COMMISSION REGULATION (EEC) No 1271/78

of 13 June 1978

concerning measures to improve the quality of milk within 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], as amended by Regulation (EEC) No 1001/78 [2], and in particular Article 4 thereof,

Whereas pursuant to Article 4 of Regulation (EEC) No 1079/77 measures have been taken to expand the markets for milk products; whereas, in the annual programme of such measures communicated to the Council pursuant to paragraph 3 of the abovementioned Article, the Commission, after consultation with the Advisory Committee for Milk and Milk Products, outlined its intention to adopt *inter alia* measures designed to improve by means of appropriate measures the quality of liquid milk within the Community; whereas detailed rules for the application of these measures should therefore be laid down;

Whereas the measures qualifying for aid have to be determined; whereas, in view of the limited funds available, it appears appropriate to select the measures according to their importance for milk production in the area concerned;

Whereas it appears appropriate to invite those best qualified to propose appropriate programmes for the measures concerned; whereas it is necessary to lay down criteria for such programmes, together with rules governing financing;

Whereas Community financing should be limited to a proportion of the expenditure incurred;

Whereas rules should be laid down concerning the duration of the measures and the payment of Community funds to those 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 these measures should be considered as forming part of intervention pursuant to Article 5 (1) of Regulation (EEC) No 1079/77; whereas it appears necessary to make the intervention agencies responsible for supervising the execution of successful proposals and for making the relevant payments;

Whereas the Management Committee for Milk and Milk Products has not delivered an opinion within the time limit set by its chairman,

HAS ADOPTED THIS REGULATION:

Article 1

1. Measures shall be taken, under the conditions laid down in this Regulation, to encourage:

(a) quality control of raw milk; namely:

— sampling,
— collection and transport of sample,
— quantitative analysis of raw milk,
— evaluation of the results recorded;

(b) testing in relation to health aspects of raw milk and the control of mastitis;

(c) the testing of milking machines;

(d) the counselling of individual milk producers, directed in particular towards the obtaining of milk (cowshed hygiene, milking) and its treatment (cooling);

(e) counselling on the collection (jointly operated equipment, collecting points) and transport of raw milk (specifications, equipment and operation of milk tankers);

(f) the training of qualified personnel, for

— counselling,
— quality control;

(g) the setting up of cooperative milk collection centres, if necessary with refrigeration facilities; in properly justified exceptional cases single farms may be supported.

2. Without prejudice to the provisions of Article 4 (2), application of the measures referred to in paragraph 1 shall not extend beyond 30 September 1979. However, in special cases, and in particular as regards the measures referred to in paragraph 1 (b) and (f), a longer period may be granted in accordance with Article 5 (1) where this is necessary to ensure that the measures in question are fully effective.

[1] OJ No L 131, 26. 5. 1977, p. 6.
[2] OJ No L 130, 18. 5. 1978, p. 11.

Article 2

1. Measures as referred to in Article 1 (1) shall be proposed and executed by institutes, organizations, firms or producer groups which

(a) have the necessary qualifications and experience;

(b) are capable of ensuring the satisfactory completion of the work.

2. Community financing shall be limited to 90 % of expenditure incurred by the measures concerned.

3. In the case of the measures referred to in Article 1 (1) (a) and (b), account shall be taken for purposes of Community financing only of the first fitting-out of central laboratories with:

— equipment for sorting, preserving and preparing the samples,
— equipment for examining the fat, protein and lactose content of the milk,
— equipment for determining the freshness of the milk,
— equipment (which may include incubators) for examining the bacteriological content of the milk,
— equipment for detecting antibiotics, cell content, inhibitory substances and impurities in raw milk,
— equipment for detecting mastitis in raw milk.

In so far as data-processing facilities are combined with the equipment concerned they shall be regarded as part of that equipment.

The technical first fitting-out of already existing laboratories with improved more economic equipment shall be regarded as a measure referred to in Article 1 (1) (a).

4. In the case of proposals introduced by firms buying milk or organizations representing such firms, Community participation shall, moreover, be subject to the giving by the applicant of an undertaking to introduce within his area of operation within one year following the conclusion of the contract in accordance with Article 5 (1) a system whereby payment for milk is varied according to its bacteriological quality.

Article 3

1. Those concerned are hereby invited to submit not later than 31 October 1978 to the competent authority appointed by their Member State, hereinafter called 'intervention agency', complete detailed proposals concerning the measures referred to in Article 1 (1).

2. The intervention agencies shall lay down further detailed rules for the submission of proposals in a notice which shall be published in the *Official Journal of the European Communities.*

3. Within 10 working days after the date specified in paragraph 1, the intervention agency shall transmit the proposals received to the Commission.

The intervention agency may add its comments, if any, to the proposals in question.

Article 4

1. Every complete proposal shall indicate:

(a) the name and address of the applicant;

(b) all relevant particulars concerning the measures proposed, including the time required for completion, the expected results and details of any third parties to be involved;

(c) the total cost of these measures, expressed in the currency of the Member State on whose territory the applicant is established, giving an itemized breakdown of this amount and setting out the sources of finance;

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

2. The particulars referred to in paragraph 1 (b) and (c) shall concern only measures to be completed by the date referred to in Article 1 (2). However, a proposed measure may form part of a group of measures, provided that such measures are in principle to be completed before 31 March 1980. In this case, the proposal shall also include, by way of information, the particulars referred to in paragraph 1 (b) and (c) in respect of the group of measures.

3. A proposal shall only be valid if:

(a) it is submitted by an applicant fulfilling the conditions laid down in Article 2 (1);

(b) it is accompanied by an undertaking that the applicant will comply with the provisions of this Regulation, and in particular with the obligations under Article 2 (4) and those set out in the list of 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 under Article 31 of Regulation (EEC) No 804/68 and taking into account the importance of the proposed measures for milk production in the area concerned, the Commission shall conclude contracts for the measures referred to in Article 1 (1) with those applicants whose proposals have been accepted.

Prior to the conclusion of a contract, an applicant may be requested to supply additional information and/or details concerning his proposal.

2. The intervention agency shall inform each applicant as soon as possible of the decision taken in respect of his 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 terms and conditions shall form an integral part of the contract referred to in Article 5 (1) and shall :

(a) include the particulars referred to in Article 4 (1) or make reference to them ;

(b) supplement these particulars, where necessary, in the light of any additional items supplied pursuant to the second subparagraph of Article 5 (1).

3. The Commission shall send a copy of the contract and of the list of terms and conditions to the intervention agency responsible for ensuring compliance with the agreed conditions.

Article 7

1. The intervention agency concerned shall pay to the party in question, in accordance with the choice indicated in his proposal, either :

(a) within six weeks of the date of signature of the contract and the list of terms and conditions, a single payment on account amounting to 60 % of the agreed Community contribution ; or,

(b) at two-monthly intervals, four equal instalments each amounting to 20 % of the agreed Community contribution, the first such instalment being paid within six weeks of the date of signature of the contract and the list of terms and conditions.

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

3. The security shall only be released and the balance paid by the intervention agency on :

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

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

(c) proof being furnished that the party concerned has spent his own contribution for the purpose laid down.

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

Article 8

Each party responsible for a measure as referred to in Article 1 (1) shall submit to the Commission and to the intervention agency concerned, before 1 January 1980, a detailed report on the utilization of the Community funds allocated and on the results of the measure in question. If the term of the contracts as fixed, in accordance with Article 5 (1) is to extend beyond this date, the report shall be submitted at the latest three months after its expiry.

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, 13 June 1978.

For the Commission

Finn GUNDELACH

Vice-President