COUNCIL REGULATION (EC) No 1357/96

of 8 July 1996

providing for additional payments to be made in 1996 with the premiums referred to in Regulation (EEC) No 805/68 on the common organization of the market in beef and veal and amending that Regulation

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Articles 42 and 43 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament [1],

Whereas Commission Regulation (EEC) No 805/68 [2] provides for the payment of premiums in respect of male bovine animals and of suckler cows, designed to compensate producers for the consequences of a reduction in the intervention price at the time of reform of the sector;

Whereas the market for beef has been seriously disturbed as a result of consumer concerns in relation to bovine spongiform encephalopathy (BSE) and with a view to ensuring the future of the sector, additional resources should be made available; whereas in order to enable rapid payment and to achieve the described economic effect, such resources should generally be made available in the form of payments in addition to the premiums due in respect of animals eligible in the 1995 calendar year, as the necessary data is already available; whereas, however, producers should only be entitled to such additional payments to the extent that the number of eligible animals for which they are entitled to a premium in respect of the 1996 calendar year is not reduced as compared with the 1995 calendar year;

Whereas overpayments should be set off against a producer's entitlement to premiums in respect of the 1996 calendar year or, where this is not possible, repaid to the competent authority of the Member State concerned; whereas the sum of money represented by such overpayments should be allocated to producers whose entitlement to premiums in respect of the 1996 calendar year is greater than that in respect of the 1995 calendar year, pro rata to their additional entitlement;

Whereas the additional payments to producers who receive a premium may not, depending on the particular structure of a Member State, address fully the problems of certain producers; whereas Member States should be given the possibility to make payments to such producers whether financed by the Community or paid as a national aid; whereas the amount of money financed by the Community and made available to a Member State for this purpose should reflect the size of its bovine herd most affected by the current crisis, taking into account the payments made under this Regulation; whereas a Member State should only be entitled to pay national aid where this does not lead to the estimated income loss being exceeded;

Whereas Member States, in which the structure of production makes a system of payment other than by means of the said increase in premiums more appropriate and/or where the need to complete all payments by 15 October makes this necessary, should be authorized, in derogation from the above, to distribute the total of the aid which would otherwise have been payable by way of increases in premiums and the amount provided for in the Annex to producers of bovine animals on the basis of objective criteria;

Whereas Regulation (EEC) No 805/68 provides for a processing premium payable in relation to male calves removed from production before they exceed the age of 10 days; whereas experience has shown that the period between the time when a calf may be moved off a farm and its required removal from production is extremely short; whereas it should therefore be made possible for the Commission to allow an increase in the 10-day age limit in certain circumstances,

HAS ADOPTED THIS REGULATION:

Article 1

1. A producer whose entitlement to a special premium under Article 4 (b) of Regulation (EEC) No 805/68 in respect of animals kept in the 1995 calendar year is established shall, subject to paragraph 3 thereof, be entitled to an additional ECU 23 for each premium which he receives. The additional payment shall, where possible, be made together with the payment of the premium referred to in Article 4 (b) (6).

2. A producer whose entitlement to suckler cow premium under Article 4 (d) of Regulation (EEC) No 805/68 in respect of animals kept in the 1995

[1] Opinion delivered on 21. June 1996 (not yet published in the Official Journal).

[2] OJ No L 148, 28. 6. 1968, p. 24. Regulation as last amended by Regulation (EC) No 894/96 (OJ No L 125, 23. 5. 1996, p. 1).

calendar year is established shall, subject to paragraph 3 thereof, be entitled to an additional ECU 27 for each premium which he receives. The additional payment shall, where possible, be made together with the payment of the premium referred to in Article 4 (d) (7).

3. The extent to which a producer is entitled to each of the additional payments referred to in paragraphs 1 and 2 and received in respect of the 1995 calendar year shall depend upon the number of animals for which he establishes entitlement to a premium in the 1996 calendar year.

4. Member States shall take all the necessary measures to ensure that when the additional payments are made to producers, they are made aware of the fact that their entitlement to those payments is subject to the condition set out in paragraph 3.

Article 2

1. Where the number of animals for which entitlement to premiums is established in relation to the 1996 calendar year is less than that for which a producer received additional payments under Article 1, the part of the additional payment to which he was not entitled shall be set off against his entitlement to premiums under Regulation (EEC) No 805/68 for the 1996 calendar year.

2. Where a producer does not make an application for premiums under Regulation (EEC) No 805/68 in respect of the 1996 calendar year or where the premiums to which he is entitled are insufficient to make the set-off referred to in paragraph 1, he shall be required to repay the additional payments made under Article 1 to which he was not entitled.

3. Notwithstanding paragraphs 1 and 2, Member States may decide not to claim repayment of amounts of ECU 20 or less per producer, provided that their national law includes corresponding non-recovery rules for similar circumstances.

Article 3

Producers whose entitlement to premiums in respect of the calendar year 1996 relates to more animals than their entitlement in respect of the calendar year 1995 shall be eligible for further additional payments. Such payments shall only be made:

— to the extent that additional payments made to producers who were not eligible for them are repaid or recovered in the Member State concerned, and

— pro rata to the additional number of premiums received in respect of the 1996 calendar year.

Article 4

Member States may:

(a) use the amounts set out in the Annex to make payments to producers in the beef and veal sector who are facing acute problems as a result of the market situation, which are not fully addressed by the measures referred to in Articles 1, 2 and 3; and

(b) on or before 1 July 97, pay national aid to such producers in addition to the payments under point (a) to the extent that the payment of such national aid does not lead to the estimated income loss being exceeded. In no case may the total national aid paid by a Member State exceed the total amount of aid granted to that Member State in accordance with this Regulation.

Article 5

By way of derogation from Articles 1, 2, 3 and 4, Member States may grant the total amount of aids resulting from the application of Article 1 (1) and (2) and Article 4 (a) to producers of bovine animals according to objective criteria, provided that the compensation will not be higher than the loss of income to such producers and that there is no distortion of competition.

Article 6

The conversion rate to be applied shall be the agricultural rate valid on 1 January 1996.

Article 7

The measures introduced by this Regulation, with the exception of the national aid referred to in Article 4, shall be deemed to be intervention intended to stabilize agricultural markets within the meaning of Article 3 (1) of Council Regulation (EEC) No 729/70 of 21 April 1970 on the financing of the common agricultural policy [1].

The Community shall finance the expenditure incurred by Member States in relation to the payments referred to in Article 1 and Article 4 (a) and Article 5 only where such payments are made by them by 15 October 1996 at the latest.

Article 8

Regulation (EEC) No 805/68 is hereby amended as follows:

In Article 4 (i) (4), the following indent shall be added:

'— may, on the basis of a duly justified application setting out adequate control measures to be

[1] OJ No L 94, 28. 4. 1970, p. 13. Regulation as last amended by Regulation (EC) No 1287/95 (OJ No L 125, 8. 6. 1995, p. 1).

carried out, authorize a Member State to pay the premium referred to in paragrpah 1 in respect of animals withdrawn from production before exceeding the age of 20 days.'

Article 9

Member States shall take all the necessary measures to ensure compliance with the provisions of this Regulation.

Article 10

Any detailed rules necessary for the application of this Regulation shall be adopted in accordance with the procedure set out in Article 27 of Regulation (EEC) No 805/68.

Article 11

This Regulation shall enter into force on the day of 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, 8 July 1996.

For the Council

The President

R. QUINN

ANNEX

Amounts referred to in Article 4 (a)

	ECU (millions)
Belgium	11,5
Denmark	6,5
Germany	51,5
Greece	1,0
Spain	15,0
France	66,5
Ireland	16,0
Italy	24,0
Luxembourg	1,0
Netherlands	17,0
Austria	6,0
Portugal	3,0
Finland	3,0
Sweden	5,0
United Kingdom	34,0