COMMISSION REGULATION (EEC) No 596/85

of 7 March 1985

continuing the measures referred to in Regulation (EEC) No 507/82 in respect of measures to promote sales outside the Community of milk products of Community origin

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 1206/84 (2), and in particular Article 4 thereof,

Whereas the measures carried out pursuant to Commission Regulation (EEC) No 507/82 (3) and continued by Regulation (EEC) No 592/83 (4) have proved an effective means of expanding the markets in milk products outside the Community; whereas they should therefore be continued in the medium term;

Whereas the organizations possessing the necessary qualifications and experience should therefore be invited again to propose detailed programmes which those organizations would themselves carry out;

Whereas, as regards the other arrangements, the main provisions of Regulation (EEC) No 507/82 may be repeated, taking into account relevant experience gained;

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 terms of this Regulation, encouragement shall be given to measures to develop and improve the use and consumption of milk and milk products of Community origin outside the Community through publicity and sales promotion measures with a view to expanding Community trade with the non-member countries concerned.

2. The following shall qualify as measures within the meaning of paragraph 1: seminars and courses designed to provide personnel engaged in marketing milk and milk products with information and training or to aid such persons in spreading awareness about the consumption of these products.

3. Measures liable to prejudice existing Community trade in milk products with the country concerned shall not be taken into consideration.

4. The measures referred to in paragraph 1 shall be eligible for financing only if they are begun after 1 April 1985; they shall be completed within two years of signature of the contract referred to in Article 5 (3) and in any event before 1 October 1987. In exceptional cases, however, a longer period may be agreed in accordance with Article 5 (2) to ensure maximum effectiveness of the measure concerned.

4. The time limit fixed in paragraph 3 shall not prevent subsequent agreement to an extension of that time limit where the party to a contract, before the fixed expiry date, makes the appropriate application to the competent authority and proves that, due to exceptional circumstances beyond his control, he is unable to meet the deadline originally stipulated.

Article 2

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

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

(b) shall 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 include a duly justified request for a derogation;

(c) 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 Community milk and milk products on the market of the non-member country concerned,

— be of a general nature and, in particular, not brand-orientated,

(1) OJ No L 131, 26. 5. 1977, p. 6.
(2) OJ No L 115, 1. 5. 1984, p. 3.
(3) OJ No L 61, 4. 3. 1982, p. 15.
(4) OJ No L 71, 17. 3. 1983, p. 17.

— promote Community milk products without mentioning the country or region of production ; however, this condition shall not apply to products whose manufacture is typical of a particular region of the Community,

— expand existing measures, but may not replace them.

2. The Community contribution shall be limited to 75 % of the expenditure incurred for the measures under Article 1 (1).

3. The Commission may, on the basis of a duly justified request, waive the requirements of the fourth indent of paragraph 1 (c), provided that the promotional measures concerned give special prominence to the Community origin of the milk products in question.

4. The financing of general expenses incurred for the measures referred to in Article 1 (1) shall be limited to 2 % of the total approved cost.

Article 3

1. The parties referred to in Article 2 (1) shall be invited to transmit before 1 May 1985, to the competent authority appointed by their Member State, hereinafter called 'the competent authority', detailed proposals concerning the measures referred to in Article 1 (1).

If this deadline is not met, the proposal shall be regarded as null and void.

2. Further details for submission of proposals shall be as set out in the notice from the competent authorities published in *Official Journal of the European Communities* No C 54 of 13 March 1981, page 7.

Article 4

1. Complete proposals shall include :

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

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

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

(d) the desired form of payment of the Community contribution in accordance with Article 7 (1) (a) or (b) ;

(e) the most recent report available on the party's activities unless this is already in the possession of the competent authorities.

2. Proposals shall be valid only where :

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

(b) they are accompanied by an undertaking to comply with the provisions of this Regulation.

Article 5

1. Before 1 June 1985 the competent authorities shall :

(a) examine all proposals submitted and any supporting documents to check that they are in the right form and contain the information required. They shall ensure that the proposals comply with the provisions of Article 4 and shall ask applicants for further details if necessary ;

(b) compile a list of all the proposals received and send it to the Commission together with copies of each proposal and a reasoned opinion indicating whether or not the proposal conforms with the Regulation.

2. After consulting the groups concerned and following examination of the proposals by the Management Committee for Milk and Milk Products in accordance with Article 31 of Council Regulation (EEC) No 804/68 (1), the Commission shall establish before 1 August 1985 a list of the proposals selected for financing.

3. The competent authorities shall conclude before 1 October 1985 contracts with those parties whose proposals have been selected in at least two copies and signed by the interested party and the competent authority.

The competent authorities shall for this purpose use the standard form contracts to be provided by the Commission.

4. The competent authorities shall inform each applicant as soon as possible of the decision taken in respect of his proposal.

Article 6

1. The contract referred to in Article 5 (3) and shall :

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

(b) supplement those details, where necessary, by additional conditions resulting from the application of Article 5 (1).

2. The competent authority shall forward a copy of the contract and of the list of clauses and conditions to the Commission without delay.

3. The competent authority shall ensure compliance with the agreed conditions by means of on-the-spot checks within the Community.

(1) OJ No L 148, 28. 6. 1968, p. 13.

Article 7

1. The competent authority shall pay to the party in question, in accordance with the choice indicated in the latter's proposal, either :

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

(b) at four-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.

However, while a contract is being performed, the competent authority may :

— defer payment of an instalment either wholly or in part where it finds, in particular during the checks referred to in Article 6 (4), 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 where the party concerned submits a reasoned request, that he must incur a substantial part of the expenditure significantly earlier than the date laid down for payment of the Community contribution towards such expenditure.

2. The payment of each instalment shall be subject to the lodging with the competent authority of a security equal to the amount of the instalment, plus 10 %.

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

(a) confirmation by the competent authority that the party concerned has fulfilled his obligations as laid down in the contract ;

(b) transmission to the competent authority of the report referred to in Article 8 (1) and verification of the details contained in this report by the competent authority.

However, on reasoned request by the party concerned, the balance may be paid after the measure has been completed, and after submission of the report referred to in Article 8, on condition that securities equal to the total amount of the Community contribution, plus 10 %, have been lodged ;

(c) the competent authority finding that the party concerned, or any third party named in the contract, has spent his own contribution for the purposes laid down.

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

Article 8

1. Each party responsible for one of the measures referred to in Article 1 (1) shall submit to the competent authority 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 foreseeable results of the measures in question, in particular concerning the evolution of the sales of milk and milk products.

2. On completion of performance of each contract, the competent authority shall send the Commission a statement to this effect and a copy of the final report.

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, 7 March 1985.

For the Commission

Frans ANDRIESSEN

Vice-President