COUNCIL REGULATION (EEC) No 1942/81

of 30 June 1981

for the stimulation of agricultural development in the less-favoured areas of Northern Ireland

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Articles 42 and 43 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament [1],

Having regard to the opinion of the Economic and Social Committee [2],

Whereas Article 39 (2) (a) of the Treaty provides that account should be taken of the social structure of agriculture and the structural and natural disparities between the various agricultural regions in determining the common agricultural policy;

Whereas, to achieve the objectives of the common agricultural policy as set out in Article 39 (1) (a) and (b) of the Treaty, measures appropriate to the production conditions of the less-favoured areas should be adopted at Community level;

Whereas in the less-favoured areas of Northern Ireland within the meaning of Directive 75/276/EEC [3] there is much underemployment in agriculture;

Whereas, because of a lack of alternative employment opportunities, the percentage of the active population in farming is relatively high;

Whereas, because of the relatively poor quality of the land in these areas, allied to adverse climatic conditions, the level of farm incomes is relatively low;

Whereas the continuing development of agriculture is of vital importance to the general development of the regional economy;

Whereas the agricultural structure is deficient in these areas;

Whereas the existing state of farm roads is very inadequate; whereas the construction or improvement of such amenities is an important prerequisite to the development of the agricultural structure;

Whereas the possibilities for improving agricultural production in these areas are severely limited by a lack of adequate field drainage; whereas the need for other types of land improvement including land reclamation, pasture improvement and the removal of superfluous fences, ditches and walls is of equal importance in this regard;

Whereas experience to date with the implementation of Council Directive 72/159/EEC of 17 April 1972 on the modernization of farms [4], as last amended by Directive 81/528/EEC [5], shows that relatively few farmers in these areas, because of their existing low income levels, are capable of implementing farm development plans aimed at attaining the level of income referred to in Article 4 of this Directive;

Whereas, in such circumstances, the development of farms through the initiation of improvement programmes is worthy of special consideration;

Whereas the physical improvement of farms is best undertaken within the framework of a specific action emphasizing in particular the production of cattle farming for meat production and/or sheep farming, which, because of the limited production possibilities of the areas, offer one of the few means of agricultural development;

Whereas in recent years cattle production has been declining and, as a result, a special system of premiums payable on breeding stock will now be necessary to reverse this trend;

Whereas, because of economic and budgetary constraints, the United Kingdom does not have sufficient means to finance such a programme and, in the circumstances, Community financial help will be required;

(1) OJ No C 291, 10. 11. 1980, p. 82.
(2) OJ No C 230, 8. 9. 1980, p. 25.
(3) OJ No L 128, 19. 5. 1975, p. 231.
(4) OJ No L 96, 23. 4. 1972, p. 1.
(5) See page 41 of this Official Journal.

Whereas aid from the European Agricultural Guidance and Guarantee Fund at an estimated cost of 48 million ECU over a period of 10 years can help ensure the rational development of agriculture in the less-favoured areas of Northern Ireland;

Whereas it follows that the foregoing measures 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 [1], as last amended by Council Regulation (EEC) No 3509/80 [2];

Whereas it should be for the Commission, after receiving the opinion of the Standing Committee on Agricultural Structures, to approve the aforesaid measures within the framework of the programme put forward by the United Kingdom,

HAS ADOPTED THIS REGULATION:

TITLE I

Measures to stimulate the development of agriculture in certain areas of Northern Ireland

Article 1

1. In order to stimulate the development of agriculture in certain areas of Northern Ireland, a common measure within the meaning of Article 6 (1) of Regulation (EEC) No 729/70, to be implemented by the United Kingdom, is hereby introduced for the purpose of bringing about a significant improvement in agricultural structures and in agricultural production possibilities in the areas concerned.

2. The common measure shall apply to the less-favoured areas of Northern Ireland within the meaning of Directive 75/276/EEC, hereinafter referred to as 'less-favoured areas'.

3. The Community may, in accordance with Title V, grant aid for the common measure by financing through the Guidance Section of the European Agricultural Guidance and Guarantee Fund, hereinafter referred to as 'the Fund', measures relating to:

(a) the improvement of farm roads;

(b) land improvement;

(c) the introduction of a specific development action aimed at the orientation of farm production.

4. The measures referred to in paragraph 3 shall be implemented within the framework of a programme to be drawn up by the United Kingdom and approved by the Commission. This programme will be referred to hereinafter as 'the programme'.

Article 2

1. The programme shall comprise:

(a) a description of the separate measure as outlined in Titles II to IV including the cost of and detailed arrangements for financing them;

(b) the priority to be given to the separate measures and the timescale envisaged for the implementation of each measure;

(c) the provisions for coordination with any other programmes or measures which may influence the development of agriculture in the less-favoured areas;

(d) an assurance that the actions undertaken are compatible with the protection of the environment.

2. The programme shall also include the information referred to in Articles 5, 7 and 9. The United Kingdom will also supply any additional information that may be required by the Commission for the assessment of the programme.

3. All measures provided for in this common measure must fit into the framework of a regional development programme where the United Kingdom is obliged to forward it to the Commission under Article 6 of Council Regulation (EEC) No 724/75 of 18 March 1975 establishing a European Regional Development Fund [3], as amended by Regulation (EEC) No 214/79 [4].

4. The duration of the programme shall be at least the same as that of the common measure. It shall be reviewed every four years. It may relate to the less-favoured areas as a whole or to any area which forms part of them.

Article 3

1. The programme and the results of reviewing it shall be forwarded to the Commission by the United Kingdom.

[1] OJ No L 94, 28. 4. 1970, p. 13.
[2] OJ No L 367, 31. 12. 1980, p. 87.
[3] OJ No L 73, 21. 3. 1975, p. 1.
[4] OJ No L 35, 9. 2. 1979, p. 1.

2. The programme and any amendments thereto shall be approved in accordance with the procedure provided for in Article 17, after consultation of the Fund Committee on the financial aspects.

TITLE II

Farm roads

Article 4

The improvement of farm roads referred to in Article 1 (3) (a) shall include the construction and improvement of such roads.

Article 5

1. The programme shall include data on the farm and non-farm population and an estimate of the length in kilometres of farm roads to be constructed or improved in addition to information on the sources of finance for this measure.

2. This Regulation shall not apply to projects for which Community aid is being provided under other common measures within the meaning of Article 6 (1) of Regulation (EEC) No 729/70 or through the European Regional Development Fund.

TITLE III

Land improvement

Article 6

Land improvement as referred to in Article 1 (3) (b) shall include:

(a) field drainage;

(b) land reclamation and pasture improvement;

(c) the removal of superfluous fences, ditches and walls.

Measures in connection with (a) and (b) shall include fencing, soil preparation, the initial application of lime and fertilizers and reseeding as necessary.

Article 7

The following information shall be included in the programme:

(a) the total land area to be drained in accordance with Article 6 (a), and the number of farms concerned;

(b) the total land area to be reclaimed and the total area of pasture to be improved in accordance with Article 6 (b), the length in kilometres of fencing to be erected, and the number of farms concerned;

(c) the total area of land to be improved in accordance with Article 6 (c), and the number of farms concerned.

TITLE IV

Orientation of agricultural production

Article 8

1. The orientation of agricultural production, as referred to in Article 1 (3) (c), shall be achieved through the medium of a specific action for the development of agricultural production.

2. The aims of the specific action shall be:

(a) to promote the orientation of production as well as the farming techniques and practices best suited to the physical, economic and structural situation of agriculture in the less-favoured areas, with particular emphasis on beef and sheepmeat production;

(b) and therefore to ensure that investments made in the context of all appropriate national and Community measures which have an influence on agricultural development are utilized to maximum advantage and in a coordinated fashion.

Article 9

The following information shall be included in the programme:

(a) the orientation of production envisaged by the specific action referred to in Article 8 (1) and the priority areas to be covered by it;

(b) the manner in which the advisory service is to contribute to the attainment of the aims of the specific action and, in particular, the specific advisory projects planned to this end;

(c) the provisions for establishing the improvement plan referred to in Article 10 (1) (d).

Article 10

1. Within the framework of the specific action referred to in Article 8 (1), aid for investment shall be granted to farmers who:

(a) satisfy the conditions of Article 2 (1) (a) and (b) of Directive 72/159/EEC;

(b) are not capable of attaining the level of earned income laid down in Article 4 of Directive 72/159/EEC;

(c) are not yet eligible for the annuities provided for in Article 2 (1) of Directive 72/160/EEC [1];

(d) draw up a plan for the physical improvement of their farm emphasizing, in particular, cattle farming for meat production and/or sheep farming;

(e) keep simplified accounts from the introduction of the improvement plan referred to in (d).

2. The improvement plan referred to in paragraph 1 (d) must show by means of a specific calculation that the investment is economically profitable and makes for a lasting improvement in the economic performance of the holding and thereby increases farm income.

Article 11

1. The aid referred to in Article 10 (1) shall be granted subject to Article 8 (2) of Directive 72/159/EEC, taking account of Article 9 (1) of Council Directive 75/268/EEC of 28 April 1975 on mountain and hill farming and farming in certain less-favoured areas [2], as last amended by Directive 80/666/EEC [3]. However, the maximum amount of the investment which shall be eligible for aid, as referred to in Article 8 (2) of Directive 72/159/EEC, shall be reduced to 18 135 ECU (A) per farm. This amount shall be additional to that provided for the measures referred to in Articles 4 and 6 of this Regulation.

2. Where the improvement plan referred to in Article 10 (1) (d) provides for a reorientation of production towards cattle farming for meat production and/or sheep farming, a special annual premium shall be paid towards the production of cattle stock of acceptable genetic merit. This reorientation shall require that on completion of the improvement plan the proportion of sales deriving from the production of beef cattle is increasing and that the proportion of sales deriving from the production of beef cattle and sheep is not diminishing and exceeds 50 % of sales deriving from animal production on the farm. This premium shall be paid during the period of the improvement plan but, in any case, for not more than six years.

3. The special premium referred to in paragraph 2 shall be paid on cows mated with superior quality beef bulls, either naturally or through artificial insemination, provided that the offspring is maintained on the farm for at least eight months. It shall apply to herds of between five and 40 cows and shall be limited to an amount of 1 000 ECU (A) per farm.

4. Where the beneficiary of the premium referred to in paragraph 2 has not carried out investments to the amount of at least 3 000 ECU (A), in accordance with Articles 6 and 10, before the end of the third year after presentation of the improvement plan referred to in Article 10 (1) (d), payment of the premium for the remaining years of the plan shall be discontinued. On completion of the plan the total amount of the premiums received may not exceed the amount of the investments made.

TITLE V

General and financial provisions

Article 12

1. The period of time envisaged for the implementation of the common measure is 10 years.

2. The total contribution by the Fund to the cost of the common measure is estimated at 48 million ECU.

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

Article 13

The aid provided for in Articles 4 and 6 may not exceed 70 % of the cost of the work concerned.

[1] OJ No L 96, 23. 4. 1972, p. 9.
[2] OJ No L 128, 19. 5. 1975, p. 1.
[3] OJ No L 180, 14. 7. 1980, p. 34.

Article 14

1. The expenditure incurred by the United Kingdom under the common measure shall be eligible for assistance from the Fund up to the amounts specified in paragraph 2.

2. The Fund shall reimburse to the United Kingdom the following percentage of its actual expenditure:

(a) 40 % for measures under Article 4 with a maximum eligible amount of 31·5 million ECU (A);

(b) 40 % for the other measures, with a maximum eligible amount of:

— 600 ECU (A) per ha for the work referred to in Article 6 (a),

— 500 ECU (A) per ha for the work referred to in Article 6 (b) and (c),

— 14·5 million ECU (A) for the work referred to in Article 11 (1),

— 40 ECU (A) per livestock unit for the work referred to in Article 11 (2), subject to a maximum eligible amount of 30 million ECU (A).

3. 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.

4. The amount devoted to the payment of the premium referred to in Article 11 (2) shall not exceed 25 % of the overall expenditure under this programme.

Article 15

When the programme is being approved the Commission shall determine, in agreement with the United Kingdom, the manner in which it is to be periodically informed of the progress of the specific action referred to in Article 8 (1).

Article 16

1. Requests for reimbursement shall relate to expenditure incurred by the United Kingdom during one calendar year and shall be submitted to the Commission before 1 July of the following year.

2. Aid from the Fund shall be granted in accordance with Article 7 (1) of Regulation (EEC) No 729/70.

3. Where the beneficiary of the premium referred to in Article 11 (2) does not fulfil the investment condition laid down in Article 11 (4), the Commission shall recover from the United Kingdom any payments already made in this respect.

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

Article 17

1. Where the procedure laid down in this Article is to be followed, the matter shall be referred to the Standing Committee on Agricultural Structures, either by the chairman on his own initiative or at the request of the representative of a Member State.

2. The representative of the Commission shall submit a draft of the measures to be adopted. The Standing Committee on Agricultural Structures shall deliver an opinion on those measures by a majority of 45 votes within a time limit set by the chairman according to the urgency of the matter; the votes of the Member States shall be weighted as provided for in Article 148 (2) of the Treaty. The chairman shall not vote.

3. The Commission shall adopt measures which shall be immediately applicable. However, if such measures are not in accordance with the opinion of the Standing Committee on Agricultural Structures, they shall forthwith be communicated by the Commission to the Council; in that event, the Commission may defer application of the measures which it has adopted for not more than one month from the date of such communication.

The Council, acting by a qualified majority, may take a different decision within one month.

Article 18

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 Luxembourg, 30 June 1981.

For the Council

The President

G. BRAKS