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(Acts whose publication is obligatory)

COUNCIL REGULATION (EC) No 154/97

of 20 January 1997

amending Regulation (EEC) No 619/71 laying down general rules for granting aid for flax and hemp

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) No 1308/70 of 29 June 1970 on the common organization of the market in flax and hemp [1], and in particular Article 4 (4) thereof,

Having regard to the proposal from the Commission,

Whereas the first subparagraph of Article 3 (2) of Regulation (EEC) No 619/71 [2], lays down that three quarters of the aid for flax is to be granted to any natural or legal person who has concluded with the grower, before a date to be determined, a contract transferring ownership of the flax straw; whereas to ensure that the flax is actually processed, provision should be made for payment of the aid to the primary processor to be subject to an explicit commitment on his part to undertake processing and also to an approval procedure;

Whereas the second subparagraph of Article 3 (2) of the said Regulation lays down that growers may under certain conditions qualify for all the aid; whereas in those cases a processing obligation and a system of approval of primary processors should be established;

Whereas the checks referred to in Article 5 of the said Regulation should also cover fulfilment of the processing obligation and the conditions of approval; whereas the effectiveness of those checks can be increased by using certain elements of the integrated administration and control system and whereas, therefore, provision should be made for that possibility;

Whereas Article 6 of the said Regulation lays down that the amount of the aid is to be calculated in relation to the area sown and harvested; whereas, to prevent abuse, the said area must have undergone normal cultivation and whereas the Commission should be able to lay down criteria on the matter;

Whereas the measures provided for in this Regulation must be properly implemented; whereas transitional measures may therefore be required to facilitate the introduction of the new arrangements,

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EEC) No 619/71 is hereby amended as follows:

1. Article 3 (2) shall be replaced by the following:

'2. For the flax grown mainly for the production of fibre, one quarter of the aid shall be granted to the grower and three quarters to the primary processor approved by the competent authority of the Member State on whose territory his establishment is situated, who has concluded with the grower, before a date to be determined, a contract transferring ownership of the flax straw and who undertakes to process it.

However, the entire amount of the aid shall be granted to the grower where:

(a) the grower within the meaning of Article 3a (a) undertakes to process the flax straw and is approved for that purpose by the competent authority; or

(b) the grower within the meaning of Article 3a (a) undertakes to have the flax straw processed on his behalf by an approved primary processor; or

(c) the grower within the meaning of Article 3a (b) undertakes to process the flax straw and is approved for that purpose by the competent authority; or

[1] OJ No L 146, 4. 7. 1970, p. 1. Regulation as last amended by Regulation (EC) No 3290/94 (OJ No L 349, 31. 12. 1994, p. 105).

[2] OJ No L 72, 26. 3. 1971, p. 2. Regulation as last amended by Regulation (EC) No 1989/93 (OJ No L 182, 24. 7. 1993, p. 6).

(d) the grower within the meaning of Article 3a (b) undertakes to have the flax straw processed on his behalf by an approved primary processor.';

2. Article 4 (2) shall be replaced by the following:

'2. For the purpose of checking, Member States shall introduce a system of declarations for areas sown and harvested and shall establish a system of approval of primary processors and, where appropriate, of growers who undertake processing.';

3. Article 5 shall be replaced by the following:

'Article 5

1. Member States shall verify the accuracy of the declarations of areas sown and harvested and applications for aid submitted by the producers and also the execution of contracts and fulfilment of processing obligations and of conditions of approval by means of spot checks.

2. Detailed rules for the application of checks shall be adopted in accordance with the procedure laid down in Article 12 of Regulation (EEC) No 1308/70, such measures being able to provide for the use of certain elements of the integrated administration and control system.';

4. Article 6 shall be replaced by the following:

'Article 6

The amount of aid paid shall be calculated on the basis of the area sown and harvested on which normal cultivation work has been carried out.

The Commission may, in accordance with the procedure laid down in Article 12 of Regulation (EEC) No 1308/70, lay down criteria regarding normal cultivation work, in particular by setting a minimum yield to be respected.';

5. The following Article shall be added:

'Article 6a

Should transitional measures be required to facilitate the implementation of the adjustments to the arrangements laid down in Regulation (EC) 154/97 (*) with effect from the 1997/1998 marketing year, such measures shall be adopted in accordance with the procedure laid down in Article 12 of Regulation (EEC) No 1308/70. They shall apply until the end of the 1997/1998 marketing year at the latest.

(*) OJ No L 27, 30. 1. 1997, p. 1.'

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.*

It shall apply from the 1997/1998 marketing year. However, point 5 of Article 1 shall apply from the date of entry into force of this Regulation.

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

Done at Brussels, 20 January 1997.

For the Council

The President

J. VAN AARTSEN