COMMISSION REGULATION (EC) No 1654/2001

of 14 August 2001

amending Regulation (EC) No 649/2001 derogating, with regard to agri-environment measures, from Regulation (EC) No 1750/1999

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) No 2078/92 of 30 June 1992 on agricultural production methods compatible with the requirements of the protection of the environment and the maintenance of the countryside [1], as last amended by Commission Regulation (EC) No 2772/95 [2], and in particular Article 9 thereof,

Having regard to 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 [3], and in particular Article 34 thereof,

Whereas:

(1) Article 12 of Commission Regulation (EC) No 1750/1999 of 23 July 1999 laying down detailed rules for the application of Council Regulation (EC) No 1257/1999 on support for rural development from the European Agricultural Guidance and Guarantee Fund (EAGGF) [4], as last amended by Regulation (EC) No 672/2001 [5], lays down the conditions with which all agri-environment undertakings to extensify livestock farming or otherwise to manage livestock farming must comply. Under that Article, livestock density is defined taking into account all grazing livestock kept on the farm.

(2) Because of the difficult situation on the beef and veal market resulting from the sharp drop in demand, due in particular to consumers turning away from beef because of concerns about the increased number of cases of bovine spongiform encephalopathy, more cattle are remaining on farms. These animals are taken into account when establishing the holding's stocking density and farmers may accordingly not receive the aid and be penalised for not complying with their undertaking.

(3) Commission Regulation (EC) No 649/2001 [6] provides, on the one hand, for the application, until 16 April 2001, of a coefficient to correct the number of livestock units recorded on the holding and, on the other hand, for withdrawal by the farmers concerned from their agri-environmental undertakings without imposition of the penalties that normally apply in such cases. This withdrawal can take place between 1 April and 15 June 2001.

(4) As the difficult market situation still persists, the period in which farmers can withdraw from their undertakings should be extended by four months.

(5) The measures provided for in this Regulation are in accordance with the opinion of the Committee on Agricultural Structures and Regional Development,

HAS ADOPTED THIS REGULATION:

Article 1

The first paragraph of Article 2 of Regulation (EC) No 649/2001 is replaced by the following:

'In the period between the date of entry into force of this Regulation and 15 October 2001, farmers may withdraw the agri-environment undertaking given under Regulation (EEC) No 2078/92 or Regulation (EC) No 1257/1999, or the part of that undertaking concerning the extensification of cattle farming, without the penalties provided for in such situations being applied.'

Article 2

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

[1] OJ L 215, 30.7.1992, p. 85.
[2] OJ L 288, 1.12.1995, p. 35.
[3] OJ L 160, 26.6.1999, p. 80.
[4] OJ L 214, 13.8.1999, p. 31.
[5] OJ L 93, 3.4.2001, p. 28.
[6] OJ L 91, 31.3.2001, p. 49.

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

Done at Brussels, 14 August 2001.

For the Commission
Franz FISCHLER
Member of the Commission