COMMISSION REGULATION (EEC) No 326/81

of 6 February 1981

extending the promotional and publicity measures referred to in Regulation (EEC) No 723/78 in respect of milk and milk products

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 last amended by Regulation (EEC) No 1364/80 [2], and in particular Article 4 thereof,

Whereas the promotional and publicity measures undertaken pursuant to Commission Regulation (EEC) No 723/78 [3], and continued pursuant to Regulations (EEC) No 199/79 [4] and (EEC) No 531/80 [5]; have proved an effective means of expanding the markets in milk products in the Community; whereas they should therefore be continued during the 1981/82 milk year;

Whereas the organizations representing the dairy sector in one or more Member States or in the Community should be invited again to propose detailed programmes which these organizations would themselves carry out; whereas provision should be made to enable the parties concerned to complete their proposals at a later date;

Whereas the other rules can for the most part be drawn from the earlier Regulations, account being taken of relevant experience;

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. Publicity and promotional measures advocating human consumption of milk and milk products in the Community shall be encouraged under the conditions laid down in this Regulation.

2. These measures shall be carried out during the period up to 31 March 1982. However, a longer time limit may be agreed in exceptional cases in accordance with Article 5 to ensure maximum effectiveness of the measure in question.

3. Where a contract as referred to in Article 5 is concluded later, measures carried out from 1 February 1981 shall, however, be eligible for the Community contribution.

Article 2

1. The publicity and promotional measures referred to in Article 1 (1):

(a) shall be proposed and carried out by organizations representing the dairy sector in one or more Member States or in the Community;

(b) shall be limited to the territory of the Member State or States whose dairy sector is represented by the organization concerned;

(c) must:

be carried out as far as possible by the organization which has made the proposal;

in cases where this organization must use subcontractors, the proposal must contain a duly justified request.

(d) must:

— make use of the publicity media best suited to ensure maximum effectiveness for the measure undertaken,

— take account of the particular conditions obtaining with regard to the marketing and consumption of milk and milk products in the various regions of the Community,

— be collective and not brand orientated,

— promote Community milk products without references to their country or region or manufacture; however, this condition shall not apply to products the manufacture of which is limited to a specified area,

— not replace similar measures but, where appropriate, widen them.

2. Community financing shall be limited to 90 % of expenditure incurred by a measure within the meaning of paragraph 1 if the organization in question has not previously financed such measures during the period 1 January 1975 to 31 December 1977.

[1] OJ No L 131, 26. 5. 1977, p. 6.
[2] OJ No L 140, 5. 6. 1980, p. 16.
[3] OJ No L 98, 11. 4. 1978, p. 5.
[4] OJ No L 28, 2. 2. 1979, p. 10.
[5] OJ No L 59, 4. 3. 1980, p. 18.

Where a measure in existence before the last-mentioned date is to be widened, Community financing shall be limited to 90 % of the amount in excess of the total average expenditure of the same kind by the organization in question during the period 1 January 1975 to 31 December 1977, irrespective of any change in the legal form of the said organization.

On application by the organization in question, the average annual expenditure during the reference period referred to above may be replaced by an annual flat-rate sum of 0·15 ECU multiplied by the number of inhabitants in the territory where the organization in question carries out its activities in accordance with its statutes.

3. For the purposes of applying paragraph 2, no account shall be taken of administrative expenditure incurred in carrying out these measures.

4. Community contributions to expenditure on the measures provided for in this Article shall be allocated equitably among the Member States, particular account being taken of their population and their production and consumption of milk and milk products.

Article 3

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

Where the proposed measures are undertaken, wholly or in part, within the territory of one or more Member States other than that in which the organization in question has its head office, the said organization shall transmit a copy of its proposal to the intervention agencies of those other Member States.

2. Proposals must reach the intervention agency concerned before 1 April 1981.

However, in justified cases, a proposal may be submitted indicating that it will be completed before 1 July 1981 so as to comply with the conditions laid down in Article 4. Where the latter date is not complied with, the proposal shall be considered null and void.

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

4. Within 20 working days of the expiry of the time limits laid down in paragraph 2, intervention agencies shall :

(a) examine the proposals received and, where appropriate, any supporting documents, as regards both form and substance ;

(b) transmit them to the Commission, accompanied by their reasoned opinion.

Article 4

1. Complete proposals shall state :

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

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

(c) the net price asked for these measures, including any taxes, expressed in the currency of the Member State in the territory of which the party concerned is established, giving an intemized breakdown of this amount and showing the corresponding financing plan ;

(d) the desired form of payment of the Community contribution (Article 7 (1) (a), (b) or (c)).

2. A proposal shall be valid only where :

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

(b) it is accompanied by an undertaking to observe the provisions of this Regulation and those contained in the list of clauses and conditions referred to in Article 6.

Article 5

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

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

3. 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 clauses 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 shall :

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

(b) supplement these details, where necessary, by additional conditions arising from the application of Article 5 (2).

3. The Commission shall send a copy of the contract and of the list of clauses and conditions to the intervention agency responsible for ensuring the observance of the agreed conditions by means of on-the-spot checks.

Article7

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

(a) within six weeks of the date of signature of the contract and the list of clauses 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 clauses and conditions ; or

(c) within six weeks of the date of signature of the contract and the list of clauses and conditions, a single payment on account amounting to 80 % of the agreed Community contribution ; however, this form of payment may be stipulated only for measures which will be fully completed within a maximum of two months of the date of signature of the contract and list of clauses and conditions.

However, while a contract is being performed, the intervention agency may :

— defer payment of an instalment where it finds, in particular during the checks referred to in Article 6 (3), irregularities in carrying out the measures concerned or a substantial interval between the due date for payment of the instalment and the date when the party concerned will actually incur the forecast expenditure,

— in exceptional cases advance payment of an instalment with the Commission's prior agreement, where the party concerned shows that he must incur a substantial part of the expenditure at a date found to be significantly earlier than that laid down for payment of the Community contribution towards the said expenditure.

2. The payment of each sum on account shall be subject to the condition that a security equal to the amount of the sum on account, plus 10 %, is lodged with the intervention agency.

3. Securities shall be released and the balance paid by the intervention agency when :

(a) the intervention agency has confirmed that the party concerned has fulfilled its obligations as laid down in the list of clauses and conditions ;

(b) the report referred to in Article 8 (1) has been transmitted to the Commission and to the intervention agency and the details contained in such report have been verified by the intervention agency ;

(c) the intervention agency has established that the party concerned has made its own contribution for the purposes laid down.

4. To the extent that the conditions set out in paragraph 3 are not fulfilled the securities shall be forfeit. 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 one of the measures referred to in Article 1 (1) shall submit to the intervention agency concerned, within four months of the final date fixed in the contract for completion of the measures, a detailed report on the utilization of the Community funds allocated and on the results of the measures in question.

The party responsible shall submit to the Commission, at the same time, the part of the report covering the results of the measures concerned.

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, 6 February 1981.

For the Commission

Poul DALSAGER

Member of the Commission