

II

(Acts whose publication is not obligatory)

COUNCIL

COUNCIL DIRECTIVE

of 2 October 1974

on the level of the interest rate subsidy referred to in Article 8 (2) of Directive
No 72/159/EEC

(74/493/EEC)

THE COUNCIL OF THE EUROPEAN
COMMUNITIES,

Having regard to the Treaty establishing the European
Economic Community;

Having regard to Council Directive No
72/159/EEC⁽¹⁾ of 17 April 1972 on the moderniza-
tion of farms, and in particular the first indent of the
second subparagraph of Article 8 (2) and the second
subparagraph of Article 19 (1) thereof;

Having regard to the proposal from the Commission;

Having regard to the Opinion of the European Parlia-
ment;

Whereas the first indent of the second subparagraph
of Article 8 (2) of Directive No 72/159/EEC provides
that Member States may be authorized to grant
interest rate subsidies exceeding 5%, if such action is
warranted by the situation of the capital market in the
Member States;

Whereas the current situation of the capital market in
the Member States, and the exceptional burdens this
is placing on farmers wishing to modernize their
farms, is threatening the modernization of agriculture
which last is the aim of Directive No 72/159/EEC;
whereas the granting of interest rate subsidies
exceeding 5% is therefore justified;

Whereas under the second subparagraph of Article 19
(1) of Directive No 72/159/EEC, any increased expen-
diture incurred by Member States as a result of an
increase in the interest rates subsidy may be declared

eligible for assistance from the Guidance Section of
the European Agricultural Guidance and Guarantee
Fund,

HAS ADOPTED THIS DIRECTIVE:

Article 1

Member States shall be authorized to increase to 6%,
for the period from 7 October 1974 to 31 December
1975, the interest rate subsidies referred to in the first
subparagraph of Article 8 (2) of Directive No
72/159/EEC.

Article 2

Expenditure incurred by Member States pursuant to
Article 1 shall be eligible for assistance from the Guid-
ance Section of the EAGGF under the first subpara-
graph of Article 19 (3) of Directive No 72/159/EEC.

Article 3

This Directive is addressed to the Member States.

Done at Luxembourg, 2 October 1974.

For the Council

The President

Ch. BONNET

⁽¹⁾ OJ No L 96, 23. 4. 1972, p. 1.