

## REGULATION No 130/66/EEC OF THE COUNCIL

of 26 July 1966

on the financing of the common agricultural policy

THE COUNCIL OF THE EUROPEAN ECONOMIC COMMUNITY,

Having regard to the Treaty establishing the European Economic Community, and in particular Articles 43 and 200 (3) thereof;

Having regard to Council Regulation No 25<sup>1</sup> on the financing of the common agricultural policy;

Having regard to the proposal from the Commission;

Having regard to the Opinion of the European Parliament;

Whereas the system laid down in Articles 3 to 8 of Regulation No 25 must be supplemented by provisions relating in particular to the contribution of the European Agricultural Guidance and Guarantee fund to the expenditure eligible under the Guarantee Section, and to the receipts which should finance the Fund for the period from 1 July 1965 to the end of the transitional period;

Whereas, account being taken of the progress already made and the agreements reached concerning the progress to be made over the next two years in the implementation of the common market and the common agricultural policy, the contribution of the Fund to the expenditure eligible under the Guarantee Section should be increased systematically for the years 1965/66 and 1966/67 and it should be decided that from the year 1967/68 the contribution of the Fund will cover the total expenditure eligible under the Guarantee Section;

Whereas in view of the progress made, expenditure incurred within the framework of the common organisation of agricultural markets should be increasingly borne by the Fund by changing the criterion laid down in Article 3 (1) (a) of Regulation

No 25 so that from 1 July 1967 the Fund will finance refunds on exports to third countries calculated on the basis of the gross quantities of exports;

Whereas the increase in the contribution to the expenditure eligible under the Guarantee Section involves, under the 'one third' rule laid down in Article 5 (2) of Regulation No 25, an increase in the amount to be assigned to the Guidance Section; whereas in view of the increase in the expenditure of the Guarantee Section which may be expected from 1 July 1967, a ceiling should be fixed from the accounting period 1967/68 for expenditure under the Guidance Section, without prejudice to any possible increase;

Whereas account should be taken, in connection with actions under the Guidance Section, of the unfavourable situation of Italy as regards agricultural structure and of the need, acknowledged in the Protocol on the Grand Duchy of Luxembourg, for improvement in the agricultural structure of Luxembourg;

Whereas Article 18 (1) of Council Regulation No 17/64/EEC<sup>2</sup> on the conditions for granting aid from the European Agricultural Guidance and Guarantee Fund has fixed a maximum for aid from the Fund at 25 per cent of the investment made; whereas from the accounting period 1967/68 provision should be made for the possibility of increasing that aid for certain categories of projects to be defined within the framework of Community Programmes, account being taken in particular of the state of the agricultural structures of Italy and Luxembourg;

Whereas steps should be taken to counteract the effects of the delay in implementing the common organisation of the markets, involving the financial responsibility of the Community, in olives, olive oil, fruit and vegetables, and sugar, by allotting to certain

<sup>1</sup> OJ No 30, 20.4.1962, p. 991/62.

<sup>2</sup> OJ No 34, 27.2.1964, p. 586/64.

Member States amounts for financing measures in favour of those sectors;

Whereas provision should also be made for the Community to assume financial responsibility in the tobacco sector for the year 1967/68;

Whereas in respect of the receipts of the Fund provision should be made, for the years 1965/66 and 1967/68, for a scale which would take account of the need to limit the contributions of certain Member States;

Whereas from 1 July 1967 the contributions of Member States to the expenditure of the Guarantee Section of the Fund should be calculated on the basis of the levies in relation to third countries collected by each Member State, and for the remainder of that expenditure, as far as is necessary, a fixed scale, valid also for the expenditure of the Guidance Section, should be applied;

HAS ADOPTED THIS REGULATION:

#### Article 1

The system of financing the common agricultural policy by means of the European Agricultural Guidance and Guarantee Fund (hereinafter called the 'Fund') shall, for the period from 1 July 1965 to the end of the transitional period, comprise two stages:

- 1 July 1965 to 30 June 1967, and
- 1 July 1967 to the end of the transitional period.

#### TITLE I

System for the stage from 1 July 1965 to 30 June 1967

#### Article 2

1. For products subject on 1 July 1965 to the common organisation of markets, involving the financial responsibility of the Community, the contribution of the Guarantee Section of the Fund to expenditure eligible under Article 3 (1) (a), (b) and (c) of Regulation No 25 shall from that date be fixed at:

- six-tenths for the accounting period 1965/66,
- seven-tenths for the accounting period 1966/67.

2. For products in respect of which a common organisation of markets applies after 1 July 1965 and before 1 July 1967, and to the extent to which the

Community is responsible for financing, the eligible expenditure shall be taken over, as soon as the common organisation of each market is implemented, according to the rule laid down in paragraph 1.

#### Article 3

The expenditure of the Fund shall be covered by financial contributions from the Member States determined according to the following scale:

	Accounting period 1965/66	Accounting period 1966/67
Belgium	7.95	7.95
Germany	31.67	30.83
France	32.58	29.26
Italy	18.00	22.00
Luxembourg	0.22	0.22
Netherlands	9.58	9.74

#### Article 4

1. By way of derogation from the provisions of Article 11 (2) and Articles 13 to 22 of Regulation No 17/64/EEC, an amount of 45 000 000 units of account shall be paid in advance to the Italian Republic for the year 1965/66 (1967 budget) from the resources of the Guidance Section of the Fund, for the purpose of making structural improvements in the production and marketing of olives, olive oil, fruit and vegetables.

2. The Italian Republic shall be entitled to a share of the amounts remaining at the disposal of the Guidance Section of the Fund, under the conditions which are operative and upon the same basis as the other Member States.

3. The Italian Republic shall, before the end of the transitional period, submit to the Commission one or more reports, accompanied by supporting documents, on the expenditure incurred in respect of the measures referred to in paragraph 1 of this Article from 1 November 1965 for olives and olive oil, and from 1 January 1966 for fruit and vegetables.

#### Article 5

1. By way of derogation from the provisions of Articles 2 to 8 of Regulation No 17/64/EEC and of Article 2 of this Regulation, expenditure by the Kingdom of Belgium during the 1965/66 marketing year on marketing sugar shall be reimbursed by the

Guarantee Section of the Fund; such reimbursement may not exceed an amount of 4 000 000 units of account.

2. The expenditure referred to in paragraph 1 of this Article is the subject of the application for reimbursement submitted by the Kingdom of Belgium in pursuance of Article 9 of Regulation No 17/64/EEC and of the decision to grant aid from the Fund taken by the Commission in pursuance of Article 10 of that Regulation for the accounting period 1965/66.

#### *Article 6*

1. The financial responsibility of the Community shall continue to be guaranteed for the year 1966/67 until the implementation of the common organisation of the markets in sugar and olive oil and of the supplementary provisions concerning the common organisation of the market in fruit and vegetables.

2. The Council, acting in accordance with the procedure laid down in Article 43 of the Treaty, shall take the necessary decisions to ensure effective assumption of this responsibility for amounts at least equal to those of the preceding year.

## TITLE II

### Rules for the stage from 1 July 1967 to the end of the transitional period

#### *Article 7*

1. In respect of products for which a common organisation of markets, involving the financial responsibility of the Community, already exists on 1 July 1967, the contribution from the Guarantee Section of the Fund shall, from that date, cover all the expenditure eligible under Article 3 (1) (a), (b) and (c) of Regulation No 25.

2. In respect of other products, any eligible expenditure shall be taken over in accordance with the rule laid down in paragraph 1 from the time when the common organisation of markets in those products begins to apply.

#### *Article 8*

1. The following shall be substituted for Article 3 (1) (a) of Regulation No 25:

'(a) Refunds on exports to third countries, calculated in accordance with the provisions laid

down in the Regulations on individual products on the basis of

- (i) the rate of refund of the Member State whose average refund is the lowest, and
- (ii) the net quantities exported up to and during the accounting period 1966/67 and the gross quantities exported subsequently.'

2. The words 'the net quantities' in the first subparagraph of Article 2 (1) of Regulation No 17/64/EEC shall be replaced by the words 'the net quantities and, from the accounting period 1967/68, the gross quantities'.

The word 'net' in Article 2 (4) and in the first and second sentences of the last subparagraph of Article 4 (3) of Regulation No 17/64/EEC shall be deleted.

#### *Article 9*

The following subparagraph shall be added to Article 5 (2) of Regulation No 25:

'However, from the accounting period 1967/68, the contribution of the Fund to expenditure eligible under Article 3 (1) (d) of this Regulation, determined in accordance with the above subparagraph, may not exceed an annual amount of 285 000 000 units of account. This amount may be increased by the Council acting in accordance with the procedure laid down in Article 43 of the Treaty.'

#### *Article 10*

The first indent of Article 18 (1) of Regulation No 17/64/EEC shall be supplemented as follows:

'however, from the accounting period 1967/68 for certain kinds of projects set out in the Community Programmes provided for in Article 16 of this Regulation, they may be increased up to a maximum of 45%;'

#### *Article 11*

1. The expenditure of the Guarantee Section of the Fund shall be covered by financial contributions from the Member States calculated, for the first part, in proportion to the levies in relation to third countries collected by each Member State, and, for the second part, as far as is necessary, according to a fixed scale.

2. The first part of the contributions of Member States shall be equal to 90% of the total amount of the levies in relation to third countries collected by Member States during the accounting period in question.

3. The second part of the contributions of Member States shall be calculated according to the following scale:

Belgium	8.1
Germany	31.2
France	32
Italy	20.3
Luxembourg	0.2
Netherlands	8.2

4. For the purposes of this Article, 'levies in relation to third countries' means levies and charges other than customs duties introduced in trade with third countries in accordance with Article 43 of the Treaty.

The list of charges other than customs duties introduced in pursuance of the Regulations already in force instituting common organisation of markets which have been declared identical with levies in relation to third countries is set out in the Annex to this Regulation.

In future Regulations on the common organisation of markets the Council shall declare which charges other than customs duties are identical with levies in relation to third countries.

5. The expenditure of the Guidance Section of the Fund shall be covered by financial contributions from Member States, calculated according to the scale laid down in paragraph 3 of this Article.

#### *Article 12*

1. By way of derogation from the provisions of Article 11 (2) and of Articles 13 to 22 of Regulation No 17/64/EEC, an amount of 15 000 000 units of account shall be paid to the Italian Republic for the year 1967/68 (1969 budget) from the resources of the Guidance Section of the Fund, for the purpose of making structural improvements in the production and marketing of raw tobacco.

2. The Italian Republic shall be entitled to a share of any amounts remaining at the disposal of the

Guidance Section of the Fund under the conditions which are operative and on the same basis as the other Member States.

3. The Italian Government shall, before 1 July 1967, communicate to the Commission the programme of measures which it proposes to adopt in order to achieve the objective referred to in paragraph 1. The Commission shall obtain the observations of the other Member States and where appropriate make any recommendations it considers expedient to the Italian Government.

The Italian Republic shall, before the end of the transitional period, submit to the Commission a report, accompanied by supporting documents, on expenditure incurred within the framework of that programme from 1 July 1967 in respect of the measures referred to in paragraph 1.

### TITLE III

#### Special provisions

##### *Article 13*

1. By way of derogation from the provision of Articles 11 to 22 of Regulation No 17/64/EEC, an amount of 8 000 000 units of account shall be paid to the Italian Republic from the resources of the Guidance Section of the Fund (accounting period 1964/65) in reimbursement of expenditure during the 1964/65 marketing year on production and marketing of olives and olive oil.

2. The Italian Republic shall be entitled to a share of any amounts remaining at the disposal of the Guidance Section of the Fund, under the conditions which are operative and on the same basis as the other Member States.

3. The Italian Republic shall submit to the Commission one or more reports, accompanied by supporting documents, on the expenditure referred to in paragraph 1 with a view to the payment of the amount stated in that paragraph.

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

Done at Brussels, 26 July 1966.

*For the Council*

*The President*

L. DE BLOCK

## ANNEX

## List referred to in the second subparagraph of Article 11 (4)

## 1. Amounts to be added to the levies:

## (a) premiums provided for at the time of the advance fixing of levies:

- cereals (Article 17 (2) of Council Regulation No 19<sup>1</sup> and Article 1 (2) of Council Regulation No 63/65/EEC<sup>2</sup>),
- rice (Article 11 (2) and (3) of Council Regulation No 16/64/EEC<sup>3</sup>);

## (b) additional amounts provided for with a view to the application of the sluice-gate price:

- pigmeat (Article 7 (3) of Council Regulation No 20<sup>4</sup>),
- eggs (Article 6 (3) of Council Regulation No 21<sup>5</sup>),
- poultrymeat (Article 6 (3) of Council Regulation No 22<sup>6</sup>);

## (c) additional amounts and additional partial amounts provided for in certain cases:

- in respect of products processed from cereals, milk products and rice (Article 14 (2) of Regulation No 19, Article 6 (2) of Council Regulation No 13/64/EEC,<sup>7</sup> Article 2 (5) of Regulation No 16/64/EEC),
- in respect of certain kinds of compound feeding-stuffs (Article 7 of Council Regulation No 166/64/EEC<sup>8</sup>),
- in respect of certain varieties of common wheat (Article 1 of Council Decision of 28 June 1966<sup>9</sup>).

## 2. Countervailing duties:

Fruit and vegetables (Article 11 (2) of Council Regulation No 23<sup>10</sup> as amended by Council Regulation No 65/65/EEC<sup>11</sup>).

<sup>1</sup> OJ No 30, 20.4.1962, p. 933/62.

<sup>2</sup> OJ No 86, 20.5.1965, p. 1454/65.

<sup>3</sup> OJ No 34, 27.2.1964, p. 574/64.

<sup>4</sup> OJ No 30, 20.4.1962, p. 945/62.

<sup>5</sup> OJ No 30, 20.4.1962, p. 953/62.

<sup>6</sup> OJ No 30, 20.4.1962, p. 959/62.

<sup>7</sup> OJ No 34, 27.2.1964, p. 549/64.

<sup>8</sup> OJ No 173, 31.10.1964, p. 2747/64.

<sup>9</sup> OJ No 117, 29.6.1966, p. 2167/66.

<sup>10</sup> OJ No 30, 20.4.1962, p. 965/62.

<sup>11</sup> OJ No 86, 20.5.1965, p. 1458/65.