 1994 and thus comply with the relevant provisions in the Act of Accession; whereas, however, the Commission should also be informed of the trend in production capacities in the sectors in question;

Whereas, while accepting the initial aid levels proposed by Finland, their rates of decrease should be set for 1997, 1998, 1999 and the aids should be abolished completely by 31 December 1999 at the latest so that the Act of Accession is complied with while ensuring at the same time that the necessary adjustments to Finnish production structures are made,

[1] OJ No L 218, 6. 8. 1991, p. 1.
[2] OJ No L 244, 12. 10. 1995, p. 50.

HAS ADOPTED THIS DECISION:

Article 1

The aid measures notified by Finland on 12 July 1996 in the horticultural, flowers and plants sectors are hereby authorized.

The maximum rate of aid, whether granted in the form of an interest subsidy or capital grant, shall be:

— 30 % of the total investment in the case of aids granted under decisions taken by 31 March 1997 at the latest,

— 27 % of the total investment in the case of aids granted under decisions taken between 1 April and 31 December 1997 inclusive,

— 24 % of the total investment in the case of aids granted under decisions taken between 1 January and 31 December 1998 inclusive,

— 20 % of the total investment in the case of aids granted under decisions taken between 1 January and 31 December 1999 inclusive.

The aids shall be abolished on 31 December 1999, at the latest.

Article 2

While the aids provided for in Article 1 apply, Finland shall notify the Commission each year of its production capacity in the horticultural and flowers and plants sectors.

Article 3

This Decision is addressed to the Republic of Finland.

Done at Brussels, 27 January 1997.

For the Commission

Franz FISCHLER

Member of the Commission