COMMISSION REGULATION (EC) No 983/2000

of 11 May 2000

amending Regulation (EC) No 20/98 laying down rules for the application of Council Regulation (EC) No 2200/96 as regards aid to producer organisations granted preliminary recognition

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 2200/96 of 28 October 1996 on the common organisation of the market in fruit and vegetables [1], as last amended by Regulation (EC) No 1257/1999 [2], and in particular Article 48 thereof,

Whereas:

(1) Commission Regulation (EC) No 20/98 [3], as amended by Regulation (EC) No 243/1999 [4], lays down rules on aid to be paid to producer organisations granted preliminary recognition in accordance with Commission Regulation (EC) No 478/97 of 14 March 1997 laying down detailed rules for the application of Council Regulation (EC) No 2200/96 as regards preliminary recognition of producer organisations [5], as amended by Regulation (EC) No 243/1999.

(2) The way that aid is to be financed, as set out in Article 52 of Regulation (EC) No 2200/96, was amended with effect on 1 January 2000 by Council Regulation (EC) No 1257/1999 of 17 May 1999 on support for rural development from the European Agricultural Guidance and Guarantee Fund (EAGGF) and amending and repealing certain regulations. That aid is to be regarded in future as intervention intended to stabilise the agricultural market within the meaning of Article 1(2)(b) of Council Regulation (EC) No 1258/1999 of 17 May 1999 on the financing of the common agricultural policy [6].

(3) Under the circumstances, Regulation (EC) No 20/98 should be amended to bring it into line with this new situation. The amendments relate in particular to the eligibility of aid for preliminary recognition under the EAGGF Guidance Section, the time limits for the submission of aid applications and for payment thereof, the new descriptions of the regions qualifying for the various percentages of funding in order to bring those descriptions into line with those set out in Council Regulation (EC) No 1260/1999 of 21 June 1999 laying down general provisions on the Structural Funds [7] and, lastly, the Member States' obligation to verify compliance with the conditions on the granting of the aid.

(4) It should be made clear that this Regulation is to apply to aid paid under recognition plans accepted from 1 January 2000 and to aid paid under recognition plans accepted before 1 January 2000 for annual periods starting from 1 January 2000.

(5) The measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Fresh Fruit and Vegetables,

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EC) No 20/98 is hereby amended as follows:

1. The third indent of Article 1(2)(d) is deleted.

2. Article 2(2)(d) is replaced by the following:

'(d) be paid in annual instalments at the end of each annual period for the implementation of the recognition plan. To calculate the annual instalments, the Member States may use as a basis the annual marketed production corresponding to an annual period other than that in respect of which the annual instalment is paid, where checks so require. The period by which the annual period used fails to coincide with the actual annual period concerned must be less than 12 months.'

3. The second subparagraph of Article 3(1) is replaced by the following:

'Investments liable to distort competition where the other economic activities of the organisation are concerned shall be excluded.'

4. Article 5 is replaced by the following:

'*Article 5*

1. Producer organisations shall each submit a single application for the aid referred to in Articles 2 and 3 within three months of the end of each annual period as referred to in Article 2(2)(d).

[1] OJ L 297, 21.11.1996, p. 1.
[2] OJ L 160, 26.6.1999, p. 80.
[3] OJ L 4, 8.1.1998, p. 40.
[4] OJ L 27, 2.2.1999, p. 8.
[5] OJ L 75, 15.3.1997, p. 4.
[6] OJ L 160, 26.6.1999, p. 103.
[7] OJ L 161, 26.6.1999, p. 1.

2. All applications for aid shall be accompanied by a written declaration from the producer organisation to the effect that the latter:

— complies and will comply with Regulations (EC) No 2200/96 and (EC) No 478/97 and this Regulation,

— has not benefited, is not benefiting and will not benefit either directly or indirectly from duplicate Community or national financing for measures for which Community financing is granted pursuant to this Regulation.

3. Member States shall pay the aid within six months of receipt of a full application.'

5. Article 8 is replaced by the following:

'*Article 8*

Expenditure incurred by Member States on aid as referred to in Articles 2 and 3 shall qualify for assistance from the EAGGF Guarantee Section.'

6. Article 9 is replaced by the following:

'*Article 9*

The Community contribution towards aid as referred to in Article 2 shall amount to:

— 75 % of eligible public expenditure on Objective 1 and 2 regions as referred to in Article 1 of Regulation (EC) No 1260/1999,

— 50 % of eligible public expenditure in other regions.'

7. Article 10 is replaced by the following:

'*Article 10*

1. The Community contribution towards aid as referred to in Article 3, expressed in terms of capital-grant equivalent, shall not exceed, as a percentage of eligible investment costs as referred to in Article 3:

— 50 % in Objective 1 and 2 regions as referred to in Article 1 of Regulation (EC) No 1260/1999,

— 30 % in other regions.

2. The Member States concerned must undertake to contribute at least 5 % of eligible investment costs as referred to in Article 3.

3. Beneficiaries of aid towards eligible investment costs as referred to in Article 3 shall pay at least:

— 25 % in Objective 1 and 2 regions as referred to in Article 1 of Regulation (EC) No 1260/1999,

— 45 % in other regions.'

8. Article 11 is replaced by the following:

'*Article 11*

Without prejudice to checks carried out in accordance with Title VI of Regulation (EC) No 2200/96, Member States shall carry out checks on producer organisations to verify compliance with the conditions for the grant of aid as referred to in Articles 2 and 3.'

9. Article 12 is replaced by the following:

'*Article 12*

1. Where a check carried out under Article 11 shows that:

— the value of marketed production is less than the amount used for calculating aid as referred to in Article 2, or

— aid covered by this Regulation has not been used in accordance with the regulations applicable or with the approved recognition plan,

the beneficiary shall be required to reimburse double the amount unduly paid, plus interest for the period between payment and reimbursement.

The rate of interest shall be that applied by the European Central Bank to its operations in euro, as published in the C series of the *Official Journal of the European Communities*, in force on the date of undue payment, plus three percentage points.

2. Where the difference between the aid actually paid and that due is more than 20 % of the latter, the beneficiary shall be required to reimburse all the aid received, plus interest as indicated in paragraph 1.

3. In the event of a false declaration made deliberately or as a result of serious negligence on a matter within the scope of this Regulation, the producer organisation concerned shall be barred from receiving aid for the remaining duration of the recognition plan currently being implemented.

4. Paragraphs 1, 2 and 3 shall apply without prejudice to other penalties to be set as provided for in Article 48 of Regulation (EC) No 2200/96.'

Article 2

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

It shall apply to aid paid in respect of recognition plans accepted from 1 January 2000 and to aid paid in respect of annual periods commencing after 1 January 2000 for recognition plans accepted before 1 January 2000.

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

Done at Brussels, 11 May 2000.

For the Commission
Franz FISCHLER
Member of the Commission