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(Acts whose publication is obligatory)

COUNCIL REGULATION (EEC) No 1372/93
of 1 June 1993
on measures adjusting certain sectors of the Portuguese food industry

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty etablishing the European Economic Community, and in particular Article 43 thereof,

Having regard to the Act of Accession of Spain and Portugal,

Having regard to the proposal from the Commission (1),

Having regard to the opinion of the European Parliament (2),

Whereas the internal market presupposes the elimination of obstacles to trade, not only between the Member States of the Community in its composition as at 31 December 1985 but also, as far as possible, between these Member States and the new Member States;

Whereas, in this context, the majority of transitional mechanisms for Portuguese accession have been demobilized before the time limit provided for in the Act of Accession; whereas for certain sectors of the Portuguese food industry, whose structures are still weak, this demobilization represents a considerable challenge in view of the increased competition from the other Member States and third countries; whereas, therefore, the adjustment of these sectors should be encouraged with a view to making it possible to modernized them; whereas, to this end, it is appropriate to grant businesses in these sectors an aid in terms of capacities established on the basis of the amount produced during a historic reference period, the amount of which is to be determined by the Portuguese authorities, to be gradually reduced over three years,

HAS ADOPTED THIS REGULATION:

Article 1

1. Structural adjustment aid intended to accelerate its modernization is hereby instituted in favour of businesses in the Portugese food industry sectors affected by the premature demobilization of transitional measures for accession meeting the criteria laid down by the Portuguese authorities in accordance with paragraph 3.

2. The aid provided for in paragraph 1 shall be granted to businesses in the sectors concerned:

— gradually decreasing over three years, and

— in terms of capacities established on the basis of the amount produced during a historic reference period.

3. The Portuguese authorities shall determine:

— the sectors meeting the requirements provided for in paragraph 1,

— the criteria to be met by the beneficiary businesses. These shall be established on an objective basis,

— the amount of aid. This amount shall be determined on the basis of objective criteria, in particular the degree of difficulty created for each sector by the premature abolition of transitional accession mechanisms,

— the reference period provided for in paragraph 2, which may in no case go beyond 31 December 1992.

4. The aid provided for in this Article shall be limited to ECU 60 million. It shall constitute an intervention measure within the meaning of Article 1 (2) of Council Regulation (EEC) No 729/70 of 21 April 1970 on the financing of the common agricultural policy (3).

Article 2

The Portuguese authorities shall inform the Commission of the factors determined pursuant to Article 1 (3) as soon as they are adopted and only by 1 June 1993 at the latest.

Article 3

This Regulation shall enter into force on the seventh day following its publication in the *Official Journal of the European Communities.*

(1) OJ No C 87, 27. 3. 1993 p. 9.
(2) Opinion delivered on 28 May 1993 (not yet published in the Official Journal).
(3) OJ No L 94, 28. 4. 1970, p. 13. Regulation as last amended by Regulation (EEC) No 2048/88 (OJ No L 185, 15. 7. 1988, p. 1).

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Luxembourg, 1 June 1993.

For the Council

The President

J. ANDERSEN