COUNCIL REGULATION (EC) No 1448/2001

of 28 June 2001

amending, as regards structural measures, Regulation (EEC) No 3763/91 introducing specific measures in respect of certain agricultural products for the benefit of the French overseas departments

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Articles 37 and 299(2) thereof,

Having regard to the proposal from the Commission [1],

Having regard to the Opinion of the European Parliament [2],

Having regard to the opinion of the Economic and Social Committee [3],

Having regard to the opinion of Committee of the Regions,

Whereas:

(1) 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 [4] lays down rural development measures that may be granted Community support and sets out the conditions for obtaining such support. That Regulation acknowledges that, in the case of the outermost regions, adjustments and derogations may be envisaged to meet the specific needs of those regions.

(2) Article 299(2) of the Treaty recognises, moreover, the constraints affecting the outermost regions, which include the French overseas departments.

(3) Regulation (EEC) No 3763/91 [5] seeks to remedy the handicaps due to the remote and insular nature of these departments and to improve the conditions under which their agricultural products are produced and marketed.

(4) The structures of certain agricultural holdings or processing and marketing enterprises located in the French overseas departments show serious shortcomings and are beset with specific difficulties. Provision should accordingly be made for derogations for certain types of investments from the provisions limiting or preventing the grant of some structural aid provided for in Regulation (EC) No 1257/1999.

(5) Article 29(3) of Regulation (EC) No 1257/1999 restricts the grant of forestry support to forests and wooded areas belonging to private owners and municipalities and associations thereof. The great majority of forests and wooded areas located in these departments belong to public authorities other than municipalities. Under these circumstances, the conditions laid down in the said Article should be made more flexible.

(6) The Community financial contribution for three of the accompanying measures referred to in Article 35(1) of Regulation (EC) No 1257/1999 may amount in the outermost regions to up to 85 % of the total eligible cost. On the other hand, in accordance with the third indent of the second subparagraph of Article 47(2) of that Regulation, the Community financial contribution for agri-environmental measures, which constitutes the fourth accompanying measure, shall be limited to 75 % for all areas covered by Objective 1. In view of the importance attributed to agri-environment within the context of rural development, the rate of the Community financial contribution should be harmonised for all accompanying measures in the outermost regions.

(7) Pursuant to Article 14 of Council Regulation (EC) No 1260/1999 of 21 June 1999 laying down general provisions on the Structural Funds [6] each plan, Community support framework, operational programme and single programming document shall cover a period of seven years, and the programming period shall begin on 1 January 2000. In the interests of cohesiveness and to avoid discrimination between beneficiaries of the same programme, the derogations provided for in this Regulation must, exceptionally, be applicable to the whole programming period,

[1] OJ C 96 E, 27.2.2001, p. 284.
[2] Opinion delivered on 14 June 2001 (not yet published in the Official Journal).
[3] OJ C 139, 11.5.2001, p. 29.
[4] OJ L 160, 26.6.1999, p. 80.
[5] OJ L 356, 24.12.1991, p. 1. Regulation as last amended by Regulation (EC) No 2826/2000 (OJ L 328, 23.12.2000, p. 2).
[6] OJ L 161, 26.6.1999, p. 1. Regulation as amended by Regulation (EC) No 1447/2001 (see p. 1 of this Official Journal).

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EEC) No 3763/91 is hereby amended as follows:

The following Article 21 shall be inserted in Title VI:

'*Article 21*

1. Notwithstanding Article 7 of Regulation (EC) No 1257/1999 (*), the total value of the aid, expressed as a percentage of the volume of eligible investments, shall not exceed 75 % for investments intended in particular to encourage diversification, restructuring or a shift towards sustainable agriculture on agricultural holdings of small economic size to be defined in the programme complement referred to in Article 19(4) of Council Regulation (EC) No 1260/1999 of 21 June 1999 laying down general provisions on the Structural Funds (**).

2. Notwithstanding Article 28(2) of Regulation (EC) No 1257/1999, the total value of the aid, expressed as a percentage of the volume of eligible investments, shall not exceed 65 % for investments in enterprises engaged in processing and marketing agricultural products consisting mainly of local produce in sectors to be defined in the programme complement referred to in Article 19(4) of Regulation (EC) No 1260/1999. The total value of the aid for small and medium-sized enterprises, under the same conditions, shall not exceed 75 %.

3. The restriction laid down in Article 29(3) of Regulation (EC) No 1257/1999 shall not apply to tropical forests or wooded areas located in the French overseas departments.

4. Notwithstanding the third indent of the second subparagraph of Article 47(2) of Regulation (EC) No 1257/1999, the Community contribution to the agri-environmental measures provided for in Articles 22 to 24 of that Regulation shall be 85 %.

5. A summary description of the measures planned under this Article shall be included in the single programming documents for these departments referred to in Article 19 of Regulation (EC) No 1260/1999.

(*) OJ L 160, 26.6.1999, p. 80.

(**) OJ L 161, 26.6.1999, p. 1. Regulation as amended by Regulation (EC) No 1447/2001 (OJ L 198, 21.7.2001, p. 1).'

Article 2

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

This Regulation shall apply as from 1 January 2000.

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

Done at Luxembourg, 28 June 2001.

For the Council

The President

B. ROSENGREN