

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from the European Agricultural Guidance and Guarantee Fund (EAGGF) and amending and repealing certain Regulations (repealed)

TITLE III

GENERAL PRINCIPLES, ADMINISTRATIVE AND FINANCIAL PROVISIONS

CHAPTER I

GENERAL PRINCIPLES

Subchapter I

Support from EAGGF

Article 35

[^{F1} Community support for early retirement (Articles 10, 11 and 12), less-favoured areas and areas with environmental restrictions (Articles 13 to 21), meeting standards (Articles 21a to 21d), agri-environment and animal welfare (Articles 22, 23 and 24), food quality (Articles 24a to 24d) and afforestation (Article 31) shall be financed by the EAGGF Guarantee Section throughout the Community.]

2 Community support for other rural development measures shall be financed by the EAGGF:

- Guidance Section in areas covered by Objective 1,
- Guarantee Section in areas not covered by Objective 1.

3 Support for the measures referred to in the sixth, seventh and ninth indents of Article 33 shall be financed by the EAGGF in areas classified under Objectives 1 and 2 and areas in transition in so far as their financing is not provided by the European Regional Development Fund (ERDF).

Textual Amendments

- F1** Substituted by [Council Regulation \(EC\) No 1783/2003 of 29 September 2003 amending Regulation \(EC\) No 1257/1999 on support for rural development from the European Agricultural Guidance and Guarantee Fund \(EAGGF\)](#).

Article 36

- 1 With regard to support for the rural development measures referred to in Article 35(2):
- in areas covered by Objective 1, Regulation (EC) No 1260/1999 shall apply as supplemented by specific rules contained in this Regulation,
 - in areas covered by Objective 2, Regulation (EC) No 1260/1999 shall apply as supplemented by specific rules contained in this Regulation and save as otherwise provided for under this Regulation.

Status: Point in time view as at 01/05/2004.

Changes to legislation: There are outstanding changes not yet made to Council Regulation (EC) No 1257/1999 (repealed). Any changes that have already been made to the legislation appear in the content and are referenced with annotations. (See end of Document for details)

2 With regard to support for rural development measures financed by the EAGGF Guarantee Section, the specific rules of [^{X1}Regulation (EC) No 1258/1999]⁽¹⁾ and the provisions adopted in implementation thereof shall apply save as otherwise provided for under this Regulation.

Editorial Information

- X1** Substituted by [Corrigendum 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 \(Official Journal of the European Communities L 160 of 26 June 1999\)](#).

Subchapter II

Compatibility and consistency

Article 37

1 Support for rural development shall be granted only for measures which comply with Community law.

2 Such measures shall be consistent with other Community policies and measures implemented thereunder.

In particular, no measure which falls within the scope of this Regulation shall be eligible for support under other Community support schemes if it is incompatible with any specific condition laid down in this Regulation.

3 Consistency shall also be ensured with measures implemented under other instruments of the common agricultural policy, and in particular between rural development support measures on the one hand and measures implemented under the common market organisations and agricultural quality and health measures on the other hand, as well as between the different rural development support measures.

Accordingly, no support under this Regulation may be granted for:

- measures falling within the scope of support schemes under common market organisations, with the exceptions, justified by objective criteria, that may be defined according to Article 50,
- [^{F1}measures to support research projects or measures eligible for Community funding under Council Decision 90/424/EEC of 26 June 1990 on expenditure in the veterinary field⁽²⁾.]

4 Member States may lay down further or more restrictive conditions for granting Community support for rural development provided that such conditions are consistent with the objectives and requirements laid down in this Regulation.

Textual Amendments

- F1** Substituted by [Council Regulation \(EC\) No 1783/2003 of 29 September 2003 amending Regulation \(EC\) No 1257/1999 on support for rural development from the European Agricultural Guidance and Guarantee Fund \(EAGGF\)](#).

Status: Point in time view as at 01/05/2004.

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Article 38

1 Payments may not be made in respect of the same measure under both this Regulation and another Community support scheme.

2 Support for several measures under this Regulation may be combined only if such measures are consistent and compatible with each other. If necessary, the level of support shall be adjusted.

Article 39

1 Member States shall take all necessary steps to ensure the compatibility and consistency of rural development support measures pursuant to the provisions laid down in this Chapter.

2 The rural development plans submitted by Member States shall include an appraisal of the compatibility and the consistency of the support measures envisaged and an indication of the measures taken in order to ensure compatibility and consistency.

3 Support measures shall, where necessary, be subsequently revised to ensure compatibility and consistency.

CHAPTER II

PROGRAMMING

Article 40

1 Rural development measures financed by the EAGGF Guidance Section shall form part of the programming for Objective 1 regions according to Regulation (EC) No 1260/1999.

2 Rural development measures other than those referred to in Article 35(1) may form part of the programming for Objective 2 regions in accordance with Regulation (EC) No 1260/1999.

3 Other rural development measures which do not form part of the programming in accordance with paragraphs 1 and 2 shall be subject to rural development programming in accordance with Articles 41 to 44.

4 With reference to appropriate rural development measures, Member States may also submit for approval general framework Regulations which form part of the programming in accordance with paragraphs 1 to 3, as far as it is appropriate with a view to maintaining uniform conditions.

Article 41

1 Rural development plans shall be drawn up at the geographical level deemed to be the most appropriate. They shall be prepared by the competent authorities designated by the Member State and submitted by the Member State to the Commission after competent authorities and organisations have been consulted at the appropriate territorial level.

2 Rural development support measures to be applied in one area shall be integrated, whenever possible, into a single plan. Wherever several plans need to be established, the relationship between measures put forward in such plans shall be indicated and their compatibility and consistency ensured.

Status: Point in time view as at 01/05/2004.

Changes to legislation: There are outstanding changes not yet made to Council Regulation (EC) No 1257/1999 (repealed). Any changes that have already been made to the legislation appear in the content and are referenced with annotations. (See end of Document for details)

Article 42

Rural development plans shall cover a period of seven years from 1 January 2000.

[^{F2}For the Czech Republic, Estonia, Cyprus, Latvia, Lithuania, Hungary, Malta, Poland, Slovenia and Slovakia, rural development plans shall cover a period of three years from 1 January 2004.]

Textual Amendments

F2 Inserted by [Act concerning the conditions of accession of the Czech Republic, the Republic of Estonia, the Republic of Cyprus, the Republic of Latvia, the Republic of Lithuania, the Republic of Hungary, the Republic of Malta, the Republic of Poland, the Republic of Slovenia and the Slovak Republic and the adjustments to the Treaties on which the European Union is founded.](#)

Article 43

- 1 Rural development plans shall include:
 - a quantified description of the current situation showing disparities, gaps and potential for development, the financial resources deployed and the main results of operations undertaken in the previous programming period with regard to the evaluation results available,
 - a description of the strategy proposed, its quantified objectives, and rural development priorities selected, and the geographical area covered,
 - an appraisal showing the expected economic, environmental and social impact, including employment effects,
 - an indicative overall financial table summarising the national and Community financial resources provided for and corresponding to each rural development priority submitted in the context of the plan and, where the plan covers rural areas in Objective 2, identifying the indicative amounts for rural development measures under Article 33 in these areas,
 - a description of the measures contemplated for implementing the plans, and in particular aid schemes, including the points necessary for assessing the rules of competition,
 - where appropriate, information on the needs for any studies, demonstration projects, training or technical assistance operations relating to the preparation, implementation or adaptation of the measures concerned,
 - the designation of competent authorities and bodies responsible,
 - provisions to ensure the effective and correct implementation of the plans, including monitoring and evaluation, a definition of quantified indicators for evaluation, arrangements for controls and sanctions and adequate publicity,
 - the results of consultations and designation of associated authorities and bodies as well as the economic and social partners at the appropriate levels.
- 2 In their plans, Member States shall:
 - provide for agri-environment measures throughout their territories, and in accordance with their specific needs,
 - ensure the necessary balance is kept between the different support measures.

Status: Point in time view as at 01/05/2004.

Changes to legislation: There are outstanding changes not yet made to Council Regulation (EC) No 1257/1999 (repealed). Any changes that have already been made to the legislation appear in the content and are referenced with annotations. (See end of Document for details)

Article 44

1 Rural development plans shall be submitted not later than six months after the entry into force of this Regulation.

[^{F2}For the Czech Republic, Estonia, Cyprus, Latvia, Lithuania, Hungary, Malta, Poland, Slovenia and Slovakia, rural development plans shall be submitted not later than six months after the date of accession.]

2 The Commission shall appraise the proposed plans to determine whether they are consistent with this Regulation. On the basis of the plans, it shall approve rural development programming documents in accordance with the procedure referred to in Article 50(2) of Regulation (EC) No 1260/1999 within six months after the submission of the plans.

[^{F2}For the Czech Republic, Estonia, Cyprus, Latvia, Lithuania, Hungary, Malta, Poland, Slovenia and Slovakia, the Commission shall approve rural development programming documents in accordance with the procedure referred to in Article 50(2) of Regulation (EC) No 1260/1999 within six months after the submission of the plans to the extent that the end of the six month period is after the date of accession.]

Textual Amendments

- F2** Inserted by [Act concerning the conditions of accession of the Czech Republic, the Republic of Estonia, the Republic of Cyprus, the Republic of Latvia, the Republic of Lithuania, the Republic of Hungary, the Republic of Malta, the Republic of Poland, the Republic of Slovenia and the Slovak Republic and the adjustments to the Treaties on which the European Union is founded.](#)

CHAPTER III

ADDITIONAL MEASURES AND COMMUNITY INITIATIVES

Article 45

1 Pursuant to Article 21(2) of Regulation (EC) No 1260/1999, the Commission, following the procedure laid down in Article 50(2) of that Regulation, may extend the scope of assistance from the EAGGF Guidance Section beyond that provided for in Article 35(2) of this Regulation and the financing of measures eligible under Council [^{X1}Regulations (EC) No 1783/1999⁽³⁾, (EC) No 1784/1999⁽⁴⁾ and] (EC) No 1263/1999⁽⁵⁾ with a view to implementing all the measures in the rural development Community initiative.

2 The EAGGF Guarantee Section may, on the initiative of the Commission, finance studies related to rural development programming.

Editorial Information

- X1** Substituted by [Corrigendum 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 \(Official Journal of the European Communities L 160 of 26 June 1999\).](#)

Status: Point in time view as at 01/05/2004.

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CHAPTER IV

FINANCIAL PROVISIONS

Article 46

1 Community support for rural development from the EAGGF Guarantee Section shall be subject to financial planning and accounting on an annual basis. The financial planning shall form part of rural development programming (Article 40(3)) or of programming related to Objective 2.

2 The Commission shall make initial allocations to Member States, broken down on an annual basis and using objective criteria which take into account particular situations and needs, and efforts to be undertaken especially for the environment, job creation and maintenance of the landscape.

3 Initial allocations shall be adjusted on the basis of actual expenditure and revised expenditure forecasts submitted by the Member States taking into account programme objectives, and be subject to the funds available and as a rule be consistent with the aid intensity for rural areas covered by Objective 2.

Article 47

1 The financial provisions laid down in Articles 31, 32 (except for the fifth subparagraph of paragraph 1 thereof), 34, 38 and 39 of Regulation (EC) No 1260/1999 shall not apply to support for rural development measures in relation to Objective 2.

The Commission shall take the necessary action to ensure efficient and coherent implementation of these measures which shall attain at least the same standards as those laid down in the provisions referred to in the first subparagraph, including the principle of a single management authority.

2 For measures covered by rural development programming, the Community shall contribute to financing pursuant to the principles laid down in Articles 29 and 30 of Regulation (EC) No 1260/1999.

In this connection:

- the Community contribution shall not exceed 50 % of the total eligible cost and, as a general rule, shall be equal to at least 25 % of eligible public expenditure in areas not covered by Objective 1 and Objective 2,
- for revenue-bearing investment, the rates laid down in Article 29(4)(a)(ii) and (iii) and (b)(ii) and (iii) of Regulation (EC) No 1260/1999 shall apply. Agricultural and forestry holdings and businesses involved in the processing and marketing of agricultural and forestry products are businesses in that respect within the meaning of Article 29(4)(b)(iii),
- ^[F1]the Community contribution to the programming for measures laid down in Articles 22 to 24 of this Regulation shall not exceed 85 % in areas covered by Objective 1 and 60 % in the other areas.]

The fifth subparagraph of Article 32(1) of Regulation (EC) No 1260/1999 shall apply to such payments.

3 Payments of financial assistance from the EAGGF Guarantee Section may take the form of advances for programme implementation and of payments in respect of expenditure incurred.

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Textual Amendments

- F1** Substituted by [Council Regulation \(EC\) No 1783/2003 of 29 September 2003 amending Regulation \(EC\) No 1257/1999 on support for rural development from the European Agricultural Guidance and Guarantee Fund \(EAGGF\)](#).

[^{F2}CHAPTER IVa

SPECIFIC PROVISIONS FOR THE NEW MEMBER STATES

Article 47a

- 1 Community support granted in the new Member States for:
- a measures referred to in Article 35(1) and in the second indent of Article 35(2);
 - b semi-subsistence farms (Article 33b);
 - d producer groups (Article 33d);
 - e technical assistance (Article 33e);
 - f complements to direct payments (Article 33h);
 - g complements to State aid in Malta (Article 33i);
 - h full-time farmers in Malta (Article 33j);
- shall be financed by the EAGGF Guarantee Section in accordance with the provisions laid down in this Chapter.
- 2 Community support granted for Leader + type measures (Article 33f) in areas covered by Objective 2 shall be financed by the EAGGF Guidance Section.
- 3 The following provisions shall not apply:
- a Articles 149 to 153 of Council Regulation (EC) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities⁽⁶⁾;
 - [^{F3}b Article 35(1), Article 35(2), second indent, Article 36(2) and Article 47, with the exception of the second subparagraph of paragraph 2, of this Regulation.]

Textual Amendments

- F3** Substituted by [Council Regulation \(EC\) No 2223/2004 of 22 December 2004 amending Regulation \(EC\) No 1257/1999 on support for rural development from the European Agricultural Guidance and Guarantee Fund \(EAGGF\)](#).

Article 47b

- 1 The Community shall contribute to financing pursuant to the provisions laid down in Articles 29 to 32 of Regulation (EC) No 1260/1999.

However, the financial contribution of the Community may amount to 80 % in the areas covered by Objective 1.

By way of derogation from Article 30(2) of Regulation (EC) No 1260/1999, expenditure shall be eligible for support only if it has actually been paid to the beneficiary of a rural development support measure after 31 December 2003 and after the date on which the rural development plan has been submitted to the Commission. The later of those dates shall constitute the starting point for the eligibility of expenditure.

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2 The provisions of Regulation (EC) No 1258/1999 on the financing of the common agricultural policy⁽⁷⁾ with the exception of Article 5 and Article 7(2) shall apply.]

CHAPTER V

MONITORING AND EVALUATION

Article 48

1 The Commission and the Member States shall ensure effective monitoring of implementation of rural development programming.

2 Such monitoring shall be carried out by way of jointly agreed procedures.

Monitoring shall be carried out by reference to specific physical and financial indicators agreed and established beforehand.

Member States shall submit annual progress reports to the Commission.

3 Where appropriate, monitoring committees shall be established.

Article 49

1 Evaluation of measures covered by rural development programming shall be carried out on the basis of the principles laid down in Articles 40 to 43 of Regulation (EC) No 1260/1999.

2 The EAGGF Guarantee Section may, within the framework of the financial resources allocated to programmes, participate in the financing of evaluations relating to rural development in the Member States. The EAGGF Guarantee Section may also, on the initiative of the Commission, finance evaluations at Community level.

[^{F2}For the Czech Republic, Estonia, Cyprus, Latvia, Lithuania, Hungary, Malta, Poland, Slovenia and Slovakia, the EAGGF Guarantee Section may participate in the financing of evaluations relating to rural development in accordance with the provisions of Chapter IVa. Expenditure in respect of ex-ante evaluation shall be eligible for support if it has been paid from 1 January 2004.]

Textual Amendments

- F2** Inserted by [Act concerning the conditions of accession of the Czech Republic, the Republic of Estonia, the Republic of Cyprus, the Republic of Latvia, the Republic of Lithuania, the Republic of Hungary, the Republic of Malta, the Republic of Poland, the Republic of Slovenia and the Slovak Republic and the adjustments to the Treaties on which the European Union is founded.](#)

CHAPTER VI

IMPLEMENTING RULES

Article 50

Detailed rules for the application of this Title shall be adopted in accordance with the procedure laid down in Article 50(2) of Regulation (EC) No 1260/1999.

Status: Point in time view as at 01/05/2004.

Changes to legislation: There are outstanding changes not yet made to Council Regulation (EC) No 1257/1999 (repealed). Any changes that have already been made to the legislation appear in the content and are referenced with annotations. (See end of Document for details)

These rules may in particular define the details of:

- the presentation of rural development plans (Articles 41 to 44),
- the revision of rural development programming documents,
- financial planning, in particular to ensure budgetary discipline (Article 46), and participation in financing (Article 47(2)),
- monitoring and evaluation (Articles 48 and 49),
- how to ensure consistency between rural development measures and the support measures introduced by the market organisations (Article 37).

[^{F2}By way of derogation from the first subparagraph, specific financial provisions for the new Member States, as well as the mechanisms required to facilitate the introduction of these financial provisions, including those required to resolve specific practical problems, shall be adopted in accordance with the procedure laid down in Article 13 of Regulation (EC) No 1258/1999.]

Textual Amendments

- F2** Inserted by [Act concerning the conditions of accession of the Czech Republic, the Republic of Estonia, the Republic of Cyprus, the Republic of Latvia, the Republic of Lithuania, the Republic of Hungary, the Republic of Malta, the Republic of Poland, the Republic of Slovenia and the Slovak Republic and the adjustments to the Treaties on which the European Union is founded.](#)

Status: Point in time view as at 01/05/2004.

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- (1) [^{X1}See page 103 of this Official Journal.]
- (2) [^{F1}OJ L 224, 18.8.1990, p. 19. Decision as last amended by Regulation (EC) No 806/2003.]
- (3) [^{X1}OJ L 213, 13.8.1999, p. 1.
- (4) OJ L 213, 13.8.1999, p. 5.]
- (5) OJ L 161, 26.6.1999, p. 54.
- (6) [^{F2}OJ L 248, 16.9.2002, p. 1.
- (7) OJ L 160, 26.6.1999, p. 103.]

Editorial Information

- X1** Substituted by [Corrigendum 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 \(Official Journal of the European Communities L 160 of 26 June 1999\)](#).

Textual Amendments

- F1** Substituted by [Council Regulation \(EC\) No 1783/2003 of 29 September 2003 amending Regulation \(EC\) No 1257/1999 on support for rural development from the European Agricultural Guidance and Guarantee Fund \(EAGGF\)](#).
- F2** Inserted by [Act concerning the conditions of accession of the Czech Republic, the Republic of Estonia, the Republic of Cyprus, the Republic of Latvia, the Republic of Lithuania, the Republic of Hungary, the Republic of Malta, the Republic of Poland, the Republic of Slovenia and the Slovak Republic and the adjustments to the Treaties on which the European Union is founded](#).

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