COUNCIL REGULATION (EC) No 1017/94

of 26 April 1994

concerning the conversion of land currently under arable crops to extensive livestock farming in Portugal

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament (1),

Whereas more than one million hectares in several regions of Portugal have been collectivized in the context of the 'Reform Agraria'; whereas much of this land has been or is being redistributed to the former owners of their successors; whereas part of this land was dedicated to livestock production before collectivization; whereas, following collectivization, this land was largerly used for the cultivation of arable crops; whereas, if the viability of the holdings concerned is not to be endangered, the conversion of the said land to traditional farming activities, namely extensive farming of cattle and/or sheep and goats, as recommended by Portugal in the regions concerned, requires the existence of a sufficient number of premium rights as referred to in Article 4d of Council Regulation (EEC) No 805/68 of 27 June 1968 on the common organization of the market in beef and veal (2) and Article 5a of Council Regulation (EEC) No 3013/89 of 25 September 1989 on the common organization of the market in sheepmeat and goatmeat (3); whereas Portugal should be enabled to implement a programme for the conversion of this land by providing it with a specific national reserve of premium rights; whereas, so as not to disturb the situation on the market in Portugal, the maximum number of livestock units (LU) which may be the subject of the conversion programme must be restricted;

Whereas the land collectivization process, because of its nature and scale, has affected all farming activity, and therefore all farms, in the regions concerned; whereas all the agricultural areas in the collectivized regions should therefore be eligible for the conversion programme;

Whereas access to the conversion programme should be restricted to producers with all or part of their plots in the regions affected by collectivization, provided they fulfil certain conditions and undertake to convert such plots to extensive livestock farming with a maximum stocking density per converted hectare, in accordance with a conversion plan approved by the competent authorities;

Whereas male cattle born to new suckler cows installed under the conversion programme must also be eligible for the special premium provided for in Article 4 of Regulation (EEC) No 805/68, without prejudice to current producers; whereas it is therefore appropriate that part of the premium rights arising from the conversion of arable crops to the raising of suckler cows should be used to incerease the regional ceiling on premiums referred to in the abovementioned Regulation;

Whereas, in order to prevent abuses of the system, the transfer and temporary transfer of rights obtained as a result of conversion should be restricted and provision should be made for penalties where producers do not fulfil their undertakings;

Whereas the conversion programme must be completed within a time limit; whereas it should therefore be stipulated that, at the end of the programme, the specific reserve created pursuant to this Regulation as well as any rights not yet allocated should lapse;

Whereas the arable areas converted to extensive livestock farming must cease to be eligible for compensatory payments under the scheme set up by Council Regulation (EEC) No 1765/92 of 30 June 1992 establishing a support system for producers of certain arable crops (4); whereas such land should therefore be considered as permanent pasture as referred to in Article 9 of that Regulation and Portugal's regional base area should therefore be reduced by the total area of land converted,

(1) Opinion delivered on 22 April 1994 (not yet published in the Official Journal).
(2) OJ No L 148, 28. 6. 1968, p. 24. Regulation as last amended by Commission Regulation (EC) No 3611/93 (OJ No L 328, 29. 12. 1993, p. 7).
(3) OJ No L 289, 7. 10. 1989, p. 1. Regulation as last amended by Commission Regulation (EC) No 233/94 (OJ No L 30, 3. 2. 1994, p. 9).
(4) OJ No L 181, 1. 7. 199, p. 12. Regulation as last amended by Commission Regulation (EC) No 231/94 (OJ No L 30, 3. 2. 1994, p. 2).

HAS ADOPTED THIS REGULATION:

Article 1

Portugal shall be authorized to carry out, for a period of eight years, in the regions listed in the Annex to this Regulation, a programme for the conversion of land currently under arable crops to extensive livestock production, up to a maximum of 200 000 hectares.

Article 2

Without prejudice to Article 4f of Regulation (EEC) No 805/68 and Article 5b of Regulation (EEC) No 3013/89, Portugal shall be allotted a specific autonomous national reserve (hereinafter called 'specific reserve') comprising a total number of rights to the suckler cow premium within the meaning of Article 4d of Regulation (EEC) No 805/68 and/or the ewe premium within the meaning of Article 5 of Regulation (EEC) No 3013/89 (hereinafter called 'premium rights') equivalent to 100 000 livestock units (LU).

For the purposes of this Regulation, the conversion of LU into premium rights shall be carried out using the conversion table in Annex 1 to Council Regulation (EEC) No 2328/91 of 15 July 1991 on improving the efficiency of agricultural structures [1]. This end, account shall be taken of suckler cows and sheep and/for goats covered by an application for participation in the conversion programme.

Article 3

1. The premium rights in the specific reserve shall be allocated to farmers having farmland which is entirely or partly used to produce the arable crops referred to in Annex I to Regulation (EEC) No 1765/92. Parcels shall be eligible only:

— if they are located in the regions listed in the Annex,

— if the producers have received compensatory payments as provided for in Regulation (EEC) No 1765/92 in respect thereof, and

— if they are the subject of a programme for conversion to extensive livestock production.

2. Allocation of rights shall be subject to the requirement that the stocking density on the declared area, calculated in accordance with Article 4g (1), (2) and (3) of Regulation (EEC) No 805/68, must be 0,5 LU per hectare or less.

3. A number of premium rights equivalent to 0,5 LU shall be allocated per hectare converted to extensive livestock production. However, where areas are converted to the rearing of suckler cows, the number of rights to the suckler cow premium shall be reduced by 25 %; rights which remain unallocated as a result of this reduction shall be added to the respective regional ceiling referred to in Article 4b (3) of Regulation (EEC) No 805/68.

Article 4

In order to obtain premium rights, producers must submit an application specifying in particular the type of rights required, accompanied by:

— a development plan for extensive production of suckler cows and/or goats, demonstrating to the competent authority that the conversion will be completed wihtin the time limit laid down in that the maximum stocking density referred to in Article 3 (2) will be complied with,

— an undertaking to cease cultivation of arable crops of the declared areas to convert to extensive livstock production,

— a declaration that the producer is aware of the conditions for allocating premium rights.

Article 5

On the basis of the applications submitted, the competent authorities shall decide on the number of rights to be allocated and shall inform applicants thereof each year, not later than two months before the first day of the first period for submission of premium applications stipulated by Portugal for suckler cows and/or sheep and/or goats.

Article 6

1. Premium rights allocated in accordance with this Regulation shall be added to the rights already held by the beneficiary and shall be subject to the relevant provisions of Regulation (EEC) No 805/68 and Regulation (EEC) No 3013/89 respectively. However, such rights may not be transferred definitively or temporarily for five years or marketing years following the date on which they were allocated.

2. Where the areas covered by an application for allocation of rights are not converted in accordance with the development plan referred to in Article 4 (a), the rights allocated in respect of those areas shall be withdrawn and returned to the specific reserve.

[1] OJ No L 218, 6. 8. 1991, p. 1. Regulation as last amended by Commission Regulation (EC) No 3669/93 (OJ No L 338, 31. 12. 1993, p. 26).

Article 7

At the end of the eight year following the entry into force of this Regulation, unallocated premium rights shall lapse and the specific reserve shall be abolished.

Article 8

The Portuguese authorities shall take the necessary measures to ensure that this Regulation is complied with. Such measures shall include, in particular:

(a) verification of the eligibility of declared areas;

(b) checks to ascertain that arable crops are no longer produced on the declared areas, which have been duly convened to extensive livestock production within the time limit laid down.

Article 9

1. The total area under arable crops converted under this Regulation and corresponding to all admissible applications during each marketing year shall be reduced, from the following marketing year, from the regional base area or, where applicable, the individual base area provided for in Article 2 (2) or (3) of Regulation (EEC) No 1765/92. The Portuguese authorities shall communicate the total area converted to the Commission each year in good time to allow the regional base area to be amended.

2. Converterd areas formerly under arable crops shall be considered as permanent pasture as referred to in Article 9 of Regulation (EEC) No 1765/92.

Article 10

The Commission shall, if necessary, adopt detailed rules for the application of this Regulation in accordance with the procedure laid down in Article 27 of Regulation (EEC) No 805/68 and Article 30 of Regulation (EEC) No 3013/89.

Article 11

This Regulation shall enter into force on the seventh 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 Luxembourg, 26 April 1994.

For the Council

The President

G. MORAITIS

ANNEX

List of regions referred to in Article 1

Castelo Branco, Santarém, Lisboa, Setubal, Evora, Beja, Faro and Portalegre.