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STATUTORY INSTRUMENTS

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**1977 No. 2112**

**AGRICULTURE**

COMMON AGRICULTURAL POLICY

**Agricultural Products Processing and Marketing  
(Improvement Grant) Regulations 1977**

*Laid before Parliament in draft*

*Made - - - - 15th December 1977*

*Coming into Operation 16th December 1977*

The Minister of Agriculture, Fisheries and Food, the Secretary of State for Scotland and the Secretary of State for Wales, being Ministers designated<sup>(1)</sup> for the purposes of section 2(2) of the European Communities Act 1972 in relation to the common agricultural policy of the European Economic Community, acting jointly, in exercise of the powers conferred on them by the said section 2(2) and of all other powers enabling them in that behalf, hereby make the following regulations, of which a draft has been approved by resolution of each House of Parliament:—

**Citation, extent and commencement**

1. These regulations, which may be cited as the Agricultural Products Processing and Marketing (Improvement Grant) Regulations 1977, shall apply throughout the United Kingdom, and shall come into operation on 16th December 1977.

**Interpretation**

2.—(1) In these regulations, unless the context otherwise requires—

“applicant”, in relation to the approval of expenditure for the purposes of a grant under these regulations, means the person who is making or has made the application for that approval;

“the appropriate Minister” means—

- (a) in relation to England or Northern Ireland, and in relation to Wales for the purpose of the making, receipt or recovery of any payment, the Minister of Agriculture, Fisheries and Food;

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(1) S.I. 1972/1811 (1972 III, p. 5216).

(b) in relation to Wales, save for the purpose of the making, receipt or recovery of any payment, the Minister of Agriculture, Fisheries and Food and the Secretary of State for Wales acting jointly;

(c) in relation to Scotland, the Secretary of State for Scotland;

“approved” means approved by the appropriate Minister in writing, and “approve” and “approval” shall be construed accordingly;

“the Commission” means the Commission of the European Communities;

“Community aid” means aid from the European Agricultural Guidance and Guarantee Fund;

“the Council” means the Council of the European Communities;

“the Council Regulation” means Council Regulation (EEC) No. 355/77 of 15th February 1977 on common measures to improve the conditions under which agricultural products are processed and marketed;

“project” has the meaning assigned to it by Article 6.1 of the Council Regulation;

“United Kingdom project” means a project which is to be carried out in the United Kingdom.

(2) The Interpretation Act 1889 shall apply to the interpretation of these regulations as it applies to the interpretation of an Act of Parliament.

### **Improvement grants in respect of the processing and marketing of agricultural products**

**3.—**(1) For the purposes of enabling a United Kingdom project to receive Community aid under the Council Regulation, the appropriate Minister may, subject to the provisions of these regulations, make to any person a grant towards expenditure incurred by him for the purposes of that project, in circumstances where—

(a) the Commission or the Council has decided that the project may receive Community aid under the Council Regulation, and

(b) the appropriate Minister has approved the expenditure for the purposes of a grant under these regulations.

(2) The appropriate Minister may, as that Minister thinks fit, either refuse to approve expenditure or approve it in whole or in part for the purposes of a grant under these regulations and any such approval may be given, or grant made, subject to such conditions as the appropriate Minister thinks fit.

(3) Any approval of expenditure for the purposes of a grant under these regulations may be varied or withdrawn by the appropriate Minister with the applicant's written consent.

(4) Any payment by way of a grant under these regulations may be made at such time, or by such instalments at such intervals or times, as the appropriate Minister may determine.

(5) Any application for approval of expenditure for the purposes of a grant under these regulations, shall be made in such form and manner and at such time as the appropriate Minister may from time to time require and the applicant shall furnish all such particulars and information relating to the application as the appropriate Minister may require.

### **Amount of grant**

**4.—**(1) Subject to paragraph (2) of this regulation, the amount of grant which may be paid under these regulations shall not exceed 8 per cent. of such expenditure incurred for the purposes of the project as is approved by the Commission or the Council in deciding the amount of Community aid under the Council Regulation which the project may receive.

(2) Where the expenditure referred to in paragraph (1) of this regulation has been approved for the purposes of any grant, other than a grant under these regulations, out of United Kingdom public funds and that other grant—

- (a) is insufficient to enable the project to receive the amount of Community aid decided upon by the Commission or the Council, the amount of grant which may be paid under these regulations shall not exceed such amount as is sufficient, when added to that other grant, to enable the project to receive that amount of Community aid;
- (b) is sufficient to enable that project to receive the amount of Community aid decided upon by the Commission or the Council, no grant shall be paid under these regulations.

### **Revocation of approval and recovery of grant**

5. If at any time after the appropriate Minister has approved any expenditure for the purposes of a grant under these regulations it appears to that Minister—

- (a) that any condition subject to which the approval was given or the grant has been made has not been complied with, or
- (b) that any work in respect of expenditure on which the approval was given has been badly done, or has been or is being unreasonably delayed, or is unlikely to be completed, or
- (c) that the person by whom the application for that approval or for the making of any payment was made gave information on any matter relevant to the giving of the approval or the making of the payment which was false or misleading in a material respect, or
- (d) that the Commission or the Council has decided, under Article 19.2 of the Council Regulation, to suspend, reduce or discontinue Community aid and to recover any sums the payment of which was not or is no longer justified or, under Article 20.2 of the Council Regulation, to reverse in whole or in part the decision to grant Community aid and to recover in whole or in part the sums paid,

the appropriate Minister may revoke the approval in respect of the whole or part of the expenditure and, where any payment has been made by way of grant, may on demand recover an amount equal to the payment which has been so made or such part thereof as the appropriate Minister may specify; but before revoking an approval in whole or in part under paragraph (a), (b) or (c) of this regulation the appropriate Minister—

- (i) shall give to the person to whom any payment by way of grant would be payable, or from whom any such amount would be recoverable, a written notification of the reasons for the action proposed to be taken by the appropriate Minister,
- (ii) shall afford that person an opportunity of appearing before and being heard by a person appointed for the purpose by the appropriate Minister, and
- (iii) shall consider the report by a person so appointed and supply a copy of the report to the person mentioned in paragraph (i) above.

### **False statements**

6. If any person, for the purposes of obtaining for himself or any other person any grant under these regulations, knowingly or recklessly makes a false statement, he shall be liable on summary conviction to a fine not exceeding £400.

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**Status:** *This is the original version (as it was originally made). This item of legislation is currently only available in its original format. The electronic version of this UK Statutory Instrument has been contributed by Westlaw and is taken from the printed publication. **Read more***

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In Witness whereof the Official Seal of the Minister of Agriculture, Fisheries and Food is hereunto affixed on 14th December 1977.

L.S.

*John Silkin*  
Minister of Agriculture, Fisheries and Food

14th December 1977

*Bruce Millan*  
Secretary of State for Scotland

15th December 1977

*John Morris*  
Secretary of State for Wales

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## EXPLANATORY NOTE

These regulations apply throughout the United Kingdom and supplement Regulation (EEC) No. 355/77 of the Council on common measures to improve the conditions under which agricultural products are processed and marketed. The Council Regulation empowers the Commission (subject, in specified circumstances, to the decision of the Council) to grant to projects aid from the European Agricultural Guidance and Guarantee Fund conditional upon financial contribution by the Member States on the territory of which the projects are to be carried out. Article 6.1 of the Council Regulation in the English edition of the Official Journal defines “project” as:—

“any project involving public, semi-public or private material investment relating wholly or in part to buildings and/or equipment for:

- (a) rationalizing or developing storage, market preparation, preservation, treatment or processing of agricultural products;
- (b) improving marketing channels;
- (c) better knowledge of the facts relating to prices and to their formation on the markets for agricultural products.”

To enable United Kingdom projects to receive aid which has been authorised under the Council Regulation, these regulations empower Minister to make grants towards approved expenditure for the purposes of those projects (regulation 3).

Where the expenditure approved for Community aid has been approved for the purposes of any other grant out of United Kingdom public funds, only such grant is payable under these regulations as is necessary to enable the project to receive the Community aid. Otherwise the amount of grant under these regulations is restricted to a maximum of 8 per cent. of that expenditure (regulation 4).

In specified circumstances, approval of expenditure may be revoked and grant may be recovered (regulation 5). A penalty is prescribed in respect of false statements made to obtain grant (regulation 6).