COUNCIL REGULATION (EEC) No 1654/86

of 26 May 1986

introducing a common measure for replanting and converting olive groves damaged by frost in 1985 in certain regions of the Community

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),

Whereas, in order to attain the objectives of the common agricultural policy which are set out in Article 39 (1) (a) and (b) of the Treaty, assistance should be provided for the structural improvement of agriculture in regions which are facing major problems;

Whereas particularly severe and protracted frosts have destroyed or caused considerable damage to olive trees in certain regions of the Community, especially in hill and mountain areas;

Whereas, in those hill and mountain areas in particular, olive-growing is unlikely to be replaced by other crops and whereas, accordingly, the replanting of olive groves should, subject to certain conditions, be encouraged in order to ensure the survival of farming, while preventing soil erosion and disruption of the hydrological cycle, protect the environment and preserve the countryside;

Whereas the replanting should be encouraged by means of investment aid, accompanied by a supplementary aid scheme which takes account of the specific objectives and special conditions pertaining to the type of conversion required;

Whereas, at the same time, olive growing should be restored in such a way as to encourage mechanization and, thereby, lower production costs and whereas this can best be achieved under collective schemes involving a number of holdings;

Whereas the olive groves should be restored in such a way as to maintain the quality of production at a high level or, where required, to raise it to such a level by opting for the best varieties available;

Whereas, in other areas which have been damaged by frost and which are suitable for other crops, producers should be encouraged to convert from olive growing to other forms of production which are more in keeping with market requirements and likely to find normal outlets, by introducing a scheme similar to that for restoring olive groves;

Whereas the measures in question should, in order to achieve maximum effectiveness, form part of one or more olive-tree replanting and conversion schemes introduced by the Member States concerned, at the most suitable regional level;

Whereas it should be provided that these schemes constitute a common measure within the meaning of Article 6 of Council Regulation (EEC) No 729/70 on the financing of the common agricultural policy (3), as last amended by Regulation (EEC) No 3769/85 (4); whereas the costs incurred by Member States should be financed by the Community, subject to a limit of 30 % in the case of the replanting of olive groves and 60 % in the case of schemes to convert from olive-growing to products which can readily be disposed of on the market,

HAS ADOPTED THIS REGULATION:

Article 1

1. A common measure within the meaning of Article 6 of Regulation (EEC) No 729/70 of an exceptional nature is hereby introduced in order to make good the damage to olive-growing caused by frosts in 1985.

2. The common measure shall be implemented in areas where:

— olive-growing accounts for a major share of agricultural production, and

— at least 50 % of the olive trees suffered severe damage as a result of frost in 1985. However, to be eligible for measures for the replanting of olive groves, holdings must have suffered damage corresponding to at least 10 % of their olive trees.

A list of regions with areas that may meet the requirements laid down in the first subparagraph is given in the Annex.

3. The Community may, in accordance with Article 5, make a contribution towards the common measure by financing, via the Guidance Section of the European Agricultural Guidance and Guarantee Fund hereinafter referred to as 'the Fund', measures involving:

(a) collective schemes for replanting olive groves damaged by frost;

(1) OJ No C 70, 25. 3. 1986, p. 3.
(2) Opinion delivered on 16 May 1986 (not yet published in the Official Journal).

(3) OJ No L 94, 28. 4. 1970, p. 13.
(4) OJ No L 362, 31. 12. 1985, p. 17.

(b) schemes to convert olive groves to other crops which can be readily disposed of on the market, such as seed production, nuts, fodder and high-protein crops;

(c) aid granted to farmers to the realization of the specific objectives which are linked to the work referred to in (a) and (b), provided the said work is carried out in respect of an area of not less than 0,5 hectares and meets the requirements laid down in the fourth indent of Article 5 (1), in the case of replanting schemes, and in Article 5 (2), in the case of schemes to convert olive groves to other crops, which are more in keeping with market requirements.

Article 2

1. Member States or the regions concerned which meet the requirements laid down in Article 1 (2) shall, before 1 July 1986, draw up one or more special programmes, to be forwarded to the Commission by the Member State concerned, setting out the measures which they regard as the most suitable for achieving the objectives described in Article 1.

Programmes shall include the following information:

— a description of the existing situation, the importance of olive-growing in terms of the region's gross agricultural product, and the damage caused by the frost, giving a breakdown by region,

— a definition of the supervisory measures ensuring that the aid for replanting olive groves granted to olive growers who have suffered the damage referred to in Article 1 (1) meets the requirements laid down in paragraph 2 of that Article,

— the total area covered by the collective replanting schemes, and the olive-tree varieties recommended for each region,

— in the case of farmers taking part in collective replanting schemes, a binding outline plan which meets the requirements laid down in this Regulation,

— the amount of aid payable to farmers in respect of each type of replanting,

— a description of the ancillary measures which will be introduced, in particular those concerned with soil improvement and drainage in connection with collective replanting schemes,

— the area covered by conversion schemes and the measures to be implemented in order to ensure that production more closely matches market requirements,

— the conversion premiums payable in respect of each of the replacement crops concerned,

— the ancillary measures required in order to implement the conversion schemes, in particular those concerned with the preparation of the soil, levelling, irrigation, the drainage of individual plots and reparcelling aimed at ensuring that the plots are better suited to the new type of farming,

— the estimated cost, broken down for each type of measure, the economic factors which justify implementing the schemes in question, and the financial resources required, specifying the proposed schedule of payments,

— the measures adopted for the purpose of financing the programme and the aid to olive growers within a suitable period.

2. All programmes and any updating amendments thereto shall be forwarded to the Commission by the Member State concerned.

3. At the Commission's request, Member States shall provide additional information concerning the items specified in paragraph 1.

4. The duration of the programmes shall be the same as that of the common measure.

5. The Commission shall, in accordance with the procedure laid down in Article 25 of Council Regulation (EEC) No 797/85 of 13 March 1985 on improving the efficiency of agricultural structures [1], deliver an opinion in respect of each programme or updated version thereof after consulting the Fund Committee on the financial aspects.

Article 3

1. For the purposes of this Regulation, 'collective schemes for the replanting of olive groves' shall be taken to mean any replanting operation carried out by farmers in accordance with a binding agreement between the farmers who form part of this operation and the region concerned or, where applicable, an agency designated by the latter.

Collective replanting schemes must concern not less than 5 000 olive trees and 25 farmers who are members of an olive-growers' cooperative or group or who belong to a recognized association with a similar purpose which shall specify the measures required in connection with the replanting. The said bodies shall be authorized to lay down additional rules with a view to achieving more readily the aims set out in paragraph 2.

In exceptional cases the Commission may, in accordance with the procedure laid down in Article 2 (5), authorize a Member State to specify a smaller minimum number of trees to be replanted or a smaller minimum number of participants in the collective scheme than those laid down in the second subparagraph, provided the reasons for such a reduction are duly substantiated on the basis of the programme referred to in Article 2 (1).

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[1] OJ No L 93, 30. 3. 1985, p. 1.

2. Collective schemes for the replanting of olive groves shall be eligible only if:

(a) they help improve the countryside in typical olive-growing areas, protect the environment, consolidate the soil and regulate the hydrological cycle;

(b) they contribute to a lasting improvement of working conditions on the agricultural holdings concerned, thus allowing labour incomes to increase;

(c) there is proper evidence that they will be effective from an economic point of view;

(d) it is clear that the olive oil produced will continue to be of high quality or, where it has not yet reached a satisfactory level, that it will improve;

(e) it is certain that the average volume of olive oil production will not exceed that prior to the period of frost damage.

Article 4

1. For the purposes of this Regulation 'olive grove conversion scheme' shall be taken to mean any conversion scheme implemented on an individual or group-operated agricultural holding which provides for the grubbing-up of olive trees on an area of not less than 0,2 hectares.

When conversion begins, there must be at least 50 trees, healthy or otherwise, per hectare on the area concerned.

2. In order to be eligible, conversion schemes must:

(a) result in products which can be readily disposed of on the market;

(b) make suitable provision for avoiding an increase in soil erosion.

3. Operators who receive conversion aid must undertake not to replant olive trees on olive-growing areas which do not qualify for aid under Council Regulation (EEC) No 1590/83 of 14 June 1983 on the determination of areas planted with olive trees qualifying for aid for the production of olive oil (1).

Article 5

1. Expenditure incurred in connection with replanting schemes under Article 1 (3) (a) and (c) shall be eligible for aid from the Fund up to:

— 4 300 ECU per hectare where all the trees are replanted, or 13 ECU per tree where replanting covers only a major part of the area concerned, and

— 11 ECU per tree where the replanting scheme involves sawing the tree off at the base of the trunk, or

— 6 ECU per tree where the replanting scheme involves the sawing off of the main and secondary branches in the case of the schemes referred to in Article 1 (3) (a);

However, aid for replanting as referred to in the first three indents shall not exceed the actual expenditure incurred;

— 2 ECU on average per tree per year in the case of the aid referred to in Article 1 (3) (c), which may be granted in respect of not more than 10 hectares or 3 000 trees per individual holding, for up to:

  — five years in the case of replanting or where the trees are sawn off at the base of the trunk;

  — three years where the main and secondary branches are sawn off.

The Fund shall reimburse the Member State 30 % of the eligible expenditure referred to in the first sub-paragraph. However, for the olive grove schemes referred to in the first three indents to be regarded as eligible, a minimum participation by the beneficiary of 20 % of the total costs is required.

2. Expenditure incurred in connection with the conversion schemes referred to in Article 1 (3) (b) shall be eligible for aid from the Fund up to an amount not exceeding the actual expenditure incurred.

The supplementary aid referred to in Article 1 (3) (c) shall be differentiated on the basis of the loss of income and, moreover, shall provide a substantial incentive to participate in a conversion scheme. The expenditure concerned shall be eligible for aid from the Fund up to:

— 2 000 ECU per hectare in the case of annual crops,

— 4 000 ECU in the case of multiannual crops, including afforestation schemes.

Where the average number of olive trees grubbed up per holding is less than 50 per hectare, the supplementary aid shall be reduced accordingly.

The Fund shall reimburse 50 % of the eligible expenditure referred to in this paragraph.

3. In the case of afforestation schemes, the compensatory allowance referred to in Article 15 (3) of Regulation (EEC) No 797/85 may be granted in addition to aid referred to in paragraph 2 above.

4. The estimated total cost to the Fund of the common measure shall be 60 million ECU.

(1) OJ No L 163, 22. 6. 1983, p. 39.

5. The period allowed for the implementation of the common measure shall be two years, beginning on the day on which the first scheme is approved, and shall expire on 30 June 1988 in any event.

6. On the basis of a progress report by the Commission on the implementation of the common measure, and following a proposal from the Commission, the Council shall before 1 April 1988 take a decision on whether the period referred to in paragraph 5 should be extended.

Article 6

When approving a programme pursuant to Article 2, the Commission shall, jointly with the Member State or region concerned, lay down detailed rules regarding the information which must be provided at regular intervals concerning the implementation of the programme. The Member State or the region concerned shall at the same time designate the bodies responsible for actual implementation.

Article 7

1. Applications for reimbursement in respect of expenditure incurred by the Member State or region concerned during a given calendar year shall be submitted to the Commission before 1 May of the following year.

2. Decisions on the granting of aid by the Fund shall be taken in accordance with Article 7 (1) of Regulation (EEC) No 729/70.

3. Payments on account of up to 50 % in respect of actual work may be made by the Fund in accordance with the financial arrangements adopted by the Member State or region concerned and the amount of work, as referred to in Article 1 (3) (a) and (b), actually done.

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 8

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, 26 May 1986.

For the Council

The President

G. BRAKS

ANNEX

Geographical scope

ITALY

The regions of Liguria, Emilia-Romagna, Tuscany, Marche, Umbria, Lazio, Campania, Molise and Basilicata.

FRANCE

The regions of Languedoc-Roussillon and Provence-Alpes-Côte d'Azur.