COUNCIL REGULATION (EC) No 1422/97

of 22 July 1997

amending Regulation (EEC) No 1765/92 establishing a support system for producers of certain arable crops

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 (1),

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

Whereas the support system for producers of certain arable crops introduced by Regulation (EEC) No 1765/92 (3) provides that when the sum of the individual areas for which aid is claimed is in excess of the regional base area, two types of measures are to be applied, one in the form of a reduction in eligible area, the other in the form of extraordinary set-aside; whereas Regulation (EEC) No 1765/92 also provides that where exceptional climatic conditions have caused a reduction in yields and an overshoot of the regional base area, the producers concerned may be exempted from extraordinary set-aside; whereas severe climatic conditions have adverse financial consequences for the producers in the affected regions; whereas it is thus justified to broaden the scope of the exemption possible to include the reduction in eligible area provided that the budgetary situation allows it; whereas severe climatic conditions were noted in certain regions of the Community in 1995; whereas the exemption from one or both measures under such conditions should apply already from 1995 onwards;

Whereas Member States may apply one or more national base areas; whereas, in such a case, the measures to be applied in the case of a possible overshoot of the base area are currently applied on a national basis; whereas it is considered appropriate that the Member States which choose this option should be able to divide each national base area into sub-base areas of a minimum size or into individual sub-base areas; whereas the minimum size of such sub-base areas should be laid down; whereas, when a national base area has been exceeded, the Member State concerned should be allowed to concentrate the application of the measures totally or partially on those areas for which the overshoot has been noted; whereas the Member States should be required to notify the Commission and producers, in due time, of the exercise of this option and how they intend to apply the measures;

Whereas the conditions under which durum wheat is grown in Pannonia entitle that region to be designated as a traditional production area; whereas, for that reason, the production of durum wheat in that area, which currently receives reduced aid, is henceforth eligible for the supplement to compensatory payments;

Whereas Regulation (EEC) No 1765/92 should be amended accordingly,

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EEC) No 1765/92 is hereby amended as follows:

1. Article 2 (6) shall be replaced by the following:

'6. In the case of a regional base area, when the sum of the individual areas for which aid is claimed under the arable producers' scheme, including the set-aside provided for under that scheme and land counted as being set-aside pursuant to Article 7 (2), is in excess of the regional base area, the following measures will be applied in the region in question:

— during the same marketing year, the eligible area per farmer will be reduced proportionately for all the aids granted under this Title,

— in the following marketing year, producers in the general scheme will be required to make, without compensation, an extraordinary set-aside. The percentage rate for extraordinary set-aside shall be equal to the percentage by which the regional base area has been exceeded, established by deducting 85 % of the area set aside under voluntary set-aside in accordance with Article 7 (6). This shall be additional to the set-aside requirement given in Article 7. However, if the excess in the regional base area leads to a level of extraordinary set-aside of less than 1 % being applied in respect of the 1996 harvest, the extraordinary set-aside shall not be applied.

(1) OJ No C 243, 22. 8. 1996, p. 3.
(2) OJ No C 20, 20. 1. 1997, p. 401.
(3) OJ No L 181, 1. 7. 1992, p. 12. Regulation as last amended by Regulation (EC) No 922/97 (OJ No L 133, 24. 5. 1997, p. 1).

Areas which are the subject of extraordinary set-aside in accordance with the second indent of the preceding subparagraph shall not be taken into account in applying this paragraph.

Should exceptional climatic conditions have affected production in a marketing year in which it is found that the regional base area has been exceeded, and should those conditions have had the effect of lowering yields to a level considerably below the normal and of causing the excess in question, then, provided that the budgetary situation so allows, the Commission may, pursuant to the procedure laid down in Article 23 of Council Regulation (EEC) No 1766/92 of 30 June 1992 on the common organization of the market in cereals (*), totally or partially exempt producers in the regions affected from one or both measures applicable under this paragraph.

(*) OJ No L 181, 1. 7. 1992, p. 21. Regulation as last amended by Regulation (EC) No 923/96 (OJ No L 126, 24. 5. 1996, p. 37).'

2. The following paragraph shall be added to Article 2:

'7. Without prejudice to Article 3, where a Member State has chosen to establish one or more national base areas, it may subdivide each national base area into sub-base areas of a minimum size to be determined established pursuant to paragraph 2.

For the purposes of applying this paragraph, the 'Secano' and 'Regadió' base areas shall be considered as national base areas.

By way of derogation from the first subparagraph, Member States may establish, in accordance with detailed rules to be determined pursuant to the procedure provided for in Article 12, individual sub-base areas established on the basis of objective references.

Where there is an overshoot of a national base area, the Member State concerned may, in accordance with objective criteria, concentrate the measures applicable under paragraph 6 totally or partially on the sub-base areas for which the overshoot has been noted.

The Member State which has decided to apply the possibilities provided for in this paragraph shall notify producers and the Commission by 15 May of its choices and the detailed rules for their application. However, for the 1997/98 marketing year, that date shall be postponed to 15 September 1997.

Where the provisions provided for in this paragraph are applied, the consequences must be the same as those that would result from application at national level.

If the option provided for in the first subparagraph is applied, the expression "regional base area" shall, for the purposes of Article 5 (1) (f), be understood to mean a sub-base area.'

3. In Article 4 (4), the terms 'In France and Italy' shall be replaced by the terms 'In France, Italy and Austria'.

4. In Article 4 (5), the second subparagraph shall be deleted.

5. The following shall be added at the end of the first indent of Article 12:

'and (7), including the detailed rules for determining sub-base areas and the special conditions to be applied in the case of Germany,'.

6. The following shall be added to Annex III:

'AUSTRIA

— Pannonia: 5 000'.

Article 2

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

However, in Article 1, point 1 shall apply from the 1995/96 marketing year and points 3, 4 and 6 shall apply as from the 1998/99 marketing year.

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

Done at Brussels, 22 July 1997.

For the Council

The President

F. BODEN