COUNCIL REGULATION (EEC) No 457/80

of 18 February 1980

establishing a system of premiums for the cessation of wine-growing in France and Italy

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 43 thereof,

Having regard to the proposal from the Commission (1),

Having regard to the opinion of the European Parliament (2),

Having regard to the opinion of the Economic and Social Committee (3),

Whereas the sector covered by Council Regulation (EEC) No 337/79 of 5 February 1979 on the common organization of the market in wine (4), as last amended by Council Regulation (EEC) No 454/80 (5) shows substantial surpluses;

Whereas, in order to enable Council Regulation (EEC) No 456/80 of 18 February 1980 on the granting of temporary and permanent abandonment premiums in respect of certain areas under vines and of premiums for the renunciation of replanting (6) to be effective as possible in the long term, elderly wine-growers should be given the possibility of retiring without suffering any great financial loss; whereas this objective may be achieved by granting such wine-growers an annual premium or, if they do not practise farming as their main occupation, a single premium calculated on the basis of the area under vines cultivated by them;

Whereas the closing down of farm businesses employing elderly family workers may cause such persons to lose their incomes;

Whereas provision should be made for compensating the financial difficulties caused to the members of the recipient's family by the latter's death;

Whereas all the proposed measures serve the interest of the Community and are aimed at achieving the objectives set out in Article 39 (1) (a) of the Treaty, including the structural changes necessary for the proper working of the common market; whereas they therefore constitute a common measure within the meaning of Article 6 of Council Regulation (EEC) No 729/70 of 21 April 1970 on the financing of the common agricultural policy (7), as last amended by Regulation (EEC) No 929/79 (8);

Whereas, in view of the objectives to be attained and the probable repercussions on the market situation, 40 % of the expenditure incurred by the granting of the premiums provided for by this Regulation should be financed by the Community,

HAS ADOPTED THIS REGULATION:

TITLE I

Per hectare premiums

Article 1

1. In France and Italy elderly farmers for whom wine-growing is a major source of income, shall benefit from a system of aid for the cessation of farming, upon application and under the conditions laid down in this Regulation.

2. The aid referred to in the previous paragraph shall be granted without prejudice to the systems of aid existing in the Member States concerned pursuant to Council Directive 72/160/EEC of 17 April 1972 concerning measures to encourage the cessation of farming and the reallocation of utilized agricultural area for the purposes of structural improvement (9), as last amended by Directive 73/358/EEC (10).

(1) OJ No C 209, 2. 9. 1978, p. 13.
(2) OJ No C 6, 8. 1. 1979, p. 66.
(3) OJ No C 171, 9. 7. 1979, p. 16.
(4) OJ No L 54, 5. 3. 1979, p. 1.
(5) See page 7 of this Official Journal.
(6) See page 16 of this Official Journal.
(7) OJ No L 99, 5. 5. 1970, p. 1.
(8) OJ No L 117, 12. 5. 1979, p. 4.
(9) OJ No L 96, 23. 4. 1972, p. 9.
(10) OJ No L 326, 27. 11. 1973, p. 17.

Article 2

1. The measures provided for in Article 1 shall consist in the granting of an annual premium or a single premium, calculated on the basis of the area used for wine-growing, for which the farmer in question has received:

— a permanent abandonment premium as provided for in Regulation (EEC) No 456/80, or

— the special conversion grant provided for in Council Directive 78/627/EEC of 19 June 1978 on the programme to accelerate the restructuring and conversion of vineyards in certain Mediterranean regions in France (1).

The annual or the single premium shall be granted to the farmers referred to in the first or second subparagraph of paragraph 2, as the case may be who:

— apply for it,

— have received one of the premiums referred to in the first and second indents of the first subparagraph in respect of an area under vines representing at least 20 % of the total utilized agricultural area, and

— have engaged in wine-growing for at least five years before lodging an application.

2. The annual premium referred to in paragraph 1 shall be confined to farmers aged between 55 and 65 practising farming as their main occupation provided that wine-growing is the main source of farm earnings from their holdings.

The single premium referred to in paragraph 1 shall be confined to farmers aged between 55 and 70, not covered by the first subparagraph, whose wine-growing earnings equal at least two-thirds of their non-farming income.

3. For the purposes of this Regulation, the meanings of the expression 'farmer', the various associated categories of beneficiary and 'the practice of farming as a main occupation' shall be as defined in national legislation adopted by the Member States giving effect to Directive 72/160/EEC.

4. The system of aid referred to in paragraph 1 shall be subject to the following conditions:

— permanent abandonment of wine-growing on all the areas of the holding concerned which are intended for the production of table wines,

— the cessation of farming by the recipient,

— the closing down of the holding as an independent economic unit and release of at least 85 % of the land which has become available to other holdings in operation or for non-agricultural use or to land agencies.

The grant of the annual or the single premium referred to in paragraph 1 shall entail forfeiture of the right to replant within the meaning of Annex IVa (d) to Regulation (EEC) No 337/39 in respect of the areas referred to in the first indent of the preceding subparagraph.

5. The annual or the single premium referred to in paragraph 1 shall also be granted to permanent family workers aged between 55 and 65 or, as the case may be, between 55 and 70 who:

— apply for it,

— have practised farming for at least five years before lodging an application,

— have worked for at least two years before lodging an application on a holding which is being closed down as an independent economic unit,

— undertake not to engage in any further agricultural activity.

For the purposes of this Regulation, 'permanent family farm workers' shall mean farm workers, permanently employed in the cultivation or management of the land, who are members of the family of the owner of the holding such as the spouse, or the relatives in the direct line of ascent or descent of the owner or his spouse.

The annual or the single premium may be granted to one permanent family worker for every holding which is discontinued as an independent economic unit.

6. Where a recipient of an annual premium dies, his spouse or still dependent direct relatives in the ascending or descending line shall be substituted for the recipient for the remaining period of entitlement and shall receive up to 75 % of the sum provided for that period under Article 3.

(1) OJ No L 206, 29. 7. 1978, p. 1.

Lineal descendants of the recipient who are still dependent on him shall be substituted for him only if they still reside on the holding which has been closed down as an independent economic unit and up to the difference between 604 ECU per hectare of vineyard abandoned and the amount of the annual premium already received by the recipient.

The first subparagraph shall not apply to permanent family farm workers who receive the annual premium referred to in paragraph 5.

7. Applications for premiums must be lodged with the departments to be designated by the Member States.

8. Detailed rules for the application of this Article, particularly as regards the conditions on which premiums are to be granted, shall be adopted, where necessary, according to the procedure in Article 67 of Regulation (EEC) No 337/79.

Article 3

1. Neither the annual nor the single premium may be granted for more than five hectares per farm.

2. The amount of the annual premium shall be 363 ECU per hectare of vineyard abandoned.

The annual premium shall be paid until the recipient completes his 65th year.

3. The amount of the single premium shall be 604 ECU per hectare of vineyard abandoned.

TITLE II

Financial and general provisions

Article 4

1. The measures provided for in this Regulation constitute a common measure within the meaning of Article 6 (1) of Regulation (EEC) No 729/70.

2. The period for implementing the measure referred to in paragraph 1 shall be limited to seven wine-growing years from the date of entry into force of this Regulation.

However, it shall be limited to the first two years of the above period as regards the grant of the single premium to wine-growers aged between 65 and 70.

Article 5

1. The total contribution by the European Agricultural Guidance and Guarantee Fund to the cost of the common measure is estimated at 11·1 million European units of account.

2. Article 6 (5) of Regulation (EEC) No 729/70 shall apply to this Regulation.

Article 6

1. Expenditure incurred by Member States within the framework of the measure provided for by this Regulation shall be eligible for financing by the Guidance Section of the European Agricultural Guidance and Guarantee Fund.

2. The Guidance Section of the European Agricultural Guidance and Guarantee Fund shall refund to the Member States concerned 40 % of eligible expenditure.

3. Detailed rules for the application of paragraph 2 shall be adopted in accordance with the procedure laid down in Article 13 of Regulation (EEC) No 729/70.

Article 7

1. Applications for reimbursement shall relate to expenditure incurred by the Member States concerned in the course of a calendar year and shall be submitted to the Commission before 1 July of the following year.

2. The Commission shall take a decision on these applications on one or more occasions, in accordance with the procedure laid down in Article 7 (1) of Regulation (EEC) No 729/70.

3. Advances may be granted according to the detailed financing arrangements adopted by the Member State involved.

Article 8

1. Without prejudice to Article 8 of Regulation (EEC) No 729/70, the Member States shall, in accordance with their national laws, regulations and administrative provisions, take the necessary measures to recover the amounts paid in cases where the undertakings referred to in Article 3 have not been respected.

They shall inform the Commission of measures taken for this purpose and, in particular, notify it of the

state of administrative and judicial procedures relating thereto.

2. The sums recovered shall be paid to the paying authorities or bodies and deducted by them from the expenditure financed by the European Agricultural Guidance and Guarantee Fund in proportion to Community financing.

3. The financial consequences of failure to recover amounts paid out shall be borne by the Community in proportion to Community financing.

4. Detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 13 of Regulation (EEC) No 729/70.

Article 9

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

It shall apply from 1 September 1980.

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

Done at Brussels, 18 February 1980.

For the Council

The President

G. MARCORA