COMMISSION REGULATION (EEC) No 1024/78

of 19 May 1978

concerning measures to expand the market in Community milk products outside the Community

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 1079/77 of 17 May 1977 on a co-responsibility levy and on measures for expanding the markets in milk and milk products [1], and in particular Article 4 thereof,

Whereas Article 4 of Regulation (EEC) No 1079/77 provides for measures to be taken to expand the markets in milk products; whereas in the annual programme of such measures communicated to the Council pursuant to paragraph 3 of the abovementioned Article the Commission, having consulted the Advisory Committee on Milk and Milk Products, stated its intention to adopt measures designed to increase the sale of Community milk products outside the Community by finding new markets and developing new products; whereas detailed rules for the application of these measures should therefore be laid down;

Whereas it would appear appropriate to invite research institutes, organizations and undertakings possessing the necessary qualifications and experience to submit detailed proposals; whereas Community financing of expenditure on such research work should be only partial;

Whereas rules should be laid down concerning the duration of the measures and the payment of Community funds to those parties whose proposals are accepted; whereas, in addition, the Commission should be kept informed of the results of the measures provided for in this Regulation; whereas in accordance with these measures Article 5 (1) of Regulation (EEC) No 1079/77, should be considered as intervention; whereas it appears necessary to make the intervention agencies responsible for supervising the implementation of proposals which are accepted and of making the relevant payments;

Whereas the measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Milk and Milk Products,

HAS ADOPTED THIS REGULATION:

Article 1

1. Under the conditions laid down in this Regulation encouragement shall be given to research work to expand the markets for Community milk and milk products outside the Community.

Such work shall include the followings:

(a) the search for new markets or the possibility of extending existing markets;

(b) the search for new or improved products for export;

(c) the search for new or improved packagings to facilitate transport and preservation of the products exported;

(d) scientific examination of the nutritional aspects of the consumption of milk and its constituents in the various non-member countries;

(e) examination of the short-, medium- and long-term possibilities for export to certain non-member countries or groups of countries which are not traditional importers of Community milk products, in the light of:

— their economic situation,

— their requirements in milk products and goods containing milk products,

— their import arrangements,

— the competitive situation of other supplier countries.

2. The measures referred to in paragraph 1 shall be completed by 31 March 1979, without prejudice to the second subparagraph of Article 4 (2). However, in special cases, a longer period may be agreed in accordance with Article 5 (1), to ensure that the measure in question is as effective as possible.

[1] OJ No L 131, 26. 5. 1977, p. 6.

Article 2

1. The research work referred to in Article 1 (1) shall be proposed and carried out by research organizations, undertakings or institutes and/or other organizations or institutes which :

(a) have the necessary qualifications and experience ;

(b) give appropriate guarantees as to the successful completion of the work.

2. Community financing shall, as appropriate, be limited to the following percentage of the expenditure resulting from the work concerned :

(a) 75 % if the work is proposed and carried out by a private undertaking or by an organization representing the milk sector in one or more Member States or in the Community ;

(b) 90 % if the work is proposed by a specially constituted group representing the milk sector within the Community and made up of organizations or undertakings which entrust the carrying out of the work to one or more specialized research institutes satisfying the conditions laid down in paragraph 1.

Article 3

1. The parties specified in Article 2 (1) are invited to transmit to the competent authority designated by their Member State, hereinafter called 'intervention agency', detailed proposals concerning the measures referred to in Article 1 (1).

2. The proposals shall reach the intervention agency concerned before 1 August 1978.

3. The intervention agencies shall stipulate the other conditions for the submission of proposals in a notice which shall be published in the *Official Journal of the European Communities.*

4. Within 10 working days following expiry of the time limit laid down in paragraph 2 the intervention agency shall transmit the proposals received to the Commission.

The intervention agency may add its comments, if any, to such proposals.

Article 4

1. Each proposal shall contain :

(a) the name and address of the party concerned ;

(b) all details concerning the measures proposed, including the time required for execution, the results expected and any third parties which may be involved ;

(c) the price asked for carrying out these measures, expressed in the currency of the Member State on whose territory the party concerned is established, with an itemized breakdown of this amount and the corresponding financing plan ;

(d) the desired arrangements for payment of the Community contribution (Article 7 (1) (a) or (b)).

2. The particulars specified in paragraph 1 (b) and (c) shall relate only to work to be completed by the date laid down in Article 1 (2).

However, a proposed measure may form part of a group of measures provided that the final date for the execution of these measures is expected to be no later than 31 March 1980. In that case the offer shall, by way of information, give the details specified in paragraph 1 (b) and (c) in respect of all the measures.

3. A proposal shall be valid only where :

(a) it is presented by a party fulfilling the conditions laid down in Article 2 (1) ;

(b) it is accompanied by an undertaking to comply with the provisions of this Regulation and with the terms and conditions referred to in Article 6.

Article 5

1. After examination of the proposals by the Management Committee for Milk and Milk Products in accordance with Article 31 of Regulation (EEC) No 804/68, the Commission shall conclude contracts in respect of the measures referred to in Article 1 (1) with those parties whose proposals have been accepted.

Prior to the conclusion of a contract the party concerned may be requested to supply additional information concerning its proposal.

2. The intervention agency shall inform each party concerned as soon as possible of the decision taken in respect of its proposal.

Article 6

1. On acceptance of a proposal in accordance with Article 5, a list of terms and conditions shall be drawn up by the Commission in at least three copies and signed by the party concerned.

2. The list of clauses and conditions shall form an integral part of the contract referred to in Article 5 (1) and :

(a) shall include the details specified in Article 4 (1) or make reference thereto ; and

(b) supplement these details as appropriate in accordance with such information as may be supplied pursuant to the second subparagraph of Article 5 (1).

3. The Commission shall forward a copy of the contract and of the schedule of terms and conditions to the intervention agency responsible for ensuring that the conditions agreed on are complied with.

Article 7

1. The intervention agency concerned shall pay the party in question, in accordance with the latter's choice expressed in its proposal, either :

(a) within a period of six weeks from the date on which the contract and schedule of terms and conditions are signed, a single part payment amounting to 60 % of the Community contribution agreed on ; or

(b) at two-monthly intervals, four equal part payments each amounting to 20 % of the Community contribution agreed on, the first of these instalments to be paid within a period of six weeks from the date on which the contract and schedule of terms and conditions are signed.

2. The payment of each instalment shall be subject to the lodging with the intervention agency of a security equal to the amount of the part payment plus 10 %.

3. The release of securities and payment of the balance by the intervention agency shall be subject to :

(a) confirmation by the intervention agency that the party concerned has fulfilled his obligations as laid down in the schedule of terms and conditions ;

(b) transmission to the Commission and to the intervention agency of the report referred to in Article 8 (1) and verification of the details contained in this report by the intervention agency ; and

(c) provision of proof that the party concerned has spent its own contribution for the purpose laid down.

4. If the conditions set out in paragraph 3 are not fulfilled, the securities shall be forfeited. In this event, the amount in question shall be deducted from EAGGF, Guarantee Section, expenditure and more particularly from that in respect of the measure referred to in Article 4 of Regulation (EEC) No 1079/77.

Article 8

1. Each party responsible for a measure as referred to in Article 1 (1) shall before 1 June 1979 submit to the Commission and to the intervention agency concerned a report on the utilization of the Community funds allocated and on the results of the measure in question.

2. The results of the work provided for in this Regulation may be published only with the express authorization of the Commission.

Article 9

This Regulation shall enter into force on the third day following its publication in the *Official Journal of the European Communities.*

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 19 May 1978.

For the Commission

Finn GUNDELACH

Vice-President