COMMISSION REGULATION (EEC) No 1110/91

of 30 April 1991

amending Regulation (EEC) No 3813/89 laying down detailed rules for the application of the system of transitional aids to agricultural income

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 768/89 of 21 March 1989 establishing a system of transitional aids to agricultural income [1], and in particular Articles 6 (3) (a) and 12 thereof,

Whereas Commission Regulation (EEC) No 3813/89 [2], as amended by Regulation (EEC) No 1279/90 [3], and in particular Article 8 thereof, defines the conditions under which aid may be capitalized;

Whereas experience shows that the conditions set for capitalization in Regulation (EEC) No 3813/89 are too restrictive in that they do not include some systems of aid which reflect at least certain basic features already accepted as warranting treatment as capitalized systems; whereas it would seem to run counter to the objectives of Regulation (EEC) No 768/89 to exclude such systems from benefit under the capitalization facilities provided for in Regulation (EEC) No 3813/89;

Whereas it is therefore necessary to amend certain provisions of Regulation (EEC) No 3813/89;

Whereas the measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Agricultural Income Aids,

HAS ADOPTED THIS REGULATION:

Article 1

Article 8 (2) of Regulation (EEC) No 3813/89 is hereby replaced by the following text:

'2. (a) Where capitalization facilities are provided for in a given PAIA all potential beneficiaries fulfilling the conditions set out in Article 1 (2) (a) and (b) of Regulation (EEC) No 768/89 may be offered a choice between capitalized or non-capitalized payments. Where no such choice is granted the Member State concerned shall indicate in the draft PAIA the non-capitalized basis upon which the capitalized payments are to be made.

(b) A capitalized aid may also include one which is partially capitalized where the payments are spread over a number of years provided the pattern of payments over the years in question reflects costs per work unit greater than ECU 1 000 in the first year. The degressivity of such payments shall comply with Article 6.'

Article 2

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, 30 April 1991.

For the Commission

Ray MAC SHARRY

Member of the Commission

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[1] OJ No L 84, 29. 3. 1989, p. 8.
[2] OJ No L 371, 20. 12. 1989, p. 17.
[3] OJ No L 126, 16. 5. 1990, p. 20.